

# Private Sector Credit Extension

## March 2026

0.0005	4.85%
0.1003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

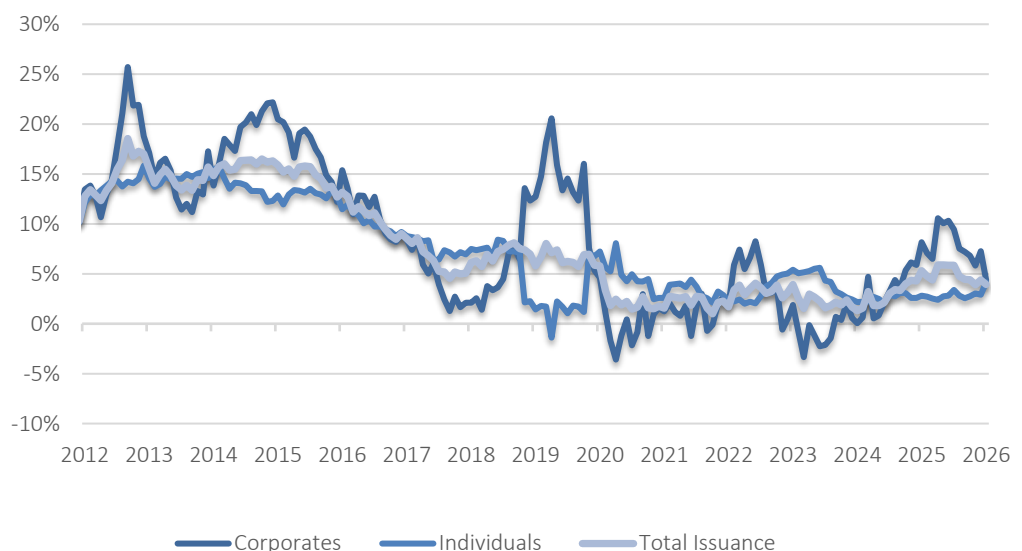
## Overview

Category	N\$ Millions Outstanding	Change in N\$ Millions		% Change	
		One Month	One Year	m/m	y/y
<b>Corporates</b>	<b>51,771.1</b>	<b>(773.5)</b>	<b>2,179.6</b>	<b>-1.47%</b>	<b>4.40%</b>
<b>Individuals</b>	<b>71,570.8</b>	<b>931.9</b>	<b>2,851.5</b>	<b>1.32%</b>	<b>4.15%</b>
Mortgage Loans	59,784.4	150.8	825.8	0.25%	1.40%
Other Loans & Advances	33,215.8	(38.9)	1,372.2	-0.12%	4.31%
Overdrafts	12,650.5	(443.3)	(262.5)	-3.39%	-2.03%
Instalment Credit	17,691.1	489.8	3,095.6	2.85%	21.21%
<b>Total PSCE</b>	<b>123,341.8</b>	<b>158.4</b>	<b>5,031.2</b>	<b>0.13%</b>	<b>4.25%</b>

Source: Bank of Namibia, IIG Securities

Private sector credit ticked up marginally in March, rising by N\$158.4m or 0.1% m/m and 4.3% y/y. As a result, total credit outstanding reached N\$123.34bn. Monthly growth in PSCE was observed for individuals, whereas credit demand from businesses softened. In contrast, the annual increase was predominantly driven by strong demand for credit from businesses. Over the past 12 months, a total of N\$5.03bn in credit was extended to the private sector, with corporates taking up N\$2.18bn and individuals N\$2.85bn.

PSCE Issuance Growth (% y/y)



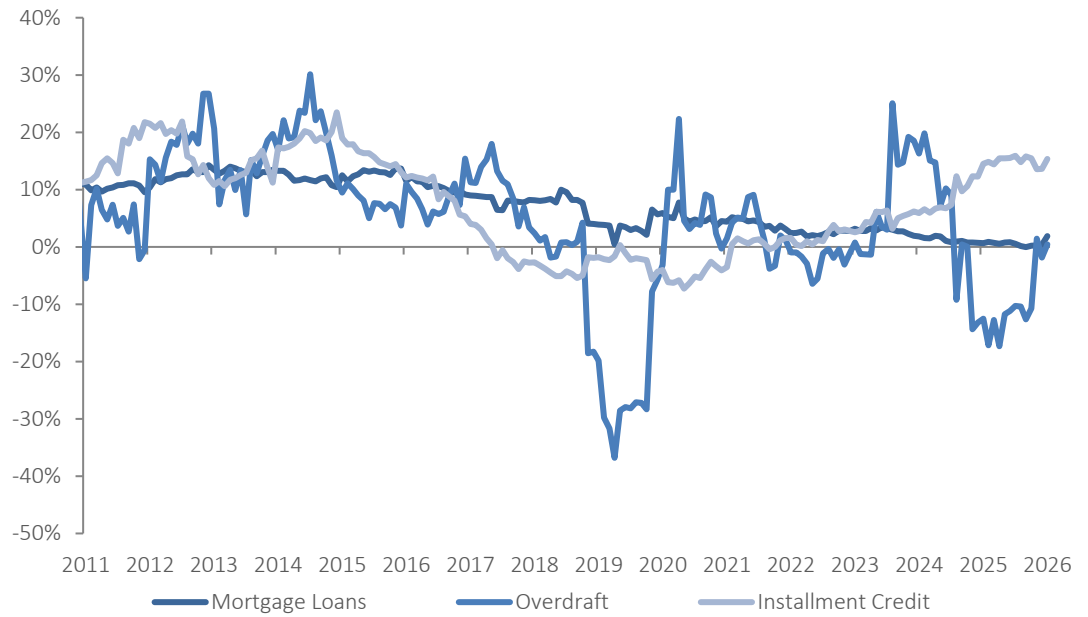
Source: Bank of Namibia, IIG Securities

## Credit Extension to Individuals

Credit extended to individuals rose by 1.3% m/m and 4.2% y/y in March. The monthly increase marks the highest monthly growth in credit extended to individuals since October 2019. The uptick was driven by robust growth in mortgage lending and a rebound in overdraft facilities following a contraction in the previous month. On an annual basis, mortgage loans grew by 1.9% y/y, representing the highest growth rate since February 2024 and points to increased appetite for property purchases. Overdrafts also recovered, rising modestly by 0.5% y/y after declining in the prior month. Meanwhile, growth in 'other loans and advances' eased to 5.9% y/y, extending a deceleration trend for the sixth consecutive month.

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**Annual Credit Growth  
(Individuals)**



Source: Bank of Namibia, IJG Securities

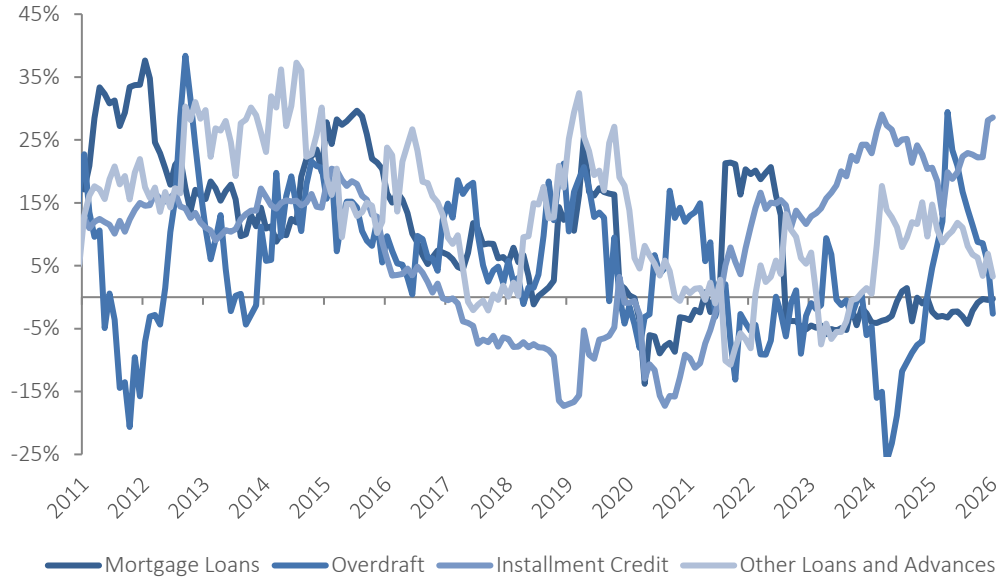
## Credit Extension to Corporates

Credit extended to corporations declined by 1.5% m/m, while annual growth slowed to 4.4% y/y from the previous month. This marks the weakest expansion in business credit since November 2024. The monthly contraction was driven by a decline in both mortgage loans and overdraft facilities, which fell by 3.6% m/m and 4.6% m/m, respectively. On an annual basis, mortgage loans softened by 0.3% y/y, while overdraft facilities contracted by 2.6% y/y, with the Bank of Namibia (BoN) attributing this to net repayments on overdrafts. Growth in 'other loans and advances' remained flat on a monthly basis and increased by 3.3% y/y, though this represents a notable slowdown compared to previous months. According to the BoN, the moderation reflects weaker demand and increased credit card repayments, particularly within the manufacturing and financial services sectors.



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Annual Credit Growth (Corporates)

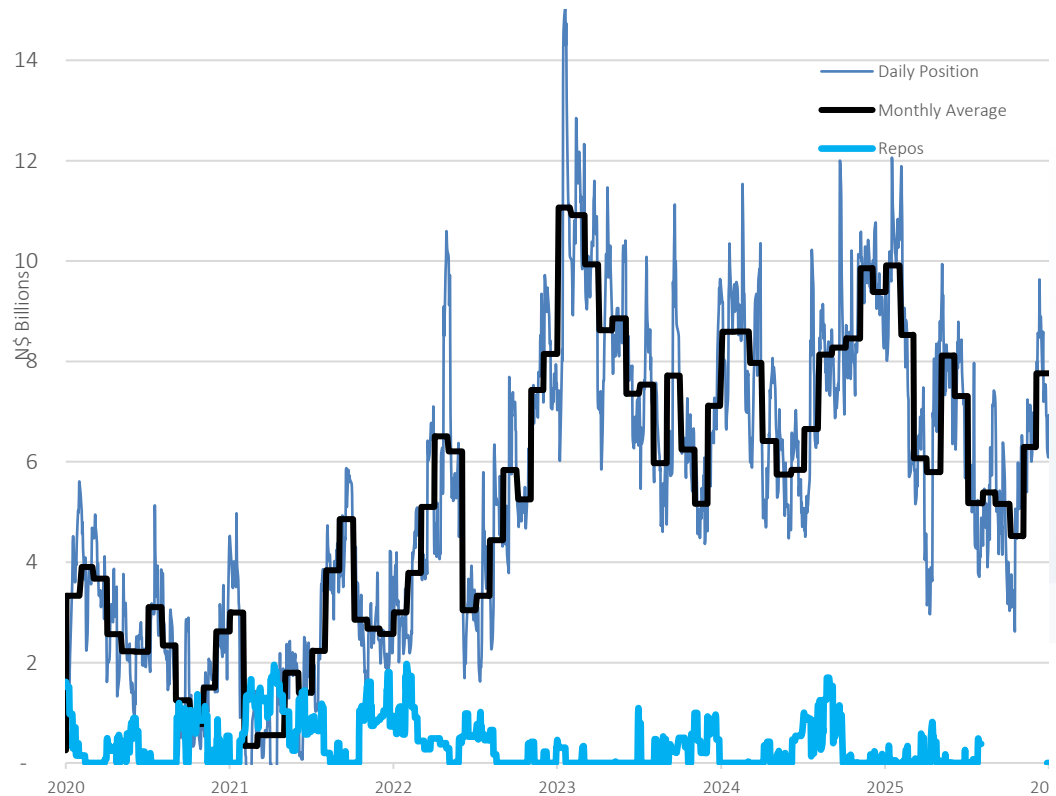


Source: Bank of Namibia, IJG Securities

## Banking Sector Liquidity

The overall liquidity position of commercial banks rose to an average of N\$7.76bn in March, representing a 23.3% m/m increase from February's average of N\$6.30bn. According to the BoN, the higher liquidity levels were primarily driven by diamond sale proceeds and increased government spending associated with the fiscal year-end.

Namibian Banking Liquidity



Source: Bank of Namibia, IJG Securities

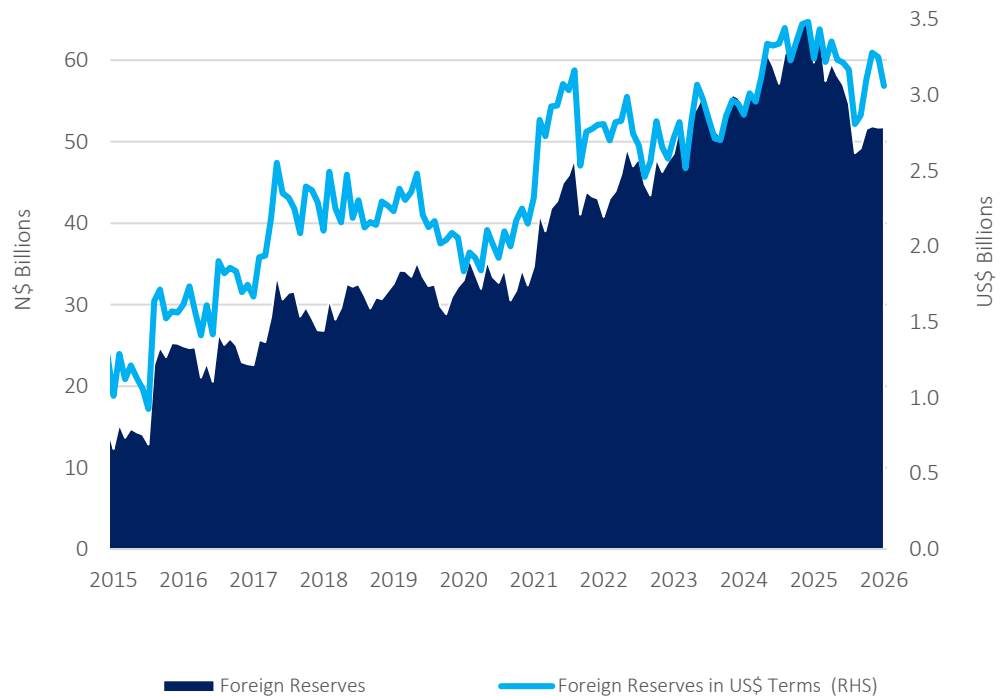




## Money Supply and Reserves

International reserves remained broadly stable in March, edging up by 0.1% m/m from N\$51.72bn to N\$51.76bn. The BoN attributes the slight increase to ZAR inflows from commercial banks and Customer Foreign Currencies placements. At this level, foreign reserves provide an estimated 3.2 months of import cover, rising to 3.6 months when excluding oil and gas exploration and appraisal-related imports.

### Foreign Reserves



Source: Bank of Namibia, IJG Securities

## Conclusion

Following an uptick in February, PSCE growth moderated to 3.9% y/y in March from 4.4% y/y, largely reflecting weaker demand in the corporate segment, which had supported growth in preceding months. In line with this slowdown and heightened geopolitical tensions in the Middle East, the BoN has maintained a cautious policy stance, aiming to insulate the economy from potential energy price shocks. With economic activity already subdued, these external risks are expected to further weigh on both overall growth and credit extension in Namibia.



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