



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

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## Press release

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### **The impact on inflation-linked Government Bonds of the rebasing and re-weighting of the Consumer Price Index (CPI) as announced by Statistics South Africa**

The National Treasury has assessed the impact of rebasing and re-weighting the CPI, and the changes that will need to be made to the Government's Inflation-Linked Bonds.

From January 2009, the new headline CPI - all urban areas (primary and secondary) will replace the old CPI - all items for metropolitan areas. The Terms and Conditions of the Government inflation-linked debt will therefore be amended to reflect the relevant changes.

Statistics South Africa is to provide historic data of the rebased CPI (with 2008 = 100) from December 2008 backwards. The National Treasury will thus also replace existing index data for calculation purposes with the new rebased data until December 2008, and further with the new rebased and re-weighted CPI from January 2009.

For the calculation of the month-on-month adjustment for inflation purposes, the index number for the (new) CPI – all urban areas for January 2009 over the (old) CPI - all items for metropolitan areas for December 2008 will apply.

Calculated on the original respective issue dates, the new base inflation indices are as follows (15 digits apply):

- R189 - 59,8024193548387
- R197 - 65,0504032258064
- R202 - 76,8225806451613
- R210 - 89,2750000000000

These base indices are calculated in such a way that the capital value of the bonds is the same before and after the indices were rebased.

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