

Private Sector Credit Extension

June 2025

0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

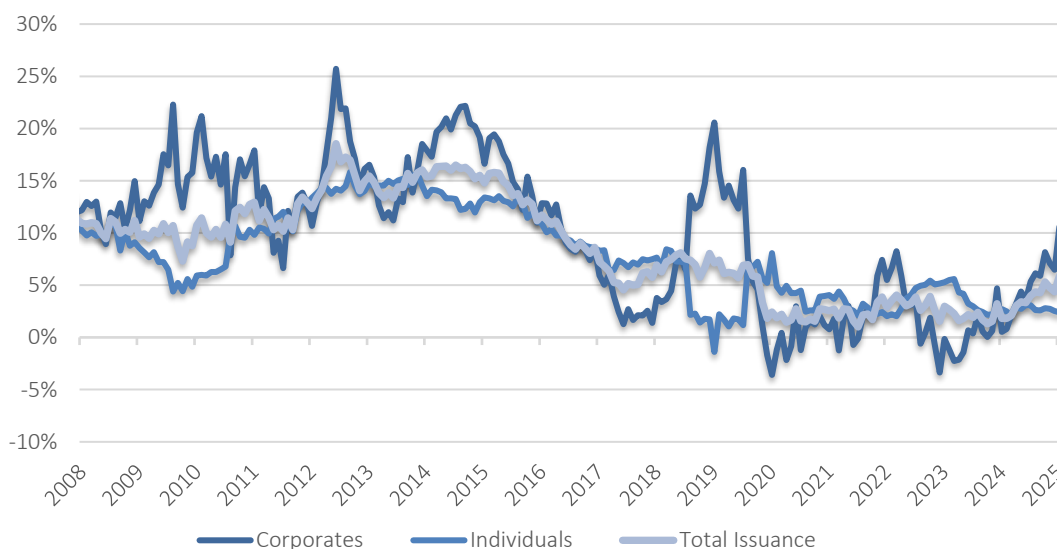
Overview

Category	N\$ Millions Outstanding	Change in N\$ Millions		% Change	
		One Month	One Year	m/m	y/y
Corporates	50,889.0	802.6	4,869.6	1.60%	10.58%
Individuals	69,201.1	205.8	1,615.8	0.30%	2.39%
Mortgage Loans	59,085.8	116.2	(192.2)	0.20%	-0.32%
Other Loans & Advances	33,185.8	(103.0)	2,548.2	-0.31%	8.32%
Overdrafts	12,485.8	403.7	1,854.1	3.34%	17.44%
Instalment Credit	15,332.8	591.5	2,275.3	4.01%	17.43%
Total PSCE	120,294.8	964.2	6,690.1	0.81%	5.89%

Source: Bank of Namibia, IJG Securities

Total credit extended to the private sector (PSCE) rose by N\$964.2 million or 0.8% m/m in June, bringing the total credit outstanding to N\$120.29 billion. On a year-on-year basis, PSCE grew by 5.8% y/y in June – up from the 4.4% y/y growth rate of May – marking the highest annual growth rate since January 2020. The annual increase was driven primarily by strong demand for credit from businesses, while credit extended to individuals also rose, albeit at a more moderate pace. Over the past 12 months, a total of N\$6.69 billion in credit was extended to the private sector, with corporates taking up N\$4.87 billion and individuals N\$1.62 billion.

PSCE Issuance
Growth (% y/y)



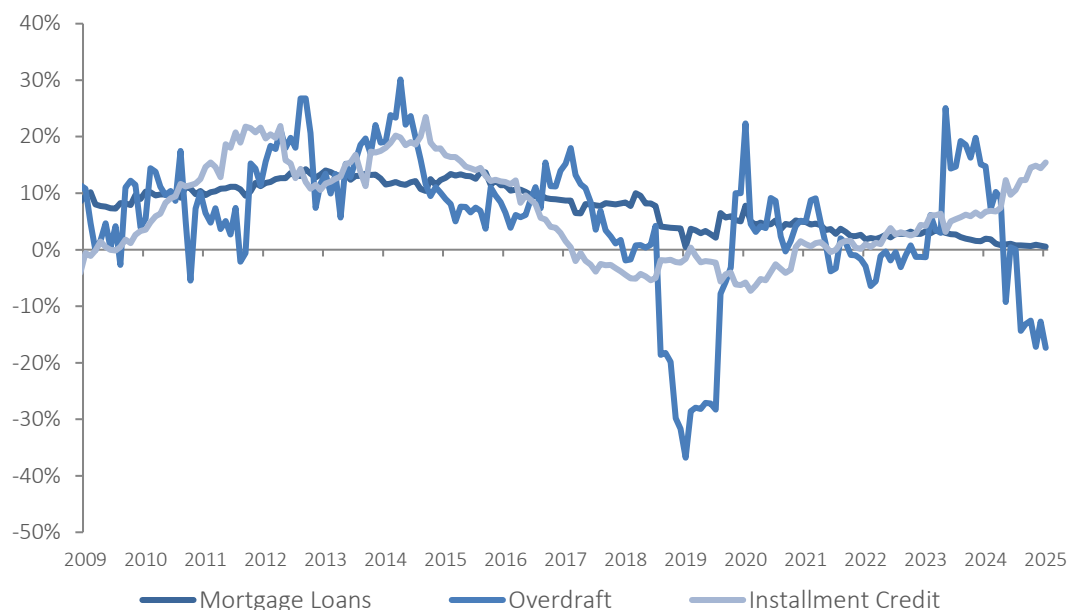
Source: Bank of Namibia, IJG Securities

Credit Extension to Individuals

Credit extended to individuals increased by 0.3% m/m and 2.4% y/y in June. The monthly growth was mostly driven by an increase in 'other loans and advances' which grew by 0.9% m/m and is also the category's highest monthly growth rate since November 2024. 'Other loans and advances' also recorded the strongest growth on an annual basis, increasing by 6.0% y/y, compared to mortgage loans extended to individuals which only grew by 0.5% y/y. By contrast, overdraft facilities continued to trend in negative territory, contracting by 7.6% m/m and 17.3% y/y. Instalment credit rose by 1.7% m/m and 15.4% y/y.

0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

Annual Credit Growth (Individuals)

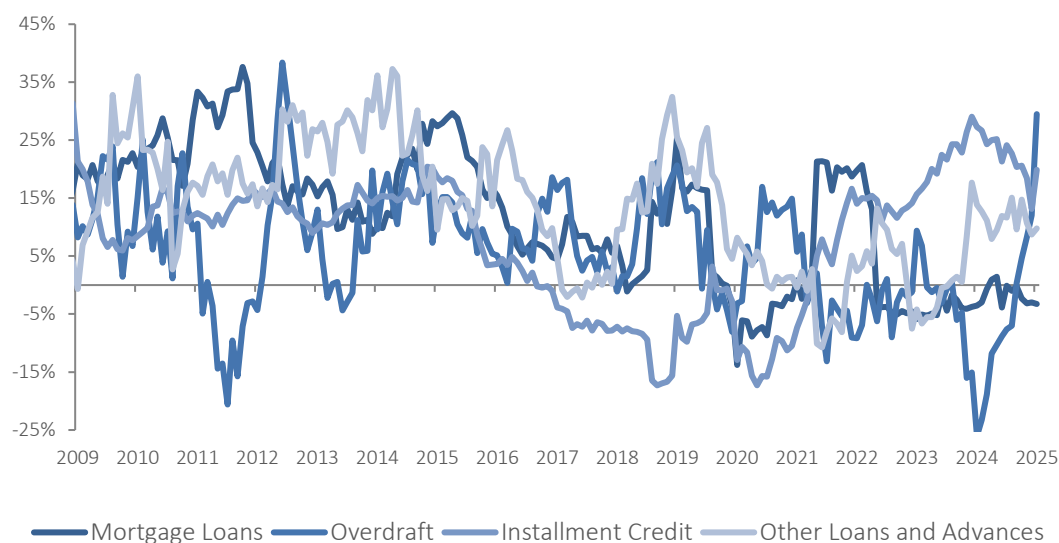


Source: Bank of Namibia, IJG Securities

Credit Extension to Corporates

Credit extended to corporations rose marginally by 0.8% m/m but recorded a notable year-on-year increase of 10.6% y/y in June. By contrast to individuals, corporate overdraft lending grew by 6.1% m/m and 29.5% y/y, making a significant contribution to the annual increase. 'Other loans and advances' to corporations also recorded robust growth of 9.8% y/y, exceeding the ten-year average growth rate of 8.5% y/y. However, credit outstanding of this category declined by 1.0% m/m in June with its growth rate moderating since April 2025. The mortgage lending to corporates remained in negative territory for the fourth consecutive month, down by 0.2% m/m and 3.3% y/y, although the month-on-month decline has been slowing over the past three months. Meanwhile, instalment credit to corporates increased by 6.9% m/m and 19.9% y/y in June.

Annual Credit Growth (Corporates)



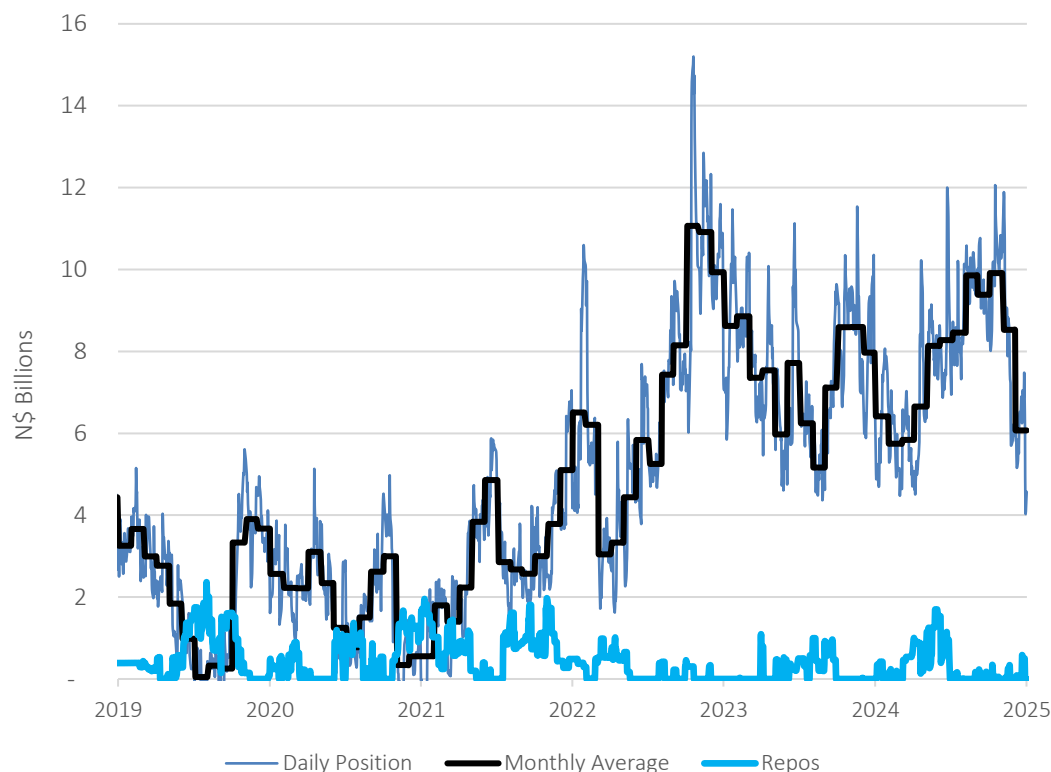
Source: Bank of Namibia, IJG Securities

0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

Banking Sector Liquidity

The overall liquidity position of commercial banks declined by N\$2.46 billion in June, dropping from an average of N\$8.53 billion in May to N\$6.1 billion in June. This marks the lowest liquidity position since September 2024 and is also below the average of the past year. According to the Bank of Namibia (BoN), the decline is mainly due to net outflows related to corporate tax payments at the end of June 2025.

Namibian Banking Liquidity

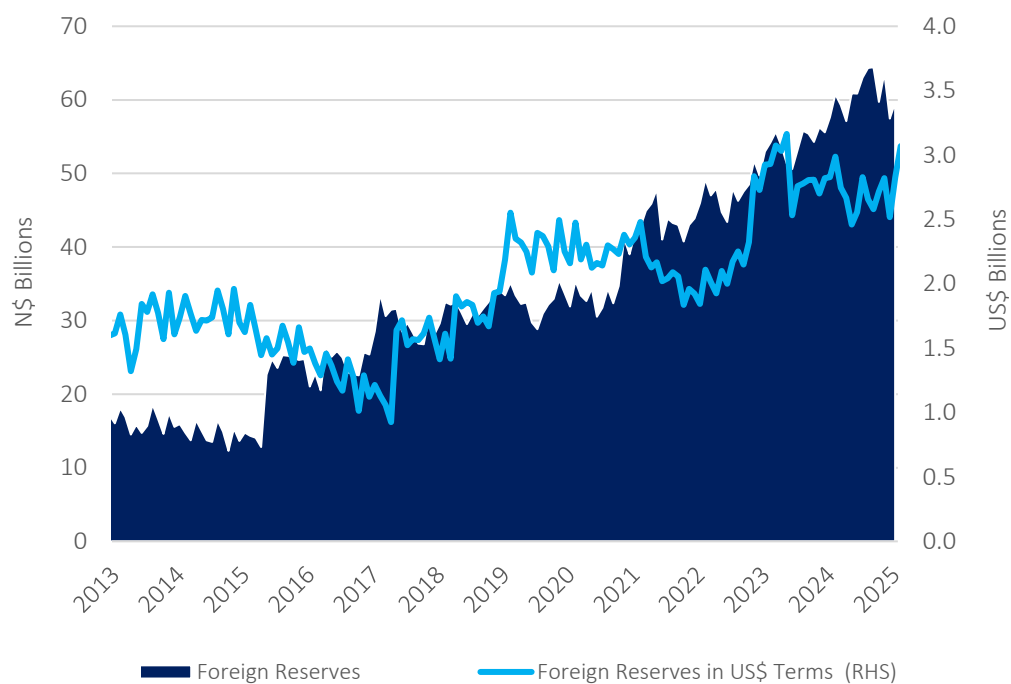


Source: Bank of Namibia, IJG Securities

Money Supply and Reserves

International foreign reserves increased by 3.8% m/m, or N\$2.19 billion, reaching N\$59.64 billion at the end of June. The rise in reserves was predominantly driven by net inflows from commercial banks and Customer Foreign Currency (CFC) placements, according to the BoN. At this level, international reserves provide 3.9 months of import cover. When excluding oil exploration and appraisal activities, which are mainly financed from abroad, the import cover ratio improves to 4.8 months.

Foreign Reserves



Source: Bank of Namibia, IJG Securities

Conclusion

Overall, PSCE growth has ticked up after a dip in May, reaching its highest year-on-year growth rate since January 2020. Credit uptake increased for both individuals and corporations, although growth was more pronounced among corporates. On the monetary front, the banking sector's liquidity position further weakened in June, while international reserves improved during the month.

Contact Us

Department	Email Address
General	info@ijg.net
Compliance	compliance@ijg.net
Finance	finance@ijg.net
Corporate Finance & Advisory	advisory@ijg.net
Money Market Transactions	instructions.wealth@ijg.net
Wealth Management	wealth@ijg.net
Stockbroking	dealing@ijg.net
Private Equity	privateequity@ijg.net
Research & Data	research@ijg.net
Unit Trusts	info@prescient-ijg.net

No representation is given about, and no responsibility is accepted, for the accuracy or completeness of this document. Any views reflect the current views of IJG Holdings (Pty) Ltd. The views reflected herein may change without notice. IJG Holdings (Pty) Ltd provides this document to you for information purposes only and should not be constructed as and shall not form part of an offer or solicitation to buy or sell securities or derivatives. It may not be reproduced, distributed or published by any recipient for any purposes.



**Independent. Focused.
Personalised.**

4th Floor, 1@Steps, C/O Grove & Chasie Streets, Kleine Kuppe
P O Box 186, Windhoek, Namibia, Tel: +264 81 958 3500, www.ijg.net

ADVISORY | BUSINESS BROKING | INVESTMENT MANAGEMENT | PRIVATE EQUITY | STOCKBROKING | UNIT TRUSTS | WEALTH MANAGEMENT