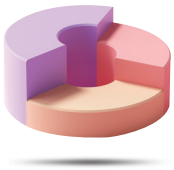
2023/24

DEBT MANAGEMENT Report

national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



2023/24 DEBT MANAGEMENT Report

RP 282/2024 | **ISBN:** 978-1-77997-255-2
Title: 2023/24 Debt Management Report

Private Bag X115, Pretoria, 0001 | 40 Church Square, Pretoria, 0002
Tel: +27 12 315 5944 | **Fax:** +27 12 406 5095
Web: www.treasury.gov.za

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

2023/24
DEBT
MANAGEMENT
Report

CONTENTS

1. FOREWORD 8

2. THE SOUTH AFRICAN DEBT CAPITAL MARKET 10
LISTING ACTIVITY IN THE PRIMARY DEBT CAPITAL MARKET 10
SECONDARY MARKET ACTIVITY IN SOUTH AFRICAN BONDS 12
ELECTRONIC TRADING PLATFORM 14

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING 16
BORROWING REQUIREMENT 16
DOMESTIC SHORT-TERM BORROWING 17
DOMESTIC LONG-TERM BORROWING 17
FOREIGN LONG-TERM BORROWING 32
INTEREST AND REDEMPTION PAYMENTS ON LONG-TERM LOANS 33
GOVERNMENT CASH BALANCES 34

4. HOLDINGS OF GOVERNMENT DEBT INSTRUMENTS 36
HOLDINGS OF DOMESTIC MARKETABLE GOVERNMENT BONDS 36
HOLDINGS OF RETAIL SAVINGS BONDS 40

5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS 42
GOVERNMENT DEBT PORTFOLIO 42
FUNDING PORTFOLIO INDICATORS 44
GOVERNMENT MATURITY PROFILE 45
SOVEREIGN RISK ASSESSMENT 46

6. INVESTOR RELATIONS 49
INVESTOR ROADSHOWS 49
INVESTOR RELATIONS WEBSITE 49
MARKETING AND PROMOTION OF RSA RETAIL SAVINGS BONDS 49

CONTENTS

7. ANNEXURES 50

ANNEXURE A: REDEMPTION SCHEDULE OF TREASURY BILLS (31 MARCH 2024) 50

ANNEXURE B: YIELD TRENDS OF GOVERNMENT FIXED-RATE BONDS (2023/24) 52

ANNEXURE C: FIXED-RATE BOND YIELD SPREADS (2023/24) 55

ANNEXURE D: SUMMARY OF 91-DAY AND 182-DAY TREASURY BILL AUCTIONS (2023/24) 56

ANNEXURE E: SUMMARY OF 273-DAY AND 364-DAY TREASURY BILL AUCTIONS (2023/24) 58

ANNEXURE F: SUMMARY OF FIXED-RATE BOND AUCTIONS (2023/24) 60

ANNEXURE G: SUMMARY OF INFLATION-LINKED BOND AUCTIONS (2023/24) 64

ANNEXURE H: GLOSSARY 69

ANNEXURE I: ABBREVIATIONS AND ACRONYMS 70

TABLES

TABLE 1: FINANCING OF NATIONAL GOVERNMENT GROSS BORROWING REQUIREMENT (2023/24) 16

TABLE 2: DOMESTIC SHORT-TERM BORROWING (2023/24) 17

TABLE 3: TREASURY BILL AUCTION UNDER-ALLOTMENTS (2023/24) 19

TABLE 4: TREASURY BILL AUCTION ANALYSIS (2023/24) 19

TABLE 5: INTEREST RATES ON RETAIL SAVINGS BONDS (2023/24) 31

TABLE 6: SUMMARY OF FINANCIAL COOPERATIVES RETAIL SAVINGS BONDS (2023/24) 32

TABLE 7: BORROWING FROM INTERNATIONAL FINANCE INSTITUTIONS (2023/24) 33

TABLE 8: NATIONAL GOVERNMENT'S CASH BALANCES AS AT 31 MARCH 2023 AND 31 MARCH 2024 35

TABLE 9: US DOLLAR FLOWS ON FOREIGN EXCHANGE DEPOSITS (2023/24) 35

TABLE 10: TOTAL GOVERNMENT DEBT (2023/24) 42

TABLE 11: COMPOSITION OF DOMESTIC DEBT BY INSTRUMENT (2022/23 TO 2023/24) 43

TABLE 12: DEBT-SERVICE COSTS (2023/24) 43

TABLE 13: FUNDING BENCHMARK INDICATORS 44

TABLE 14: PORTFOLIO BENCHMARK INDICATORS 45

TABLE 15: SOUTH AFRICA'S SOLICITED CREDIT RATINGS (2023/24) 47

FIGURES

FIGURE 1: PRIMARY LISTING OF DEBT SECURITIES ON THE JSE (31 MARCH 2024) 10

FIGURE 2: COMPOSITION OF PRIMARY LISTINGS BY INSTRUMENT (31 MARCH 2024) 11

CONTENTS

FIGURE 3: SECTORAL COMPOSITION OF PRIMARY LISTINGS OF DEBT SECURITIES ON THE JSE (31 MARCH 2024) 12
FIGURE 4: SOUTH AFRICAN BOND MARKET TURNOVER (2003-2024) 13
FIGURE 5: GOVERNMENT BOND TURNOVER RATIOS (31 DECEMBER 2023) 14
FIGURE 6: ELECTRONIC TRADING PLATFORM DAILY VOLUMES AND TRADES (JANUARY 2022 TO DECEMBER 2023) 15
FIGURE 7: REPO, TREASURY BILL AND SUBSCRIPTION RATES (2023/24) 18
FIGURE 8: ISSUANCE OF FIXED-RATE BONDS, EXCLUDING NON-COMPETITIVE BID AUCTIONS (2023/24) 21
FIGURE 9: YIELD CURVE MOVEMENT OF FIXED-RATE BONDS (2023/24) 22
FIGURE 10: PRIMARY DEALER PARTICIPATION IN FIXED-RATE BOND AUCTIONS (2023/24) 24
FIGURE 11: NON-COMPETITIVE BOND AUCTION PERFORMANCE PER BOND (2023/24) 25
FIGURE 12: ISSUANCE OF INFLATION-LINKED BONDS (2023/24) 26
FIGURE 13: YIELD CURVE MOVEMENT OF INFLATION-LINKED BONDS (2023/24) 27
FIGURE 14: SCRIP LENDING FACILITY (2023/24) 29
FIGURE 15: MONTHLY RETAIL SAVINGS BOND DEPOSITS INCLUDING REINVESTMENTS (2023/24) 30
FIGURE 16: INTEREST AND REDEMPTION PAYMENTS (2023/24) 34
FIGURE 17: HISTORICAL GOVERNMENT BOND HOLDINGS (31 DECEMBER 2011 TO 31 MARCH 2024) 36
FIGURE 18: FOREIGN INVESTOR HOLDINGS OF GOVERNMENT BONDS (31 DECEMBER 2011 - 31 MARCH 2024) 37
FIGURE 19: HOLDINGS OF DOMESTIC FIXED-RATE AND INFLATION-LINKED BONDS (31 MARCH 2024) 38
FIGURE 20: HOLDINGS OF DOMESTIC FIXED-RATE BONDS BY INSTRUMENT (31 MARCH 2024) 39
FIGURE 21: HOLDINGS OF DOMESTIC INFLATION-LINKED BONDS BY INSTRUMENT (31 MARCH 2024) 40
FIGURE 22: RETAIL INVESTOR DEMOGRAPHICS (31 MARCH 2024) 41
FIGURE 23: MATURITY PROFILE OF GOVERNMENT DEBT (31 MARCH 2024) 46
FIGURE 24: SOUTH AFRICA'S LONG-TERM FOREIGN CURRENCY CREDIT RATINGS HISTORY (1994-2024) 48

Dr DUNCAN PIETERSE
Director-General

1. FOREWORD

The 2023/24 financial year saw a significant shift in global interest rate expectations. Initially, the United States Federal Reserve was anticipated to maintain elevated interest rates for an extended duration. However, with economic indicators such as easing inflation and a slowing economy, a reassessment occurred. By late 2023, the Federal Reserve signaled a more dovish stance, indicating potential rate cuts in the latter half of 2024. This marked a substantial departure from earlier forecasts, which had projected restrictive monetary policy to persist throughout the year.

Global economic growth remained steady at 3.3 percent, with advanced economies experiencing an acceleration while emerging markets recorded a modest slowdown. At the start of the year, the Federal Reserve reaffirmed its commitment to tackling inflation, with inflation rates standing at 6.4 percent in the United States, 10.1 percent in the United Kingdom, and 8.4 percent in South Africa. These inflationary pressures led to significant capital outflows from emerging market assets as markets anticipated further US interest rate hikes and continued quantitative tightening. Meanwhile, the collapse of Silicon Valley Bank and Credit Suisse prompted safe-haven demand for gold, driving its price from $1,800 an ounce to $2,050 an ounce. Oil prices remained highly volatile, trading between $66 and $97 per barrel amid escalating geopolitical risks.

In South Africa, GDP growth was modest at 0.7 percent, reflecting persistent challenges such as the lasting impacts of the COVID-19 pandemic and a worsening electricity crisis. The energy challenges also contributed to the rand weakening to R19.80 against the US dollar. The South African Reserve Bank maintained the policy rate at 8.25 percent as inflationary pressures eased in the second half of the year. Unemployment edged up slightly, rising from 31.9 percent in the third quarter to 32.1 percent in the fourth quarter.

1. FOREWORD

The largest component of the borrowing requirement of government is the annual budget deficit. As confirmed by the 2024 Budget, government is staying the course on the fiscal strategy to achieve and maintain a primary budget surplus, stabilising debt and stop the growth of debt-service costs as percentage of revenue. The Budget targets a reduction in the deficit, from 4.7 percent to 3.3 percent over the next three years, thus relieving the pressure for more debt financing. Bringing the debt under control ensures that a fiscal crisis will not occur, and that upward pressure on lending rates is reduced.

Credit rating agencies maintained a stable outlook for South Africa's long-term prospects. Fitch and S&P retained their BB- ratings, while Moody's upheld its Ba3 rating. These assessments highlighted the country's strong debt management, credible central bank policy, robust institutions, deep capital markets, and flexible currency. However, persistent challenges such as power disruptions, high unemployment, a rising debt-to-GDP ratio, and low economic growth were noted as key risks.

South African domestic bonds faced significant pressure, in line with broader emerging market trends. Yields on the 10-year bond increased by up to 160 basis points between January and September 2023. However, sentiment improved following a positive response to the Medium-term Budget Policy Statement.

Despite market volatility, the government successfully funded its R553 billion borrowing requirement through a combination of domestic long-term loans (R327 billion), domestic short-term loans (R88 billion), foreign loans (R45 billion), and cash reserves (R92 billion). Efforts to extend the debt maturity profile included bond switch auctions involving the R197 inflation-linked bond and the R186 and R2030 fixed-rate bonds. The issuance of Al Ijara Sukuk in November 2023 added new instruments to the government's portfolio.

The government is dedicated to alleviating debt-service expenses through strategic fiscal discipline. Projections indicate the gross financing requirement will reach its peak at 7.3 percent of GDP in fiscal year 2025/26, with anticipated gradual reduction commencing from 2026/27. The government aims to optimize debt management by implementing targeted strategies that will both minimize the overall debt burden and strategically lower borrowing expenses.

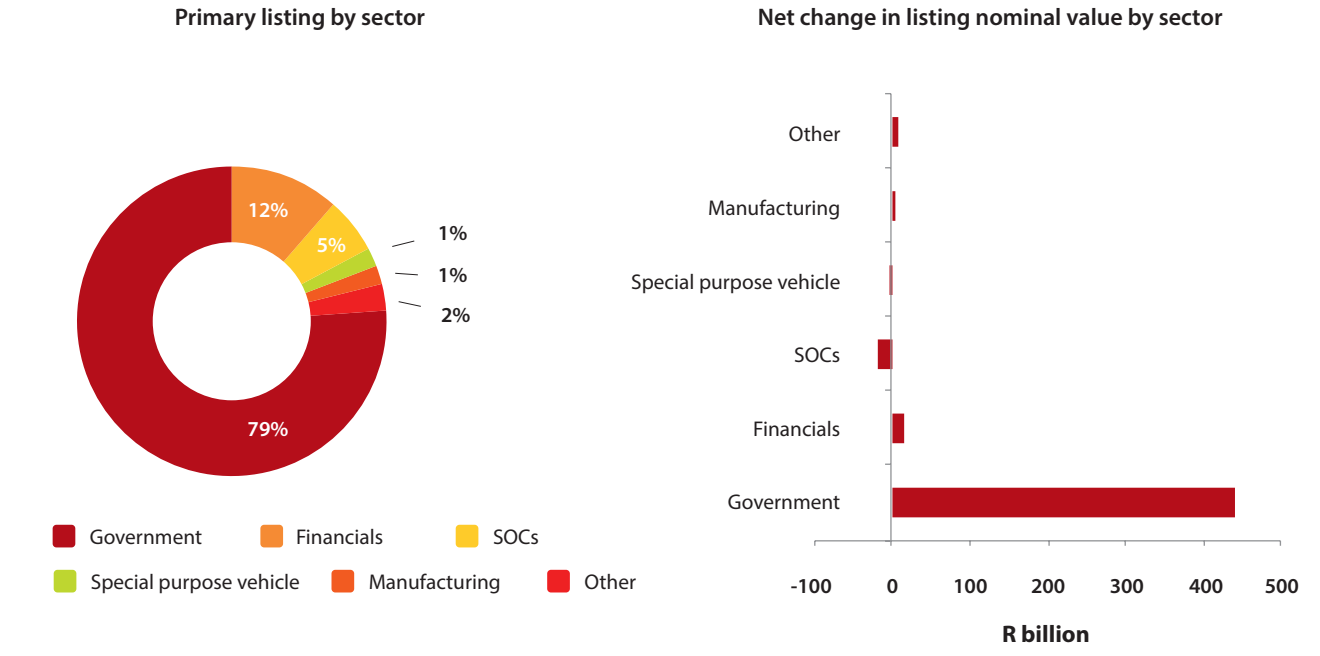
Dr DUNCAN PIETERSE
Director-General

2. THE SOUTH AFRICAN DEBT CAPITAL MARKET

LISTING ACTIVITY IN THE PRIMARY DEBT CAPITAL MARKET

The total nominal amount outstanding for debt instruments listed on the Johannesburg Stock Exchange (JSE) stood at R4.7 trillion as at 31 March 2024, R449 billion higher than at the end of the previous year. The domestic debt capital market remains an important source of financing, especially for national government. For the reporting period, government's contribution to the total outstanding debt listed on the JSE was the highest, amounting to R3.76 trillion, a R440 billion increase from 2022/23. SOCs and special purpose vehicles saw a collective net reduction of R19 billion from the listing activity reported in 2022/23 financials, and manufacturing increased by R16.9 billion and R2.1 billion, respectively.

Figure 1: Primary listing of debt securities on the JSE (31 March 2024)

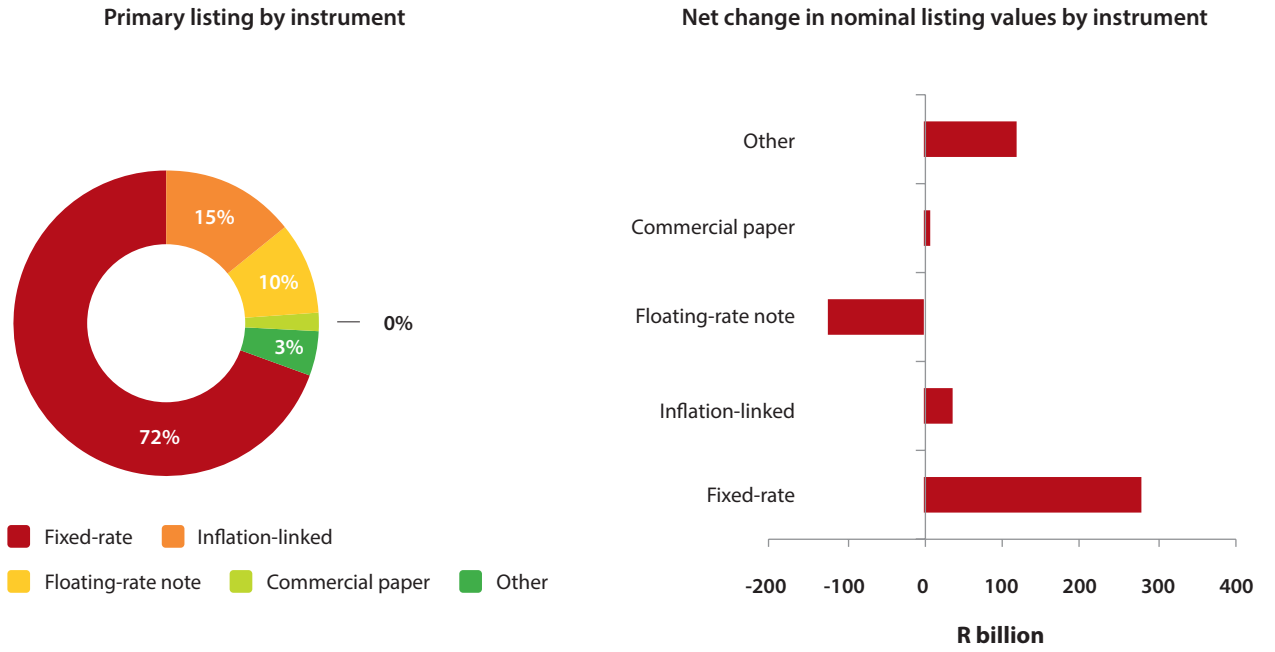


Sources: JSE, National Treasury

As at 31 March 2024, government's debt contributed about 79 per cent of listed debt. This was 1.6 per cent higher than the 77.4 per cent recorded as at 31 March 2023. The next largest sectors were financials, with a listing of 12 per cent, and SOCs, with a listing of 5 per cent.

2. THE SOUTH AFRICAN DEBT CAPITAL MARKET

Figure 2: Composition of primary listings by instrument (31 March 2024)



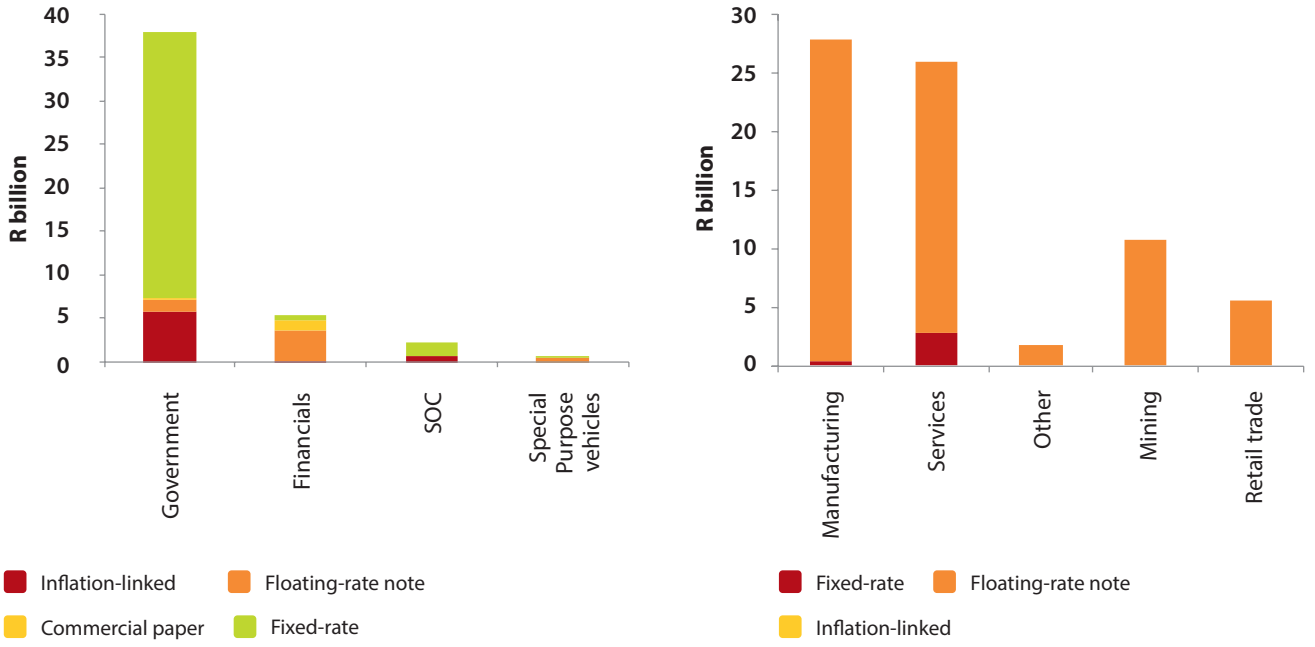
Sources: JSE, National Treasury

Fixed-rate bonds account for the largest part of total primary listings by a considerable margin. This is mainly because government, the largest issuer of listed debt, mostly issues them.

As at 31 March 2024, fixed-rate instruments accounted for 72.4 per cent (R3.2 trillion) of total listed debt, higher than the 69.7 recorded on 31 March 2023. As illustrated in Figure 2, inflation-linked bonds are the second-most issued instrument, accounting for 14.7 per cent of primary listings. In nominal terms, inflation-linked bonds increased by roughly R36.4 billion, while floating rate notes (FRNs) decreased by R124.5 billion year-on-year.

2. THE SOUTH AFRICAN DEBT CAPITAL MARKET

Figure 3: Sectoral composition of primary listings of debt securities on the JSE (31 March 2024)



Sources: JSE, National Treasury

Figure 3 shows the preference for issuing FRNs outside the government and SOC sectors. FRNs provide a good source of funding while investor demand is high, as many investors see the credit spread in their portfolios as having the potential to generate higher returns during increasing interest-rate cycles.

SECONDARY MARKET ACTIVITY IN SOUTH AFRICAN BONDS[1]

Trading activity in the secondary market increased marginally during 2023. Trading volumes as at 31 December 2023 were R38.7 trillion, reflecting a R5.1 trillion increase from the volumes recorded in December 2022.

Repurchase (repo) transactions are an efficient source of money-market funding. This is because they provide investors with a range of options for investing surplus cash and helping to avoid settlement failures. As at 31 December 2023, the repo market amounted to 71.7 per cent of total trading volumes in the interest-rate market, a 0.7 per cent increase from the 71 per cent recorded on 31 December 2022. Of the total trades in the secondary market, standard trades accounted for 28.3 per cent and

1 As source data was unavailable at the time if publication, information provided in this section is as at 31 December 2023, not 31 March 2024.

2. THE SOUTH AFRICAN DEBT CAPITAL MARKET

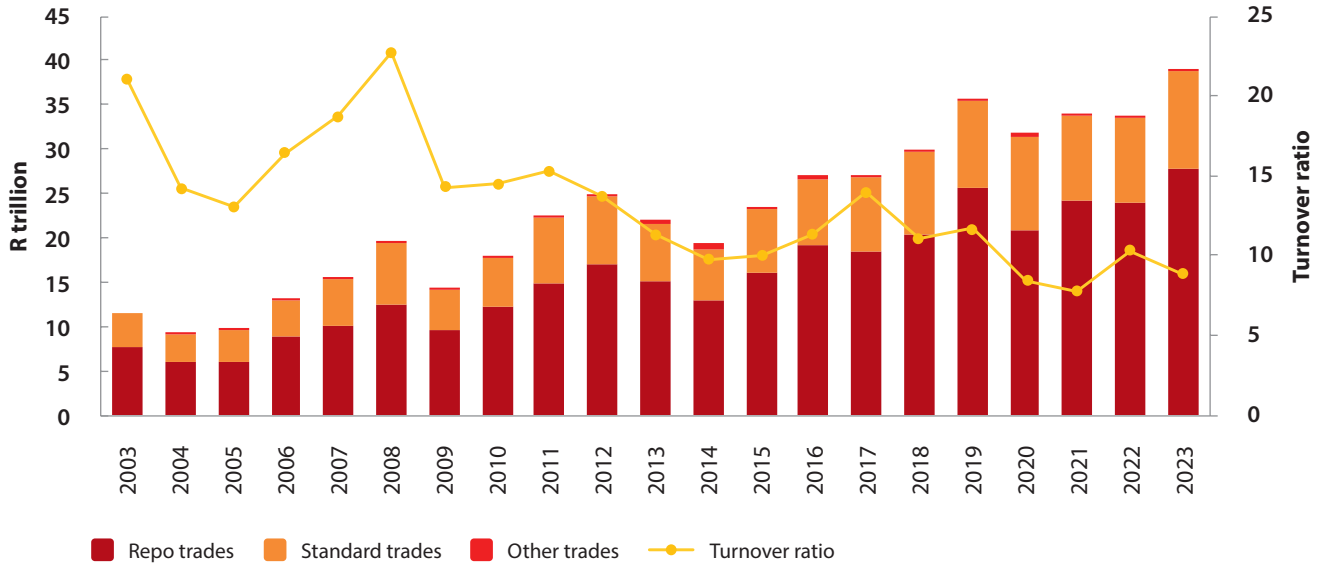
other trades accounted for 0.02 per cent. In nominal terms, repo trades increased by R3.6 trillion, standard trades increased by R1.4 trillion and other trades decreased by R278.1 million.

Repo market

Repos are classified as money-market instruments that are normally used to raise short-term capital. When the party selling an asset (usually fixed-income securities) agrees to repurchase it in the future, it is considered a repo. A reverse repo agreement is in place when the party on the other end of the transaction buys the security and agrees to sell it in the future. If the seller defaults during the life of the repo, the buyer (as the new owner) can sell the asset to a third party to offset losses. The asset, therefore, acts as collateral and mitigates the credit risk that the buyer has on the seller.

Source: International Capital Market Association

Figure 4: South African bond market turnover (2003-2023)



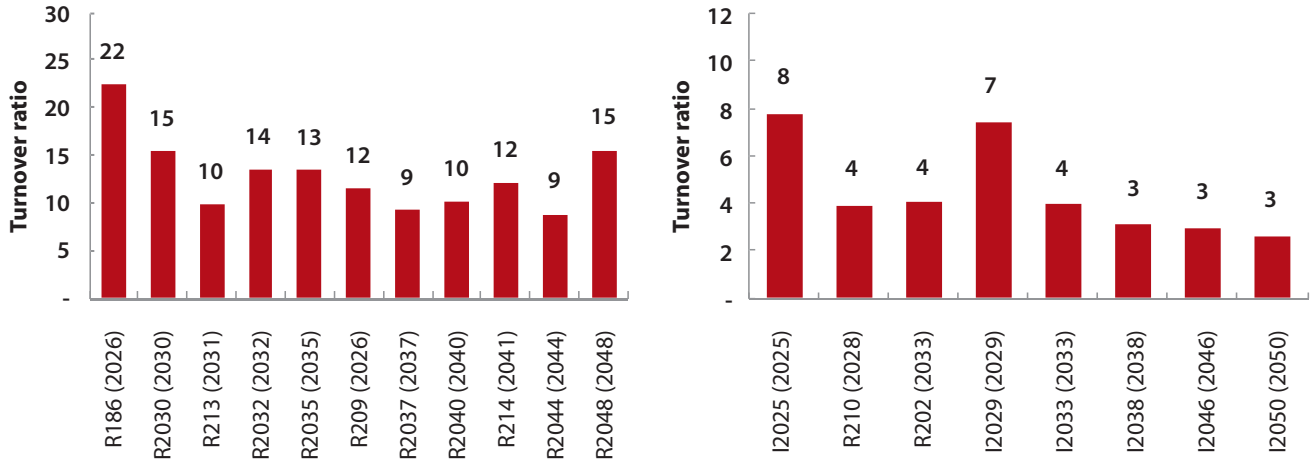
Sources: JSE, National Treasury

The turnover ratio is a measure of a bond's market liquidity and is used to assess which bonds are most liquid or most traded. The ratio shows the extent of trading in the secondary market relative to the total amount outstanding. The larger the amount of trading activity, the higher the turnover ratio.

2. THE SOUTH AFRICAN DEBT CAPITAL MARKET

With a total of R38.7 trillion traded in the secondary market, government bonds accounted for a significant portion of the volume traded in 2023. As Figure 5 shows, the R186 bond (10.5%; 2025/26/27) had the highest turnover ratio (22 times). This was followed by the R2030 (8%; 2023) and R2048 (8.75%; 2047/48/49) bonds, with a turnover ratio of 15 times. The R186 bond, with a total issuance of R366 billion as at 31 December 2023, is the most liquid bond in government's bond portfolio, having traded R8.2 trillion on the exchange. A total of R10.1 trillion was traded in the R2030 and R2048 bonds, and there was a total issuance of R316.5 billion for the R2030 bond and R340.2 billion for the R2048 bond.

Figure 5: Government bond turnover ratios (31 December 2023)



Sources: JSE, National Treasury

Among the inflation-linked bonds, the I2025 bond (2%; 2025) had the highest turnover ratio of 8 times during 2023. Overall, inflation-linked bonds have a lower turnover than fixed-rate bonds because investors, particularly pension funds, tend to buy and hold these instruments to hedge against inflation.

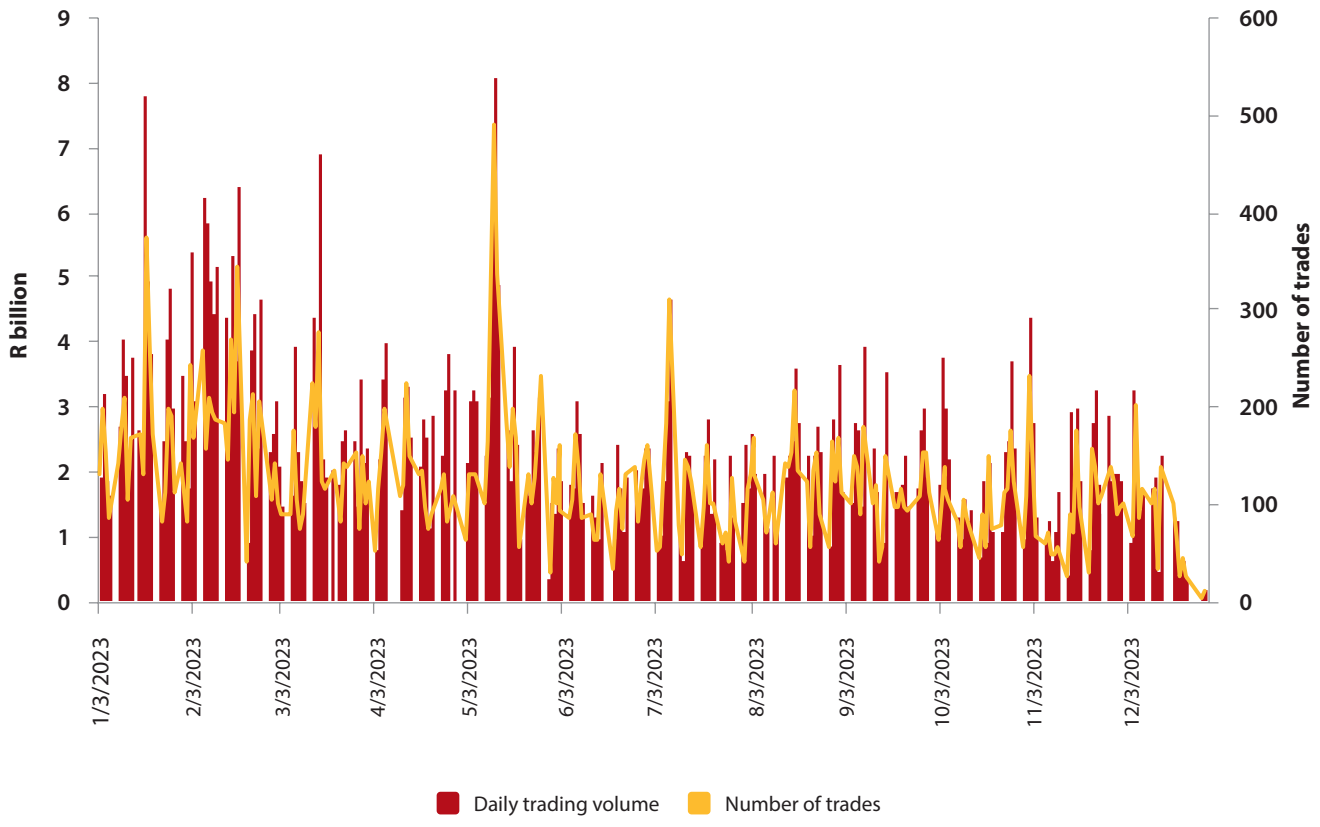
ELECTRONIC TRADING PLATFORM

With technical assistance from the World Bank, National Treasury launched the electronic trading platform (ETP) for government bonds in July 2018. This was done in collaboration with a group of stakeholders comprising the JSE, Share Transactions Totally Electronic (Strate), primary dealers (PDs), SARB and the Financial Sector Conduct Authority. The aim of the ETP is to improve liquidity, price discovery and transparency in the domestic government bond market.

2. THE SOUTH AFRICAN DEBT CAPITAL MARKET

All 10 PDs are required to quote prices on the following obligatory bonds: R186 (10.25%; 2025/26/27), R2030 (8%; 2030), R2035 (8.875%; 2035), R2040 (9%; 2040) and R2048 (8.75%; 2047/48/49). They are also obliged to quote firm and executable current bid and ask prices/yields on the platform in specified amounts per maturity basket and specified spreads. National Treasury incentivises PD participation on the ETP by allocating a portion of the non-competitive bids based on the volumes traded by each PD on the platform.

Figure 6: ETP daily volumes and trades (January to December 2023)



Source: MTS

The average daily volume traded increased to R2.7 billion in 2023, reflecting a R340 million decrease from the R2.7 billion recorded in 2022. The average number of trades per day decreased to an average of 124 in 2023 from an average of 145 in 2022. As expected, there were fewer trades in December 2022 because of the holiday season.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

BORROWING REQUIREMENT

Government's gross borrowing for 2023/24 increased from a projected R515.6 billion in the 2023 Budget to a projected R553.1 billion in the 2024 Budget. This was because of an increase in the main budget balance. Consequently, government's gross borrowing requirement increased significantly, from R515.6 billion in the 2023 Budget to the preliminary outcome of R543.2 billion as at 31 March 2024.

Funding from international financial institutions for 2023/24 amounted to US$1.8 billion, €500 million and CA$120 million.

Table 1 details the preliminary outcome of financing government's gross borrowing requirement. This was financed through a net increase in domestic short-term loans of R88.7 billion, domestic long-term loans of R336.2 billion and foreign loans of R45.7 billion. Cash and other balances of R72.5 billion were used to finance part of the borrowing requirement during the year.

Table 1: Financing of government's gross borrowing requirement (2023/24)

R million	Budget	Revised budget	Preliminary outcome
Main budget balance	-275,351	-331,386	-322,794
Redemptions	-162,232	-145,759	-144,395
Domestic long-term loans	-117,865	-98,614	-97,250
Foreign loans	-44,367	-47,145	-47,145
Eskom debt-relief arrangement	-78,000	-76,000	-76,000
Borrowing requirement (gross)	-515,583	-553,145	-543,189
Financing			
Domestic short-term loans	48,000	88,000	88,745
Treasury bills (net)	48,000	88,000	88,084
Corporation for Public Deposits	–	–	661
Domestic long-term loans	329,900	327,900	336,239
Market loans	329,900	327,900	336,239
Foreign loans	44,360	45,166	45,663
Market loans	44,360	45,166	45,663
Change in cash and other balances1	93,323	92,079	72,542
Total financing	515,583	553,145	543,189

1. A positive value indicates that cash is used to finance part of the borrowing requirement.

Source: National Treasury

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

DOMESTIC SHORT-TERM BORROWING

Domestic short-term borrowing comprises Treasury bill issuance and borrowing from the Corporation for Public Deposits (CPD). National Treasury addresses its funding needs and manages short-term liquidity pressures by conducting weekly Treasury bill auctions and borrowing from the CPD.

Treasury bill auction levels were adjusted upward by R2.3 billion to R14.8 billion during the second quarter of 2023/24. This was primarily a result of underperformance in tax revenue collection driven, by lower-than-budgeted revenue from income tax. Treasury bills showed a net increase of R88.1 billion as at 31 March 2024.

Although the CPD borrowing was used for liquidity management purposes, net borrowing from the CPD was zero as all borrowings were fully repaid by the end of 2023/24.

Details of the 2023/24 weekly Treasury bill auctions, including the allocated amount for each tenor, can be found in annexures D and E.

Table 2: Domestic short-term borrowing (2023/24)

R million	Opening balance	Net change	Closing balance
Corporation for Public Deposits	72	-	72
Treasury bills	422,471	88,084	510,555
91-day	6,692	7,563	14,255
182-day	69,384	15,446	84,830
273-day	143,714	22,644	166,358
364-day	202,681	42,431	245,112
Total	**422,543**	**88,084**	**510,627**

Source: National Treasury

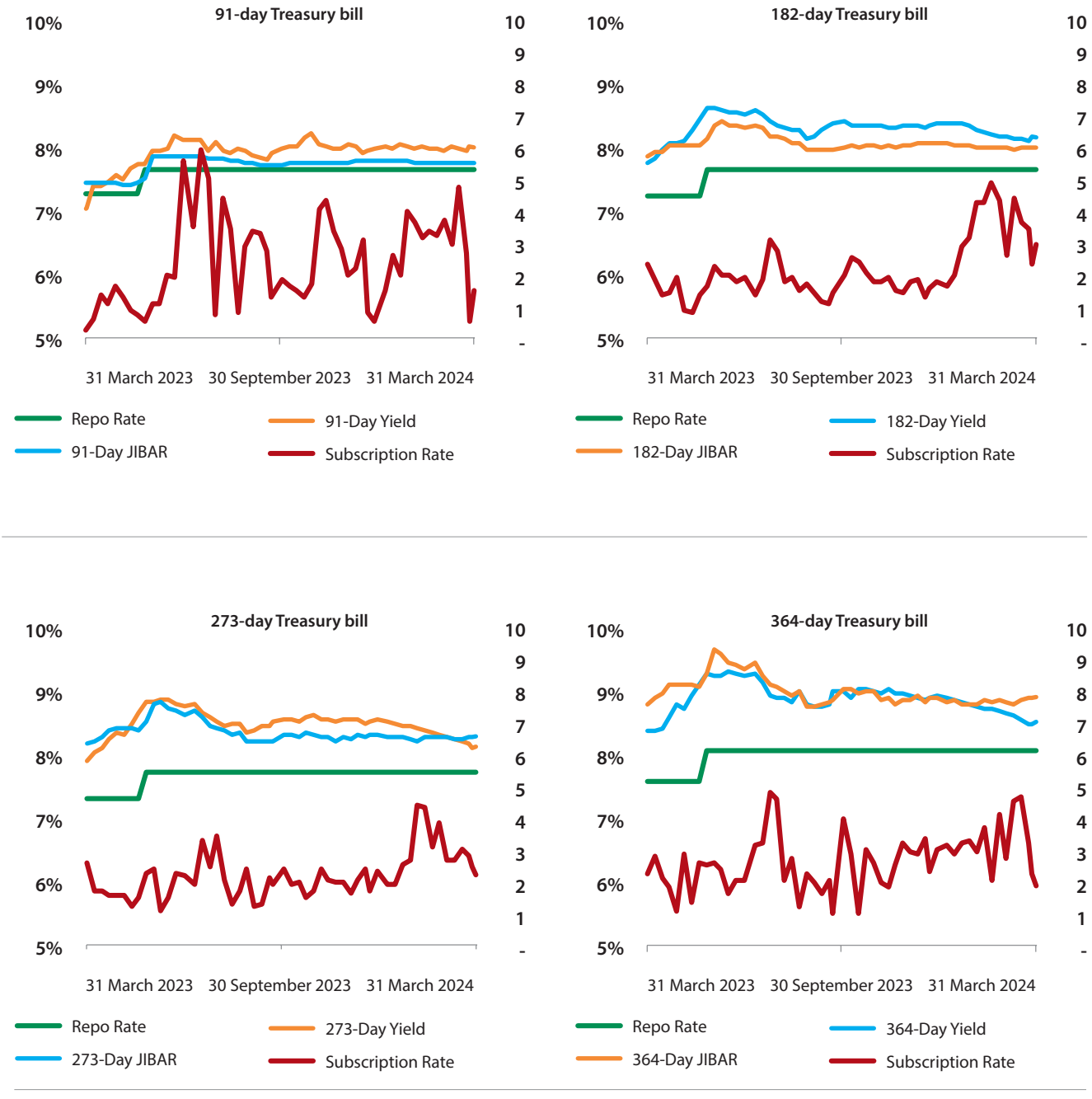
TREASURY BILL AUCTION PERFORMANCE

The Treasury bill auction performance in 2023/24 was subdued because of existing supply/auction levels and the upward adjustment of short-term policy rates in line with inflation expectations.

During the reporting period, SARB adjusted the repo rate by 50 basis points and the average Treasury bill rate decreased by 65 basis points. Treasury bill subscription rates remained volatile while yields exhibited an upward trend (see Figure 7).

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Figure 7: Repo rates, Treasury bills and subscription rates (2023/24)



Source: National Treasury

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Table 3 shows the gross issuance and total under-allotments of Treasury bills in 2023/24. As a result of market volatility, R7.7 billion (1.1 per cent) of the total gross issuance was not allotted.

Table 3: Treasury bill auction under-allotments, 2023/24

R million	Gross issuance	Under-allotted	Percentage of gross issuance under-alloted
91-day	58,939	-10,243	-17.4
182-day	165,544	-65	-0.0
273-day	215,301	-2,150	-1.0
364-day	245,111	4,804	2.0
Total	684,895	-7,654	-1.1

Source: National Treasury

Table 4 provides a summary of the auction bid-to-cover ratios and effective yields. Government can adjust the auction amount on offer in line with its funding requirements. On average, Treasury bill auctions had an oversubscription of 2.51 times. However, certain Treasury bill auctions were undersubscribed, with the 91-day maturity having the lowest subscription rate of 0.6 times.

Table 4: Treasury bill auction analysis (2023/24)

	91-day	182-day	273-day	364-day	364-day
Bid-to-cover-ratios (times)					
Highest	6.59	5.46	4.77	4.62	4.2
Lowest	0.60	0.91	1.13	0.98	0.5
Average	2.69	2.39	2.36	2.58	2.0
Effective yields (%)					
Highest	8.91	9.42	9.60	9.55	6.1
Lowest	7.91	8.45	8.59	8.57	4.7
Average	8.57	9.04	9.15	9.12	5.3

Source: National Treasury

CORPORATION FOR PUBLIC DEPOSITS

The CPD is a wholly owned subsidiary of SARB. Its main function is to invest surplus cash received from provincial governments and selected SOCs. Government uses these funds to finance a portion of its borrowing requirement and for bridging finance. To finance short-term cash shortfalls, provincial governments may borrow amounts up to predetermined limits from the corporation.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

In 2023/24, government used the facility only to perform its intra-day roll-up. This is a standing instruction between National Treasury and SARB to maintain government's main account with SARB at a zero balance. Subsequently, there were no borrowings from the CPD during the reporting period.

DOMESTIC LONG-TERM BORROWING

Domestic long-term borrowing comprises the issuance of fixed-rate, inflation-linked FRNs and retail savings bonds. Fixed-rate and inflation-linked bond auctions are conducted weekly in line with a predetermined auction calendar. Fixed-rate bond auctions are conducted through a panel of PDs, whereas inflation-linked bond auctions are open to all registered members of the JSE. Retail savings bonds are available to all South African citizens through the RSA Retail Savings Bonds website, but no longer through the South African Post Office. In 2022/23, a total nominal amount of R288.9 billion was issued in domestic long-term bonds (excluding RSA Retail Savings Bonds).

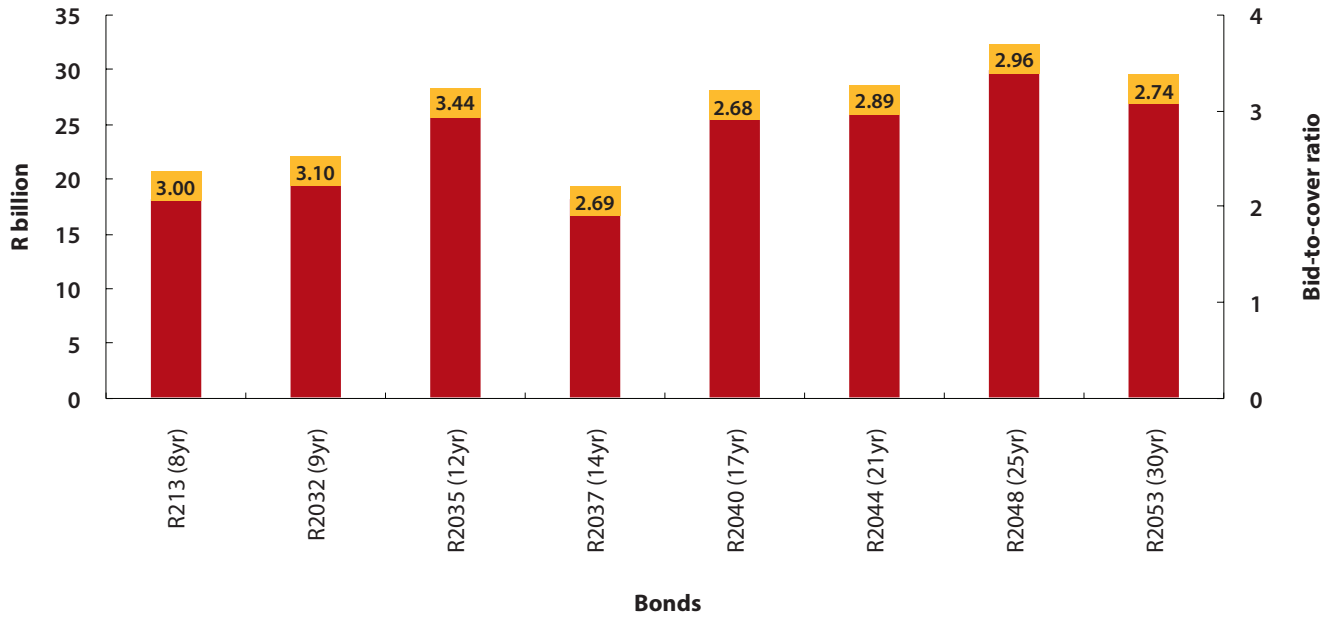
FIXED-RATE BONDS

A total nominal amount of R241.8 billion was issued in fixed-rate bonds during 2023/24. Of this, R191.1 billion was issued in the 48 weekly competitive bond auctions while the remaining R50.7 billion was raised through non-competitive auctions. As volatility subsided and inflation appeared to be somewhat contained, the issuance was fairly balanced, with a slight leaning towards the bid-to-long end of the curve at 57 per cent and between the 10-year and 14-year maturities at 43 per cent. Previously, owing to the volatility caused by high global and domestic inflation, issuances were mostly concentrated at the short end of the curve, with 60 per cent of issuances between the two-year and 14-year maturities. As a result of the low cash prices and deep discount prices on the R209 (6.25%; 2036) and R214 (6.5%; 2041) bonds, these were not issued in 2023/24.

The R2048 bond (8.75%; 2048) was the highest issued bond for the year (R39.9 billion), followed by the newly introduced R2053 bond (11.63%; 2053), with R27.3 billion. National Treasury stopped the issuance of the R186 bond (10.5%; 2025/26/27) and the R2030 bond (8%; 2030) as they are nearing maturity. The R2035 bond (8.88%; 2035) was the most in demand, with a bid-to-cover ratio of 3.44 times. This was followed by the R2032 bond (8.25%; 2032) at 3.1 times.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Figure 8: Issuance of fixed-rate bonds, excluding non-competitive bid auctions (2023/24)



Source: National Treasury

YIELDS CURVE MOVEMENT

The South African bond market had a decrease of 123 basis points in its yield curve for the period under review.

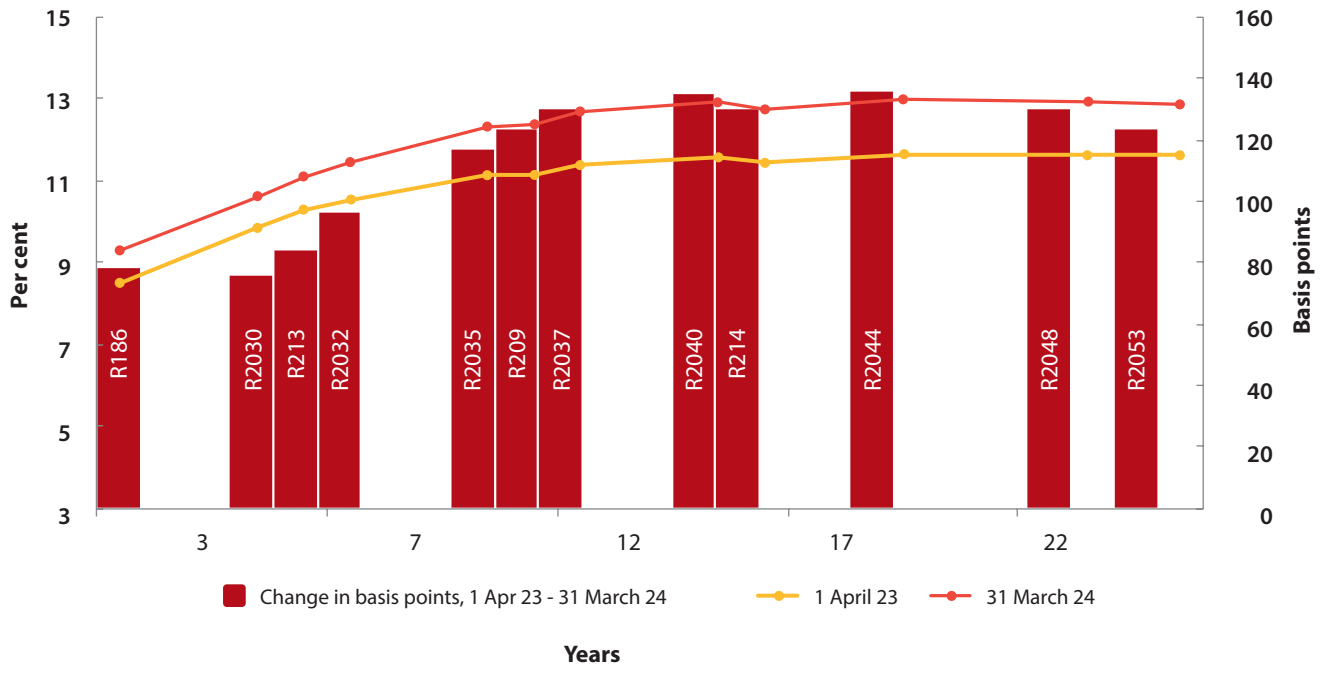
As such, this period was characterised by a relative stabilisation of inflationary pressures and a decrease in market volatility compared with the previous year. With taking somewhat predictable inflation numbers into account, this means the market has a relative ease to trade (primary or secondary). However, several factors contributed to the yield curve movement.

Global economic conditions remained influential, with the ongoing impact of geopolitical tensions, including the lingering effects of the Russian invasion of Ukraine and the conflict in the Middle East. Although inflationary pressures showed signs of containment, uncertainties about global economic growth persisted. Central banks across the world, including SARB, maintained their focus on controlling inflation through monetary tightening. SARB's monetary policy committee raised the repo rate further in 2023/24, eventually settling at 8.25 per cent by 31 March 2024. This increase influenced the bond market by raising the cost of borrowing and increasing pressure on yields.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Renewed concerns about slowing global growth and the potential for a recession, coupled with the hawkish stance of the US Federal Reserve, continued to exert pressure on financial markets. These concerns led to a risk-off sentiment among investors, prompting them to seek safer assets and thereby drive up bond yields. In addition, South Africa's economic challenges, including slow growth and fiscal pressures, also played a role in the movement of the yield curve. Investors demanded higher yields as compensation for the perceived risks associated with South Africa's sovereign debt.

Figure 9: Yield curve movement of fixed-rate bonds (2023/24)



Sources: JSE, National Treasury

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Primary dealers

The PD panel is a group of banks that buy government bonds at weekly fixed-rate bond auctions. Investors buy government bonds by submitting their bids at the auction through PDs, who are obliged to adhere to certain terms and conditions that can be found on National Treasury's investor relations website *(http://investor.treasury.gov.za)*. The following banks are on the National Treasury's PD panel:

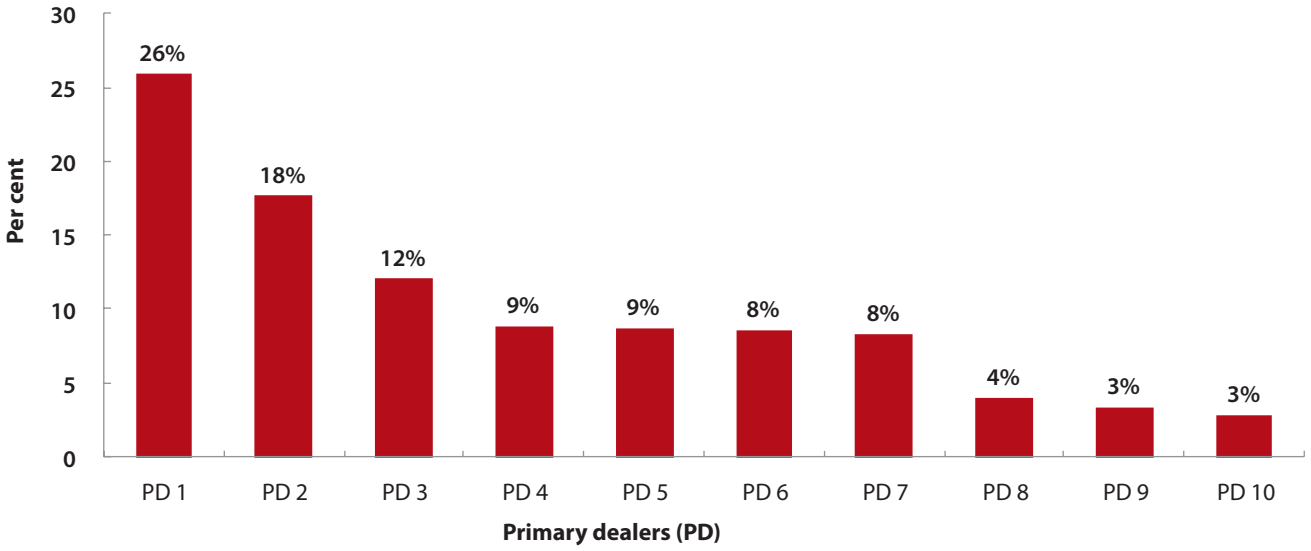
- ABSA
- Citibank
- Deutsche Bank
- FirstRand Bank
- HSBC
- Goldman Sachs
- Investec
- JPMorgan Chase
- Nedbank
- Standard Bank

PRIMARY DEALER PERFORMANCE

Government's PD panel comprises 10 international and domestic banks. The most recent addition, Goldman Sachs, was appointed by National Treasury in June 2022. These dealers are required to distribute government bonds, make markets and provide liquidity in the secondary market. Figure 10 shows the performance of PDs for the period under review. The top two accounted for 43.6 per cent of the R191.1 billion issued in 2023/24.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Figure 10: Primary Dealer participation in fixed-rate bond auctions (2023/24)



Source: National Treasury

NON-COMPETITIVE BID AUCTION PERFORMANCE

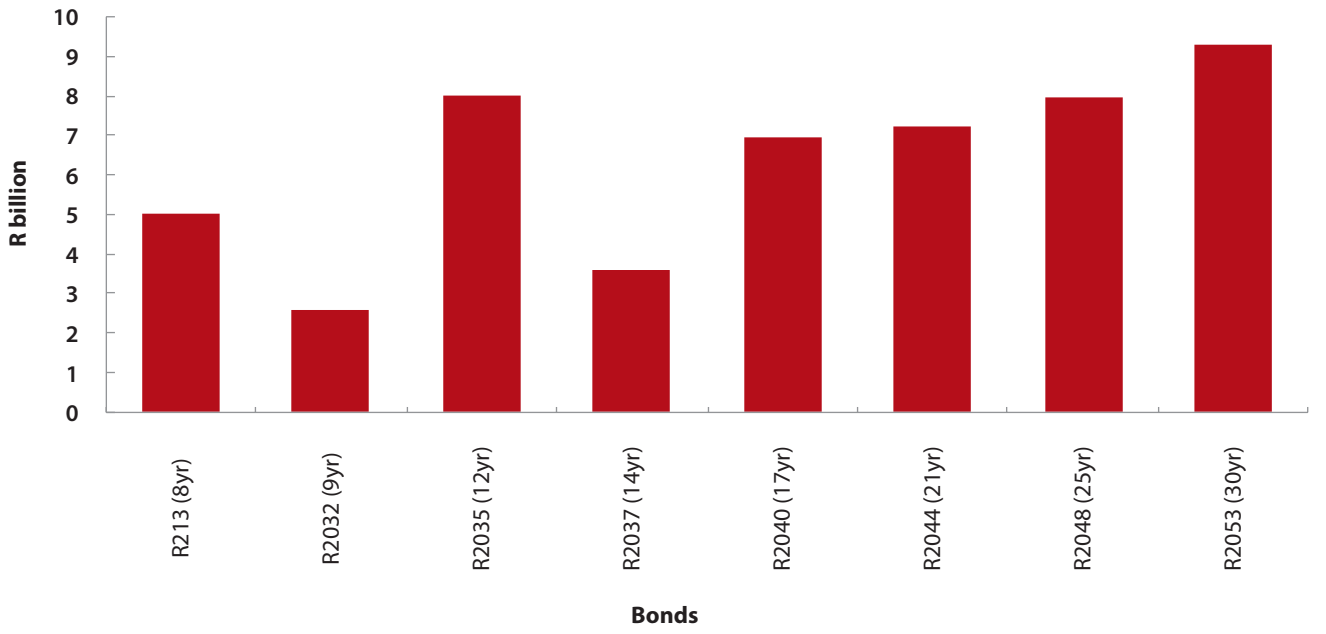
Non-competitive bid auctions

PDs are entitled to take up an additional 50 per cent of the successful allocation amount at the same yield at which the fixed-rate competitive auction is settled. Of this, 30 per cent is allocated to the ETP and 20 per cent to primary auctions. The non-competitive auction window is open for 48 hours immediately after the auction.

An amount of R50.7 billion was raised through issuing the fixed-rate bond in non-competitive auctions in 2023/24. The R2053 bond (11.63%; 2053) and R2035 (8.875%; 2035) bonds were most in demand, accounting for 34.1 per cent of the total non-competitive take-up by PDs. The R2048 bond (8.75%; 2048) had the third-greatest demand, with a take-up of 15.7 per cent. Because of limited issuance, the R2032 (8.25%; 2032) and R2037 (8.5%; 2037) bonds had the lowest non-competitive take-up in the fixed-rate bond auctions.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Figure 11: Non-competitive bond auction performance per bond (2023/24)



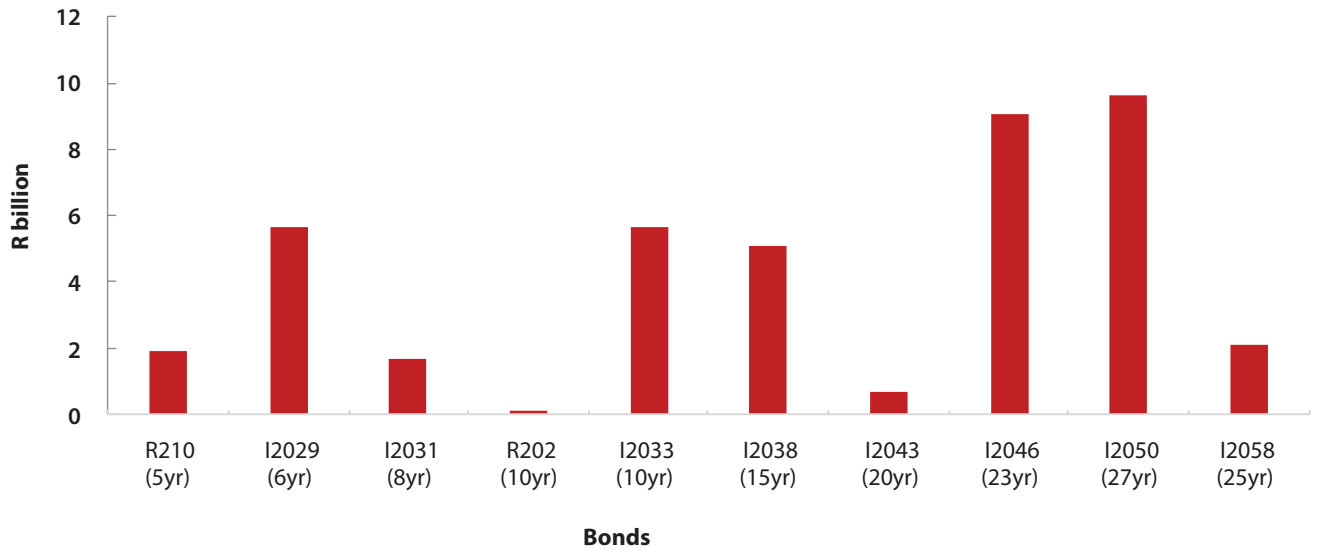
Source: National Treasury

INFLATION-LINKED BONDS

A nominal amount of R41.5 billion was issued in the 45 inflation-linked bond auctions held in 2023/24. With a nominal amount of R9.6 billion, the I2050 bond (2.5%; 2050) was the most issued, followed by the I2046 bond (2.5%; 2046) with a total issuance of R9.1 billion. With a nominal amount of R0.1 billion, the R202 (3.45%; 2028) was the least issued bond.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Figure 12: Issuance of inflation-linked bonds (2023/24)



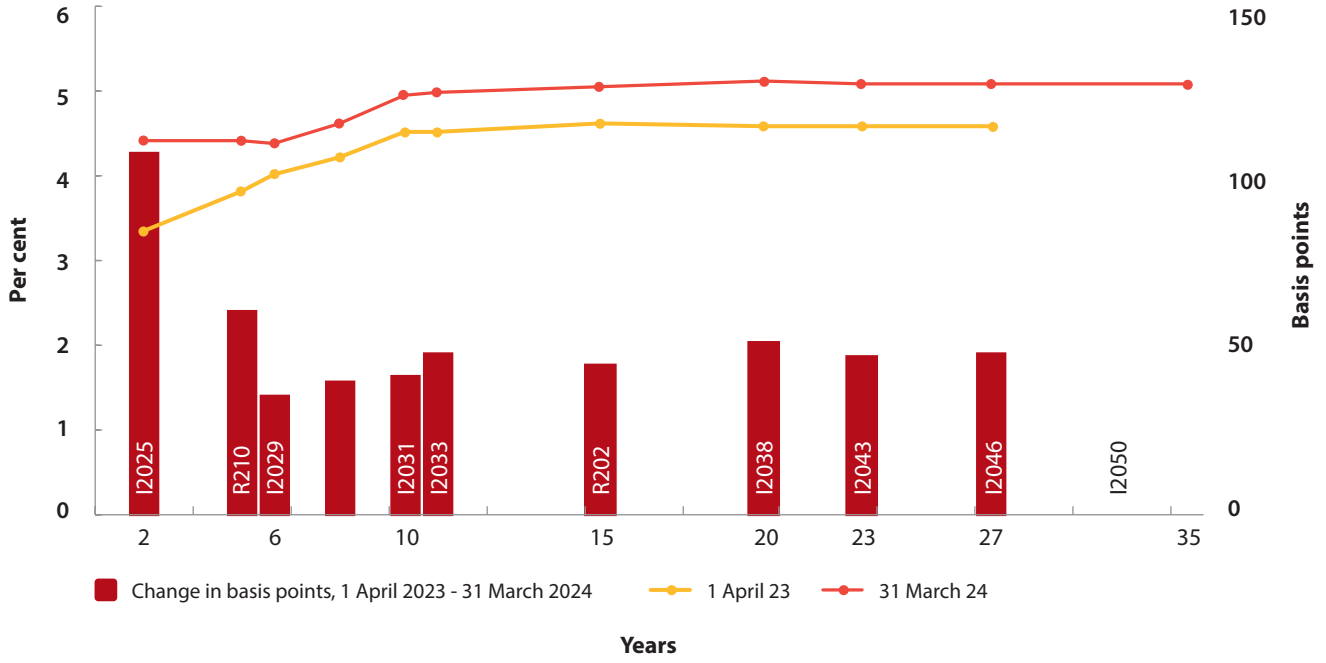
Source: National Treasury

REAL YIELDS MOVEMENT

As with the yield curve for fixed-rate bonds between 1 April 2023 and 31 March 2024, the curve for inflation-linked bonds over the same period weakened by an average of 53 basis points, moving in tandem with fixed-rate bonds.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Figure 13: Yield curve movement of inflation-linked bonds (2023/24)



Sources: JSE, National Treasury

FLOATING RATE NOTES

National Treasury debuted its FRNs in 2022/23. In the past, the department issued variable rate bonds, the R205 VRB, which matured in March 2012. These instruments were discontinued due to, among other things, the minimal amount of funding raised, unfavourable market conditions at the time, and an effort by National Treasury to reduce its risk exposure to fluctuations in the repo rate.

Over the past few years, the department's Asset and Liability Management Division held meetings with financial market participants about how government's funding strategy could be better aligned with its asset requirements. The banks indicated a need for floating-rate instruments on their balance sheets. Several asset managers also asked that government diversify issuance into shorter-dated, floating-rate instruments (with three-year to 10-year maturities) to shorten the duration and risk of government bond issuance.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Given the overwhelming support from banks and investors, National Treasury announced in the 2022 Budget Review that it would issue FRNs. On 6 July 2022, the debut auction of the RN2027 FRN was issued.

This auction was well supported. Bids amounting to more than R27.2 billion were submitted and nearly R22.6 billion was allocated. Over the next four auctions, R28.6 billion was issued.

National Treasury continued to incorporate the FRN into its funding strategy and used it as an additional source of funding while diversifying the funding portfolio. Between 1 April 2023 and 31 March 2024, a total of R79.8 billion was issued, with the highest amount of R14.2 billion issued in the inaugural issuance of the RN2030 in December 2023. The lowest issued amount was R300 million in October 2023. The RN2027 also had the lowest issued amount of R300 million in March 2024.

RAND-DENOMINATED SUKUK

To develop the domestic Islamic finance market and diversify funding sources, the first sovereign rand-denominated Al-Ijarah Sukuk in Africa was launched in November 2023. The Al-Ijarah structure is the most common structure issued by sovereigns due to its flexibility and efficiency.

The transaction totalled R20.4 billion and comprised four tranches with varying maturities: five-year, seven-year, 10-year and 12-year. The auction was 1.74 times oversubscribed, with investor demand from a diverse investor base, including South African banks and large Islamic funds and banks. To enhance liquidity in the secondary market, the instruments were listed on the JSE's interest-rate market.

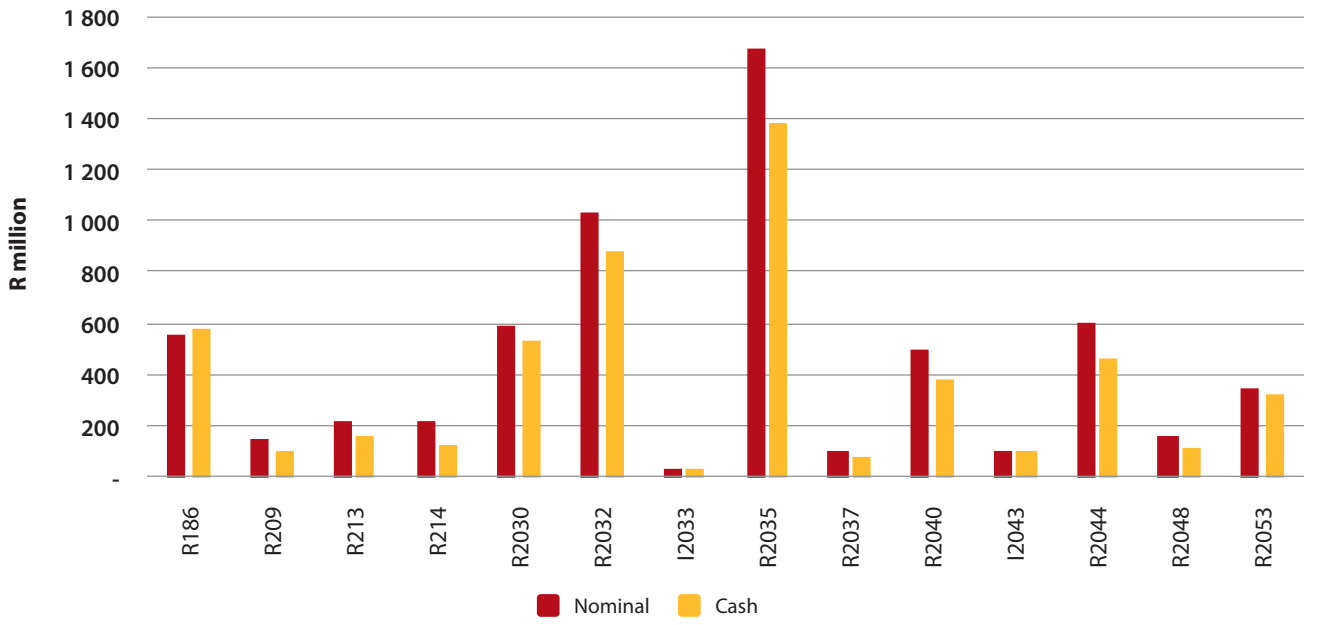
SCRIP LENDING FACILITY

As a lender of last resort, National Treasury is obligated to support the market for government bonds by acting to avoid settlement failures and subsequent systemic risks. The scrip lending facility is available on the ETP for over-the-counter interest-rate, and currency derivative market transactions. It is used only if, other avenues of obtaining the scrip have been exhausted. As such, the facility is available strictly to PDs. Other market participants can access it only through the JSE.
A year-on-year comparison shows a decrease in demand for the facility in 2023/24. A nominal amount of R 6.2 billion was taken, representing a 52 per cent decrease from the R12.1 billion taken in 2022/23.

Figure 14 provides a breakdown of the use of the scrip lending facility per bond. Most of the demand was on the fixed-rate R2035 (8.875%; 2035), R2032 (8.25%; 2032) and R2044 (8.75%; 2045) bonds.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Figure 14: Scrip lending facility (2023/24)



Source: National Treasury

BOND SWITCH AUCTION PROGRAMME

Government's bond switch auction programme has been successful in managing its refinancing risk during a period of protracted slow economic growth. Since the start of the programme in February 2015, R303.37 billion has been switched out

Government continued with the switch auction programme in 2023/24 for the R197, R186 and R2030 – the "source bonds". These auctions were conducted according to the auction calendar that was published at the beginning of the fiscal year.

The bond switch programme was reviewed and continued in second quarter of 2023/24. The programme aims to provide transparency and reduce speculation around switch auctions. Part of the programme's review included uploading the switch auction calendar and terms and conditions on to National Treasury's investor relations website.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

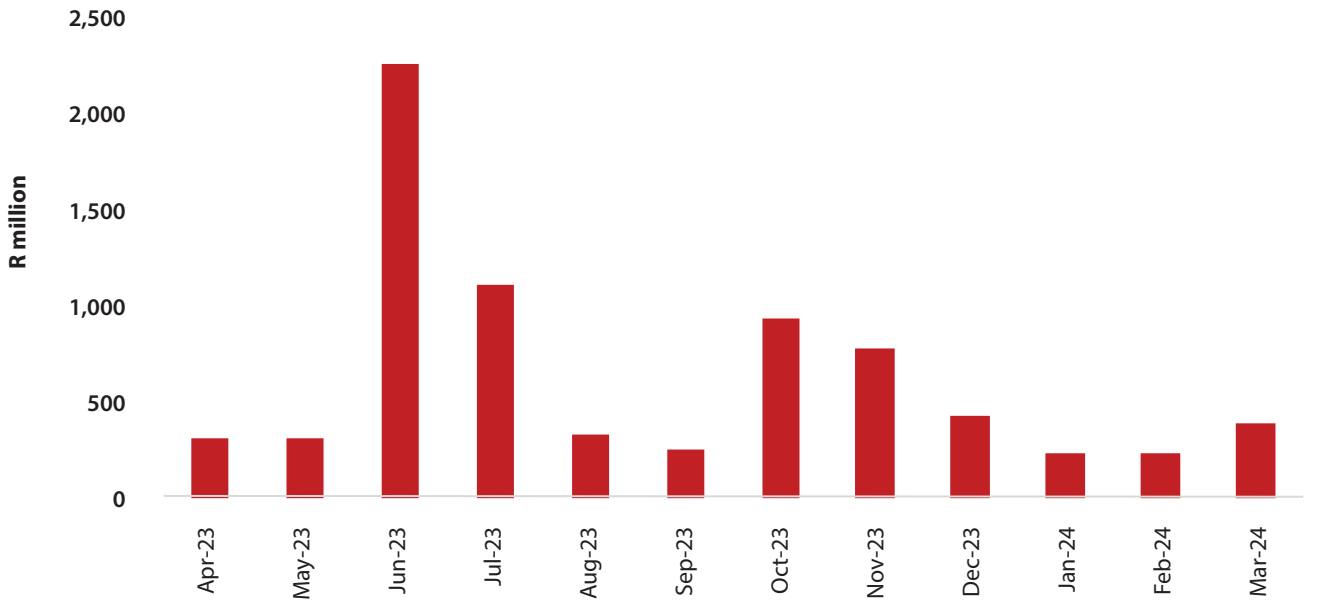
A total nominal amount of R48 billion was switched out of the source bonds from April 2023 to March 2024. A total of R7 billion was switched out of the R197 bond, R21 billion was switched out of the R186 bond, and R20 billion was switched out of the R2030 bond.

RETAIL SAVINGS BONDS

The objective of retail savings bonds is to diversify government's long-term funding sources and promote a culture of household savings. The total outstanding amount increased by R3.1 billion, from R16.5 billion in 2022/23 to R19.6 billion as at 31 March 2024. As a result of an average interest rate of 9.8 per cent for the period under review and an ongoing promotional strategy that included increased social media presence, retail savings bonds managed to exceed the targeted R3 billion by R480 million as at 31 March 2024.

In addition to conventional retail savings bonds, as at 31 March 2024, the Government Employee Housing Scheme's internal-linked savings facility had received R2.4 billion.

Figure 15: Monthly retail savings bond deposits, including reinvestments (2023/24)



Source: National Treasury

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Table 5 shows the 2023/24 interest rates for retail savings bonds. The rates are published on the RSA Retail Savings Bonds website *(www.rsaretailbonds.gov.za)*.

Table 5: Interest rates on retail savings bonds (2023/24)

Date	1-year	2-year	3-year	5-year	10-year
Fixed-rate					
30-Apr-23		8.25%	8.75%	10.25%	
31-Mar-24		9.25%	9.75%	10.75%	
Inflation-linked		-1.00%	-1.00%	-0.50%	
30-Apr-23			4.50%	4.75%	5.25%
31-Mar-24			4.50%	4.75%	5.25%
Financial cooperatives			0.00%	0.00%	0.00%
30-Apr-23	8.02%	8.25%	8.75%		
31-Mar-24	8.81%	9.25%	9.75%		
Top up	-0.79%	-1.00%	-1.00%		
30-Apr-23			9.75%		
31-Mar-24			9.00%		
			0.75%		

Source: National Treasury

RETAIL SAVINGS TOP-UP BONDS

The RSA Retail Savings Top-Up Bonds product was successfully launched to the public on 1 April 2022. From then up to 31 March 2024, R164 million has been invested in the bonds through 4 083 individual investors and 34 informal groups.

The popularity of the product has exceeded expectations and a campaign to increase marketing on social media platforms is expected to go live in 2024/25.

FINANCIAL COOPERATIVES RETAIL SAVINGS BONDS

National Treasury launched retail savings bonds for financial cooperatives in October 2011. The intention was to provide a secure savings instrument in which cooperative financial institutions (CFIs) and cooperative banks could invest. The bonds offer competitive interest rates that are calculated biannually. Additional features are tied into the uniqueness of the model. Through Top-ups it allows for the preservation of capital and early withdrawals with no fees, charges or penalties. The CFIs that continue to save in retail savings bonds have accrued notable interest on their capital amounts to date. The Cooperative

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Banks Development Agency, a National Treasury entity, encourages CFIs to invest in this vehicle as it is risk-free and provides guaranteed financial growth.

Table 6 shows that, as at 31 March 2024, R20.1 million was invested in CFI retail savings bonds through 44 investments.

Table 6: Summary of financial cooperatives retail savings bonds (2023/24

Bond	Averate Rate	Capital	Investments
FC01	9.07%	R1,753,846.48	9
FC02	7.15%	R3,431,346.65	5
FC03	9.41%	R14,919,906.73	30
	8.54%	R20,105,099.86	44

Source: National Treasury

Interest rates on fixed-rate, inflation-linked and CFI retail savings bonds are derived from the respective government bond and Treasury bill yields. The interest rates for the fixed-rate and CFI retail savings bonds are reviewed monthly and those for the inflation-linked retail savings bonds twice a year. During 2023/24, fixed-rate retail savings bond rates increased by 100 basis points for two-year terms, 100 basis points for three-year terms and 50 basis points for five-year terms. In the case of inflation-linked retail savings bonds, there was no net movement for the three-year, five-year, and 10-year bonds. The three-year top-up bond decreased by 75 basis points.

FOREIGN LONG-TERM BORROWING

Foreign-currency issuance in 2023/24 was focused on concessional lending from multilateral development banks and bilateral agreements to meet its foreign-currency commitments. For the period under review, government raised approximately US$2.4 billion through concessional financing.

This includes a US$1 billion development policy loan from the World Bank, a US$300 million loan from the African Development Bank, €500 million from KfW Development Bank, and CA$120 million from the government of Canada. The South African government also received a disbursement of US$500 million from the New Development Bank's sustainable development loan for a non-toll road that was completed in 2022. The funding received was against a planned total of US$2.6 billion in the 2023 Budget, revised down to $2.4 billion in the MTBPS.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Table 7.4 Borrowing from international finance institutions

Institutions	Disbursement date	Interest rate	Terms (years)	Grace period1 (years)	Amount billion
New Development Bank	20 July 2020	6-month LIBOR[2] plus 1.25%	30	5	$1.0
International Monetary Fund	29 July 2020	1.066%	5	3.25	$4.3
African Development Bank	15 October 2020	3-month JIBAR[3] plus 0.8%	20	5	R5
New Development Bank	17 June 2021	6-month LIBOR[2] plus 1.25%	30	5	$1.0
New Development Bank	15 November 2021	6-month LIBOR[2] plus 1.05%	25	4.5	$1.0
World Bank	22 March 2022	6-month SOFR[4] plus 0.75%	13	3	$0.75
World Bank	22 September 2022	6-month EURIBOR[5] plus 0.67%	13	3	€0.45
French Development Bank	22 December 2022	6 month EURIBOR[5] plus 1.29%	20	5	€0.3
KfW Development Bank	20 January 2023	6-month EURIBOR[5] plus 0.69%	20	5	€0.3
African Development Bank	22 December 2023	6-month SOFR[4] plus 1.22%	12	2	$0.3
World Bank	26 January 2024	Fixed at 4.74%	15	5	$1.0
KfW Development Bank	09 February 2024	Fixed at 4.4%	15	3	€0.5
Government of Canada	22 March 2024	Fixed at 3.5344%	10	–	$0.120

1. A period after the disbursement where no capital repayments are required.

2. LIBOR (London interbank offered rate).

3. JIBAR (Johannesburg interbank average rate).

4. SOFR (Secured overnight financing rate).

5. EURIBOR (Euro interbank offered rate).

Source: National Treasury

INTEREST AND REDEMPTION PAYMENTS ON LONG-TERM LOANS

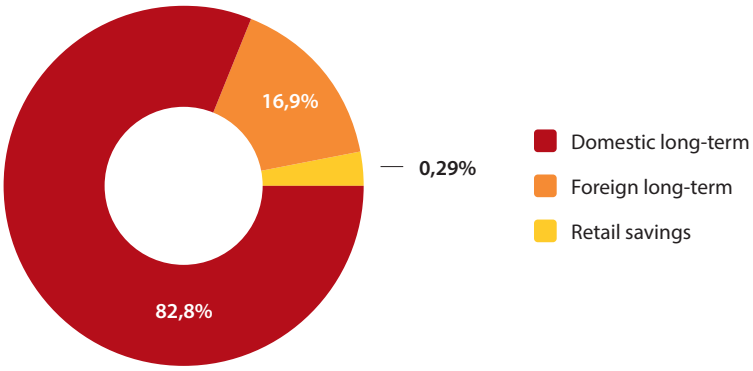
Figure 16 shows the composition of government's interest and redemption payments for 2023/24. The payments are split between domestic and foreign long-term loans, and retail savings bonds.

Interest payments and redemptions for domestic and foreign debt amounted to R445 billion in 2023/24 (R300.6 billion for interest payments and R144.4 billion for redemptions).

The R197 fixed-rate bond was redeemed in December 2023, with an outstanding amount of R60.1 billion.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Figure 16: Interest and redemption payments (2023/24)



Source: National Treasury

GOVERNMENT CASH BALANCES

In managing cash, government's primary objective is to ensure that it has enough funds to meet its financial commitments as they become due, and that weekly borrowings are predictable and stable. Government's total cash balances include deposits held by commercial banks and SARB. Cash deposits with SARB comprise foreign currency deposits in the foreign currency accumulation account. Foreign currency deposits comprise funds borrowed in international capital markets and/or from multilateral institutions and are used to meet government's foreign-currency commitments. In 2023/24, government borrowed US$2.4 billion from foreign sources.

Table 8 details government's cash balances as at 31 March 2023 and 31 March 2024. The year-on-year decrease, from R233.9 billion to R191.2 billion, is mainly a result of government's intention to reduce the gross borrowing requirement and the cost of funding.

3. GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

Table 8: Government's cash balances as at 31 March 2023 and 31 March 2024

R billion	Mar-23	Mar-24
Reserve bank	**113.4**	**98.9**
Sterilisation deposits	-	-
Foreign currency deposits	113.4	98.9
Commercial banks	**120.5**	**92.3**
Tax and loan accounts	120.5	92.3
Total	**233.9**	**191.2**

Source: National Treasury

Table 9 shows total foreign currency commitments of US$3 billion in 2022/23. This consisted of redemptions of foreign loans amounting to US$1 billion, and interest on loans and departmental payments amounting to US$2 billion. These commitments were financed by proceeds from foreign-currency loans and the drawdown of National Treasury's foreign-currency deposits.

Table 9: Flows on foreign exchange deposits (2023/24)

US$ million	2022/23 Outcome	Revised Budget	Preliminary Outcome
Opening balance	**5,925**	**7,119**	**7,119**
Inflows	**4,203**	**2,417**	**2,783**
Foreign loan	4,131	2,412	2,427
Purchases	-	-	-
Interest	72	5	356
Outflows	**-3,009**	**-4,945**	**-4,740**
Interest on debt portfolio	-1,177	-1,643	-1,451
Loan redemptions	-1,000	-2,493	-2,490
Payments by departments	-832	-809	-799
Closing balance	**7,119**	**4,591**	**5,162**

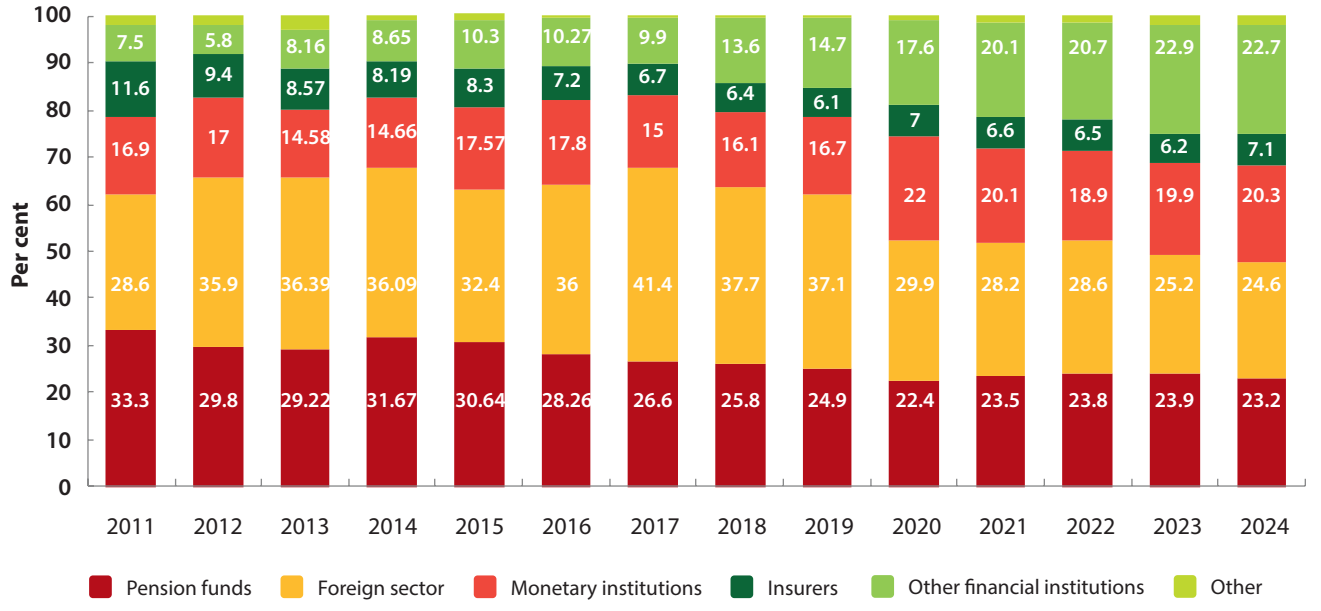
Source: National Treasury

4. HOLDINGS OF GOVERNMENT DEBT INSTRUMENTS

HOLDINGS OF DOMESTIC MARKETABLE GOVERNMENT BONDS

South African government bonds are mainly supported by foreign investors, pension funds, monetary institutions and other financial institutions, with a combined aggregate holding of about 92 per cent of outstanding government bonds. As at 31 March 2024, foreign investors remained the largest holders of government bonds at 24.6 per cent, followed by pension funds at 23.3 per cent and other financial institutions at 20.3 per cent. Non-residents reduced their holdings of government bonds marginally during the reporting period. This was because of ongoing monetary tightening globally, as well as domestic factors such as persistent power outages.

Figure 17: Historical government bond holdings (31 December 2011 - 31 March 2024)



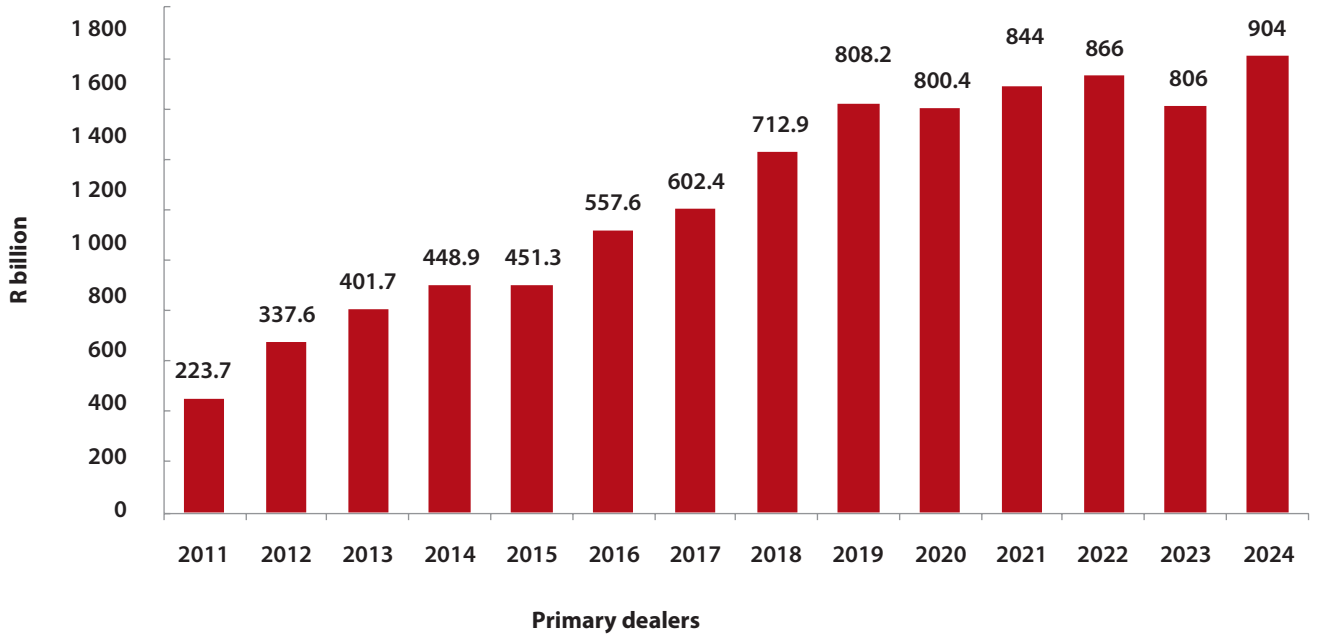
Sources: Strate, National Treasury

In 2023/24, holdings of South African domestic bonds by foreign investors fluctuated from a high of 26.1 per cent in July 2023 to a low of 24.6 per cent in March 2024. This was offset by an increase in other financial institutions, as shown in Figure 17. Concerns have been raised about the rapid normalisation of global interest rates, resulting in capital outflows from developing nations as investors opt for exposure to safe-haven assets in developed nations.

In nominal terms, holdings of government bonds by foreign investors increased by R98.3 billion between March 2023 and March 2024 (see Figure 18).

4. HOLDINGS OF GOVERNMENT DEBT INSTRUMENTS

Figure 18: Foreign investor holdings of government bonds (31 December 2011 - 31 March 2024)

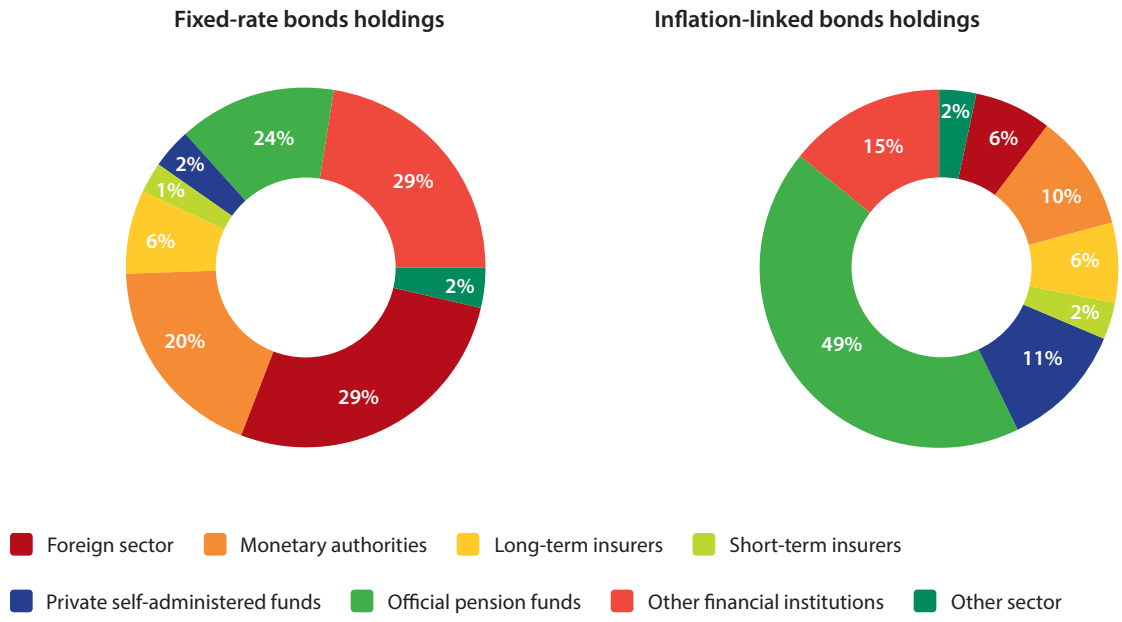


Sources: Strate, National Treasury

Figure 19 shows the holdings of fixed-rate and inflation-linked bonds by investor type as at 31 March 2024. Foreign investors held 29 per cent of fixed-rate bonds, a 1 per cent year-on-year decrease. Although monetary authorities kept their holdings relatively unchanged at 20 per cent, they decreased their inflation-linked bonds from 13 per cent to 10 per cent from April 2023 to March 2024. Official pension funds increased their inflation-linked bonds by 2 per cent to 49 per cent in March 2024. The inflation-linked bond portfolio holdings of monetary authorities changed marginally, from 14 per cent in March 2023 to 13 per cent in March 2024. Holdings of inflation-linked bonds by foreign investors remained relatively low at 5 per cent, an increase from 4 per cent in March 2024.

4. HOLDINGS OF GOVERNMENT DEBT INSTRUMENTS

Figure 19: Holdings of domestic fixed-rate and inflation-linked bonds (31 March 2024)



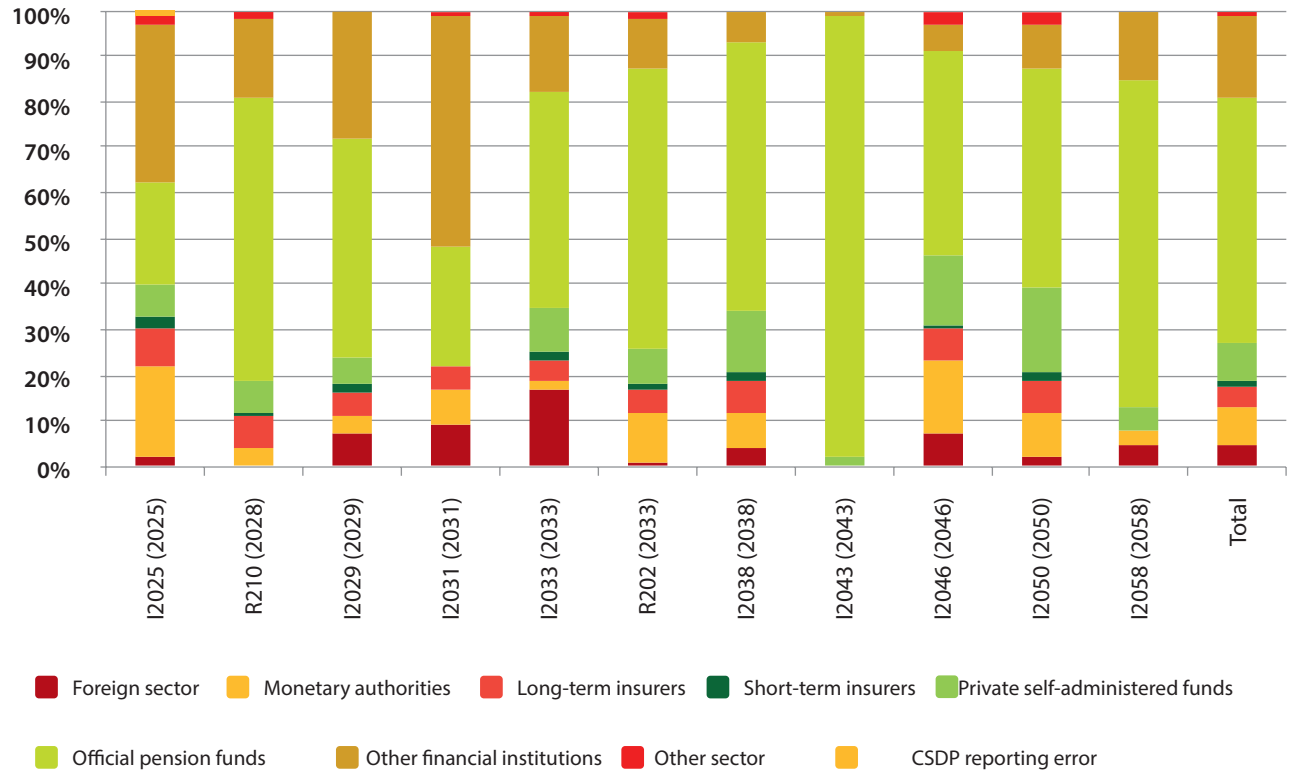
Sources: Strate, National Treasury

Figure 20 shows holdings of domestic fixed-rate bonds by instrument as at 31 March 2024. The foreign sector holds the largest stake of the off-the-run R214 bond (6.5%; 2041) at 50 per cent. The issuance of the R214 bond was discontinued after discounted price considerations given the increased borrowing requirement.

The foreign sector is the largest holder of the R186 bond (10.5%; 2026) with 34 per cent, with the first tranche maturing on 21 December 2025. The nominal amount due is about R119 billion. The sovereign has several options to address this redemption, including a full cash redemption or switching a part of the outstanding amount.

4. HOLDINGS OF GOVERNMENT DEBT INSTRUMENTS

Figure 20: Holdings of domestic fixed-rate bonds by instrument (31 March 2024)



Sources: Strate, National Treasury

As at 31 March 2024, official pension funds held the largest percentages of instruments across all maturities of inflation-linked bonds. Monetary authorities held marked percentages in shorter and longer maturities.

4. HOLDINGS OF GOVERNMENT DEBT INSTRUMENTS

Figure 21: Holdings of domestic inflation-linked bonds by instrument (31 March 2024)

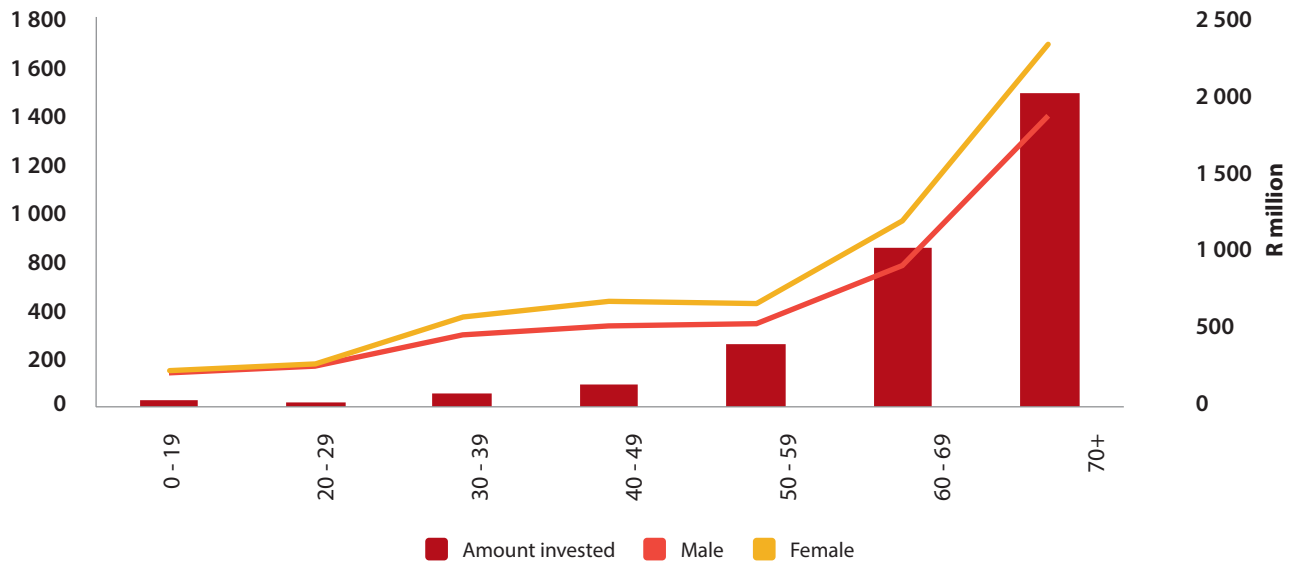
Sources: Strate, National Treasury

HOLDINGS OF RETAIL SAVINGS BONDS

An estimated 58 per cent of active investors in retail savings bonds are older than 50. This may be attributed to older investors saving for retirement and therefore benefiting from monthly payments. However, investor demographics are slowly changing with the introduction of the top-up product and amendments to the terms and conditions that allow investors who invest in fixed-rate RSA Retail Savings Bonds to opt for monthly interest payments irrespective of their age.

4. HOLDINGS OF GOVERNMENT DEBT INSTRUMENTS

Figure 22: Retail investor demographics (31 March 2024)



Source: National Treasury

5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS

GOVERNMENT DEBT PORTFOLIO

Government debt is influenced by budget balance and market variables such as the prevailing interest, exchange and inflation rates, and is presented on a gross and net basis. Table 10 shows that domestic gross loan debt increased by R150.8 billion in 2023/24 in the preliminary outcome when compared with what was projected in the 2023 Budget. Foreign gross loan debt increased by R48.3 billion in the preliminary outcome when compared with the 2023 Budget's projection, whereas foreign cash balances increased by R16.9 billion. The gross loan debt (debt less cash balances) was 74.6 per cent of GDP over the same period.

Table 10: Total government debt (2023/24)

R billion	Budget	Revised budget	Preliminary outcome
Domestic debt			
Gross loan debt	4,517	4,641	4,668
Cash balances	-61	-65	-92
Net loan debt	4,456	4,576	4,575
Foreign debt			
Gross loan debt	543	566	592
Cash balances	-86	-86	-103
Net loan debt	457	481	488
Total gross loan debt	**5,060**	**5,207**	**5,259**
Total net loan debt	**4,913**	**5,057**	**5,064**
As percentage of GDP:			
Total gross loan debt	*72*	*74*	*75*
Total net loan debt	*70*	*72*	*72*
Foreign debt as percentage of:			
Gross loan debt	*11*	*11*	*11*
Net loan debt	*9*	*10*	*10*

Source: National Treasury

Table 11 details the composition of domestic debt between 2022/23 and 2023/24. Of the total domestic debt portfolio in the reporting period, short-term loans comprised 11 per cent (R511.2 billion).

5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS

Table 11: Composition of domestic debt by instrument (2022/23 to 2023/24

R billion	2022/23 Outcome	2023/24 Preliminary outcome
Short-term loans	**423**	**511**
Shorter than 91-days	0	1
91-day	7	14
182-day	69	85
273-day	144	166
364-day	203	245
Long-term loans	**3,787**	**4,157**
Fixed-rate	2,770	2,983
Inflation-linked	992	1,146
Retail	25	28
Total	**4,210**	**4,668**

Source: National Treasury

DEBT-SERVICE COSTS

The cost of servicing government debt is influenced by the volume of debt, new borrowing and a range of market variables. Table 12 shows that debt-service costs in 2023/24 amounted to R356.1 billion, 5 per cent of GDP. This was R15.6 billion higher than the 2023 Budget, mainly because of the increase in foreign loans by R8.2 billion, to R31.6 billion.

Table 12: Debt-service costs (2023/24)

R billion	Budget	Revised budget	Preliminary outcome
Domestic loans	317	325	325
Short-term	40	44	43
Long-term	277	281	282
Foreign loans	**23**	**31**	**32**
Total	**340**	**356**	**356**
As a percentage of:			
GDP	*5*	*5*	*5*
Expenditure	*17*	*17*	*17*
Revenue	*19*	*21*	*21*

Source: National Treasury

5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS

FUNDING PORTFOLIO INDICATORS

Table 13 presents benchmark indicators of the funding portfolio in relation to domestic funding instruments. These funding benchmarks are important in the design, performance monitoring and attribution of the domestic funding strategy. The weighted cost of funding indicates the cost at which the sovereign borrows. The weighted cost of funding for fixed-rate bonds and FRNs exceeded the target by 203 basis points because of weaker bond yields along the nominal yield curve and the tepid demand for FRNs. The weighted average term to refixing seeks to measure the sovereign's exposure to interest-rate refixing risk in terms of frequency (time) and exposure (volume). A relatively lower weighted average term to refixing (between three months and one year) is desirable, particularly for an unhedged exposure floating-rate debt exposure. The current weighted average term to refixing implies a six-month refixing and waiting period for interest-rate repricing. The rollover frequency measure caters for the Treasury bill portfolio, considering this portfolio's exposure to frequent rollovers amid changing money-market rates and repricing dynamics prevalent in the money-market space. Preferably, the issuance profile should be biased towards the nine-month and 12-month maturities. As such, the desired rollover frequency is between 10 and 12 months.

Table 13: Funding benchmark indicators

Funding benchmark Indicators	Benchmark	31 March 2024
Weighted cost of funding (fixed-rate bonds and liquidity management instrument) (%)	10.75	12.78
Weighted cost of funding (inflation-linked bonds) (%)	4.45	4.94
Roll-over frequency (treasury bills in months)	10 - 12	8.83
Weighted average term to refixing (domestic debt)(in years)	0.25 - 1	0.56

Source: National Treasury

PORTFOLIO BENCHMARKS

As at 31 March 2024, five of the six government debt portfolio risk benchmarks were within and below their respective ranges and limits. The weighted average term to maturity for inflation-linked bonds was 12.9 years, which is below the 14-year benchmark for the maturity of sovereign inflation-linked bonds. This is a result of the underpopulated real curve and reduced issuance through inflation-linked bonds. The share of short-term debt maturing in 12 months (Treasury bills) as a percentage of total domestic debt increased from 10.1 per cent in 31 March 2023 to 11 per cent as at 31 March 2024. This was attributable to an increase in the issuance of Treasury bills by R4.5 billion over the period under review.

5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS

Table 14: Portfolio benchmark indicators

Benchmark	Range or limit		
	Benchmark	31 March 2023	31 March 2024
Share of short-term debt maturing in 12 months (treasury bills) as a percentage of total domestic debt	15%	10.10%	11.01%
Share of long-term debt maturing in 5 years as a percentage of fixed rate bonds and inflation linked bonds	25%	15.65%	15.35%
Share of inflation-linked bonds as a percentage of total domestic debt	20-25%	23.71%	22.15%
Share of foreign debt as a percentage of total government debt	15%	11.72%	11.31%
Weighted term-to-maturity (fixed-rate bonds and treasury bills in years)	10-14	11.15	10.63
Weighted term-to-maturity (inflation-linked bonds in years)	14-17	12.99	13.71
Weighted term-to-maturity (total government debt in years)		11.65	11.30
Weighted term-to-maturity (foreign debt in years)		13.22	13.10

Source: National Treasury

The share of long-term debt maturing in five years as a percentage of fixed-rate and inflation-linked bonds decreased from 15.7 per cent as at 31 March 2023 to 15.4 per cent as at 31 March 2024 because of the redemption of R90.5 billion in December 2023. The share of inflation-linked bonds as a percentage of total domestic debt decreased from 23.7 per cent in March 2023 to 22.2 per cent as at 31 March 2024. This was mainly a result of the redemption of the R197 bond. The share of foreign debt as a percentage of total government debt decreased from 11.7 per cent in March 2023 to 11.3 per cent as at 31 March 2024. This was because of the rate of increase in the domestic portfolio in relation to the foreign debt portfolio.

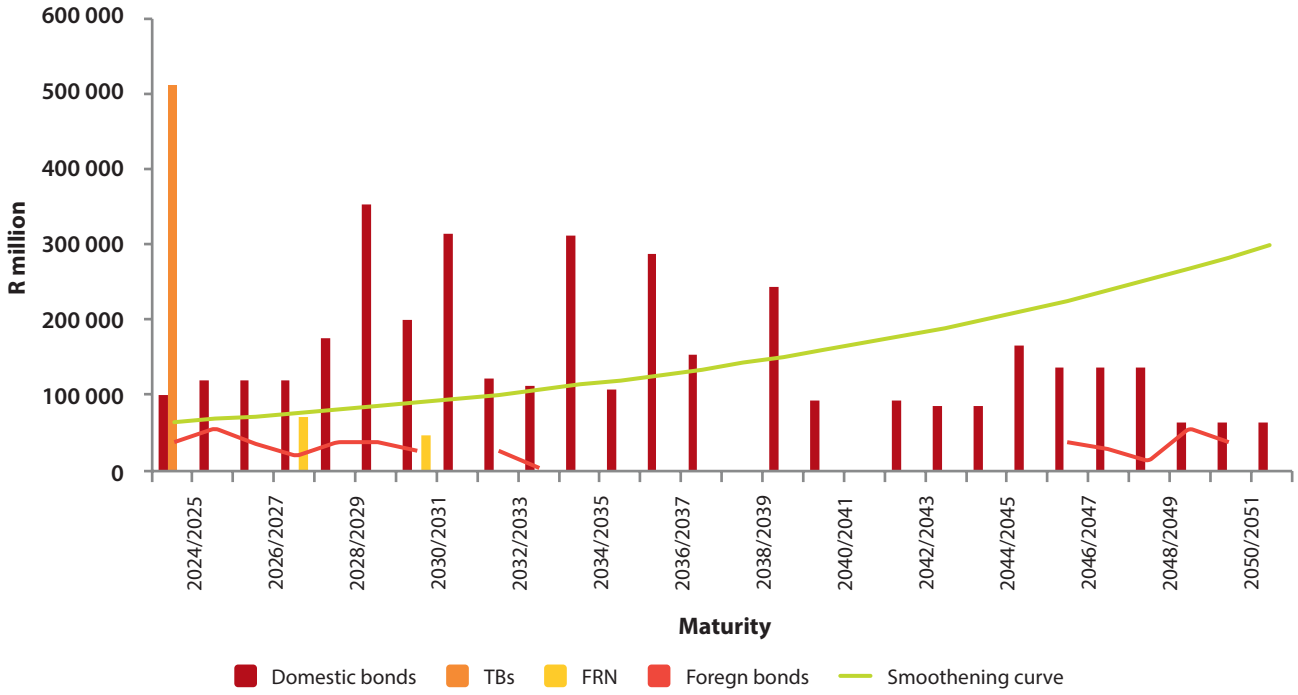
GOVERNMENT MATURITY PROFILE

Figure 24 reflects the maturity profile of government's debt portfolio. The smoothening curve indicates the affordability level as it relates to the repayment of the principal amount outstanding on bond instruments. The curve suggests that the sovereign can afford to redeem R63 billion (relative to the total outstanding amount of R100.5 billion) in 2024/25. The smoothening curve also reflects refinancing and potential repricing burdens along the maturity profile. Replenishing cash reserves or assets will help to minimise the wide gap risk.

Any amount above this line is considered unaffordable and calls for a reform of the redemption profile through liability management solutions. These include switches or setting aside cash buffers to cater for redemptions.

5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS

Figure 23: Maturity profile of government debt (31 March 2024)



Source: National Treasury

SOVEREIGN RISK ASSESSMENT

South Africa's sovereign credit ratings remain in non-investment-grade territory among all three major credit ratings agencies. The agencies remain concerned about the country's stubborn constraints on economic growth, a large and weak SOC sector and a relatively high debt burden. However, there is an expectation that government will be able to stabilise its debt over the next three years, a step change compared to the previous trend of increasing debt. Also, government's reliance on domestic, local-currency funding because of its strong financial sector and external buffers constitute key credit strengths.

In July 2023, Fitch affirmed South Africa's BB- credit rating and "stable" outlook. The agency highlighted that the rating is based on low real GDP because of factors such as power shortages, high inequality, the high government debt-to-GDP ratio and a modest path of fiscal consolidation. The ratings are, however, supported by a favourable debt structure with long maturities and denominated mostly in local currency, as well as a credible monetary policy framework.

5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS

In November 2023, S&P also affirmed South Africa's BB- credit rating and "stable" outlook. According to the agency, the outlook balances South Africa's credit strengths – particularly a credible central bank, a flexible exchange rate, an actively traded currency and deep capital markets – against infrastructure-related pressures on growth, and downside risks to the fiscal and debt position.

Moody's did not publish a credit rating announcement after its review. However, it published a credit opinion report in November 2023. The report reflected that South Africa's "stable" ratings outlook reflects Moody's expectation that government's debt burden will likely stabilise over the medium term as it remains committed to fiscal consolidation. Although risks related to social demands and SOCs remain, government, according to Moody's, is likely to continue to reprioritise spending to try mitigate any negative impact on the fiscal deficits.

In January 2024, Fitch affirmed South Africa's BB- credit rating and "stable" outlook. Again, the agency highlighted that the rating is based on low real GDP growth, high inequality, a high and rising government debt-to-GDP ratio and a modest path of fiscal consolidation. Fitch also noted that growth is hampered significantly by power shortages and a struggling logistics sector.

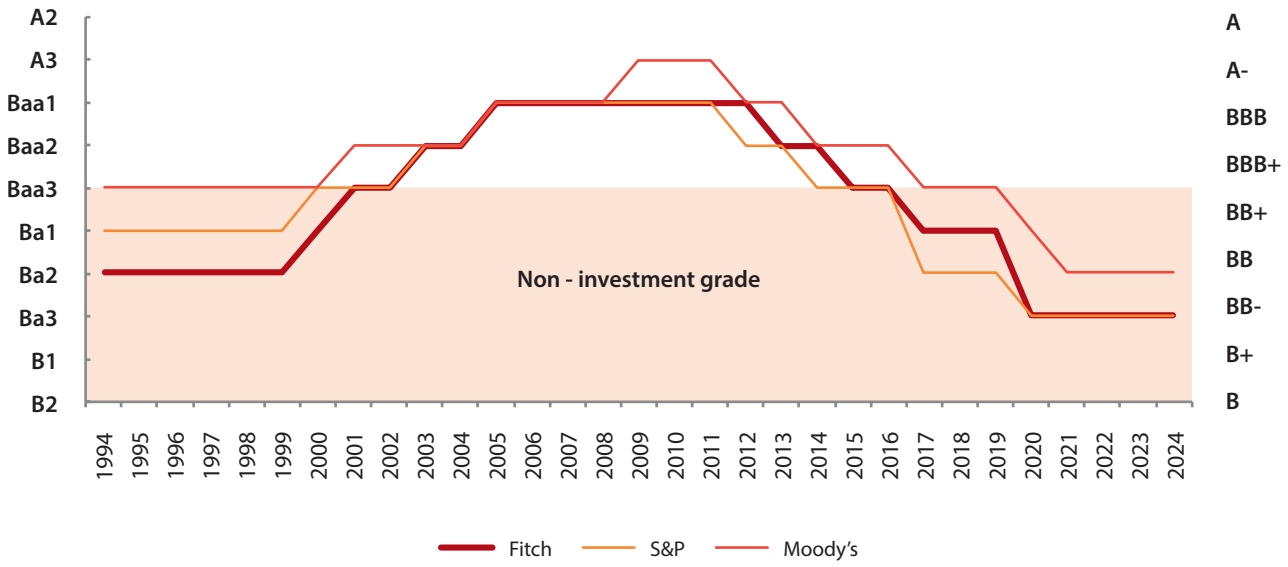
Table 15: South Africa's solicited credit ratings (2023/24)

Rating agency	Moody's		Fitch		S&P	
Date of review	19 January 2023		17 November 2023		1 April 2022	
	Current rating	Previous rating	Current rating	Previous rating	Current rating	Previous rating
Foreign currency credit rating	BB-	BB-	BB-	BB-	Ba2	Ba2
Domestic currency credit rating	BB-	BB-	BB	BB	Ba2	Ba2
Outlook	Stable	Stable	Stable	Stable	Stable	Negative
	Both foreign and domestic currency credit ratings are three notches below investement grade		Foreign currency credit rating is three notches below investment grade and the domestic currency credit rating is two notches below investment grade		Both foreign and domestic currency credit ratings are two notches below investement grade	

Sources: National Treasury, S&P, Fitch, Moody's

5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS

Figure 24 South Africa's long-term foreign-currency credit ratings history (1994-2024)



Sources: National Treasury, Fitch, S&P, Moody's

6. INVESTOR RELATIONS

INVESTOR ROADSHOWS

National Treasury runs an active investor relations programme. Each year after releasing the Budget Review in February and the Medium-term Budget Policy Statement in October/November, the department conducts domestic and international roadshows with SARB. These are aimed at strengthening relationships with investors and keeping them informed about economic, fiscal, political and social developments in the country.

During the reporting period, National Treasury issued a global call to address investors on the Eskom debt takeover and conducted domestic and international roadshows to update investors about funding requirements and the country's fiscal status. The roadshows took place in Cape Town, Johannesburg, New York, Boston and London.

National Treasury also holds meetings with investors throughout the year and provides information about funding programmes and strategies. This is done through the JSE's Stock Exchange News Service.

INVESTOR RELATIONS WEBSITE

Launched in June 2011, National Treasury's investor relations website (http://investor.treasury.gov.za) provides relevant information for institutional investors. This includes bond auction calendars, historical results for auctions, news and reports on sovereign credit ratings, holdings of domestic government bonds, policy documents, economic indicators, details of pending events, investor presentations and links to other relevant websites.

MARKETING AND PROMOTION OF RSA RETAIL SAVINGS BONDS

The RSA Retail Savings Bonds directorate implemented a promotion plan in 2023/24 through activations in various provinces. In partnership with the Government Communication and Information System and the Cooperative Banks Development Agency, various promotions and presentations were conducted for the public, government employees, CFIs and informal groups as a financial literacy and brand awareness campaign. However, due to cost-containment measures that were implemented in the third quarter, all planned activations after October 2023 were cancelled. Nevertheless, the department continued with digital marketing campaigns by using email updates and various social media platforms. A project to enhance the RSA Retail Savings Bonds website to include blogs and podcasts will start in 2024/25.

7. ANNEXURES

ANNEXURE A: Redemption schedule of Treasury bills (31 March 2024)

Date	91-day	182-day	273-day	364-day	R million
2024/04/03	255	3,600	4,000	5,170	13,025
2024/04/10	1,500	3,600	4,000	5,751	14,851
2024/04/17	1,500	3,600	4,000	4,250	13,350
2024-04-24	1,500	3,600	4,000	4,250	13,350
2024-05-02	1,500	3,600	4,000	4,250	13,350
2024-05-08	1,000	3,600	4,600	4,250	13,450
2024-05-14	1,000	3,600	4,600	1,892	11,092
2024-05-22	1,000	3,600	5,137	6,122	15,859
2024-05-31	1,000	3,600	4,600	5,450	14,650
2024-06-05	1,000	3,600	4,600	5,085	14,285
2024-06-12	1,000	3,600	4,600	4,250	13,450
2024-06-19	1,000	3,600	4,600	4,250	13,450
2024-06-27	1,000	3,600	4,600	4,250	13,450
2024-07-03	-	3,630	4,600	4,250	12,480
2024-07-10	-	3,600	4,600	4,250	12,450
2024-07-17	-	3,600	4,677	4,250	12,527
2024-07-24	-	3,600	4,600	4,250	12,450
2024-07-31	-	3,600	4,600	4,250	12,450
2024-08-07	-	2,500	4,600	5,100	12,200
2024-08-14	-	2,500	4,600	5,100	12,200
2024-08-21	-	2,500	4,600	5,100	12,200
2024-08-28	-	2,500	4,600	5,100	12,200
2024-09-04	-	2,500	4,600	5,100	12,200
2024-09-11	-	2,500	4,600	5,100	12,200
2024-09-18	-	2,500	4,600	5,642	12,742
2024-09-25	-	2,500	4,600	5,100	12,200
2024-10-02	-	-	5,145	5,100	10,245
2024-10-09	-	-	4,600	5,100	9,700
2024-10-16	-	-	4,600	5,023	9,623
2024-10-23	-	-	4,600	5,100	9,700
2024-10-30	-	-	4,600	5,100	9,700
2024-11-06	-	-	3,200	5,100	8,300
2024-11-13	-	-	3,200	5,100	8,300
2024-11-20	-	-	3,200	5,100	8,300
2024-11-27	-	-	3,200	5,100	8,300

7. ANNEXURES

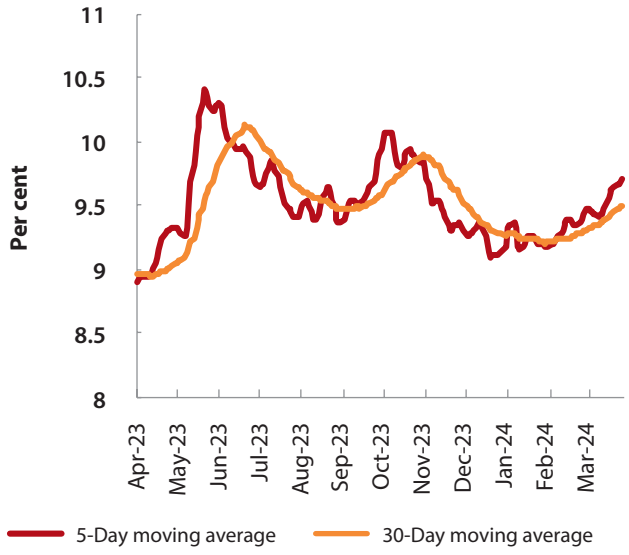
ANNEXURE A: Redemption schedule of Treasury bills (31 March 2024)

Date	91-day	182-day	273-day	364-day	R million
2024-12-04	-	-	3,200	5,100	8,300
2024-12-11	-	-	3,200	5,100	8,300
2024-12-18	-	-	3,200	5,100	8,300
2024-12-25	-	-	3,200	5,605	8,805
2025-01-02	-	-	-	5,770	5,770
2025-01-08	-	-	-	5,100	5,100
2025-01-15	-	-	-	5,100	5,100
2025-01-22	-	-	-	5,100	5,100
2025-01-29	-	-	-	5,100	5,100
2025-02-05	-	-	-	3,800	3,800
2025-02-12	-	-	-	3,800	3,800
2025-02-19	-	-	-	3,800	3,800
2025-02-26	-	-	-	3,800	3,800
2025-03-05	-	-	-	3,800	3,800
2025-03-12	-	-	-	3,800	3,800
2025-03-19	-	-	-	3,800	3,800
2025-03-26	-	-	-	3,800	3,800
Total	14,255	84,830	166,358	245,111	510,555

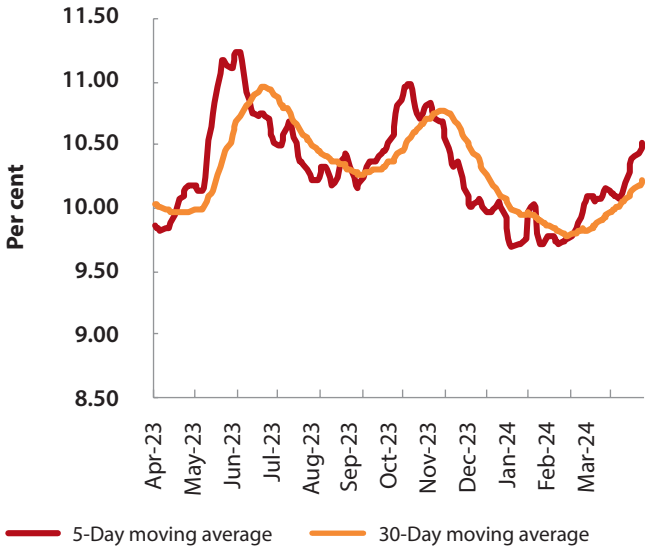
7. ANNEXURES

ANNEXURE B: Yield trends of government fixed-rate bonds (2023/24)

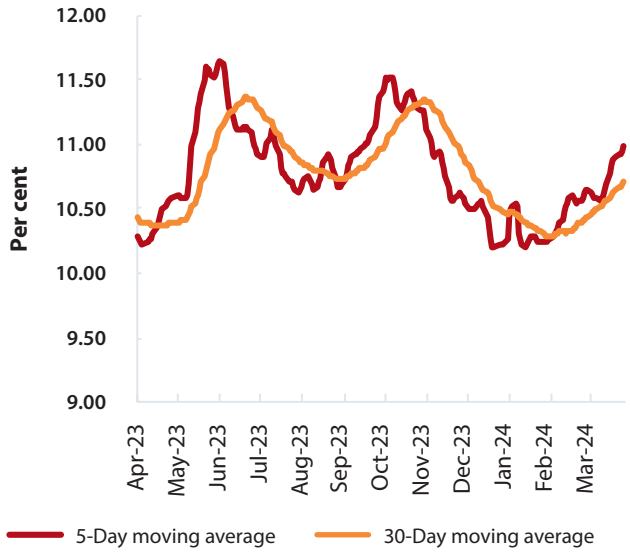
R186 bond - 10.5% 21 December 2026



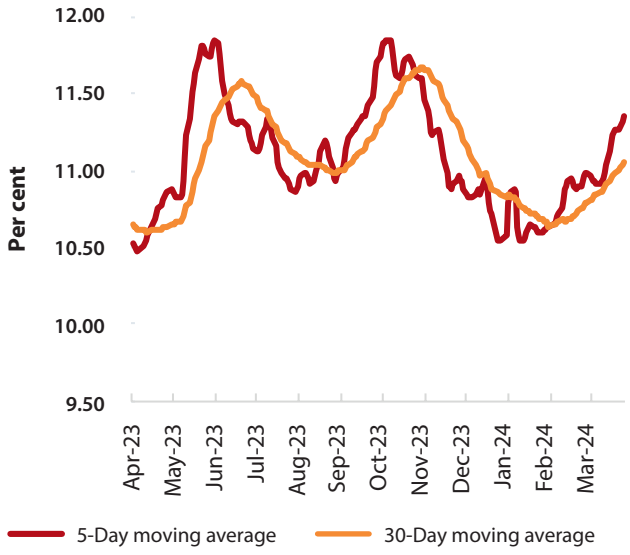
R2030 bond - 8.00% 31 January 2030



R213 bond - 7.00% 28 February 2031



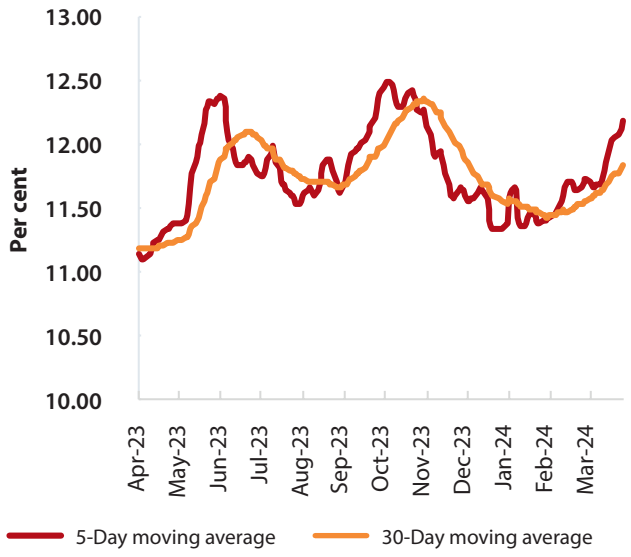
R2032 bond - 8.25% 31 March 2032



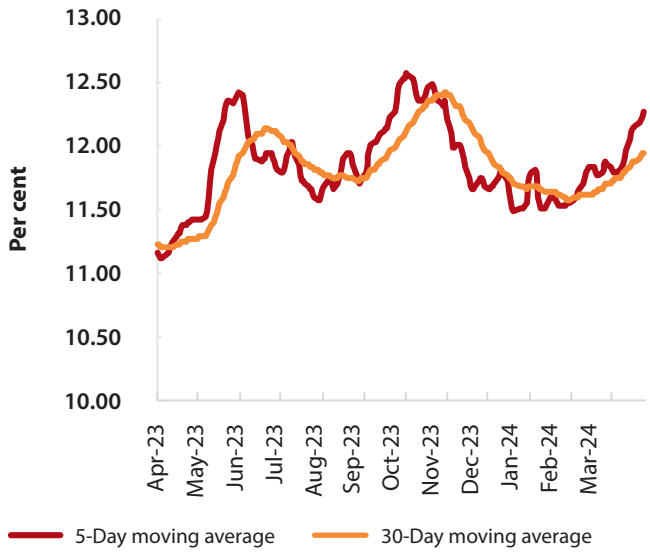
7. ANNEXURES

ANNEXURE B: Yield trends of government fixed-rate bonds (2023/24)

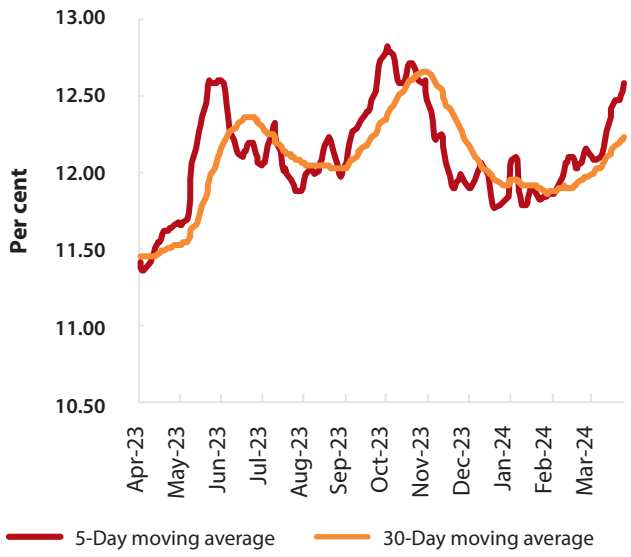
R2035 bond - 8.875% 28 February 2035



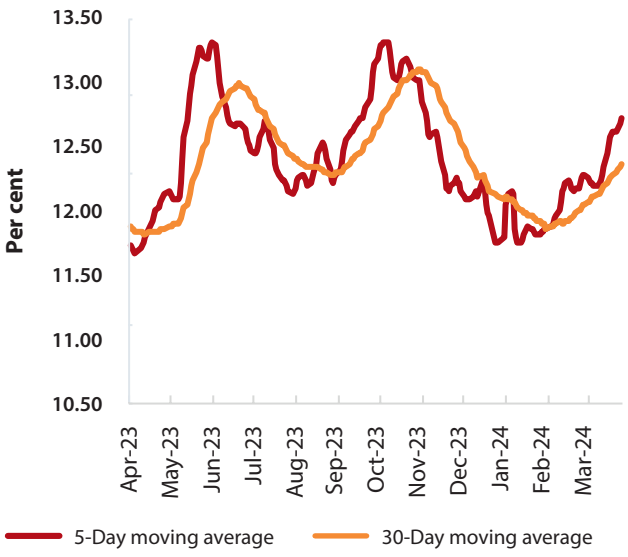
R209 bond - 6.25% 31 March 2036



R2037 bond - 8.50% 31 January 2037



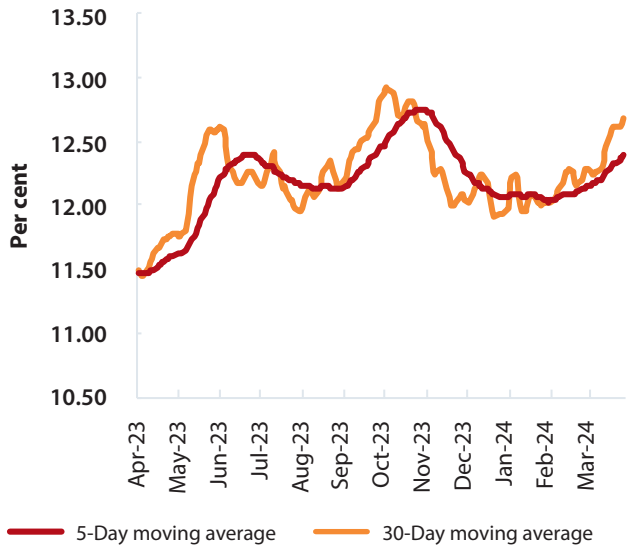
R2040 bond - 9.00% 31 January 2040



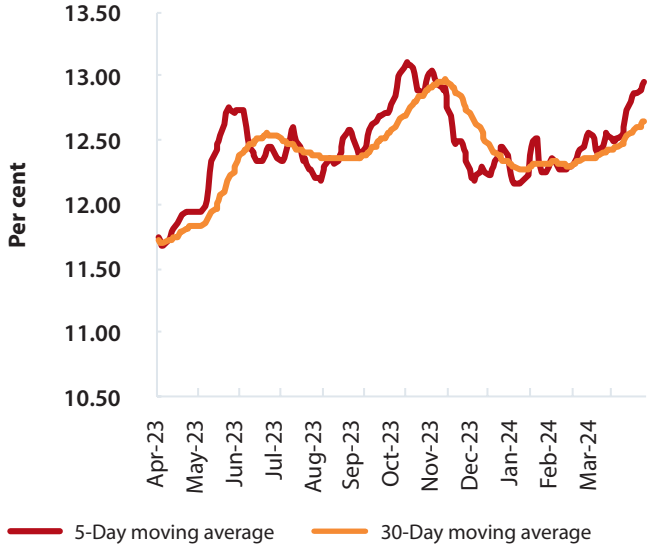
7. ANNEXURES

ANNEXURE B: Yield trends of government fixed-rate bonds (2023/24)

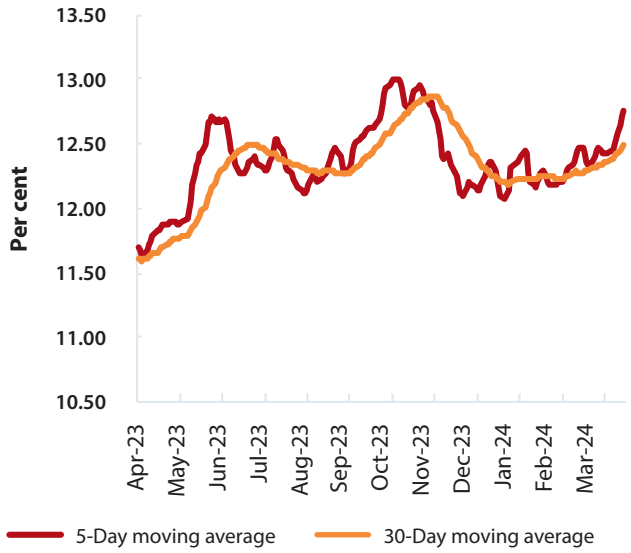
R214 bond - 6.50% 28 February 2041



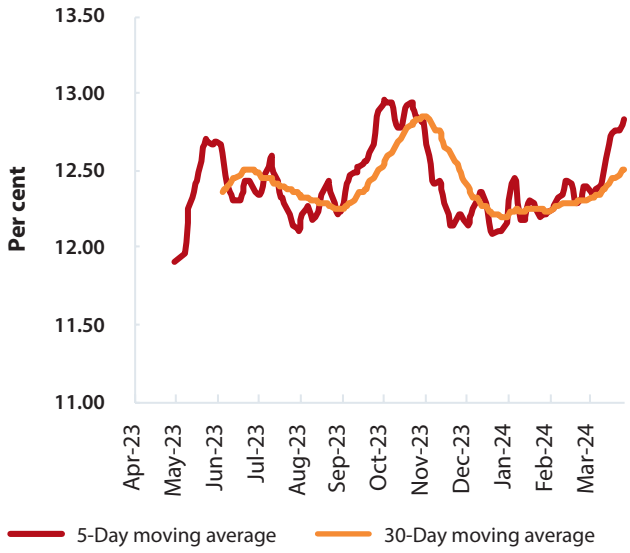
R2044 bond - 8.75% 31 January 2044



R2048 bond - 8.75% 28 February 2048



R2053 bond - 11.625% 31 March 2053



7. ANNEXURES

ANNEXURE C: Fixed-rate bond yield spreads (2023/24)

Fixed-rate bond yield spreads, 1 April 2023

	R2030 (2030)	R213 (2031)	R2032 (2032)	R2035 (2035)	R209 (2036)	R2037 (2037)	R2040 (2040)	R214 (2041)	R2044 (2044)	R2048 (2048)
R186 (2026)	139	178	203	261	265	289	310	297	321	318
R2030 (2030)		39	64	123	126	150	171	158	182	179
R213 (2031)			25	83	86	110	132	119	143	139
R2032 (2032)				58	62	86	107	94	118	115
R2035 (2035)					3	27	49	36	60	56
R209 (2036)						24	46	32	56	53
R2037 (2037)							21	8	32	29
R2040 (2040)								-13	11	7
R214 (2041)									24	21
R2044 (2044)										-4

Fixed-rate bond yield spreads, 31 March 2024

	R2030 (2030)	R213 (2031)	R2032 (2032)	R2035 (2035)	R209 (2036)	R2037 (2037)	R2040 (2040)	R214 (2041)	R2044 (2044)	R2048 (2048)
R186 (2026)	134	182	219	301	310	340	364	346	373	364
R2030 (2030)		48	85	167	176	206	230	212	239	230
R213 (2031)			37	119	128	158	182	164	191	182
R2032 (2032)				82	91	122	146	127	155	146
R2035 (2035)					9	39	63	45	72	63
R209 (2036)						30	55	36	63	55
R2037 (2037)							24	5	33	24
R2040 (2040)								-19	9	0
R214 (2041)									28	19
R2044 (2044)										-9

7. ANNEXURES

Change in basis points, 2023/24

	R2030 (2030)	R213 (2031)	R2032 (2032)	R2035 (2035)	R209 (2036)	R2037 (2037)	R2040 (2040)	R214 (2041)	R2044 (2044)	R2048 (2048)
R186 (2026)	-5	4	16	40	45	52	54	49	52	47
R2030 (2030)		9	21	45	50	56	59	54	57	52
R213 (2031)			12	36	41	48	50	45	48	43
R2032 (2032)				24	30	36	38	33	37	31
R2035 (2035)					5	12	14	9	13	7
R209 (2036)						6	9	4	7	2
R2037 (2037)							3	-3	1	-5
R2040 (2040)								-5	-2	-7
R214 (2041)									4	-2
R2044 (2044)										-5

ANNEXURE D: Summary of 91-day and 182-day Treasury bill auctions (2023/24)

	91-day				182-day			
Issue date	Bids received (R'm)	Allocated amount (R'm)	Bid-to-cover ratio (times)	Effective rate (%)	Bids received (R'm)	Allocated amount (R'm)	Bid-to-cover ratio (times)	Effective rate (%)
2023/04/06	831	381	0.69	7.91	6,203	3,000	2.07	8.45
2023/04/14	1,830	1,080	1.53	7.93	4,505	3,120	1.50	8.61
2023/04/21	1,481	681	1.23	8.00	4,692	3,519	1.56	8.74
2023/04/28	2,191	1,200	1.83	8.11	6,364	3,000	2.12	8.73
2023/05/05	1,688	983	1.41	8.03	2,953	2,953	0.98	8.78
2023/05/12	1,130	330	0.94	8.24	2,732	1,112	0.91	9.00
2023/05/19	1,030	250	0.86	8.32	4,628	2	1.54	9.20
2023/05/26	716	-	0.60		5,560	3,000	1.85	9.41
2023/06/02	1,165	365	0.97	8.57	7,501	3,000	2.50	9.42
2023/06/09	1,455	705	1.21	8.61	6,593	3,495	2.20	9.37
2023/06/15	2,635	1,200	2.20	8.64	6,582	3,000	2.19	9.34
2023/06/23	2,560	1,200	2.13	8.89	5,906	3,000	1.97	9.34
2023/06/30	7,422	1,200	6.19	8.82	6,409	3,000	2.14	9.32
2023/07/10	4,620	1,200	3.85	8.81	4,615	3,000	1.54	9.36
2023/07/17	7,911	1,200	6.59	8.79	6,197	3,000	2.07	9.27
2023/07/24	6,685	1,200	5.57	8.60	10,251	3,000	3.42	9.16
2023/07/31	980	920	0.82	8.75	9,179	3,280	3.06	9.06
2023/08/07	7,331	1,500	4.89	8.59	7,223	3,600	2.01	9.03
2023/08/14	5,755	1,500	3.84	8.56	7,657	3,600	2.13	8.99

7. ANNEXURES

ANNEXURE D: Summary of 91-day and 182-day Treasury bill auctions (2023/24)

	91-day				182-day			
Issue date	Bids received (R'm)	Allocated amount (R'm)	Bid-to-cover ratio (times)	Effective rate (%)	Bids received (R'm)	Allocated amount (R'm)	Bid-to-cover ratio (times)	Effective rate (%)
2023/08/21	1,324	964	0.88	8.63	5,905	3,600	1.64	8.99
2023/08/28	4,786	1,500	3.19	8.58	6,920	3,600	1.92	8.83
2023/09/04	5,576	1,500	3.72	8.52	5,634	3,600	1.56	8.85
2023/09/11	5,504	1,500	3.67	8.48	4,598	3,600	1.28	8.98
2023/09/18	4,582	1,500	3.05	8.44	4,350	3,058	1.21	9.06
2023/09/22	2,185	1,500	1.46	8.54	5,809	3,600	1.61	9.12
2023/10/02	3,080	1,500	2.05	8.65	7,997	3,600	2.22	9.15
2023/10/09	2,692	1,500	1.79	8.67	10,051	3,600	2.79	9.10
2023/10/16	2,554	1,500	1.70	8.69	9,461	3,600	2.63	9.07
2023/10/23	2,203	1,500	1.47	8.86	8,119	3,600	2.26	9.08
2023/10/30	2,870	1,500	1.91	8.91	7,053	3,600	1.96	9.10
2023/11/06	6,721	1,500	4.48	8.71	7,061	3,600	1.96	9.07
2023/11/13	7,155	1,500	4.77	8.66	7,745	3,600	2.15	9.05
2023/11/20	5,580	1,500	3.72	8.63	5,895	3,600	1.64	9.05
2023/11/27	4,689	1,500	3.13	8.65	5,616	3,600	1.56	9.09
2023/12/04	3,305	1,500	2.20	8.71	7,177	3,600	1.99	9.08
2023/12/11	3,657	1,500	2.44	8.66	7,399	3,600	2.06	9.09
2023/12/18	5,139	1,500	3.43	8.54	5,256	3,600	1.46	9.04
2023/12/22	1,320	995	0.88	8.60	6,409	3,600	1.78	9.08
2023/12/29	925	255	0.62	8.62	7,174	3,630	1.99	9.12
2024/01/08	2,484	1,500	1.66	8.67	6,552	3,600	1.82	9.13
2024/01/15	4,310	1,500	2.87	8.65	7,850	3,600	2.18	9.12
2024/01/22	3,255	1,500	2.17	8.70	11,521	3,600	3.20	9.11
2024/01/29	6,663	1,500	4.44	8.67	12,599	3,600	3.50	9.08
2024/02/05	4,020	1,000	4.02	8.62	11,909	2,500	4.76	9.00
2024/02/12	3,491	1,000	3.49	8.66	11,920	2,500	4.77	8.96
2024/02/19	3,727	1,000	0.00	8.62	13,657	2,500	5.46	8.92
2024/02/26	3,543	1,000	0.00	8.60	11,980	2,500	4.79	8.88
2024/03/04	4,085	1,000	4.09	8.61	7,249	2,500	2.90	8.88
2024/03/11	3,240	1,000	3.24	8.67	12,291	2,500	4.92	8.83
2024/03/18	5,237	1,000	5.24	8.62	10,211	2,500	4.08	8.81
2024/03/25	2,993	1,000	2.99	8.52	9,477	2,500	3.79	8.80
2024/03/28	940	390	0.63	8.66	9,270	3,820	2.61	8.87

7. ANNEXURES

ANNEXURE E: Summary of 273-day and 364-day Treasury bill auctions (2023/24)

	273-day				364-day			
Issue date	Bids received (R'm)	Allocated amount (R'm)	Bid-to-cover ratio (times)	Effective rate (%)	Bids received (R'm)	Allocated amount (R'm)	Bid-to-cover ratio (times)	Effective rate (%)
2023/04/06	7,468	3,318	1.87	8.59	11,617	5,751	2.73	8.57
2023/04/14	7,228	4,000	1.81	8.69	8,570	4,250	2.02	8.61
2023/04/21	6,661	4,000	1.67	8.85	7,470	4,250	1.76	8.78
2023/04/28	6,814	4,000	1.70	8.96	4,504	4,250	1.06	9.03
2023/05/05	6,893	4,264	1.72	8.93	11,680	4,250	2.75	8.95
2023/05/12	5,301	1,461	1.33	9.13	5,692	1,892	1.34	9.16
2023/05/19	6,545	4,000	1.64	9.36	10,771	6,122	2.53	9.36
2023/05/26	9,645	4,000	2.41	9.56	10,517	5,450	2.47	9.52
2023/06/02	10,280	4,000	2.57	9.55	10,778	5,085	2.54	9.51
2023/06/09	4,500	4,000	1.13	9.60	9,854	4,250	2.32	9.50
2023/06/15	6,461	4,000	1.62	9.59	6,735	4,250	1.58	9.55
2023/06/23	9,630	4,000	2.41	9.52	8,337	4,250	1.96	9.52
2023/06/30	9,473	4,000	2.37	9.48	8,520	4,250	2.00	9.51
2023/07/10	8,242	4,000	2.06	9.51	12,842	4,250	3.02	9.53
2023/07/17	14,342	4,000	3.59	9.37	13,335	4,250	3.14	9.39
2023/07/24	10,604	4,000	2.65	9.25	19,614	4,250	4.62	9.18
2023/07/31	14,715	4,000	3.68	9.19	18,755	4,250	4.41	9.13
2023/08/07	10,019	4,600	2.18	9.12	10,224	5,100	2.00	9.12
2023/08/14	6,435	4,600	1.40	9.13	13,482	5,100	2.64	9.07
2023/08/21	8,540	5,137	1.86	9.15	5,885	5,100	1.15	9.24
2023/08/28	11,906	4,600	2.59	8.99	11,171	5,100	2.19	9.02
2023/09/04	6,061	4,600	1.32	9.03	9,739	5,100	1.91	8.98
2023/09/11	6,248	4,600	1.36	9.10	8,038	5,100	1.58	8.99
2023/09/18	10,618	4,600	2.31	9.12	10,052	5,642	1.97	9.02
2023/09/22	9,601	4,600	2.09	9.18	5,168	5,100	1.01	9.22
2023/10/02	11,942	4,600	2.60	9.21	19,713	5,100	3.87	9.22
2023/10/09	9,345	4,600	2.03	9.22	14,270	5,100	2.80	9.13
2023/10/16	9,943	4,677	2.16	9.19	5,023	5,023	0.98	9.26
2023/10/23	7,249	4,600	1.58	9.26	14,664	5,100	2.88	9.26
2023/10/30	8,508	4,600	1.85	9.32	12,922	5,100	2.53	9.23
2023/11/06	11,723	4,600	2.55	9.23	9,574	5,100	1.88	9.21

7. ANNEXURES

ANNEXURE E: Summary of 273-day and 364-day Treasury bill auctions (2023/24)

	273-day				364-day			
Issue date	Bids received (R'm)	Allocated amount (R'm)	Bid-to-cover ratio (times)	Effective rate (%)	Bids received (R'm)	Allocated amount (R'm)	Bid-to-cover ratio (times)	Effective rate (%)
2023/11/13	10,020	4,600	2.18	9.23	9,229	5,100	1.81	9.28
2023/11/20	9,984	4,600	2.17	9.19	12,610	5,100	2.47	9.20
2023/11/27	9,842	4,600	2.14	9.22	15,802	5,100	3.10	9.20
2023/12/04	8,186	4,600	1.78	9.22	14,354	5,100	2.81	9.15
2023/12/11	10,235	4,600	2.23	9.23	14,046	5,100	2.75	9.14
2023/12/18	12,025	4,600	2.61	9.14	16,544	5,100	3.24	9.08
2023/12/22	8,601	4,600	1.87	9.18	11,360	5,605	2.23	9.13
2023/12/29	11,485	5,145	2.50	9.21	14,764	5,770	2.89	9.18
2024/01/08	9,329	4,600	2.03	9.17	15,397	5,100	3.02	9.13
2024/01/15	9,422	4,600	2.05	9.14	14,141	5,100	2.77	9.08
2024/01/22	12,545	4,600	2.73	9.11	15,874	5,100	3.11	9.05
2024/01/29	13,437	4,600	2.92	9.10	16,281	5,100	3.19	9.00
2024/02/05	15,271	3,200	4.77	9.05	10,736	3,800	2.83	8.98
2024/02/12	15,103	3,200	4.72	9.01	13,653	3,800	3.59	8.96
2024/02/19	10,546	3,200	3.30	8.96	7,497	3,800	1.97	8.96
2024/02/26	13,278	3,200	4.15	8.93	15,050	3,800	3.96	8.91
2024/03/04	9,316	3,200	2.91	8.90	10,147	3,800	2.67	8.88
2024/03/11	9,212	3,200	2.88	8.86	16,681	3,800	4.39	8.82
2024/03/18	10,514	3,200	3.29	8.83	17,114	3,800	4.50	8.77
2024/03/25	9,685	3,200	3.03	8.78	11,767	3,800	3.10	8.71
2024/03/28	12,207	4,785	2.65	8.71	10,675	5,555	2.18	8.68

7. ANNEXURES

ANNEXURE F: Summary of fixed-rate bond auctions (2023/24)

Issue date	Bond code	Maturity	Coupon (%)	Offer amount (R'm)	Allocated amount (R'm)	Bids received (R'm)	Clearing yield (%)
2020/04/07	R2032	3/31/2032	8.250	1,300	1,300	2,470	10.580
2020/04/07	R2035	3/31/2035	8.875	1,300	1,300	3,580	11.100
2020/04/07	R2053	2/28/2053	11.625	1,300	1,300	10,625	11.650
2020/04/14	R2032	3/31/2032	8.250	1,300	1,300	3,815	10.560
2020/04/14	R2035	3/31/2035	8.875	1,300	1,300	3,095	11.270
2020/04/14	R2053	2/28/2053	11.625	1,300	1,300	4,785	11.720
2020/04/21	R213	2/28/2031	7.000	1,300	1,300	4,000	10.440
2020/04/21	R2035	3/31/2035	8.875	1,300	1,300	5,580	11.270
2020/04/21	R2053	2/28/2053	11.625	1,300	1,300	3,755	11.870
2020/04/28	R2032	3/31/2032	8.250	1,300	1,300	5,045	10.830
2020/04/28	R2035	3/31/2035	8.875	1,300	1,300	4,895	11.360
2020/04/28	R2053	2/28/2053	11.625	1,300	1,300	4,365	11.910
2020/05/05	R213	2/28/2031	7.000	1,300	1,300	2,655	10.630
2020/05/05	R2037	1/31/2037	8.500	1,300	1,300	2,815	11.660
2020/05/05	R2053	2/28/2053	11.625	1,300	1,300	3,170	11.910
2020/05/12	R2032	3/31/2032	8.250	1,300	1,300	3,270	10.880
2020/05/12	R2040	1/31/2040	9.000	1,300	1,300	4,095	12.010
2020/05/12	R2044	1/31/2044	8.750	1,300	1,300	4,060	12.080
2020/05/19	R2032	3/31/2032	8.250	1,300	1,300	3,805	11.420
2020/05/19	R2035	3/31/2035	8.875	1,300	1,300	3,490	11.890
2020/05/19	R2037	1/31/2037	8.500	1,300	1,300	3,180	12.185
2020/05/26	R2035	3/31/2035	8.875	1,300	1,300	4,175	12.360
2020/05/26	R2037	1/31/2037	8.500	1,300	1,300	2,770	12.650
2020/05/26	R2040	1/31/2040	9.000	1,300	1,300	3,165	12.820
2020/06/02	R2032	3/31/2032	8.250	1,300	1,300	3,720	11.860
2020/06/02	R2037	1/31/2037	8.500	1,300	1,300	3,880	12.645
2020/06/02	R2048	2/28/2048	8.750	1,300	1,300	3,540	12.685
2020/06/09	R2032	3/31/2032	8.250	1,300	1,300	10,220	11.570
2020/06/09	R2040	1/31/2040	9.000	1,300	1,300	3,605	12.500
2020/06/09	R2053	2/28/2053	11.625	1,300	1,300	2,890	12.480
2020/06/17	R2032	3/31/2032	8.250	1,300	1,300	5,745	11.300
2020/06/17	R2035	3/31/2035	8.875	1,300	1,300	6,250	11.840
2020/06/17	R2048	2/28/2048	8.750	1,300	1,300	3,330	12.275
2020/06/23	R2035	3/31/2035	8.875	1,300	1,300	4,445	11.820

7. ANNEXURES

ANNEXURE F: Summary of fixed-rate bond auctions (2023/24)

Issue date	Bond code	Maturity	Coupon (%)	Offer amount (R'm)	Allocated amount (R'm)	Bids received (R'm)	Clearing yield (%)
2020/06/23	R2037	1/31/2037	8.500	1,300	1,300	3,110	12.140
2020/06/23	R2053	2/28/2053	11.625	1,300	1,300	2,130	12.445
2020/06/30	R213	2/28/2031	7.000	1,300	1,300	4,325	10.900
2020/06/30	R2035	3/31/2035	8.875	1,300	1,300	3,630	11.725
2020/06/30	R2037	1/31/2037	8.500	1,300	1,300	5,305	12.030
2020/07/07	R213	2/28/2031	7.000	1,300	1,300	3,475	10.885
2020/07/07	R2032	3/31/2032	8.250	1,300	1,300	3,015	11.135
2020/07/07	R2035	3/31/2035	8.875	1,300	1,300	3,180	11.770
2020/07/14	R213	2/28/2031	7.000	1,300	1,300	4,590	11.105
2020/07/14	R2035	3/31/2035	8.875	1,300	1,300	5,945	11.970
2020/07/14	R2040	1/31/2040	9.000	1,300	1,300	2,910	12.550
2020/07/21	R213	2/28/2031	7.000	1,300	1,300	5,210	10.730
2020/07/21	R2044	1/31/2044	8.750	1,300	1,300	3,880	12.345
2020/07/21	R2053	2/28/2053	11.625	1,300	1,300	4,325	12.325
2020/07/28	R2037	1/31/2037	8.500	1,300	1,300	4,410	11.870
2020/07/28	R2044	1/31/2044	8.750	1,300	1,300	4,040	12.190
2020/07/28	R2053	2/28/2053	11.625	1,300	1,300	3,065	12.145
2020/08/04	R2037	1/31/2037	8.500	1,300	1,300	2,955	11.925
2020/08/04	R2040	1/31/2040	9.000	1,300	1,300	3,140	12.150
2020/08/04	R2048	2/28/2048	8.750	1,300	1,300	3,030	12.130
2020/08/11	R2037	1/31/2037	8.500	1,300	1,300	4,140	11.990
2020/08/11	R2044	1/31/2044	8.750	1,300	1,300	2,735	12.360
2020/08/11	R2053	2/28/2053	11.625	1,300	1,300	3,725	12.210
2020/08/18	R213	2/28/2031	7.000	1,300	1,300	2,555	10.845
2020/08/18	R2035	3/31/2035	8.875	1,300	1,300	2,555	11.870
2020/08/18	R2053	2/28/2053	11.625	1,300	1,300	2,300	12.360
2020/08/25	R213	2/28/2031	7.000	1,300	1,300	2,905	10.940
2020/08/25	R2032	3/31/2032	8.250	1,300	1,300	3,465	11.250
2020/08/25	R2044	1/31/2044	8.750	1,300	1,300	2,295	12.685
2020/09/01	R2037	1/31/2037	8.500	1,300	1,300	4,410	11.870
2020/09/01	R2044	1/31/2044	8.750	1,300	1,300	4,040	12.190
2020/09/01	R2053	2/28/2053	11.625	1,300	1,300	3,065	12.145
2020/09/08	R2032	3/31/2032	8.250	1,300	1,300	2,925	11.220
2020/09/08	R2040	1/31/2040	9.000	1,300	1,300	4,585	12.560

7. ANNEXURES

ANNEXURE F: Summary of fixed-rate bond auctions (2023/24)

Issue date	Bond code	Maturity	Coupon (%)	Offer amount (R'm)	Allocated amount (R'm)	Bids received (R'm)	Clearing yield (%)
2020/09/08	R2053	2/28/2053	11.625	1,300	1,300	3,030	12.505
2020/09/15	R213	2/28/2031	7.000	1,300	1,300	3,415	10.960
2020/09/15	R2048	2/28/2048	8.750	1,300	1,300	5,565	12.620
2020/09/15	R2053	2/28/2053	11.625	1,300	1,300	2,795	12.545
2020/09/22	R2032	3/31/2032	8.250	1,300	1,300	2,940	11.380
2020/09/22	R2037	1/31/2037	8.500	1,300	1,300	2,990	12.420
2020/09/22	R2044	1/31/2044	8.750	1,300	1,300	2,770	12.715
2020/09/29	R2044	1/31/2044	8.750	1,300	1,300	3,980	12.975
2020/09/29	R2048	2/28/2048	8.750	1,300	1,300	3,835	12.870
2020/09/29	R2053	2/28/2053	11.625	1,300	1,300	2,350	12.860
2020/10/06	R2040	1/31/2040	9.000	1,300	1,300	4,295	12.995
2020/10/06	R2044	1/31/2044	8.750	1,300	1,300	5,000	13.050
2020/10/06	R2048	2/28/2048	8.750	1,300	1,300	4,260	12.985
2020/10/13	R2044	1/31/2044	8.750	1,300	1,300	3,400	12.875
2020/10/13	R2048	2/28/2048	8.750	1,300	1,300	4,340	12.780
2020/10/13	R2053	2/28/2053	11.625	1,300	1,300	1,930	12.890
2020/10/20	R213	2/28/2031	7.000	1,300	1,300	2,800	11.350
2020/10/20	R2040	1/31/2040	9.000	1,300	1,300	3,985	12.900
2020/10/20	R2044	1/31/2044	8.750	1,300	1,300	3,275	13.005
2020/10/27	R2035	3/31/2035	8.875	1,300	1,300	5,060	12.280
2020/10/27	R2048	2/28/2048	8.750	1,300	1,300	4,430	12.860
2020/10/27	R2053	2/28/2053	11.625	1,300	1,300	3,975	12.880
2020/11/03	R2035	3/31/2035	8.875	1,300	1,300	3,490	12.245
2020/11/03	R2037	1/31/2037	8.500	1,300	1,300	2,645	12.585
2020/11/03	R2048	2/28/2048	8.750	1,300	1,300	3,905	12.760
2020/11/10	R2035	3/31/2035	8.875	1,300	1,300	4,890	11.990
2020/11/10	R2040	1/31/2040	9.000	1,300	1,300	4,410	12.505
2020/11/10	R2048	2/28/2048	8.750	1,300	1,300	6,020	12.480
2020/11/17	R213	2/28/2031	7.000	1,300	1,300	8,100	10.940
2020/11/17	R2044	1/31/2044	8.750	1,300	1,300	5,060	12.520
2020/11/17	R2053	2/28/2053	11.625	1,300	1,300	4,140	12.470
2020/11/24	R2040	1/31/2040	9.000	1,300	1,300	5,220	12.050
2020/11/24	R2044	1/31/2044	8.750	1,300	1,300	3,225	12.120
2020/11/24	R2048	2/28/2048	8.750	1,300	1,300	5,040	12.020

7. ANNEXURES

ANNEXURE F: Summary of fixed-rate bond auctions (2023/24)

Issue date	Bond code	Maturity	Coupon (%)	Offer amount (R'm)	Allocated amount (R'm)	Bids received (R'm)	Clearing yield (%)
2020/12/01	R2035	3/31/2035	8.875	1,300	1,300	4,230	11.590
2020/12/01	R2044	1/31/2044	8.750	1,300	1,300	3,000	12.260
2020/12/01	R2048	2/28/2048	8.750	1,300	1,300	4,315	12.155
2020/12/08	R2040	1/31/2040	9.000	1,300	1,300	2,155	12.230
2020/12/08	R2044	1/31/2044	8.750	1,300	1,300	2,400	12.285
2020/12/08	R2053	2/28/2053	11.625	1,300	1,300	2,400	12.210
2020/12/15	R2035	3/31/2035	8.875	1,300	1,300	7,275	11.590
2020/12/15	R2044	1/31/2044	8.750	1,300	1,300	5,410	12.395
2020/12/15	R2048	2/28/2048	8.750	1,300	1,300	3,695	12.330
2021/01/12	R2040	1/31/2040	9.000	1,300	1,300	4,320	12.180
2021/01/12	R2044	1/31/2044	8.750	1,300	1,300	3,785	12.300
2021/01/12	R2048	2/28/2048	8.750	1,300	1,300	3,085	12.220
2021/01/19	R2035	3/31/2035	8.875	1,300	1,300	2,380	11.440
2021/01/19	R2037	1/31/2037	8.500	1,300	1,300	2,255	11.860
2021/01/19	R2040	1/31/2040	9.000	1,300	1,300	2,805	12.125
2021/01/26	R213	2/28/2031	7.000	1,300	1,300	2,455	10.240
2021/01/26	R2037	1/31/2037	8.500	1,300	1,300	3,095	11.830
2021/01/26	R2053	2/28/2053	11.625	1,300	1,300	3,165	12.200
2021/02/02	R2040	1/31/2040	9.000	1,300	1,300	2,330	12.150
2021/02/02	R2044	1/31/2044	8.750	1,300	1,300	2,865	12.270
2021/02/02	R2048	2/28/2048	8.750	1,300	1,300	3,260	12.150
2021/02/09	R213	2/28/2031	7.000	1,300	1,300	3,000	10.375
2021/02/09	R2040	1/31/2040	9.000	1,300	1,300	3,235	12.320
2021/02/09	R2048	2/28/2048	8.750	1,300	1,300	3,125	12.350
2021/02/16	R2032	3/31/2032	8.250	1,300	1,300	2,720	10.870
2021/02/16	R2040	1/31/2040	9.000	1,300	1,300	3,440	12.420
2021/02/16	R2048	2/28/2048	8.750	1,300	1,300	2,600	12.475
2021/02/23	R213	2/28/2031	7.000	1,300	1,300	3,520	10.605
2021/02/23	R2040	1/31/2040	9.000	1,300	1,300	5,225	12.355
2021/02/23	R2048	2/28/2048	8.750	1,300	1,300	3,915	12.405
2021/03/02	R2040	1/31/2040	9.000	1,300	1,300	5,100	12.460
2021/03/02	R2044	1/31/2044	8.750	1,300	1,300	6,835	12.570
2021/03/02	R2048	2/28/2048	8.750	1,300	1,300	4,005	12.490
2021/03/09	R2040	1/31/2040	9.000	1,300	1,300	2,745	12.450

7. ANNEXURES

ANNEXURE F: Summary of fixed-rate bond auctions (2023/24)

Issue date	Bond code	Maturity	Coupon (%)	Offer amount (R'm)	Allocated amount (R'm)	Bids received (R'm)	Clearing yield (%)
2021/03/09	R2044	1/31/2044	8.750	1,300	1,300	2,370	12.590
2021/03/09	R2048	2/28/2048	8.750	1,300	1,300	2,510	12.495
2021/03/16	R2035	3/31/2035	8.875	1,300	1,300	3,340	11.760
2021/03/16	R2048	2/28/2048	8.750	1,300	1,300	3,900	12.540
2021/03/16	R2053	2/28/2053	11.625	1,300	1,300	2,615	12.505
2021/03/23	R2037	1/31/2037	8.500	1,300	1,300	3,680	12.520
2021/03/23	R2048	2/28/2048	8.750	1,300	1,300	4,065	12.835
2021/03/23	R2053	2/28/2053	11.625	1,300	1,300	2,145	12.880
2021/03/30	R2037	1/31/2037	8.500	1,300	1,300	2,960	12.590
2021/03/30	R2040	1/31/2040	9.000	1,300	1,300	2,005	12.900
2021/03/30	R2048	2/28/2048	8.750	1,300	1,300	2,785	12.870

ANNEXURE G: Summary of inflation-linked bond auctions (2023/24)

Issue date	Bondcode	Maturity	Coupon (%)	Offer amount (R'm)	Allocated amount (R'm)	Bids received (R'm)	Clearing yield (%)
2023/03/31	I2031	2031/01/31	4.250	1200	455	1,905	4.300
2023/03/31	I2038	2038/01/31	2.250		255	385	4.680
2023/03/31	I2046	2046/03/31	2.500		290	470	4.670
2023/04/14	I2031	2031/01/31	4.250	1200	150	390	4.250
2023/04/14	I2038	2038/01/31	2.250		355	720	4.620
2023/04/14	I2050	2050/12/31	2.500		495	895	4.630
2023/04/21	I2029	2029/03/31	1.875	1200	585	1,885	4.060
2023/04/21	I2038	2038/01/31	2.250		100	450	4.670
2023/04/21	I2046	2046/03/31	2.500		315	1,125	4.700
2023/04/28	I2031	2031/01/31	4.250	1200	25	50	4.170
2023/04/28	I2038	2038/01/31	2.250		445	845	4.630
2023/04/28	I2050	2050/12/31	2.500		530	1,265	4.620
2023/05/05	I2033	2033/03/28	1.875	1200	175	355	4.560
2023/05/05	I2046	2046/03/31	2.500		410	460	4.670
2023/05/05	I2050	2050/12/31	2.500		415	415	4.660
2023/05/12	I2031	2031/01/31	4.250	1200	40	40	4.400
2023/05/12	I2046	2046/03/31	2.500		350	350	5.000
2023/05/12	I2050	2050/12/31	2.500		330	330	5.000
2023/05/19	I2029	2029/03/31	1.875	1200	375	435	4.270

7. ANNEXURES

ANNEXURE G: Summary of inflation-linked bond auctions (2023/24)

Issue date	Bondcode	Maturity	Coupon (%)	Offer amount (R'm)	Allocated amount (R'm)	Bids received (R'm)	Clearing yield (%)
2023/05/19	I2033	2033/03/28	1.875		10	270	4.830
2023/05/19	I2038	2038/01/31	2.250		265	395	4.970
2023/05/26	I2031	2031/01/31	4.250	1200	110	140	4.450
2023/05/26	I2038	2038/01/31	2.250		230	280	4.960
2023/05/26	I2046	2046/03/31	2.500		405	405	5.020
2023/06/02	I2031	2031/01/31	4.250	1200	20	390	4.450
2023/06/02	I2046	2046/03/31	2.500		270	600	5.000
2023/06/02	I2050	2050/12/31	2.500		710	910	5.030
2023/06/09	I2033	2033/03/28	1.875	1200	330	995	4.760
2023/06/09	I2046	2046/03/31	2.500		300	545	4.860
2023/06/09	I2050	2050/12/31	2.500		370	955	4.870
2023/06/23	I2031	2031/01/31	4.250	1200	10	250	4.410
2023/06/23	I2046	2046/03/31	2.500		535	535	4.900
2023/06/23	I2050	2050/12/31	2.500		420	450	4.910
2023/06/30	I2033	2033/03/28	1.875	1200	555	1,425	4.930
2023/06/30	I2046	2046/03/31	2.500		175	625	5.050
2023/06/30	I2050	2050/12/31	2.500		270	755	5.050
2023/07/07	I2031	2031/01/31	4.250	1200	-	140	0.000
2023/07/07	I2033	2033/03/28	1.875		525	955	4.890
2023/07/07	I2038	2038/01/31	2.250		475	775	5.000
2023/07/14	I2033	2033/03/28	1.875	1200	140	530	4.840
2023/07/14	I2038	2038/01/31	2.250		225	285	4.990
2023/07/14	I2046	2046/03/31	2.500		635	800	4.990
2023/07/21	I2033	2033/03/28	1.875	1200	630	740	4.850
2023/07/21	I2046	2046/03/31	2.500		270	410	4.990
2023/07/21	I2050	2050/12/31	2.500		100	265	4.990
2023/07/28	I2029	2029/03/31	1.875	1200	620	1,885	4.460
2023/07/28	I2038	2038/01/31	2.250		50	575	4.930
2023/07/28	I2046	2046/03/31	2.500		330	920	4.930
2023/08/04	I2031	2031/01/31	4.250	1200	405	985	4.550
2023/08/04	I2033	2033/03/28	1.875		355	785	4.720
2023/08/04	I2050	2050/12/31	2.500		240	380	4.910
2023/08/11	I2029	2029/03/31	1.875	1200	610	2,220	4.310
2023/08/11	I2033	2033/03/28	1.875		30	830	4.680

7. ANNEXURES

ANNEXURE G: Summary of inflation-linked bond auctions (2023/24)

Issue date	Bondcode	Maturity	Coupon (%)	Offer amount (R'm)	Allocated amount (R'm)	Bids received (R'm)	Clearing yield (%)
2023/08/11	I2046	2046/03/31	2.500		360	550	4.880
2023/08/18	I2029	2029/03/31	1.875	1200	500	1,880	4.290
2023/08/18	I2033	2033/03/28	1.875		450	700	4.710
2023/08/18	I2050	2050/12/31	2.500		50	280	4.980
2023/08/25	I2029	2029/03/31	1.875	1200	600	1,200	4.240
2023/08/25	I2033	2033/03/28	1.875		210	940	4.740
2023/08/25	I2038	2038/01/31	2.250		190	710	4.975
2023/09/01	R210	2028/03/31	2.600	1200	295	315	4.280
2023/09/01	I2031	2031/01/31	4.250		380	700	4.560
2023/09/01	I2046	2046/03/31	2.500		325	525	5.020
2023/09/08	R210	2028/03/31	2.600	1200	100	215	4.310
2023/09/08	I2033	2033/03/28	1.875		420	460	4.845
2023/09/08	I2050	2050/12/31	2.500		280	300	5.090
2023/09/15	I2029	2029/03/31	1.875	1200	870	1,735	4.370
2023/09/15	I2043	2043/01/31	5.125		50	130	5.140
2023/09/15	I2058	2058/01/31	5.125		80	345	5.160
2023/09/22	R210	2028/03/31	2.600	1200	25	25	4.270
2023/09/22	R202	2033/12/07	3.450		100	100	4.870
2023/09/22	I2050	2050/12/31	2.500		800	875	5.100
2023/09/29	I2029	2029/03/31	1.875	1200	460	1,855	4.350
2023/09/29	I2043	2043/01/31	5.125		200	560	5.200
2023/09/29	I2050	2050/12/31	2.500		340	975	5.200
2023/10/06	I2029	2029/03/31	1.875	1200	500	930	4.400
2023/10/06	I2046	2046/03/31	2.500		375	780	5.190
2023/10/06	I2058	2058/01/31	5.125		125	445	5.910
2023/10/13	I2031	2031/01/31	4.250	1200	90	345	4.570
2023/10/13	I2038	2038/01/31	2.250		120	120	5.125
2023/10/13	I2050	2050/12/31	2.500		350	350	5.220
2023/10/20	I2029	2029/03/31	1.875	1200	200	350	4.450
2023/10/20	I2050	2050/12/31	2.500		210	220	5.260
2023/10/20	I2058	2058/01/31	5.125		110	145	5.300
2023/10/27	R210	2028/03/31	2.600	1200	200	225	4.670
2023/10/27	I2043	2043/01/31	5.125		-	320	0.000
2023/10/27	I2050	2050/12/31	2.500		190	710	5.370

7. ANNEXURES

ANNEXURE G: Summary of inflation-linked bond auctions (2023/24)

Issue date	Bondcode	Maturity	Coupon (%)	Offer amount (R'm)	Allocated amount (R'm)	Bids received (R'm)	Clearing yield (%)
2023/11/03	I2038	2038/01/31	2.250	1200	350	680	5.120
2023/11/03	I2046	2046/03/31	2.500		450	905	5.140
2023/11/03	I2058	2058/01/31	5.125		200	440	5.200
2023/11/10	I2038	2038/01/31	2.250	1200	205	465	4.970
2023/11/10	I2046	2046/03/31	2.500		195	730	4.980
2023/11/10	I2050	2050/12/31	2.500		600	1,190	5.020
2023/11/17	I2038	2038/01/31	2.250	1200	200	250	4.900
2023/11/17	I2046	2046/03/31	2.500		480	670	4.940
2023/11/17	I2050	2050/12/31	2.500		320	585	4.900
2023/11/24	I2038	2038/01/31	2.250	1200	60	110	4.900
2023/11/24	I2046	2046/03/31	2.500		250	300	4.950
2023/11/24	I2050	2050/12/31	2.500		280	305	4.960
2023/12/01	R210	2028/03/31	2.600	1200	490	525	4.430
2023/12/01	I2038	2038/01/31	2.250		280	490	4.990
2023/12/01	I2050	2050/12/31	2.500		230	510	5.010
2023/12/08	R210	2028/03/31	2.600	1200	535	985	4.285
2023/12/08	I2033	2033/03/28	1.875		95	145	4.760
2023/12/08	I2046	2046/03/31	2.500		370	870	4.970
2024/01/12	R210	2028/03/31	2.600	1200	195	225	4.240
2024/01/12	I2046	2046/03/31	2.500		405	505	4.970
2024/01/12	I2058	2058/01/31	5.125		400	450	4.980
2024/01/19	I2029	2029/03/31	1.875	1200	125	125	4.290
2024/01/19	I2038	2038/01/31	2.250		450	500	5.010
2024/01/19	I2058	2058/01/31	5.125		425	600	5.010
2024/01/26	I2031	2031/01/31	4.250	1200	-	-	N/A
2024/01/26	I2046	2046/03/31	2.500		465	555	5.000
2024/01/26	I2050	2050/12/31	2.500		54	590	5.000
2024/02/02	I2033	2033/03/28	1.875	1200	300	400	4.820
2024/02/02	I2043	2043/01/31	5.125		350	465	5.000
2024/02/02	I2050	2050/12/31	2.500		350	575	4.980
2024/02/09	I2033	2033/03/28	1.875	1200	-	-	N/A
2024/02/09	I2046	2046/03/31	2.500		520	595	5.000
2024/02/09	I2058	2058/01/31	5.125		480	650	5.020
2024/02/16	I2033	2033/03/28	1.875	1200	310	330	4.960

7. ANNEXURES

ANNEXURE G: Summary of inflation-linked bond auctions (2023/24)

Issue date	Bondcode	Maturity	Coupon (%)	Offer amount (R'm)	Allocated amount (R'm)	Bids received (R'm)	Clearing yield (%)
2024/02/16	I2043	2043/01/31	5.125		60	80	5.020
2024/02/16	I2050	2050/12/31	2.500		50	185	5.030
2024/02/23	I2033	2033/03/28	1.875	1200	400	550	5.000
2024/02/23	I2038	2038/01/31	2.250		400	540	5.060
2024/02/23	I2058	2058/01/31	5.125		200	200	5.080
2024/03/01	R210	2028/03/31	2.600	1200	65	65	4.500
2024/03/01	I2046	2046/03/31	2.500		140	190	5.060
2024/03/01	I2058	2058/01/31	5.125		90	120	5.100
2024/03/08	I2031	2031/01/31	4.250	1200	-	300	N/A
2024/03/08	I2038	2038/01/31	2.250		440	440	5.110
2024/03/08	I2050	2050/12/31	2.500		485	615	5.110
2024/03/15	I2033	2033/03/28	1.875	1200	700	775	5.050
2024/03/15	I2046	2046/03/31	2.500		-	110	N/A
2024/03/15	I2050	2050/12/31	2.500		-	135	N/A
2024/03/22	I2029	2029/03/31	1.875	1200	200	1,365	4.430
2024/03/22	I2046	2046/03/31	2.500		420	820	5.090
2024/03/22	I2050	2050/12/31	2.500		380	625	5.090

7. ANNEXURES

ANNEXURE H: GLOSSARY

Auction	A process through which participants can submit bids to purchase a given amount of goods or services at a specific price.
Bid-to-cover ratio	A ratio used to express the demand for a particular security during auctions. It is calculated by dividing the total number of bids received by the total number of bids accepted.
Benchmark bond	A bond that provides a standard against which the performance of other bonds can be measured. Government bonds are almost always used as benchmark bonds.
Bond	A certificate of debt issued by a government or corporation guaranteeing the payment of the original investment plus interest on a specified future date.
Government debt	All money owed at any given time by any branch of government, also referred to as public debt.
Liquidity	The ease of converting an asset to cash.
Primary dealer	A firm that buys government securities directly from a government with the intention of reselling them to others, thus acting as a market maker for the securities.
Primary listing	The main exchange on which a stock is listed.
Refinancing risk	The possibility that a borrower will not be able to refinance by borrowing to repay existing debt.
Secondary market	A market in which an investor purchases a security from another investor rather than from the issuer after the original issuance in the primary market. It is also called the aftermarket.
Strate	Share Transactions Totally Electronic Limited is the authorised central securities depository for the electronic settlement of financial instruments in South Africa.
Switch programme	A liability management exercise where short-term debt is exchanged for long-term debt. The purpose is to reduce near-term exposure to refinancing risk by exchanging short-term debt for long-term debt.
Tenor	The remaining time for the redemption of a bond.
Yield	A financial return or interest paid to bond buyers. The yield considers the total of annual interest payments, purchase price, redemption value and time remaining until maturity.
Yield curve	A graph showing the relationship between the yield on bonds of the same credit quality but different maturity at a given point in time.

7. ANNEXURES

ANNEXURE I: Abbreviations and acronyms

CFI	Cooperative financial institution
CPD	Corporation for Public Deposits
COVID-19	Coronavirus disease
ETP	Electronic trading platform
Fitch	Fitch Ratings
FRN	Floating-rate note
GDP	Gross domestic product
JSE	Johannesburg Stock Exchange
Moody's	Moody's Investors Service
PD	Primary dealer
Repo	Repurchase
S&P	S&P Global Ratings
SARB	South African Reserve Bank
SOC	State-owned company
Strate	Share Transactions Totally Electronic Limited
US	United States of America

2023/24

DEBT MANAGEMENT Report

Private Bag X115, Pretoria, 0001 | 40 Church Square, Pretoria, 0002 | Tel: +27 12 315 5944 | Fax: +27 12 406 5095 | **www.treasury.gov.za**

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA