



NATIONAL TREASURY
REPUBLIC OF SOUTH AFRICA

PRESS RELEASE

**RSA RETAIL BOND INTEREST RATES APPLICABLE FROM
1 DECEMBER 2004 TO 31 DECEMBER 2004**

The National Treasury, through the Asset and Liability Management Division determines the Prevailing Interest Rates for the 2-year, 3-year and 5-year RSA Retail Bonds at the end of each month.

The Prevailing Interest Rates of the RSA Retail Bonds are determined by interpolating the equivalent yields of the 2-year, 3-year and 5-year Government Bonds.

The Prevailing Interest Rates are priced off the government yield curve, and will be changed if the yields of the RSA Government bonds move (negatively or positively) by more than 50 basis points. Such a movement is measured from the last business day of the previous month to the last business day of the current month.

The Prevailing Interest Rates are determined on the last business day of the month (30 November 2004) and are applicable from the first day of the month (1 December 2004) until the last day of the month (31 December 2004).

From 1 November 2004 to 30 November 2004 yields on Government Bonds have not moved more than 50 basis points thus the Prevailing Interest Rates for the month of December 2004 will therefore not be adjusted and will remain as follows:

2-year Retail Bond:	8.25%
3-year Retail Bond:	8.50%
5-year Retail Bond:	9.00%

Issued by: National Treasury
30 November 2004