



2020/21  
**DEBT  
MANAGEMENT  
REPORT**



**national treasury**

Department:  
National Treasury  
**REPUBLIC OF SOUTH AFRICA**







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2020/21

# DEBT MANAGEMENT REPORT

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# 1. FOREWORD



Director-General  
**Dondo Mogajane**  
**National Treasury**

The 2020/21 financial year came to an end in a volatile environment where global investors feared the rise in United States (US) yields underpinned by inflation expectations driven by a pickup in global growth rates and unprecedented central bank stimulus. The Federal Reserve's apparent lack of concern about inflation fuelled fears that the US's interest rates might start to rise faster and earlier than expected.

The global financial system was on the path to recovery, starting the year on a positive note following the inauguration of President Joe Biden. Financial markets looked forward to a more stable trading environment, a rebound in commodity prices and a global economic upturn from the impact of the COVID-19 pandemic.

On the local front, the country saw a fall in gross domestic product (GDP) of 6.9 per cent in 2020 with consensus forecasts of a pick-up to 4.2 per cent in 2021. The first quarter of the year saw a decline of 3.3 per cent in real GDP while unemployment rose to its highest recorded level of 33 per cent as the effects of the pandemic continued to severely damage the fragile economy. Consumer price inflation fell to 3.1 per cent from 3.2 per cent in the fourth quarter of 2020. As a result, the Monetary Policy Committee (MPC) decided to keep the repurchase rate unchanged at 3.5 per cent.

Rating agencies remained concerned about the state of South Africa's finances which had been fragile before the pandemic. In March 2021, Moody's maintained its local and foreign currency rating at Ba2 with a negative outlook. The key concerns were uncertainty about wage negotiations, elevated debt levels, state-owned companies (SOCs) and the strain they place on the fiscus, rising unemployment and the slow pace of implementing reforms.

# 1. FOREWORD | continued

The optimism with which the 2021 calendar year started soon fizzled out and gave way to concerns which triggered a sell-off in emerging market assets. Concerns about the slow pace of vaccination worldwide raised fears that widespread lock-downs would return and put a damper on global growth. The emergence of a new South African strain of the virus unnerved local investors while making foreign investors reluctant to hold long maturity paper. Foreign holders of domestic debt fell from 30.2 per cent to 29.3 per cent at the end of the fiscal year. Domestic government bond yields weakened by an average of 64 basis points between the beginning of January and the end of March 2021.

Despite these challenges, government was able to meet its gross borrowing requirement of R670 billion with a net issuance of R50.7 billion raised in domestic short-term funding and R518.4 billion in domestic long-term loans. Government adjusted its domestic bond issuance strategy by issuing short to mid-long bond maturities in order to reduce the debt portfolio cost, average maturity and duration. An amount of US\$5.6 billion was raised from multilateral development banks rather than issuing in the international markets where conditions were unfavourable. The weighted term-to-maturity decreased to 12.04 years in March 2021 from 12.70 years in March 2020.

Debt service costs continue to place a great strain on government cash resources, rising at an average of 13.1 per cent per annum at the end of March 2021 and forecast to absorb 20.9 per cent of every rand that the government raises in revenue over the medium-term.

Government is committed to ensuring debt sustainability by managing debt in a manner that minimises the impact on the stock of debt and reduces the cost of borrowing.



**Dondo Mogajane**

Director-General

**Date:** 15 December 2021

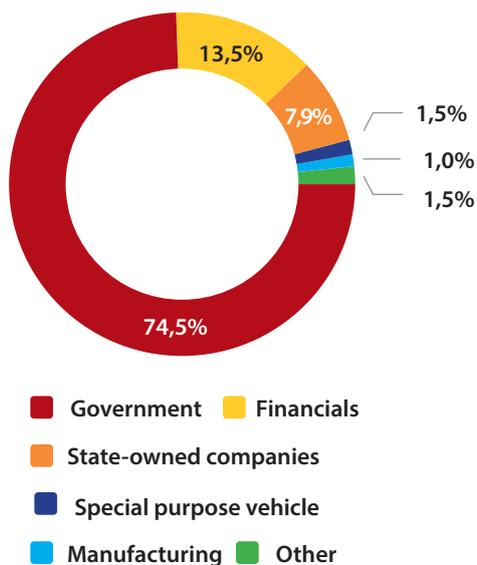
## 2. THE SOUTH AFRICAN DEBT CAPITAL MARKET

### LISTING ACTIVITY IN THE PRIMARY DEBT CAPITAL MARKET

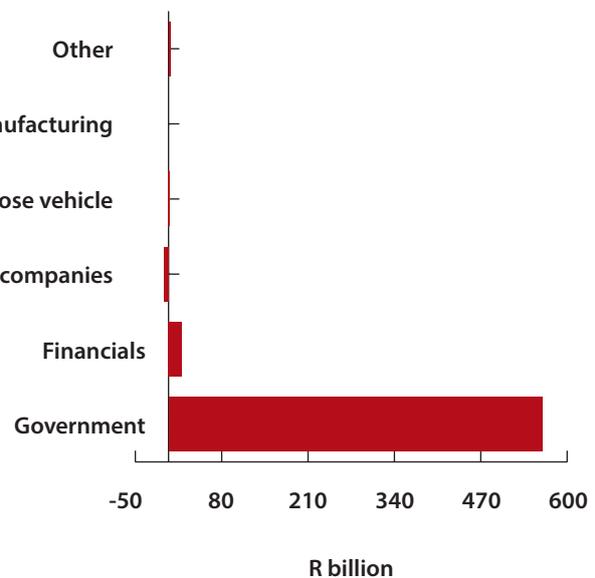
The total nominal amount outstanding for debt instruments listed on the Johannesburg Stock Exchange (JSE) stood at R3.8 trillion as at 31 March 2021, R562.6 billion higher than the 31 March 2020 figure of R3.2 trillion. The domestic debt capital market remains an important source of financing, especially for national government which is the highest contributor to the total outstanding debt listed on the JSE. The COVID-19 pandemic, the deteriorating economy, weakening public finances and lower revenue collection resulted in a R562.6 billion increase in outstanding government debt in 2020/21. This was R261.6 billion higher than the R301 billion increase in 2019/20. SOCs reduced R6.7 billion from their listed debt; in 2019/20 they added R4.7 billion. Driven by the banking sector, financials added R20.3 billion to their listed debt; in 2019/20, they added R35.7 billion.

**FIGURE 1: PRIMARY LISTING OF DEBT SECURITIES ON THE JSE, 31 MARCH 2021**

Nominal primary listing by sector



Net changes in nominal listing values by instrument



Source: Johannesburg Stock Exchange and National Treasury

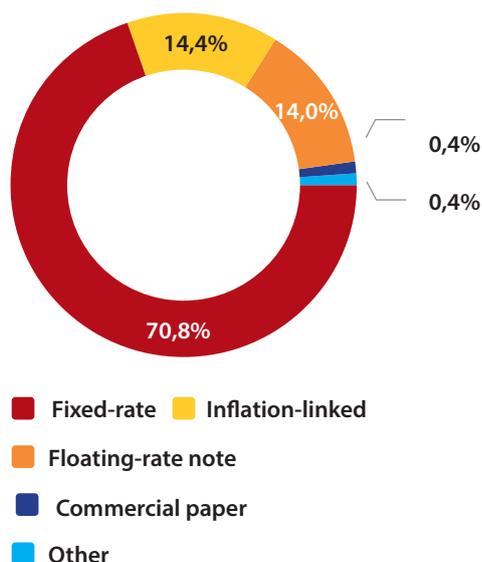
## 2. THE SOUTH AFRICAN DEBT CAPITAL MARKET | continued

Government’s debt contributed about 74.5 per cent of listed debt as at 31 March 2021, 4.5 per cent higher than the 70.0 per cent recorded on 31 March 2020. The next largest sectors were Financials and SOCs, with listings of 13.5 per cent and 7.9 per cent respectively as at 31 March 2021.

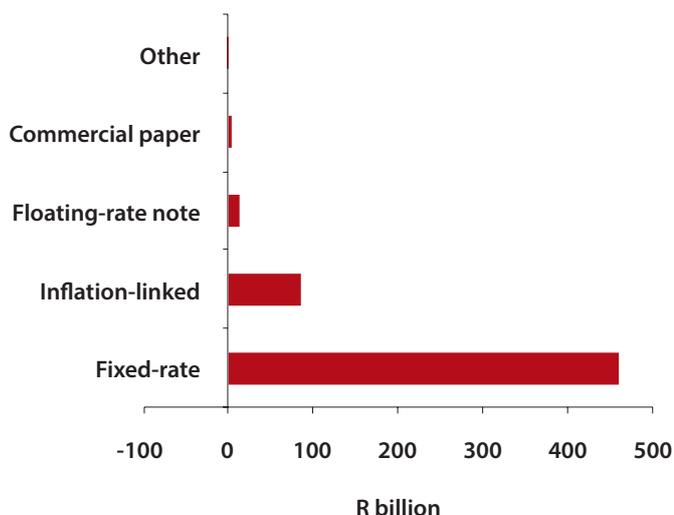
The number of listed instruments has increased steadily over the past three years, with 1 885 recorded on 31 March 2021 compared with 1 734 in 2019 and 1 856 in 2020.

**FIGURE 2: COMPOSITION OF PRIMARY LISTINGS BY INSTRUMENT, 31 MARCH 2021**

Primary listing by instrument



Net change in listing value by instrument

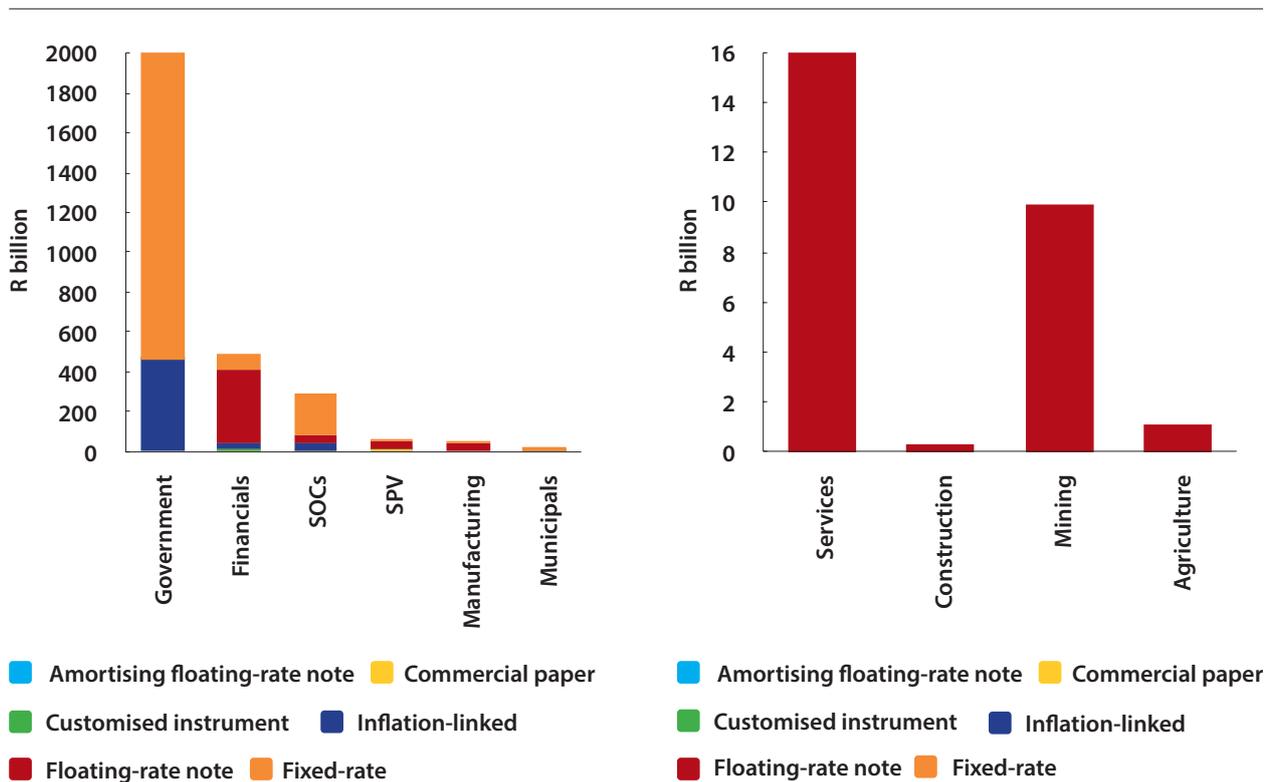


Source: Johannesburg Stock Exchange and National Treasury

By a considerable margin, fixed-rate bonds make up the largest part of total primary listings. This is mainly because government, the largest issuer of listed debt, mostly issues fixed-rate bonds. As at 31 March 2021, fixed-rate instruments accounted for 70.8 per cent of total listed debt, marginally higher than the 68.8 per cent recorded on 31 March 2020. As Figure 2 shows, at 14.4 per cent inflation-linked bonds had moved from making up the third largest to the second largest element of total listed debt as at 31 March 2021. This is because the value of floating-rate notes (FRNs) decreased from 16.1 per cent of the total on 31 March 2020 to 14.0 per cent on 31 March 2021.

## 2. THE SOUTH AFRICAN DEBT CAPITAL MARKET | continued

**FIGURE 3: SECTORIAL COMPOSITION OF PRIMARY LISTINGS OF DEBT SECURITIES ON THE JSE, 31 MARCH 2021**



Source: Johannesburg Stock Exchange and National Treasury

The preference for FRN issuance outside the government and SOC sectors is apparent from Figure 3. FRNs provide a good source of funding, while investor demand is high as the credit spread uplift in their portfolios is seen as having the potential to generate higher returns during increasing interest rate cycles.

### SECONDARY MARKET ACTIVITY IN SOUTH AFRICAN BONDS<sup>1</sup>

As Figure 4 shows, trading volumes in the secondary market decreased from R35.7 trillion as at 31 December 2019 to R31.7 trillion on 31 December 2020, an 11.1 per cent decrease. 2020 was characterised by relatively high volatility in global financial markets due to the COVID-19 pandemic, resulting in decreased trading activity in the secondary market.

<sup>1</sup> Due to the availability of the source data, information provided in this section is as at 31 December 2020 and not 31 March 2021.

## 2. THE SOUTH AFRICAN DEBT CAPITAL MARKET | continued

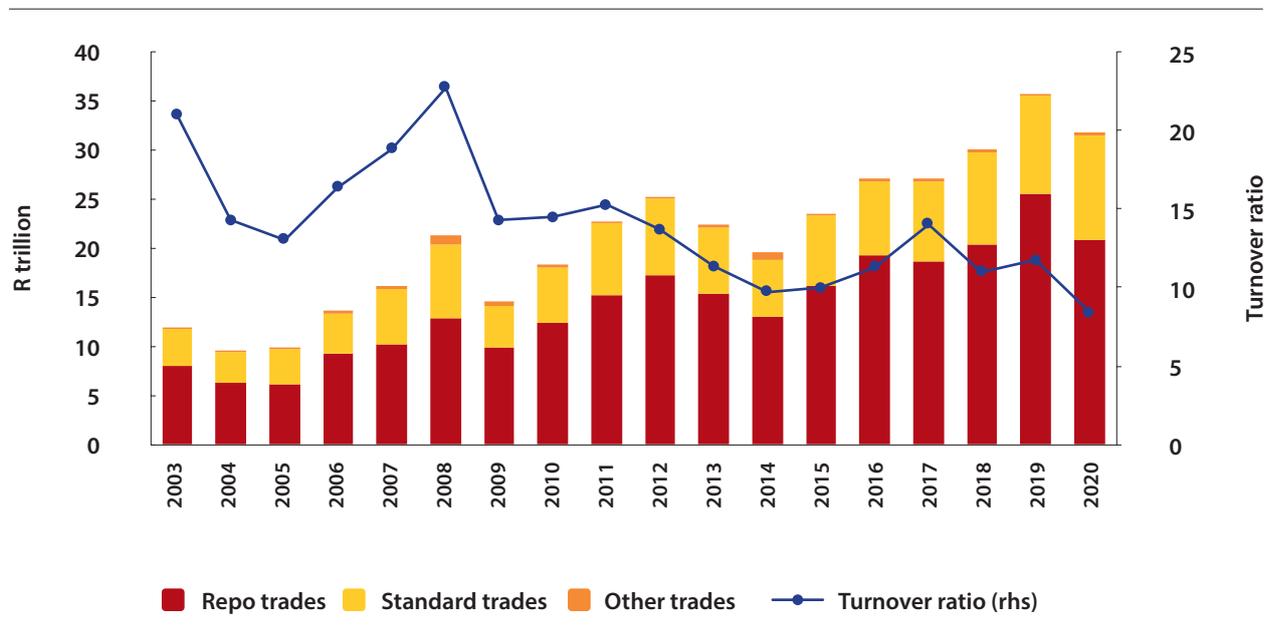
Repurchase (repo) transactions are an efficient source of money market funding, providing investors with a range of options for investing surplus cash and helping to avoid settlement failures. As at 31 December 2020, the repo market made up 65.6 per cent of total trading volumes in the interest rate market, a 5.9 percentage point decrease from the 71.5 per cent on 31 December 2019. Repo trades decreased by R4.7 trillion, other trades increased by R120.5 billion and standard trades increased by R591.0 billion to R10.6 trillion, an increase of 5.9 per cent from 31 December 2019.

### Repurchase (repo) market

Repos are classified as money-market instruments, normally used to raise short-term capital. For the party selling the asset (usually fixed-income securities) and agreeing to repurchase it in the future, it is a repo; for the party on the other end of the transaction, buying the security and agreeing to sell in the future, it is a reverse repurchase agreement. 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 the loss. 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, 2003-2020**



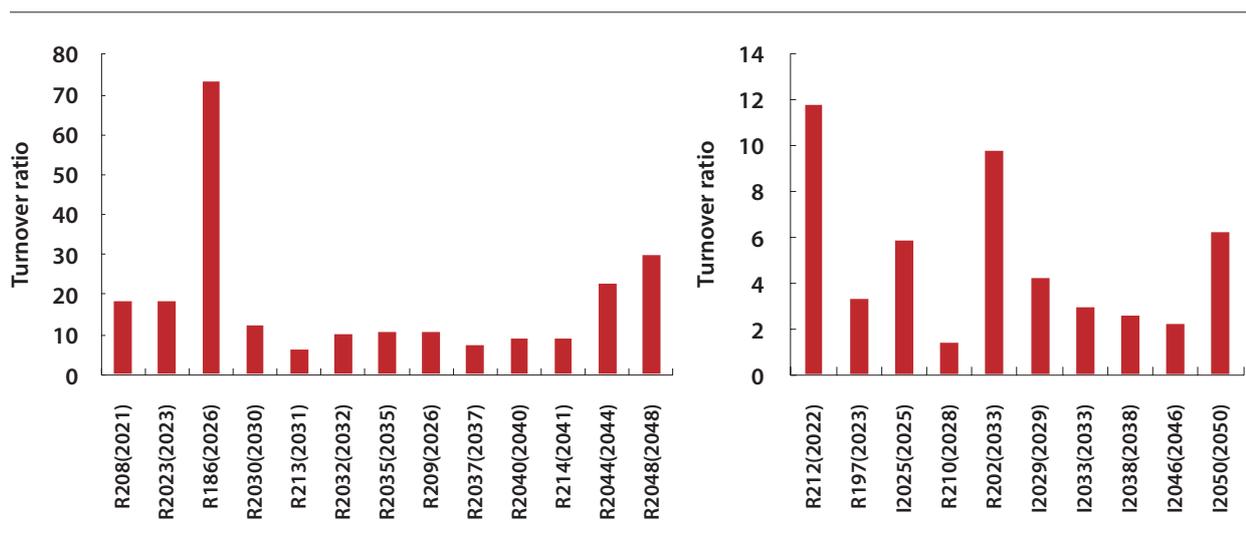
Source: Johannesburg Stock Exchange and National Treasury

## 2. THE SOUTH AFRICAN DEBT CAPITAL MARKET | continued

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.

With a total of R31.7 trillion traded in the secondary market, government bonds made up 98.1 per cent of trading volumes in 2020. As Figure 5 shows, the R186 (10.50%; 2025/26/27) bond had the highest turnover ratio of 73 times followed by the R2048 (8.75%; 2047/48/49) bond with a turnover ratio of 30 times. The R186 bond, with a total issuance of R340.8 billion as at 31 December 2020, is the most liquid bond in the government bond portfolio having traded R8.3 trillion on the exchange. R2.9 trillion was traded in the R2048 bond; the total issuance of this bond was R98.8 billion.

**FIGURE 5: GOVERNMENT BOND TURNOVER RATIOS, 31 DECEMBER 2020**



Source: Johannesburg Stock Exchange and National Treasury

The shorter maturity bonds, namely the R208 (6.75%; 2021) and R2023 (7.75%; 2023), have relatively higher turnover ratios as a result of the fact that they have lower amounts outstanding than longer maturity fixed-rate bonds. A contributing factor is that these bonds are nearing maturity and have been source bonds in government’s switch auction programme. Among the inflation-linked bonds, the R212 (2.75%;2022) bond had the highest turnover ratio of 12 times during 2020. 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.

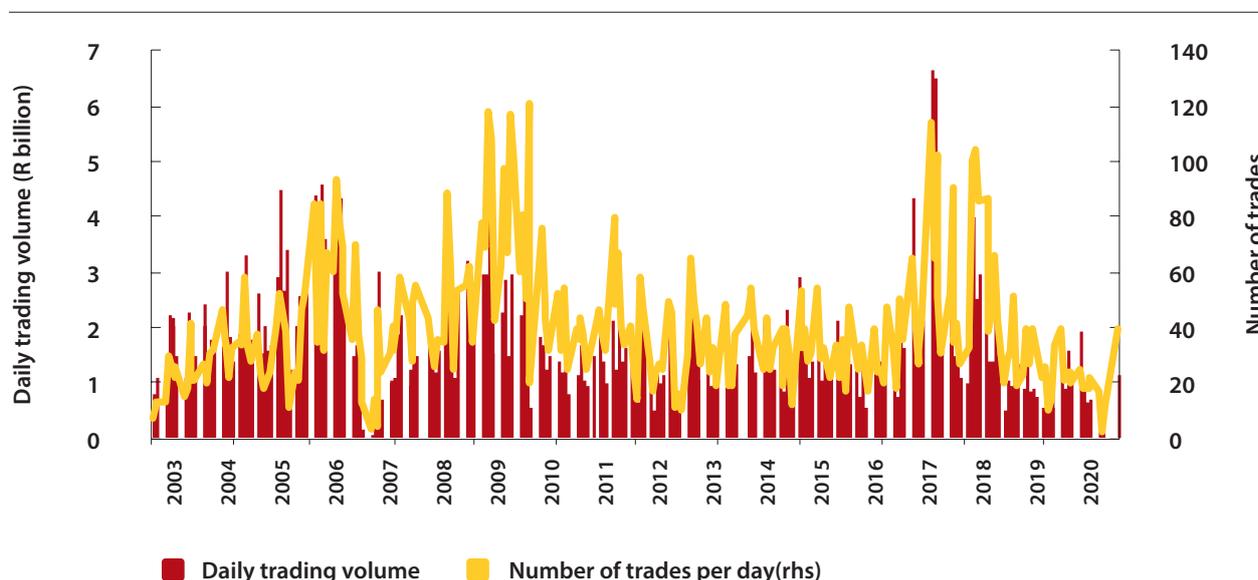
## 2. THE SOUTH AFRICAN DEBT CAPITAL MARKET | continued

### ELECTRONIC TRADING PLATFORM

National Treasury, together with a multi-stakeholder group consisting of the JSE, Share Trading Transactions Totally Electronic (STRATE), primary dealers, the South African Reserve Bank (SARB) and the Financial Sector Conduct Authority (FSCA), with technical assistance from the World Bank, launched the electronic trading platform (ETP) for government bonds in July 2018. The aim of the ETP is to improve liquidity, price discovery and transparency in the domestic government bond market.

All nine primary dealers are required to quote prices on the following obligatory bonds: the R186 (10.25%; 2025/26/27), R2030 (8.00%; 2030), R2035 (8.875%; 2035), R2040 (9.00%; 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 primary dealer participation in the ETP by allocating a portion of the non-competitive bids based on the volumes traded by each primary dealer on the platform.

**FIGURE 6: ELECTRONIC TRADING PLATFORM DAILY VOLUMES AND TRADES, JANUARY 2020 - DECEMBER 2020**



Source: MTS

In both 2019 and 2020, the average daily volume traded was R1.7 billion. Although the average daily volume remained the same, the average number of trades per day decreased to 40 in 2020 from an average of 52 in 2019. As expected, there were fewer trades in December 2020 because of the festive holidays.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING

#### BORROWING REQUIREMENT

The 2020/21 fiscal year coincided with the global spread of COVID-19, with government's fiscal position weakening due to lower revenue and higher spending to finance essential health and economic measures to contain and mitigate the effects of the pandemic.

Consequently, government's gross borrowing requirement - the budget deficit including maturing loans - increased significantly, from R432.7 billion initially budgeted in February 2019 to a preliminary outcome of R619.5 billion. To finance the higher gross borrowing requirement, government adjusted its financing strategy to lower the impact on debt and debt-service costs. This included drawing down on surplus cash balances, borrowing from international finance institutions at lower interest rates and increasing Treasury bill issuances to reduce the impact on the domestic bond market.

Table 1 shows the preliminary outcome of financing national government's gross borrowing requirement. This was financed through net issuance of domestic short-term loans of R95.3 billion, domestic long-term loans of R523.4 billion and foreign loans of R91.9 billion. Cash and other balances increased by R91.1 billion during the year.

**TABLE 1: FINANCING OF NATIONAL GOVERNMENT GROSS BORROWING REQUIREMENT, 2020/21**

| R MILLION  | BUDGET          | REVISED BUDGET  | PRELIMINARY OUTCOME |
|--|-----------------|-----------------|---------------------|
| Main budget balance                                  | -367 999        | -603 388        | -551 858            |
| Redemptions  | -64 699         | -66 881         | -67 639             |
| Domestic long-term loans                             | -52 465         | -52 465         | -53 223             |
| Foreign loans  | -12 234         | -14 416         | -14 416             |
| <b>Borrowing requirement (gross)</b>                 | <b>-432 698</b> | <b>-670 269</b> | <b>-619 497</b>     |
| <b>Financing</b>                                     |                 |                 |                     |
| <b>Domestic short-term loans</b>                     | <b>48 000</b>   | <b>97 184</b>   | <b>95 325</b>       |
| Treasury bills (net)                                 | 48 000          | 124 539         | 122 610             |
| Corporation for Public Deposits                      | -               | -27 355         | -27 285             |
| <b>Domestic long-term loans</b>                      | <b>337 700</b>  | <b>518 457</b>  | <b>523 418</b>      |
| Market loans   | 337 700         | 518 500         | 523 376             |
| Loans issued for switches                            | -               | -43             | 42                  |
| <b>Foreign loans</b>                                 | <b>29 260</b>   | <b>107 070</b>  | <b>91 920</b>       |
| Market loans   | 29 260          | 107 070         | 91 920              |
| Loans issued for switches                            | -               | -               | -                   |
| <b>Change in cash and other balances<sup>1</sup></b> | <b>17 738</b>   | <b>-52 442</b>  | <b>-91 166</b>      |
| <b>Total financing</b>                               | <b>432 698</b>  | <b>670 269</b>  | <b>619 497</b>      |

<sup>1</sup> A positive value indicates that cash is used to finance part of the borrowing requirement  
Source: National Treasury

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

#### DOMESTIC SHORT-TERM BORROWING

To finance the higher borrowing requirement and to compensate for revenue shortfall, in 2020/21 government issued an additional R74.6 billion in Treasury bills above the 2020 Budget projection of R48 billion.

In 2020/21, National Treasury borrowed an average of R47.7 billion from the Corporation for Public Deposits (CPD) to address the short-term liquidity pressures. However, as shown in Table 2, government closed the financial year with a borrowing from the CPD of R70 million.

Government conducts weekly Treasury bill auctions. The net changes in maturities of the Treasury bills show that issuance was concentrated in the longer-maturity bills. This assisted with managing refinancing risk as it extended the days-to-maturity for the Treasury bill portfolio. Details of the 2020/21 weekly Treasury bill auctions, including the allocated amount for each maturity, can be found in Annexures D and E.

**TABLE 2: DOMESTIC SHORT-TERM BORROWING, 2020/21**

| R MILLION                       | OPENING BALANCE | NET CHANGE    | CLOSING BALANCE |
|---------------------------------|-----------------|---------------|-----------------|
| Corporation for Public Deposits | 27 355          | -27 285       | 70              |
| Treasury Bills                  | 333 361         | 122 610       | 455 971         |
| 91-day                          | 10 602          | 4 733         | 15 335          |
| 182-day                         | 57 368          | 13 613        | 70 981          |
| 273-day                         | 109 293         | 44 853        | 154 146         |
| 364-day                         | 156 098         | 59 411        | 215 509         |
| <b>Total</b>                    | <b>360 716</b>  | <b>95 325</b> | <b>456 041</b>  |

Source: National Treasury

#### Treasury bill auction performance

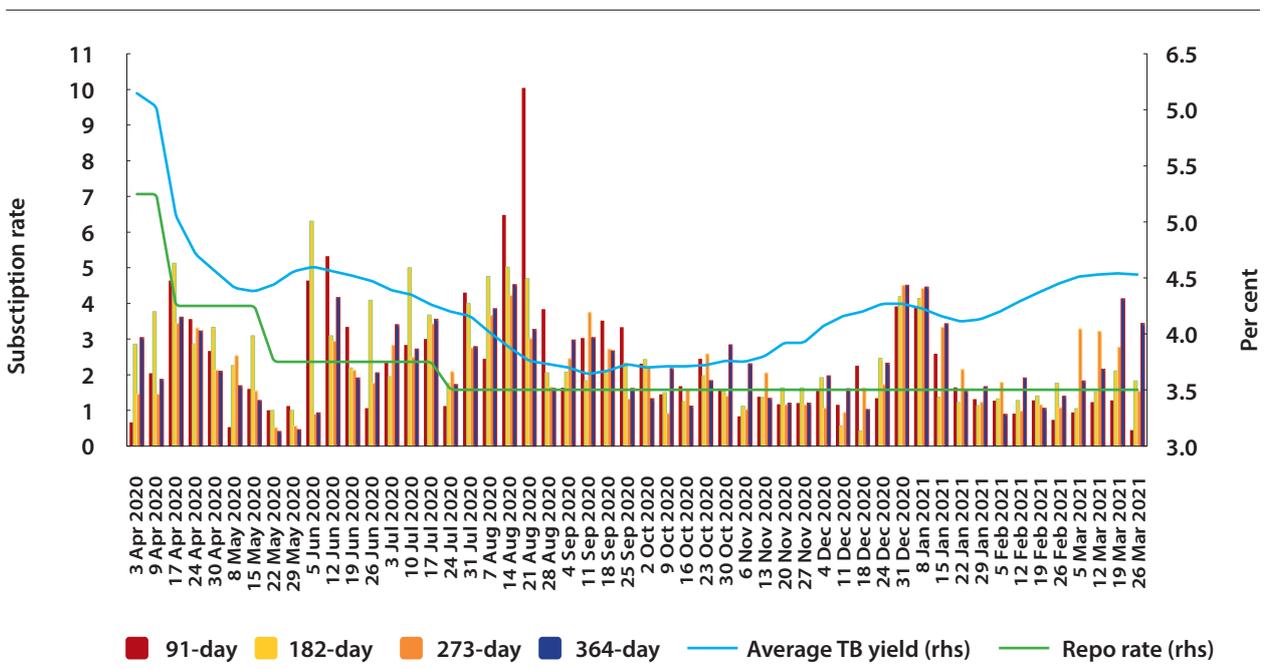
Gross issuance of Treasury bills amounted to R644.4 billion in 2020/21. The Treasury bill weekly issuance levels were adjusted to deal with the effects of the COVID-19 pandemic, relieve pressure from domestic long-term funding instruments and address government's short-term liquidity needs. Historically, Treasury bills served a greater role as liquidity management instruments; due to higher budget deficits, they have gradually become funding instruments to relieve pressure from long-term loans.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

Treasury bill issuance increased by a net amount of R98 billion to R146 billion at the time of the supplementary budget; the net increase for 2020/21 was R122.6 billion. Movement in Treasury bill rates are to a great extent reflective of the policy stance on short-term interest rates/repo rate. Between April and August 2020, the SARB adjusted the repo rate downward by 175 basis points. The average Treasury bill rate declined by 203 basis points in the same period.

Although the repo rate has been unchanged since September 2020, as Figure 7 shows there was a clear upward trend in the average Treasury bill rate (37 basis points) because of increased supply at the weekly auctions.

**FIGURE 7: REPO, TREASURY BILL AND SUBSCRIPTION RATES, 2020/21**



Source: National Treasury

Due to market volatility, R23.4 billion or approximately 3.6 per cent of the total gross issuance was not allotted. This is shown in Table 3.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

**TABLE 3: TREASURY BILL AUCTION UNDER-ALLOTMENTS, 2020/21**

| R MILLION | GROSS ISSUANCE <sup>1</sup> | UNDER-ALLOTMENT | PERCENTAGE OF GROSS ISSUANCE UNDERALLOTTED |
|-----------|-----------------------------|-----------------|--|
| 91-day    | 70 541                      | -2 359          | -3,3                                       |
| 182-day   | 153 328                     | -6 507          | -4,2                                       |
| 273-day   | 201 520                     | -6 550          | -3,3                                       |
| 364-day   | 219 054                     | -7 977          | -3,6                                       |
| Total     | 644 443                     | -23 393         | -3,6                                       |

<sup>1</sup> Gross issuance takes into account the total amount of issuance rolled-over to the Treasury bill portfolio from 2019/20  
Source: National Treasury

Table 4 gives a summary of the auction bid-to-cover ratios and effective yields. Government can increase or reduce the amount on offer in line with its funding requirements and market conditions. On average, Treasury bill auctions were 2.2 times over-subscribed, with market appetite reasonable across the Treasury bill curve. All Treasury bill maturities were under-subscribed in a number of weekly auctions; the 182-day maturity had the lowest subscription of 0.3 times in a single auction during the financial year.

**TABLE 4: TREASURY BILL AUCTION ANALYSIS, 2020/21**

|                                    | 91-DAY | 182-DAY | 273-DAY | 364-DAY |
|------------------------------------|--------|---------|---------|---------|
| <b>Bid-to-cover-ratios (times)</b> |        |         |         |         |
| Highest                            | 10,0   | 6,3     | 4,2     | 4,5     |
| Lowest                             | 0,4    | 0,3     | 0,5     | 0,4     |
| Average                            | 2,2    | 2,1     | 2,1     | 2,2     |
| <b>Effective yields (%)</b>        |        |         |         |         |
| Highest                            | 5,9    | 6,3     | 6,2     | 6,3     |
| Lowest                             | 3,4    | 3,6     | 3,7     | 3,7     |
| Average                            | 3,7    | 4,2     | 4,4     | 4,4     |

Source: National Treasury

#### Corporation for Public Deposits

The CPD is a wholly-owned subsidiary of the SARB. Its main function is to invest surplus cash received from provincial governments and SOCs. Provincial governments and selected SOCs are required to invest their surplus cash with the CPD. 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 from the CPD for amounts up to pre-determined limits.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

In 2020/21, the average daily balance invested in the CPD was R81.0 billion. Government borrowed a daily average of R47.7 billion or R4.9 billion more than the daily average of R42.8 billion borrowed in 2019/20.

#### DOMESTIC LONG-TERM BORROWING

Domestic long-term borrowing consists of the issuance of fixed-rate, inflation-linked and retail savings bonds. Fixed-rate and inflation-linked bond auctions are conducted weekly in line with a pre-determined auction calendar. The fixed-rate bond auctions are conducted through a panel of primary dealers. Inflation-linked bond auctions are open to all members of the JSE. Retail savings bonds are available to South African citizens through the South African Post Office (SAPO) and the RSA Retail Savings Bond website. In 2020/21, a total nominal amount of R560.8 billion was issued in domestic long-term bonds.

##### Fixed-rate bonds

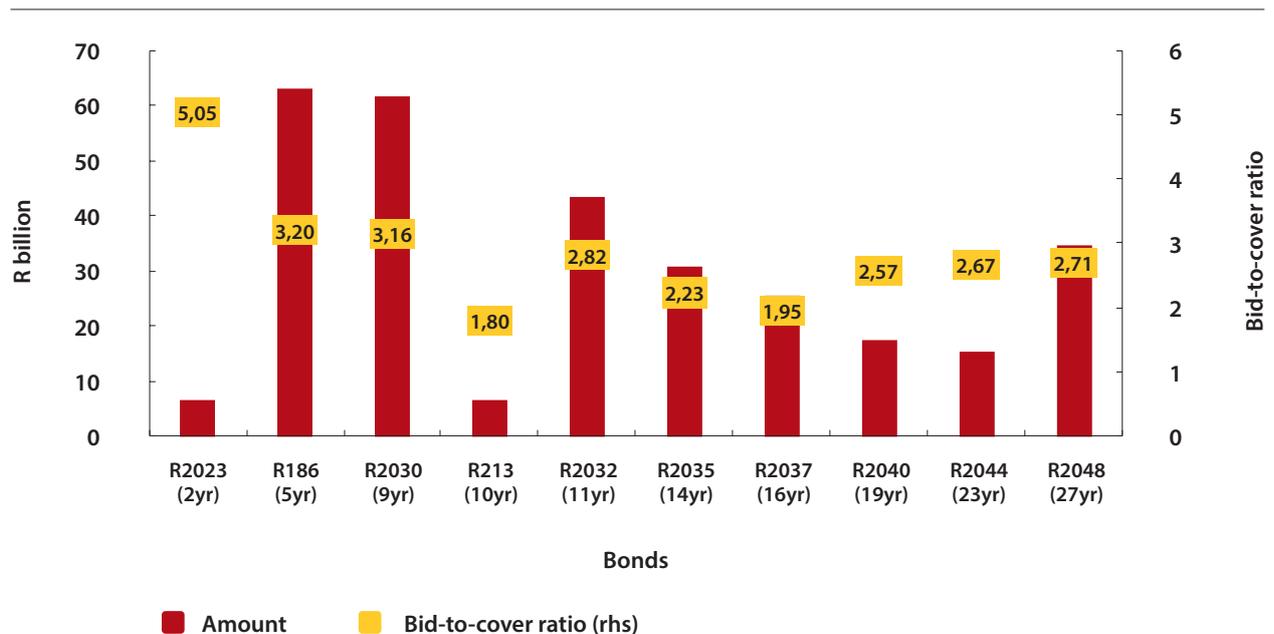
During the 2020/21 financial year, a total nominal amount of R480.8 billion was issued in fixed-rate bonds. Of this amount, R305.4 billion was issued in the 49 weekly competitive bond auctions while the remaining R175.4 was raised through non-competitive auctions. To cover the expected budget deficit resulting from the COVID-19 pandemic, the weekly bond auctions were increased by R1.57 billion and R500 million in May and July 2020 respectively. This brought the weekly fixed-rate bond auction levels to R6.6 billion for the remainder of the 2020/21 financial year. The non-competitive auctions were increased from 50 per cent to 100 per cent of the weekly fixed-rate bond auctions.

Due to the volatility caused by the pandemic, the issuance was mostly concentrated at the short-end of the curve; with 69.4 per cent of the issuance between the 2-year and 14-year maturities. Due to the low cash prices on the R209 (6.25%; 2036) and R214 (6.5%; 2041), these bonds were not issued in 2020/21. Due to its scarcity in the secondary market, the R213 (7.00; 2031) was repriced by investors; as a result, the bond was issued only twice during the year.

The R186 (10.50%; 2025/26/27) bond was the highest issued bond for the year followed by the R2030 (8.00%; 2030), with R63.1 billion and R61.8 billion respectively. National Treasury had decided to stop issuing the R2023 (7.75%; 2023) bond as it was maturing in 2023; this was therefore the least issued bond. The average bid-to-cover ratio for 2020/21 was 2.82 times.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

**FIGURE 8: ISSUANCE OF FIXED-RATE BONDS (EXCLUDING NON-COMPETITIVE BID AUCTIONS), 2020/21**



Source: National Treasury

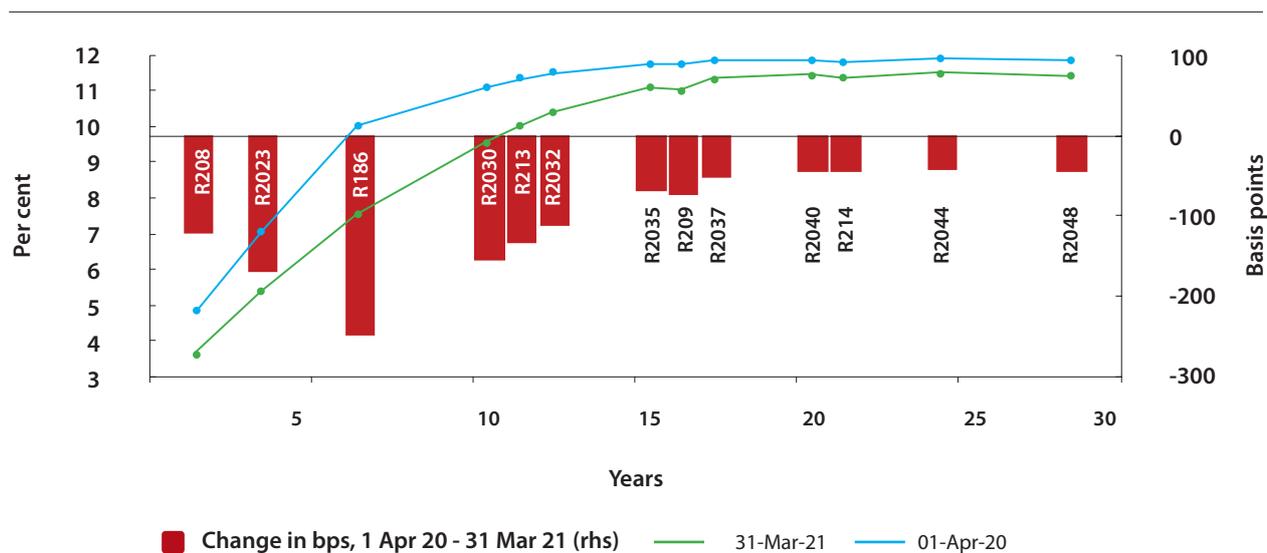
#### Yields curve movement

At the beginning of 2020/21, there was considerable volatility in the markets because of the COVID-19 pandemic. South Africa's situation was exacerbated by negative sovereign ratings from the credit rating agencies. As a result, investor appetite for rand denominated equities and bonds was weaker than in prior years.

Following the US election results and developments in the manufacturing of COVID-19 vaccines, bond yields began to recover. On average across all fixed rate bonds, the curve strengthened by 102 basis points from April 2020 to March 2021.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

**FIGURE 9: YIELD CURVE MOVEMENT OF FIXED-RATE BONDS, 2020/21**



Source: Johannesburg Stock Exchange and National Treasury

#### Primary dealers

The primary dealer panel is a panel of banks that buy government bonds at weekly fixed-rate bond auctions. Investors buy government bonds by submitting their bids at the auction through primary dealers. These dealers are obliged to adhere to certain terms and conditions which can be found on National Treasury's Investor Relations website [www.investor.treasury.gov.za](http://www.investor.treasury.gov.za). Below are the banks that are on National Treasury's primary dealer panel:

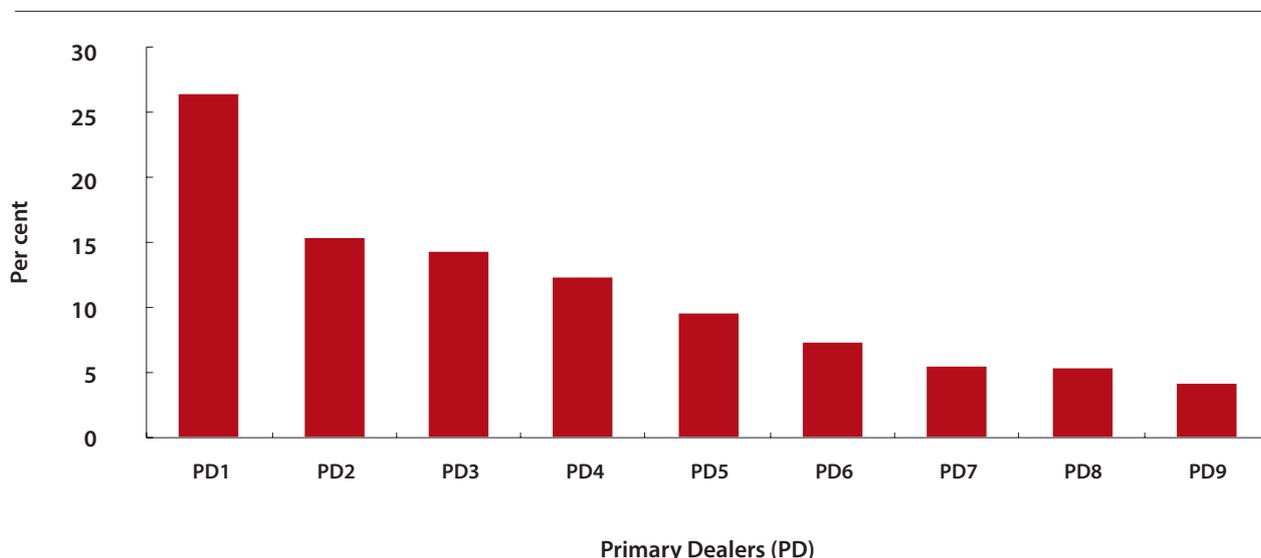
- ABSA Group Limited
- Citibank
- Deutsche Bank
- FirstRand Bank Limited
- HSBC Bank
- Investec Bank Limited
- JPMorgan Chase Bank
- Nedbank Limited
- Standard Bank

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

#### Primary dealer performance

Government's primary dealer panel is made up of nine international and domestic banks. These primary dealers are required to distribute government bonds, make markets and provide liquidity in the secondary market. The performance of the nine primary dealers is shown in Figure 10. The top two primary dealers took up 41.7 per cent of the amount in the auctions conducted during the year.

**FIGURE 10: PRIMARY DEALER PARTICIPATION IN FIXED-RATE BOND AUCTIONS, 2020/21**



Source: National Treasury

#### Non-competitive bid auction performance

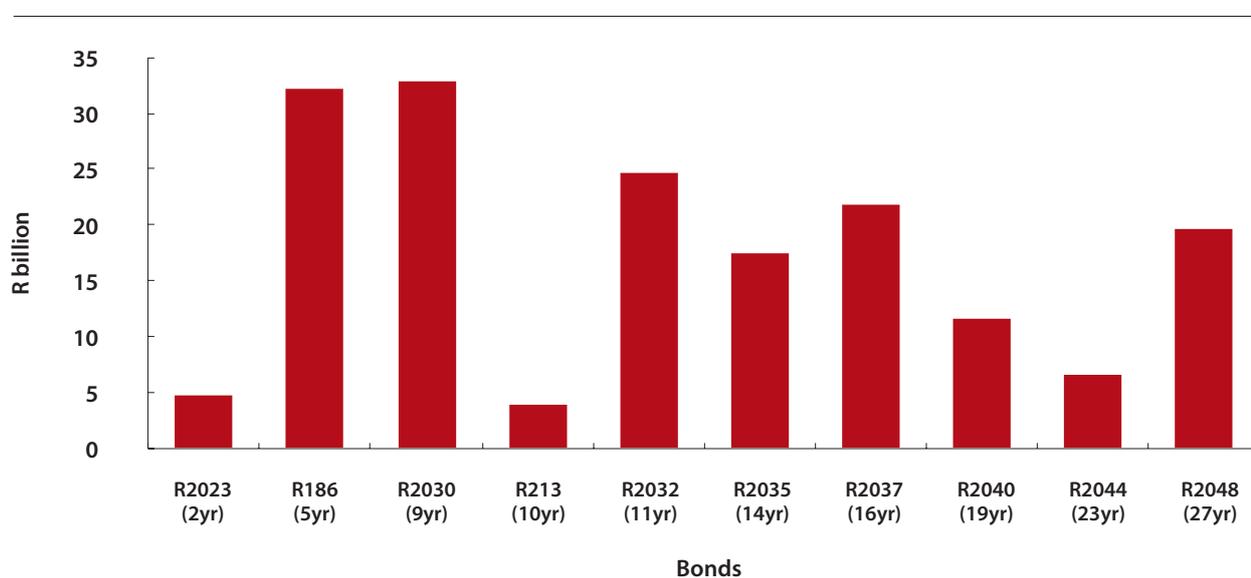
##### Non-competitive bid auctions

Primary dealers 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 settled. The non-competitive auction window is open for 48 hours immediately after the auction. The 50 per cent is split between ETP and primary auctions, at 30 percentage points and 20 percentage points respectively. To cover the expected budget deficit, the non-competitive bid auction allocations were increased from 50 per cent to 100 per cent from April 2020 to March 2021.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

A total amount of R175.4 billion was raised through the issuance of the fixed-rate bond non-competitive auctions. The R2030 (8.00%; 2030) and R186 (10.50%; 2025/26/27) bonds were the most demanded bonds in the 2020/21 year, accounting for 37.2 per cent of the total non-competitive take-up by the primary dealers. The bond with the third greatest demand was the R2032 (8.25%; 2032), with a take-up of 14.0 per cent. Due to limited issuance in the R2023 (7.75%; 2023) and R213 (7.00%; 2031) in the fixed-rate bond auctions, these two bonds had the lowest non-competitive take-up.

**FIGURE 11: NON-COMPETITIVE BOND AUCTION PERFORMANCE PER BOND, 2020/21**



Source: National Treasury

#### Inflation-linked bonds

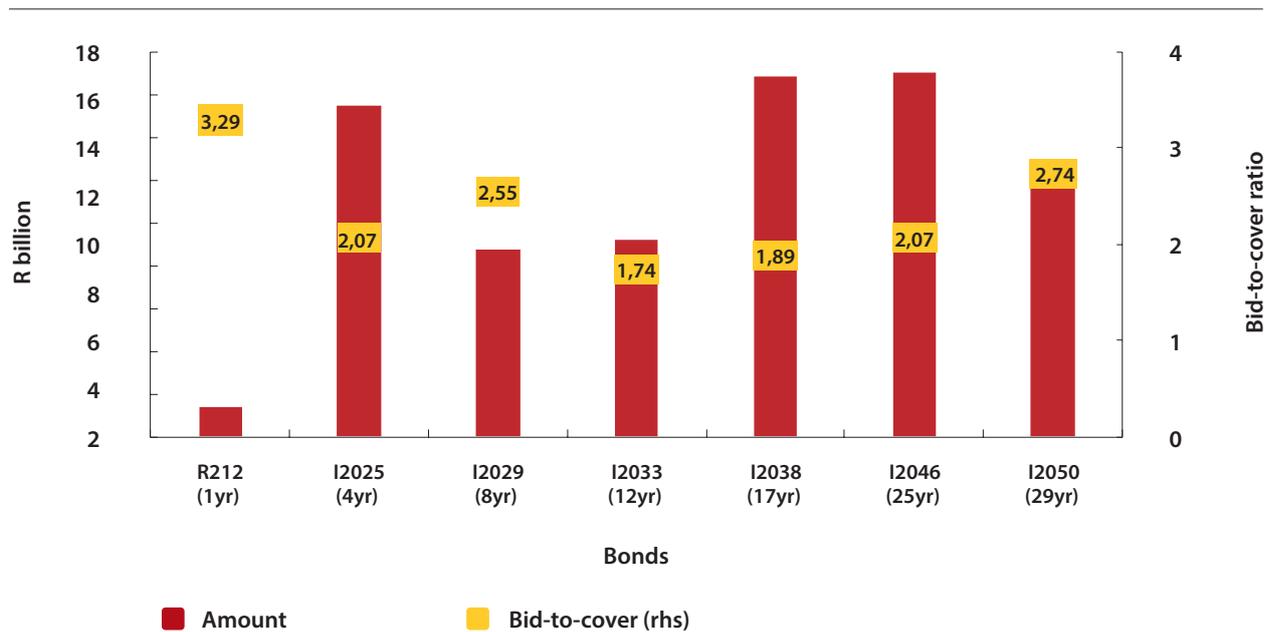
A total nominal amount of R80.0 billion was issued in the 48 inflation-linked bond auctions conducted during 2020/21, with an average bid-to-cover ratio of 2.3. The inflation-linked bond auction levels were increased by R360 million and R600 million in May and July respectively. With a total nominal amount of R17.0 billion, the I2046 (2.50%; 2046) bond was the most issued bond followed by the I2038 (2.25%; 2038) with a total issuance of R16.8 billion.

To mitigate cash pressures at the beginning of the financial year, the R212 (2.75%; 2022) bond was issued twice in April 2020 due to the comparatively high price of the bond. It was only issued twice due to the refinancing risk and the fact that the bond is maturing in 2022. The R212 bond, with a total nominal amount of R1.4 billion, was the least issued bond.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

At 3.29, the R212 bond had the highest bid-to-cover ratio followed by the I2050 (2.50%; 2050) at 2.74. The I2033 (1.875%; 2033) bond had the lowest, at 1.74.

**FIGURE 12: ISSUANCE OF INFLATION-LINKED BONDS, 2020/21**



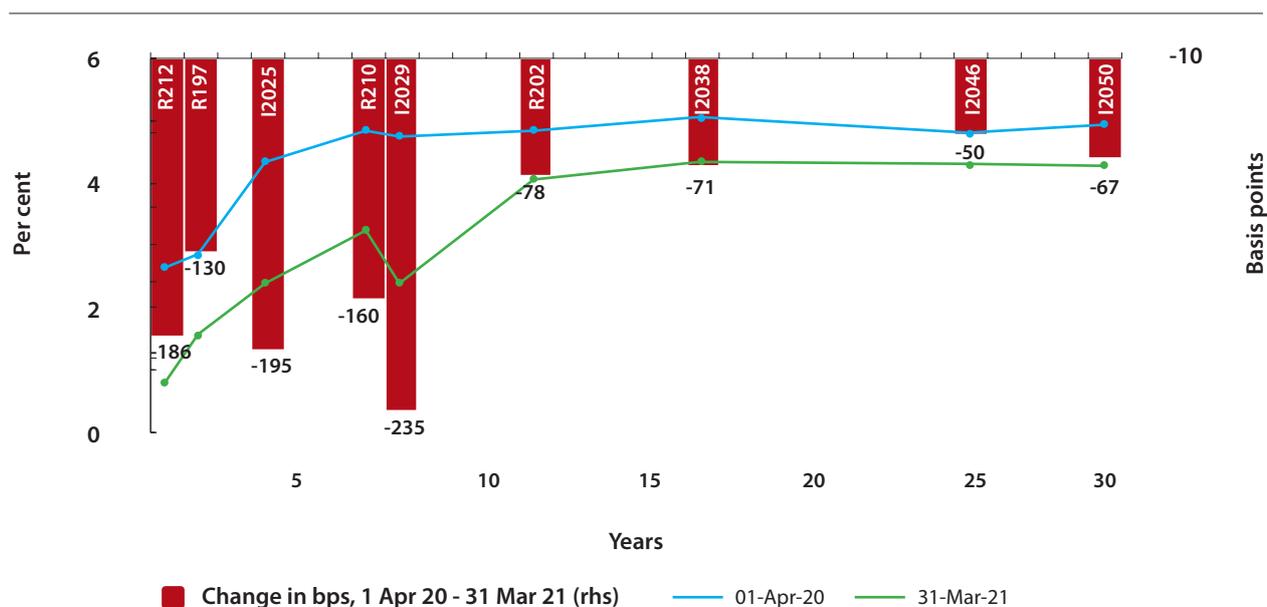
Source: National Treasury

#### Real yields movement

Similarly to the fixed-rate bond yield curve, the inflation-linked bond curve weakened in the beginning of the year. It strengthened in the later part of the year, moving in tandem with the fixed-rate bonds. Between April 2020 and March 2021, the curve strengthened by an average of 130 basis points.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

**FIGURE 13: YIELD CURVE MOVEMENT OF INFLATION-LINKED BONDS, 2020/21**



Source: Johannesburg Stock Exchange and National Treasury

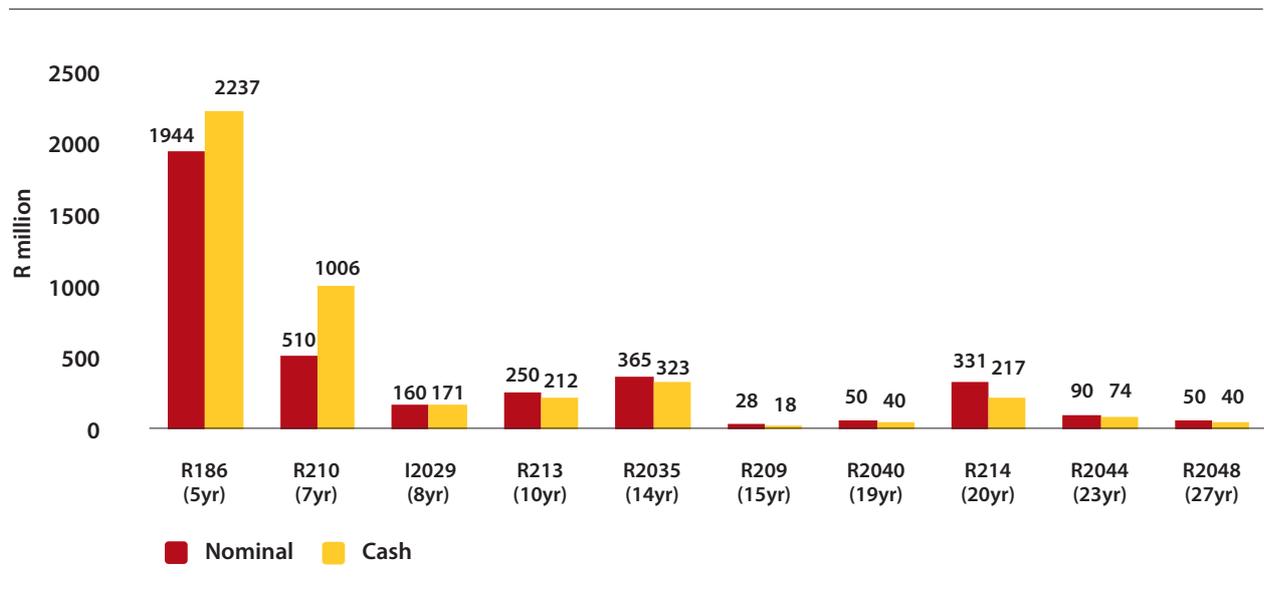
#### Scrip lending facility

As a lender of last resort, National Treasury is obliged to support the market for government bonds by acting to avoid settlement failures and subsequent systemic risk. The facility is available to the ETP, over-the-counter and interest rate and currency derivative market transactions. The scrip lending facility is available strictly to primary dealers. Other market participants can only access the facility through the JSE. It is used only if other avenues of obtaining the scrip have been exhausted.

There was a slight decrease in demand for the facility during 2020/2021 compared to the previous financial year. A nominal amount of R3.7 billion was taken; this was 17 per cent lower than the R4.5 billion take-up in 2019/20. Figure 14 shows the breakdown of the utilisation of the scrip lending facility per bond. In terms of the nominal value of scrip lending, 51.4 per cent of the demand was for the R186 (10.50%; 2025/26/27) bond followed by the inflation-linked bond R210 with 13.5 per cent of the take-up.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

**FIGURE 14: SCRIP LENDING FACILITY, 2020/21**



Source: National Treasury

#### Bond switch auction programme

Government’s bond switch auction programme has been successful in managing government’s refinancing risk amid protracted weak economic growth. Since the start of the programme in February 2015, a total of R253.8 billion has been switched out of the R203 (8.25%; 2017), R204 (8.00%; 2018), R207 (7.25%; 2020), R208 (6.75%; 2021) and R2023 (7.75%; 2023) bonds.

The bond switch programme was reviewed and reintroduced in 2020/21. The revised programme aims to provide transparency and reduce speculation around the switch auctions. Part of the revised programme included uploading the switch auction calendar and terms and conditions onto National Treasury’s Investor Relations website.

Two switch auctions were conducted in 2020/21, with R6.8 billion switched out of the R2023 bond.

#### Retail savings bonds

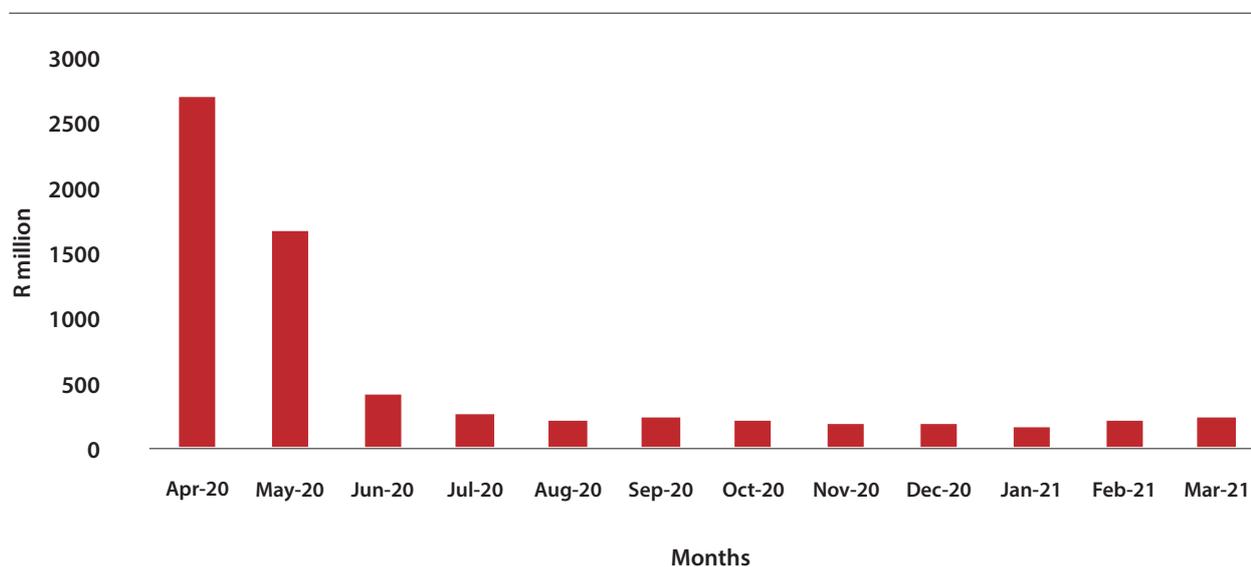
The objective of retail savings bonds is to diversify government’s long-term funding sources and promote a household savings culture. The total outstanding amount as at 31 March 2021 was R8.6 billion. As a result of higher interest rates in

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

April and May 2020 and the revised promotions strategy that included digital and social media presence, retail savings bonds managed to exceed the target of R2.5 billion by R2.1 billion as at 31 March 2021.

In addition to the conventional retail savings bonds, R2.1 billion was received in the Government Employees Housing Scheme's Internal Linked Savings Facility (GEHS: ILSF) on 31 March 2021.

**FIGURE 15: MONTHLY RETAIL SAVINGS BOND DEPOSITS, INCLUDING RE-INVESTMENTS, 2020/21**



Source: National Treasury

Table 5 shows the retail savings bond interest rates for 2020/21. The rates are published on the retail savings bonds website ([www.rsaretailbonds.gov.za](http://www.rsaretailbonds.gov.za)).

**TABLE 5: INTEREST RATES ON RETAIL SAVINGS BONDS, 2020/21**

| DATE                          | 1-YEAR | 2-YEAR | 3-YEAR | 5-YEAR | 10-YEAR |
|-------------------------------|--------|--------|--------|--------|---------|
| <b>Fixed-rate</b>             |        |        |        |        |         |
| 30-Apr-20                     |        | 7,75%  | 9,00%  | 11,50% |         |
| 31-Mar-21                     |        | 6,00%  | 6,75%  | 8,00%  |         |
| <b>Inflation-linked</b>       |        |        |        |        |         |
| 30-Apr-20                     |        |        | 3,50%  | 3,75%  | 3,75%   |
| 31-Mar-21                     |        |        | 2,50%  | 3,75%  | 4,75%   |
| <b>Financial Cooperatives</b> |        |        |        |        |         |
| 30-Apr-20                     | 6,25%  | 7,75%  | 9,00%  |        |         |
| 31-Mar-21                     | 4,49%  | 6,00%  | 6,75%  |        |         |

Source: National Treasury

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

#### Financial co-operative retail savings bonds

National Treasury launched the financial co-operatives retail savings bonds in October 2011 to provide a secure savings instrument that co-operative financial institutions (CFIs) and co-operative banks can invest in. The bonds offer competitive interest rates, calculated bi-annually. Additional features take into account the uniqueness of the CFI model. Through top-ups, the model allows for preservation of capital and early withdrawals with no fees and charges or penalties levied. The CFIs that continue to save in retail savings bonds have accumulated notable interest on their capital amounts. The Co-operatives Bank Development Agency encourages CFIs to invest in this investment vehicle as it is risk-free and provides guaranteed financial growth.

Table 6 shows that, as at 31 March 2021, R13.8 million was invested in financial co-operatives retail savings bonds through 39 investments.

**TABLE 6: SUMMARY OF FINANCIAL COOPERATIVES RETAIL SAVINGS BONDS, 2020/21**

| BOND | AVERAGE RATE | CAPITAL       | INVESTMENTS |
|------|--------------|---------------|-------------|
| FC01 | 4,89%        | 762 754,42    | 2           |
| FC02 | 6,20%        | 2 084 273,29  | 15          |
| FC03 | 7,48%        | 10 973 301,64 | 22          |

Source: National Treasury

Interest rates on fixed-rate, inflation-linked and financial co-operative retail savings bonds are derived from the respective government bond and Treasury bill yields. The interest rates for the fixed-rate and financial co-operatives retail savings bonds are reviewed monthly and those for the inflation-linked retail savings bonds semi-annually. During the year, fixed-rate retail savings bonds rates declined by 175, 225 and 350 basis points for the 2-year, 3-year and 5-year terms respectively. In the case of inflation-linked retail savings bonds, the 2-year term decreased by 100 basis points, there was no net movement for the 3-year and the 5-year increased by 100 basis points.

#### FOREIGN LONG-TERM BORROWING

Government issues debt in global capital markets to meet its foreign-currency commitments, set benchmarks and diversify funding sources. Due to the unfavourable market conditions resulting from the COVID-19 pandemic, government did not tap the international capital markets in 2020/21. The Supplementary Budget tabled on 24 June 2020 announced that government would source US\$7 billion in funding from multilateral development banks and the International Monetary Fund (IMF) to finance the budget deficit resulting from the impact of COVID-19. As at 31 March, approximately \$5.6 billion had been made available. Of this, \$4.6 billion had been converted to rand to partially

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

fund domestic currency commitments. As table 7 shows, the following amounts were received from the multilateral development banks and the IMF:

- IMF: a US\$4.28 billion loan under the IMF's Rapid Response Facility was approved and disbursed in July 2020.
- New Development Bank (NDB): a US\$1 billion loan under the NDB's COVID-19 Emergency Program to fund government's health and social response was approved and disbursed in July 2020.
- African Development Bank (AfDB): in July 2020, the AfDB Board approved a R5.08 billion (US\$288 million equivalent) loan under the COVID-19 Response Support Programme. The loan disbursement took place in October 2020.

**TABLE 7: BORROWING FROM INTERNATIONAL FINANCE INSTITUTIONS**

| INSTITUTIONS                | DISBURSEMENT DATE | INTEREST RATE                         | TERMS (YEARS) | GRACE PERIOD <sup>1</sup> (YEARS) | AMOUNT BILLIONS   |
|-----------------------------|-------------------|---------------------------------------|---------------|-----------------------------------|-------------------|
| New Development Bank        | 20 July 2020      | 6-month LIBOR <sup>2</sup> plus 1.25% | 30            | 5                                 | US\$1.0           |
| International Monetary Fund | 29 July 2020      | 1,066%                                | 5             | 3                                 | US\$4.3           |
| African Development Bank    | 15 October 2020   | 3-month JIBAR <sup>3</sup> plus 0.8%  | 20            | 5                                 | R5.0 <sup>4</sup> |

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. The US dollar equivalent is US\$0.29 billion

Source: National Treasury

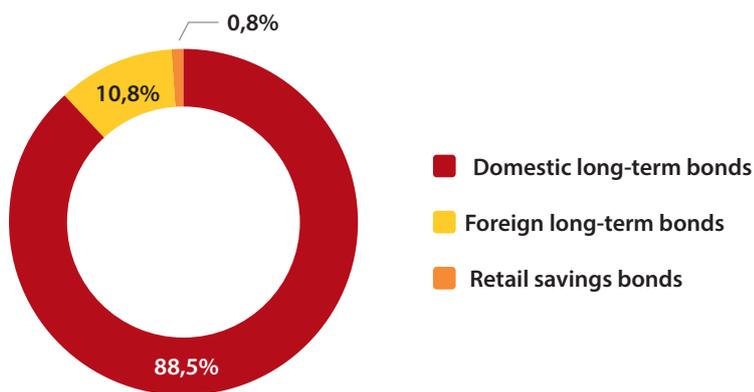
## INTEREST AND REDEMPTION PAYMENTS ON LONG-TERM LOANS

Figure 16 shows the composition of government's interest and redemption payments for 2020/21. 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 R388.0 billion. Interest and redemptions payments amounted to R315.9 billion and R72.1 billion respectively. The R208 fixed-rate bond redeemed in March 2021 with an outstanding amount of R49.0 billion. Monetary authorities followed by the foreign sector had the largest percentage holdings of the bond.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

**FIGURE 16: INTEREST AND REDEMPTION PAYMENTS, 2020/21**



Source: National Treasury

### GOVERNMENT CASH BALANCES

Government's primary objective in managing cash is to ensure that it has enough cash to meet its financial commitments as they come due. As part of effective cash management, government aims to ensure that its financial obligations are met and that weekly borrowings are predictable and stable.

Government's total cash balances include deposits held by commercial banks and the SARB. Cash deposits with the SARB include rand deposits in the sterilisation account and foreign currency deposits in the foreign currency accumulation account.

Sterilisation deposits consist of excess cash deposits made with the SARB to counter the effects of increased money supply as a result of accumulation of foreign currency reserves. These funds were usually used on an intra-month basis for liquidity management. However, because of the increase in gross borrowing requirement a total of R26 billion was utilised from National Treasury's rand deposits in 2020/21. This reduced the balance to R41 billion.

Foreign currency deposits consist of funds borrowed in the international capital markets and/or from multilateral institutions and are used to meet government's foreign currency commitments. A total of US\$5.6 billion was received from multilateral institutions in 2020/21. The borrowings were conducted in line with government's strategy to lower the cost of funding. US\$4.6 billion (R77.4 billion) of the foreign loan proceeds were converted to rands to cover local currency denominated expenditure. Conversion of the funds was conducted in close collaboration with the SARB to ensure that there was no adverse impact on the money market liquidity operation.

### 3. NATIONAL GOVERNMENT'S BORROWING REQUIREMENT AND FINANCING | continued

Table 8 shows government's cash balances at 31 March 2020 and 31 March 2021. During 2020/21, these balances increased by R69.5 billion to R333.1 billion. The increases were largely due to higher than projected tax collections.

**TABLE 8: NATIONAL GOVERNMENT'S CASH BALANCES, 31 MARCH 2020 AND 31 MARCH 2021**

| R BILLION                 | MAR-20       | MAR-21       |
|---------------------------|--------------|--------------|
| Reserve bank              | 219,1        | 134,5        |
| Sterilisation deposits    | 67,2         | 41,2         |
| Foreign currency deposits | 151,9        | 93,3         |
| <b>Commercial banks</b>   | <b>44,5</b>  | <b>198,6</b> |
| Tax and loan accounts     | 44,5         | 198,6        |
| <b>Total</b>              | <b>263,6</b> | <b>333,1</b> |

Source: National Treasury

Table 9 shows total foreign currency commitments of US\$7.6 billion in 2020/21. This consisted of redemptions of foreign loans amounting to US\$824 million and interest on loans and departmental payments amounting to US\$6.7 billion. These commitments were financed by proceeds from the foreign currency loans.

**TABLE 9: US DOLLAR FLOWS ON FOREIGN EXCHANGE DEPOSITS, 2020/21**

| US\$ MILLION               | BUDGET        | REVISED BUDGET | PRELIMINARY OUTCOME |
|----------------------------|---------------|----------------|---------------------|
| Opening balance            | 8 727         | 8 489          | 8 489               |
| <b>Inflows</b>             | <b>5 422</b>  | <b>6 704</b>   | <b>5 405</b>        |
| Foreign loan               | 5 000         | 6 570          | 5 282               |
| Purchases                  | -             | -              | -                   |
| Interest                   | 422           | 134            | 123                 |
| <b>Outflows</b>            | <b>-5 660</b> | <b>-7 573</b>  | <b>-7 573</b>       |
| Interest on debt portfolio | -1 173        | -1 154         | -1 160              |
| Loan redemptions           | -3 427        | -824           | -824                |
| Payments by departments    | -1 060        | -5 595         | -5 589              |
| <b>Closing balance</b>     | <b>8 489</b>  | <b>7 620</b>   | <b>6 321</b>        |

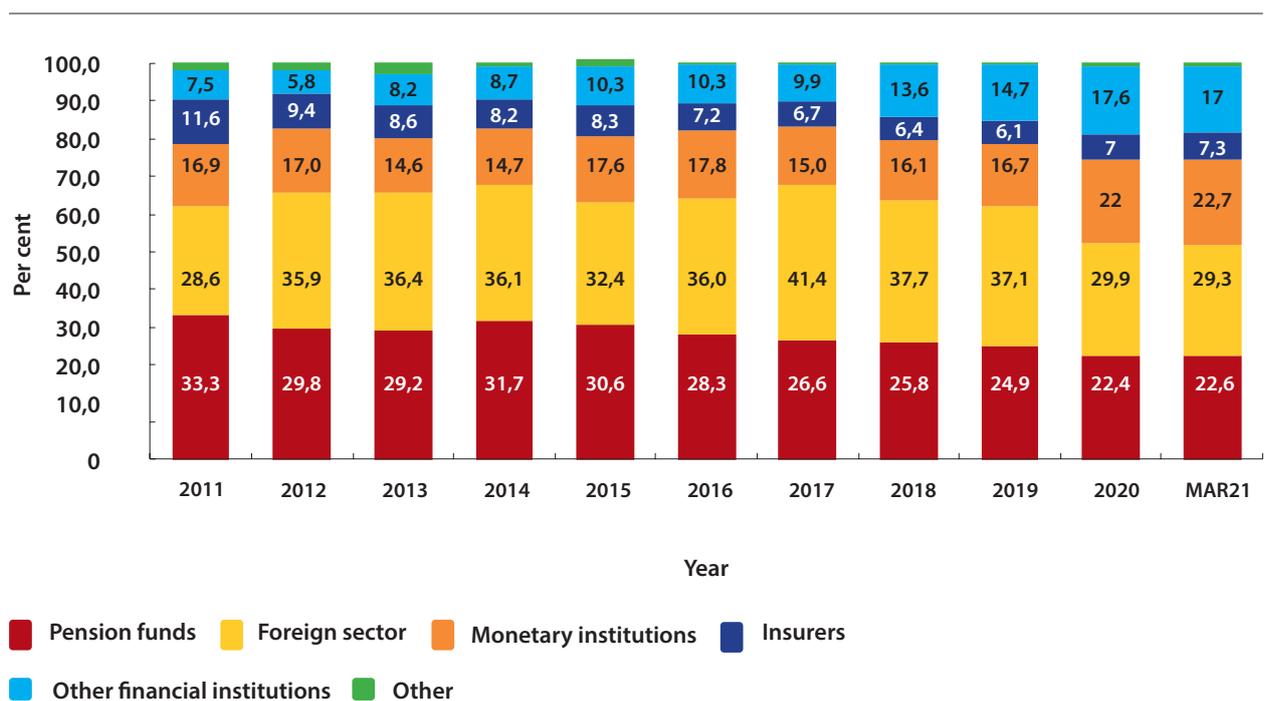
Source: National Treasury

## 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 91.6 per cent of outstanding government bonds. As a result of low interest rates in developed countries, at 29.3 per cent as at 31 March 2021 foreign investors were the largest holders of government bonds followed by monetary institutions and pension funds with 22.7 per cent and 22.6 per cent respectively.

**FIGURE 17: HISTORICAL GOVERNMENT BOND HOLDINGS, 31 DECEMBER 2011-31 MARCH 2021**



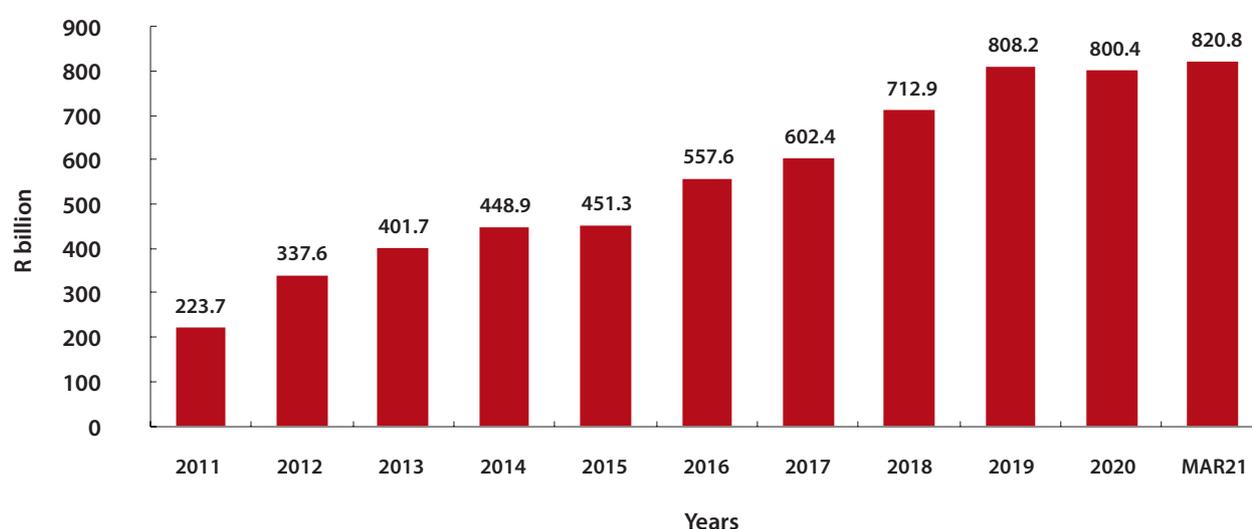
Source: STRATE and National Treasury

Holdings by foreign investors ended the 2020/21 financial year at 29.3 per cent of South African government bonds, after falling to a 9-year low of 29 per cent in October 2020. This decrease in domestic government bond holdings by the foreign sector was offset by an increase by monetary institutions, as Figure 17 shows.

## 4. HOLDINGS OF GOVERNMENT DEBT INSTRUMENTS | continued

Following extensive liquidity stimulus by developed economy central banks, emerging market portfolio inflows rebounded steadily in the latter part of 2020/21 as investors searched for higher yield and risk-on sentiment amid hopes for a fast economic return to normal in 2021. In nominal terms, foreign investor holdings of government bonds increased by R78 billion between March 2020 and March 2021.

**FIGURE 18: FOREIGN INVESTOR HOLDINGS OF GOVERNMENT BONDS, 31 DECEMBER 2011-31 MARCH 2021**



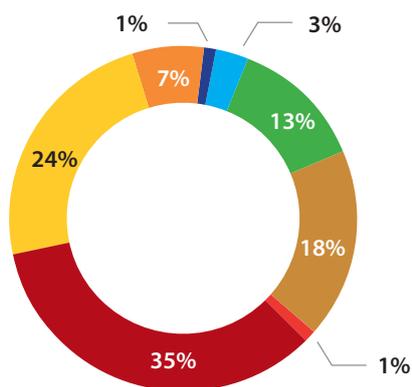
Source: STRATE and National Treasury

Figure 19 shows the holdings of fixed-rate and inflation-linked bonds by investor type as at 31 March 2021. Foreign investors held 34.9 per cent of fixed-rate bonds, a decline from 40.6 per cent in March 2020. Monetary authorities increased their holdings from 19.3 per cent to 23.7 per cent. Official pension funds reduced their holdings of inflation-linked bonds to 46.5 per cent from 50.7 per cent in March 2020. Monetary authorities' inflation-linked bond portfolio holdings changed marginally, from 17.6 per cent of the portfolio in March 2020 to 17.5 per cent as at 31 March 2021. The percentage held by foreign investors remained relatively low at 2.2 per cent, up from 1.8 per cent in the previous year.

## 4. HOLDINGS OF GOVERNMENT DEBT INSTRUMENTS | continued

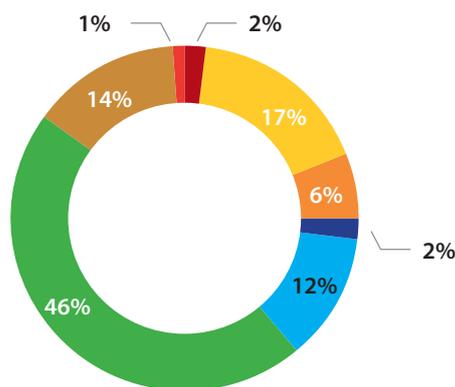
**FIGURE 19: HOLDINGS OF DOMESTIC FIXED-RATE AND INFLATION-LINKED BONDS, 31 MARCH 2021**

### Fixed-rate bonds holdings



- Foreign sector
- Monetary authorities
- Long-term insurers
- Short-term insurers
- Private self-administered funds
- Official pension funds
- Other financial institutions
- Other sector

### Inflation-linked bonds holdings



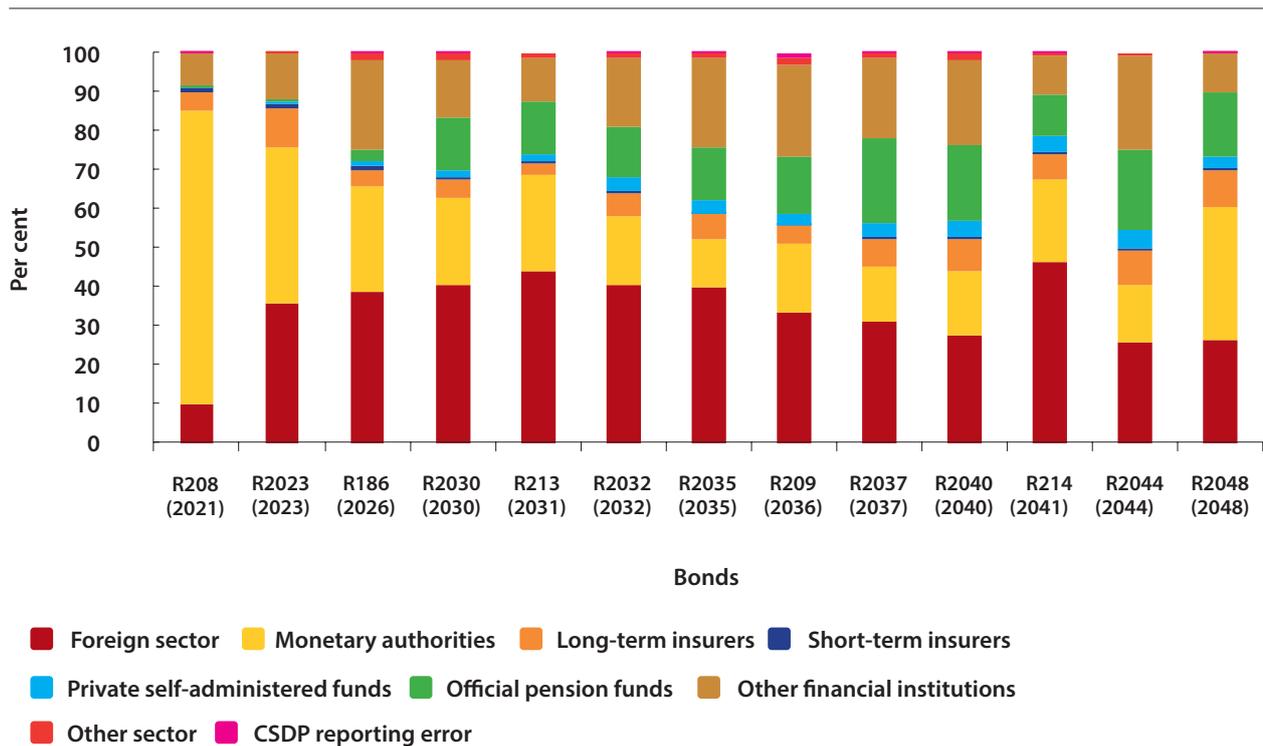
- Foreign sector
- Monetary authorities
- Long-term insurers
- Short-term insurers
- Private self-administered funds
- Official pension funds
- Other financial institutions
- Other sector

Source: STRATE and National Treasury

Figure 20 shows holdings of domestic fixed-rate bonds by instrument as at 31 March 2021, with the foreign sector holding the largest amount across all maturities. Foreign investors' holdings of the R208 (6.75%; 2021) bond decreased from 37.5 per cent in March 2020 to 9.8 per cent in March 2021 as the bond approached maturity. Given the short maturity of the R208 bond, monetary authorities, for whom the bond formed part of their liquid assets, had become the largest bondholder with 75.3 per cent.

## 4. HOLDINGS OF GOVERNMENT DEBT INSTRUMENTS | continued

FIGURE 20: HOLDINGS OF DOMESTIC FIXED-RATE BONDS BY INSTRUMENT, 31 MARCH 2021

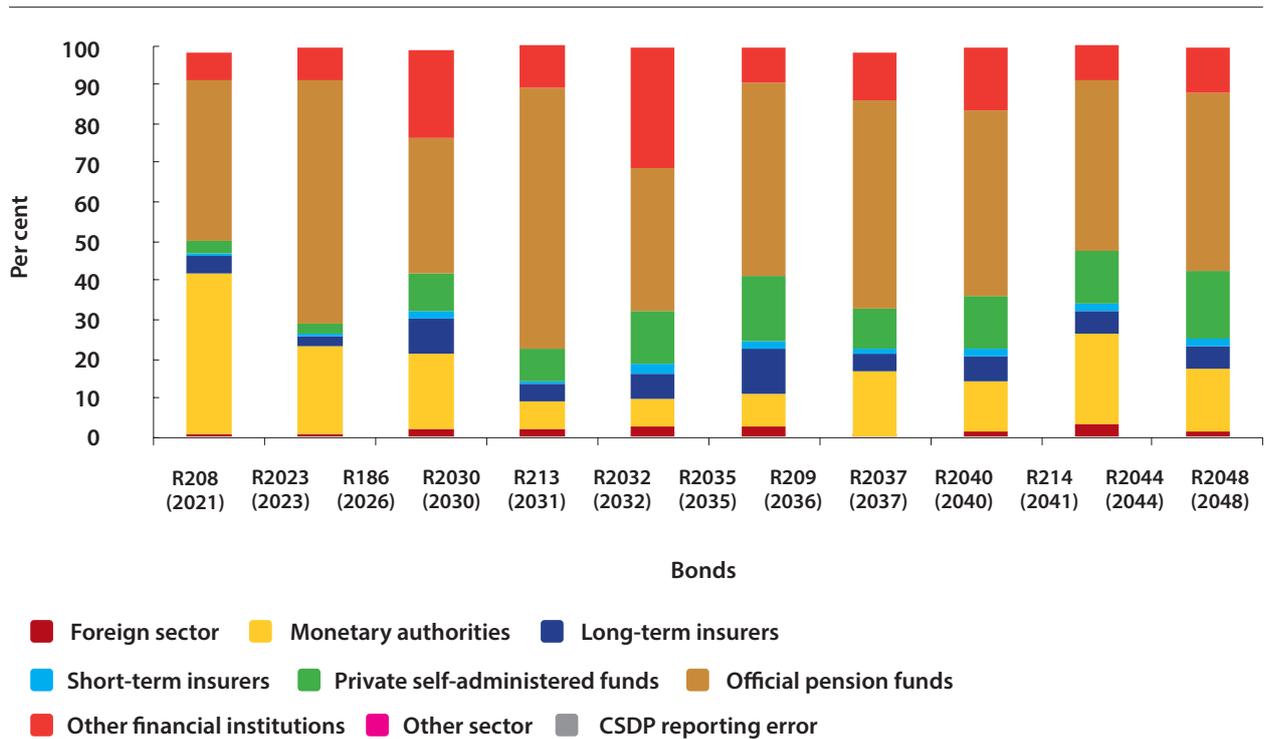


Source: STRATE and National Treasury

As at 31 March 2021, 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 | continued

**FIGURE 21: HOLDINGS OF DOMESTIC INFLATION-LINKED BONDS BY INSTRUMENT, 31 MARCH 2021**



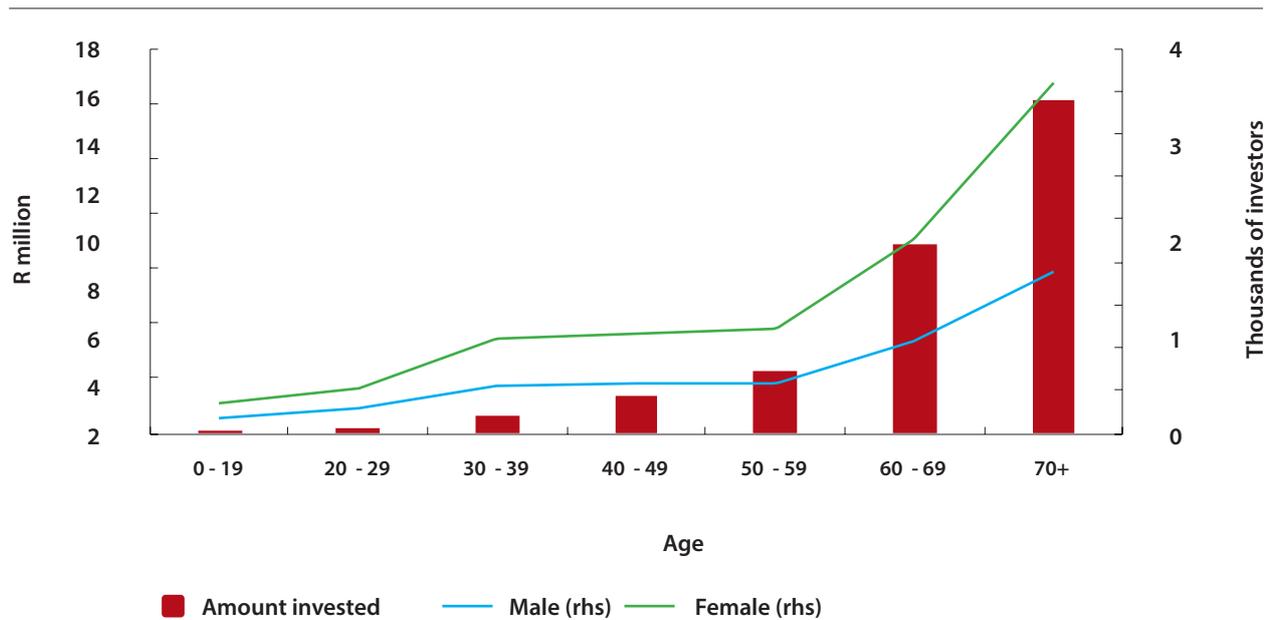
Source: STRATE and National Treasury

### HOLDINGS OF RETAIL SAVINGS BONDS

The majority of investors in retail savings bonds are aged 50 years and older and make up over 69 per cent of the number of active investors. This may be attributed to older investors saving for retirement and therefore benefiting from the monthly payments

## 4. HOLDINGS OF GOVERNMENT DEBT INSTRUMENTS | continued

FIGURE 22: RETAIL INVESTOR DEMOGRAPHICS, 31 MARCH 2021



Source: National Treasury

## 5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS

### GOVERNMENT DEBT PORTFOLIO

Government's debt is influenced by the budget balance and by market variables including prevailing interest rates, the exchange rate and the inflation rate. Government debt is presented on a gross and net basis. Table 10 shows that, in 2020/21, net loan debt (debt less cash balances) was R3.6 trillion or 72.4 per cent of GDP. The ratio of net foreign debt to total net loan debt was 8.3 per cent in the same period.

**TABLE 10: TOTAL GOVERNMENT DEBT, 2020/21**

| R BILLION                             | BUDGET         | REVISED BUDGET | PRELIMINARY OUTCOME |
|---------------------------------------|----------------|----------------|---------------------|
| <b>Domestic debt</b>                  |                |                |                     |
| Gross loan debt                       | 3 227,2        | 3 529,1        | 3 543,2             |
| Cash balances                         | -117,2         | -175,5         | -239,7              |
| Net loan debt                         | 3 110,0        | 3 353,6        | 3 303,5             |
| <b>Foreign debt</b>                   |                |                |                     |
| Gross loan debt                       | 334,5          | 420,6          | 392,4               |
| Cash balances                         | -104,5         | -116,5         | -94,2               |
| Net loan debt                         | 230,0          | 304,1          | 298,2               |
| <b>Total gross loan debt</b>          | <b>3 561,7</b> | <b>3 949,7</b> | <b>3 935,7</b>      |
| <b>Total net loan debt</b>            | <b>3 340,0</b> | <b>3 657,7</b> | <b>3 601,8</b>      |
| <i>As percentage of GDP:</i>          |                |                |                     |
| Total gross loan debt                 | 65,6           | 80,3           | 79,1                |
| Total net loan debt                   | 61,5           | 74,3           | 72,4                |
| <i>Foreign debt as percentage of:</i> |                |                |                     |
| Gross loan debt                       | 9,4            | 10,6           | 10,0                |
| Net loan debt                         | 6,9            | 8,3            | 8,3                 |

Source: National Treasury

Table 11 shows the composition of domestic debt for the period 2019/20 to 2020/21. Of the total domestic debt portfolio in 2020/21, 12.9 per cent (R456.0 billion) was made up of short-term loans.

## 5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS | continued

**TABLE 11: COMPOSITION OF DOMESTIC DEBT BY INSTRUMENT, 2019/20-2020/21**

| <b>R BILLION</b>     | <b>2019/20<br/>OUTCOME</b> | <b>2020/21<br/>PRELIMINARY<br/>OUTCOME</b> |
|----------------------|----------------------------|--|
| Short-term loans     | 360,7                      | 456,0                                      |
| Shorter than 91-days | 27,3                       | 0,1  |
| 91-day               | 10,6                       | 15,3                                       |
| 182-day              | 57,4                       | 71,0                                       |
| 273-day              | 109,3                      | 154,1                                      |
| 364-day              | 156,1                      | 215,5                                      |
| Long-term loans      | 2 513,4                    | 3 087,3                                    |
| Fixed-rate           | 1 851,1                    | 2 283,7                                    |
| Inflation-linked     | 650,2                      | 787,3                                      |
| Retail               | 12,1                       | 16,3                                       |
| <b>Total</b>         | <b>2 874,1</b>             | <b>3 543,3</b>                             |

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 2020/21 amounted to R232.6 billion or 4.7 per cent of GDP. This was R3.4 billion higher than initially budgeted, mainly because of the increase in the gross borrowing requirement.

**TABLE 12: DEBT-SERVICE COSTS, 2020/21**

| <b>R BILLION</b>    | <b>BUDGET</b> | <b>REVISED<br/>BUDGET</b> | <b>PRELIMINARY<br/>OUTCOME</b> |
|---------------------|---------------|---------------------------|--------------------------------|
| Domestic loans      | 211,1         | 213,8                     | 213,5                          |
| Short-term          | 25,4          | 21,1                      | 21,7                           |
| Long-term           | 185,7         | 192,7                     | 191,8                          |
| Foreign loans       | 18,1          | 19,1                      | 19,1                           |
| <b>Total</b>        | <b>229,2</b>  | <b>232,9</b>              | <b>232,6</b>                   |
| As a percentage of: |               |                           |                                |
| GDP                 | 4,2           | 4,7                       | 4,7                            |
| Expenditure         | 13,0          | 12,9                      | 13,0                           |
| Revenue             | 16,4          | 19,4                      | 18,8                           |

Source: National Treasury

## 5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS | continued

### PORTFOLIO RISK BENCHMARKS

Government debt portfolio benchmarks serve as a guideline for managing the potential impact of adverse movements in various sources of risk as these relate to the debt portfolio. During 2020/21, all risk benchmark indicators remained within their respective limits and ranges.

The share of short-term debt maturing in 12 months (Treasury bills) as a percentage of total domestic debt declined by 0.86 percentage points from the previous year. This was primarily because the rate of growth in long-term debt outpaced that of Treasury bills. The share of debt maturing within five years as a percentage of fixed-rate bonds and inflation-linked bonds increased by 0.50 percentage points. This was due to the inclusion of a third of the outstanding amount of the R186 (10.50%, 2025) bond into the 5-year maturity space. During 2020/21, inflation remained relatively low and this contributed to the decline of 0.28 percentage points in the share of inflation-linked bonds as a percentage of total domestic debt. Furthermore, total revaluations (due to inflation-related adjustments) as a percentage of inflation-linked bond debt remained at 40 per cent. At 10.03 per cent, the share of foreign debt as a percentage of total debt was lower by 1.21 percentage points than in the previous year. This was because of the stronger rand and the redemption of one Japanese yen-denominated bond.

**TABLE 13: PERFORMANCE OF THE GOVERNMENT DEBT PORTFOLIO AGAINST RISK BENCHMARKS, 31 MARCH 2020 AND 31 MARCH 2021**

| BENCHMARK DESCRIPTION  | RANGE OR LIMIT |               |               |
|--|----------------|---------------|---------------|
|  | BENCHMARK      | 31 MARCH 2020 | 31 MARCH 2021 |
| Share of short-term debt maturing in 12 months (Treasury bills) as a percentage of total domestic debt     | 15%            | 13,19%        | 12,93%        |
| Share of long-term debt maturing in 5 years as a percentage of fixed-rate bonds and inflation-linked bonds | 25%            | 13,30%        | 13,87%        |
| Share of inflation-linked bonds as a percentage of total domestic debt                                     | 20%-25%        | 22,57%        | 22,29%        |
| Share of foreign debt as a percentage of total government debt   | 15%            | 11,23%        | 10,02%        |
| Weighted term-to-maturity (fixed-rate bonds and Treasury bills in years)                                   | 10-14          | 12,49         | 11,80         |
| Weighted term-to-maturity (inflation-linked bonds in years)  | 14-17          | 13,66         | 13,22         |
| <i>Weighted term-to-maturity (total government debt in years)</i>  |                | <i>12,61</i>  | <i>12,04</i>  |
| <i>Weighted term-to-maturity (foreign debt in years)</i>   |                | <i>11,06</i>  | <i>10,66</i>  |

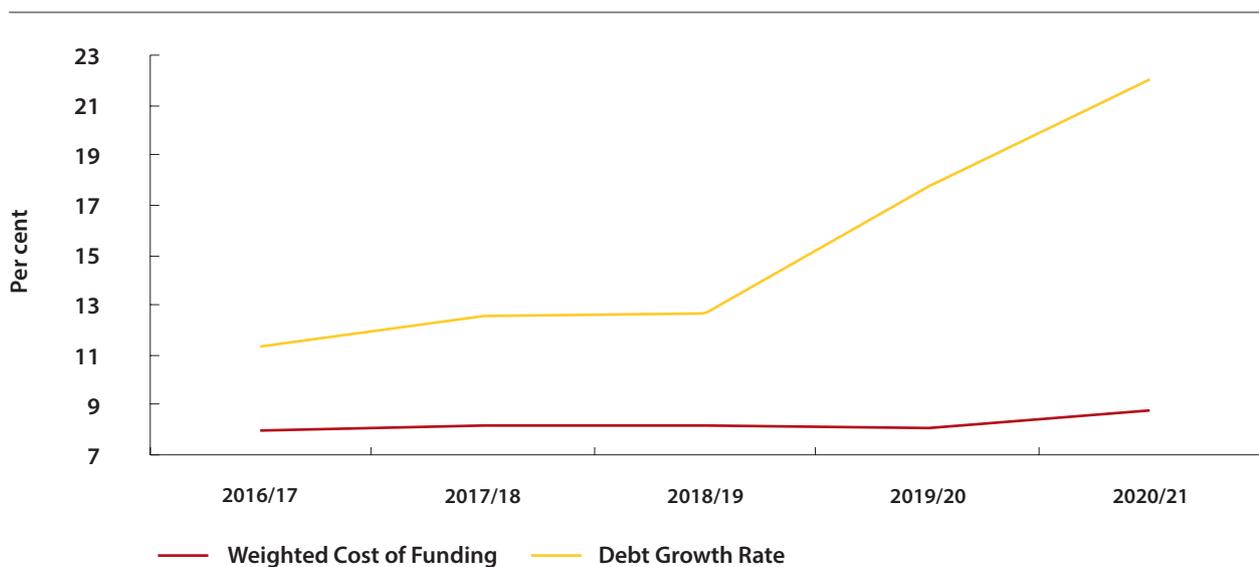
Source: National Treasury

## 5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS | continued

### PORTFOLIO RISK

Since 2016/17, structural weaknesses that led to wider budget deficits contributed to higher borrowing requirements and thus higher debt levels. These attract a higher cost of funding. Figure 23 shows the growth rates of total debt and the weighted cost of funding (WCF) for domestic long-term debt (fixed-rate and inflation-linked bonds) over the period. In 2020/21, at 22.0 per cent, the rate of growth of debt was higher than in the preceding five financial years. The WCF increased by 71 basis points from the previous year. An examination of the South African debt portfolio shows that, when the stock of debt increases, the cost of raising debt follows suit about 79.4 per cent of the time. The funding strategy over the reporting period has been anchored in reducing the cost of debt, which remains below 10 per cent.

**FIGURE 23: WEIGHTED COST OF FUNDING AND GROWTH RATES OF TOTAL DEBT, 2016/17-2020/21**



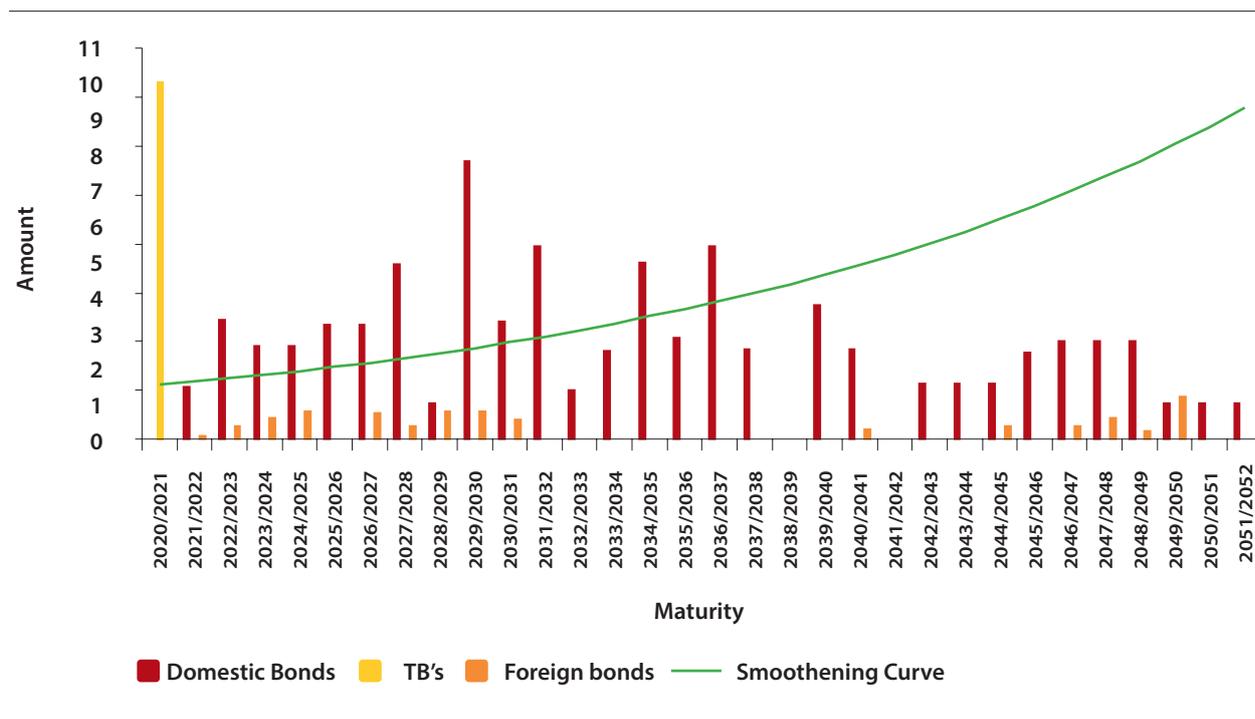
Source: National Treasury

### GOVERNMENT MATURITY PROFILE

The affordable cash redemption line as identified by the smoothing curve indicates government's ideal affordability level for repayment of debt; this is shown in Figure 24. Any amount above this line poses refinancing risk (albeit not immediate) and therefore has to be switched. As at 31 March 2021, R6.8 billion was successfully switched out of the R2023 (7.75%, 2023) bond.

## 5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS | continued

**FIGURE 24: MATURITY PROFILE OF GOVERNMENT DEBT, 31 MARCH 2021**



Source: National Treasury

### SOVEREIGN RISK ASSESSMENT

The outbreak of the COVID-19 pandemic in 2020 had long-lasting and devastating economic effects around the world. South Africa was already facing serious challenges: widespread fiscal pressures, rising debt and borrowing costs and persistently low growth. As a result, the country received multiple credit rating downgrades from the solicited rating agencies.

On 3 April 2020, Fitch Ratings (Fitch) downgraded the country’s long-term foreign and local currency debt ratings to ‘BB’ from ‘BB+’ and maintained a negative outlook. On 29 April 2020, S&P Global Ratings (S&P) downgraded the country’s long-term foreign and local currency debt ratings to ‘BB-’ and ‘BB’ respectively and revised the outlook to stable from negative. The agency affirmed the country’s long-term foreign and local currency debt ratings at ‘BB-’ and ‘BB’ on 22 May 2020. On 5 June 2020, Rating and Investment Information, Inc. (R&I) lowered the country’s long-term foreign and local currency debt ratings to ‘BBB-’ and ‘BBB’ respectively, maintaining a negative outlook.

## 5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS | continued

Following the tabling of the 2020 Medium Term Budget Policy Statement (MTBPS), on 20 November 2020 Moody's and Fitch further downgraded the country's credit ratings to 'Ba2' and 'BB-' respectively. Both agencies maintained a negative outlook. In contrast to these agencies, on the same day S&P affirmed the country's foreign and local currency ratings at 'BB-' and 'BB' respectively and maintained a stable outlook.

Rating agencies remain concerned about South Africa's fiscal position as it continues to weaken, with shrinking revenue tied to the economic contraction and large COVID-19 related spending, constraining the already weak public finances. In addition to this, the country continues to grapple with a large debt burden and sizable financial support to SOCs.

**TABLE 14: SOUTH AFRICA'S SOLICITED CREDIT RATINGS, 2020/21**

| <b>RATING AGENCY</b>            | <b>MOODY'S</b>   |                 | <b>FITCH</b>   |                 | <b>S&amp;P</b>   |                 | <b>R&amp;I</b>   |                 |
|---------------------------------|--|-----------------|--|-----------------|--|-----------------|--|-----------------|
| <b>DATE OF REVIEW</b>           | <b>20-NOV-20</b>   |                 | <b>20-NOV-20</b>   |                 | <b>20-NOV-20</b>   |                 | <b>5-JUN-20</b>  |                 |
|                                 | Current rating   | Previous rating | Current rating   | Previous rating | Current rating   | Previous rating | Current rating   | Previous rating |
| Foreign currency credit rating  | Ba2  | Ba1             | BB-  | BB              | BB-  | BB-             | BBB-   | BBB             |
| Domestic currency credit rating | Ba2  | Ba1             | BB-  | BB              | BB   | BB              | BBB  | BBB+            |
| <b>OUTLOOK</b>                  | <b>NEGATIVE</b>  | <b>NEGATIVE</b> | <b>NEGATIVE</b>  | <b>NEGATIVE</b> | <b>STABLE</b>  | <b>STABLE</b>   | <b>NEGATIVE</b>  | <b>NEGATIVE</b> |
|                                 | Both foreign and domestic currency credit ratings are two notches below investment grade |                 | Both foreign and domestic currency credit ratings are three notches below investment grade |                 | The foreign currency credit rating is three notches below investment grade while the domestic currency credit rating is two notches below investment grade |                 | The foreign currency credit rating is one notch above non-investment grade while the domestic currency credit rating is two notches above non-investment grade |                 |

Source: Moody's, Fitch, S&P, R&I and National Treasury

Rating agencies indicated that a credit rating upgrade in the short-term is unlikely. However, the following factors could lead to a positive outlook revision:

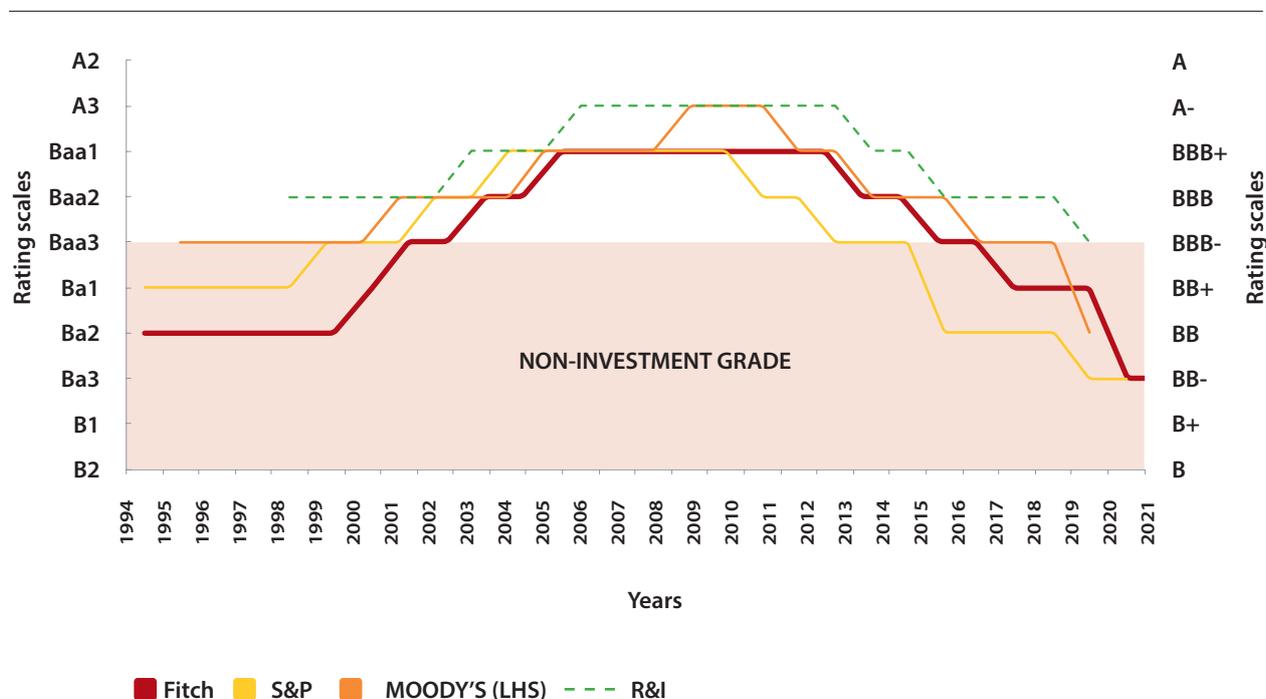
## 5. GOVERNMENT DEBT PORTFOLIO AND RISK METRICS | continued

- A clear and credible path towards stabilising the government debt/GDP ratio over the medium-term
- Greater confidence in economic growth prospects sufficient to support government’s efforts to reduce the budget deficit and address the country’s high levels of inequality and unemployment
- Substantially improved job creation and productivity leading to higher real per capita GDP growth
- Agreements with trade unions leading to substantial moderation of future increases in the wage bill.

Conversely, the following factors could lead to further downgrades to non-investment grade:

- A continued rise in the government debt/GDP ratio and failure to formulate a clear and credible path towards stabilising this ratio
- Persistently weak GDP growth that continues to undermine government’s efforts to reduce the budget deficit and increases the socioeconomic pressures that result from the country’s exceptional levels of inequality
- Any indication of diminished access to funding at interest rates that would further endanger government’s debt sustainability
- Significant weakening of the rule of law, property rights and enforcement of contracts leading to undermining of the investment and economic outlook.

**FIGURE 25: SOUTH AFRICA’S LONG-TERM FOREIGN CURRENCY CREDIT RATING HISTORY, 1994-2021**



Source: Fitch, S&P, Moody's, R&I and National Treasury.

## 6. INVESTOR RELATIONS

### INVESTOR ROADSHOWS

National Treasury runs an active investor relations programme and, following the release of the Budget Review in February and the MTBPS in October each year, conducts domestic and international roadshows with the SARB. The aim of the roadshows is to strengthen relationships with investors and keep them informed about economic, fiscal, political and social developments in the country.

Because of the COVID-19 travel restrictions, during the reporting year National Treasury and the SARB engaged domestic and international investors through global investor calls. These took place after tabling of the Supplementary Budget in June 2020 and the MTBPS and Budget Review in October 2020 and February 2021 respectively.

National Treasury also conducts frequent meetings with investors throughout the year and provides information about funding programmes and strategies via the JSE Stock Exchange News Service (SENS).

### INVESTOR RELATIONS WEBSITE

The Investor Relations Website (<http://investor.treasury.gov.za>), launched in June 2011, provides institutional investors with relevant information. This includes the bond auction calendars, auctions' historical results, sovereign credit ratings and reports, holdings of domestic government bonds, policy documents, economic indicators, details of pending events, investor presentations and links to other websites such as those of the SARB and Statistics South Africa.

### MARKETING AND PROMOTION OF RSA RETAIL SAVINGS BONDS

Because of the COVID-19 lock-down restrictions, National Treasury was unable to participate in physical promotions. All expos planned for 2020/21 were postponed to 2022/23.

National Treasury did, however, participate in the Homemakers virtual expo from 1 to 6 September 2020 and continued with digital marketing throughout 2020/21 using emails and various social media platforms.

Plans are in place to enhance the RSA Retail Savings Bonds website to include blogs and podcasts.

## 7. Annexures

### ANNEXURE A: REDEMPTION

#### SCHEDULE OF TREASURY BILLS, 31 MARCH 2021

| DATE          | 91-DAY (R'M) | 182-DAY (R'M) | 273-DAY (R'M) | 365-DAY (R'M) | TOTAL (R'M) |
|---------------|--------------|---------------|---------------|---------------|-------------|
| 2021/04/07/.  | 903          | 3 070         | 4 040         | 3 751         | 11 764      |
| 2021/04/14    | 1 400        | 3 070         | 4 040         | 3 340         | 11 850      |
| 2021/04/21    | 1 400        | 2 460         | 4 040         | 3 340         | 11 240      |
| 2021/04/28    | 1 400        | 3 070         | 4 040         | 3 340         | 11 850      |
| 2021/05/05.   | 1 400        | 3 070         | 4 040         | 4 040         | 12 550      |
| 2020/05/12    | 1 400        | 3 070         | 4 040         | 4 040         | 12 550      |
| 2020/ 05 /19. | 946          | 3 070         | 4 040         | 4 040         | 12 096      |
| 2021/05/26    | 1 400        | 3 070         | 4 040         | 1 671         | 10 181      |
| 2021/06/02    | 815          | 3 070         | 4 040         | 1 855         | 9 780       |
| 2021/06/09    | 860          | 3 070         | 4 040         | 3 775         | 11 745      |
| 2021/06/17    | 1 400        | 835           | 4 040         | 4 440         | 10 715      |
| 2021/06/23    | 1 400        | 1 007         | 4 040         | 4 440         | 10 887      |
| 2021/06/30    | 611          | 347           | 4 040         | 5 219         | 10 217      |
| 2021/07/07    | -            | 3 070         | 4 040         | 4 440         | 11 550      |
| 2021/07/14    | -            | 3 070         | 3 268         | 4 440         | 10 778      |
| 2021/07/21    | -            | 3 070         | 4 417         | 4 440         | 11 927      |
| 2021/07/28    | -            | 3 070         | 4 040         | 4 627         | 11 737      |
| 2021/08/05    | -            | 3 070         | 4 040         | 4 440         | 11 550      |
| 2021/08/11    | -            | 3 070         | 4 040         | 4 440         | 11 550      |
| 2021/08/18    | -            | 3 070         | 4 040         | 4 440         | 11 550      |
| 2021/08/25    | -            | 3 070         | 4 040         | 4 440         | 11 550      |
| 2021/09/01    | -            | 3 070         | 2 190         | 4 440         | 9 700       |
| 2021/09/08    | -            | 1 862         | 3 601         | 4 440         | 9 903       |
| 2021/09/15    | -            | 3 070         | 3 617         | 4 440         | 11 127      |
| 2021/09/23    | -            | 3 070         | 4 040         | 4 440         | 11 550      |
| 2021/09/30    | -            | 3 070         | 4 040         | 4 440         | 11 550      |
| 2021/10/07    | -            | -             | 4 040         | 4 440         | 8 480       |
| 2021/10/13    | -            | -             | 4 040         | 5 212         | 9 252       |
| 2021/10/20    | -            | -             | 4 040         | 4 674         | 8 714       |
| 2021/10/27    | -            | -             | 4 040         | 4 440         | 8 480       |
| 2021/11/03    | -            | -             | 4 040         | 4 440         | 8 480       |
| 2021/11/11.   | -            | -             | 4 549         | 4 440         | 8 989       |

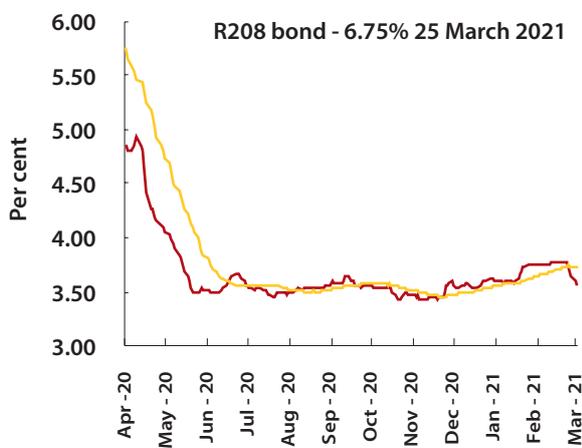
## 7. Annexures | continued

### ANNEXURE A: REDEMPTION SCHEDULE OF TREASURY BILLS, 31 MARCH 2021

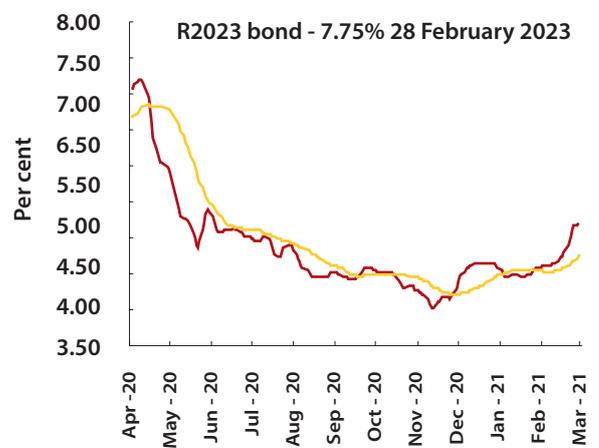
| DATE         | 91-DAY (R'M)  | 182-DAY (R'M) | 273-DAY (R'M)  | 365-DAY (R'M)  | TOTAL (R'M)    |
|--------------|---------------|---------------|----------------|----------------|----------------|
| 2021/11/17   | -             | -             | 3 226          | 4 440          | 7 666          |
| 2021/11/24   | -             | -             | 4 040          | 4 440          | 8 480          |
| 2021/12/02   | -             | -             | 4 040          | 4 051          | 8 091          |
| 2021/12/08   | -             | -             | 4 040          | 4 440          | 8 480          |
| 2021/12/15   | -             | -             | 4 040          | 4 440          | 8 480          |
| 2021/12/22   | -             | -             | 4 040          | 4 054          | 8 094          |
| 2021/12/29   | -             | -             | 4 040          | 1 853          | 5 893          |
| 2022/01/07   | -             | -             | -              | 2 175          | 2 175          |
| 2022/01/12   | -             | -             | -              | 4 440          | 4 440          |
| 2022/01/19   | -             | -             | -              | 4 440          | 4 440          |
| 2022/01/26   | -             | -             | -              | 4 440          | 4 440          |
| 02.02.2022   | -             | -             | -              | 4 440          | 4 440          |
| 2022/02/09   | -             | -             | -              | 3 931          | 3 931          |
| 2022/02/16   | -             | -             | -              | 4 440          | 4 440          |
| 2022/02/23   | -             | -             | -              | 4 440          | 4 440          |
| 2022/03/01   | -             | -             | -              | 4 440          | 4 440          |
| 2022/03/08   | -             | -             | -              | 4 440          | 4 440          |
| 2022/03/15   | -             | -             | -              | 4 440          | 4 440          |
| 2022/03/23   | -             | -             | -              | 4 440          | 4 440          |
| 2022/03/30   | -             | -             | -              | 4 440          | 4 440          |
| <b>Total</b> | <b>15 335</b> | <b>70 980</b> | <b>154 147</b> | <b>215 509</b> | <b>455 971</b> |

## 7. Annexures | continued

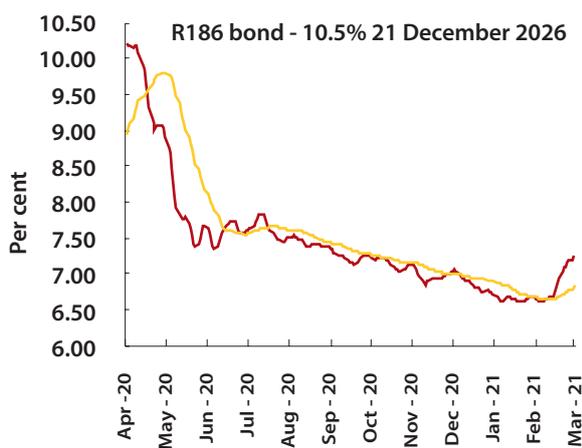
### ANNEXURE B: YIELD TRENDS OF GOVERNMENT FIXED-RATE BONDS, 2020/21



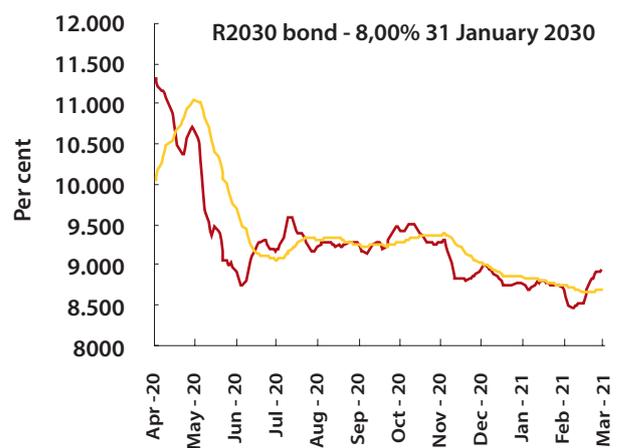
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— 5-Day moving average — 30-Day moving average



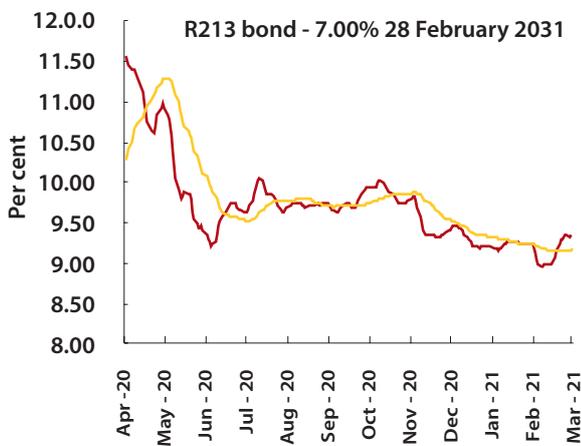
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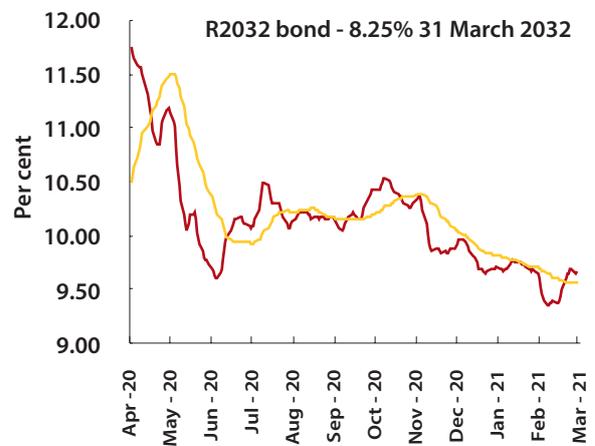
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## 7. Annexures | continued

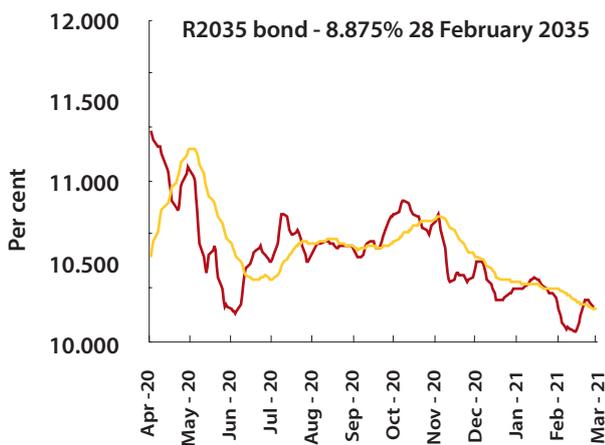
### ANNEXURE B: YIELD TRENDS OF GOVERNMENT FIXED-RATE BONDS, 2020/21



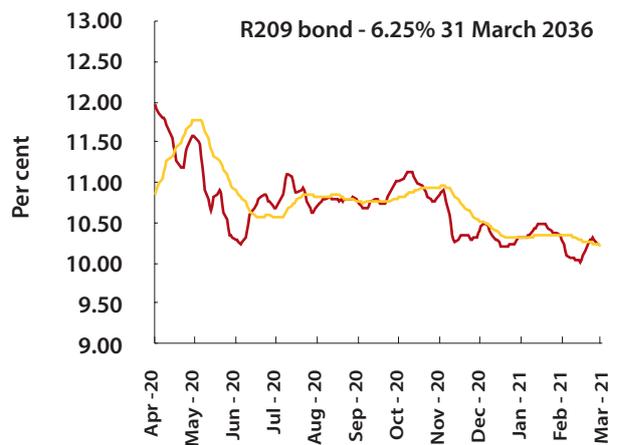
— 5-Day moving average — 30-Day moving average



— 5-Day moving average — 30-Day moving average



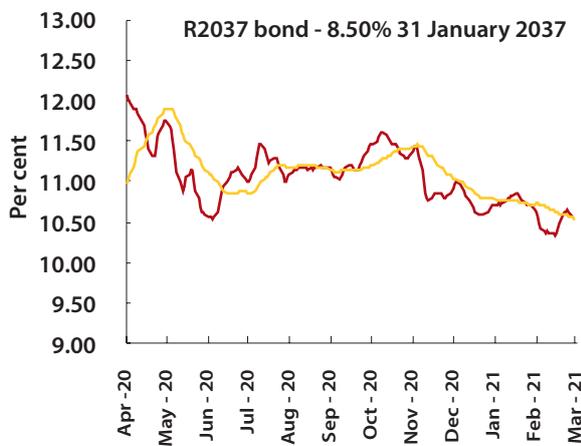
— 5-Day moving average — 30-Day moving average



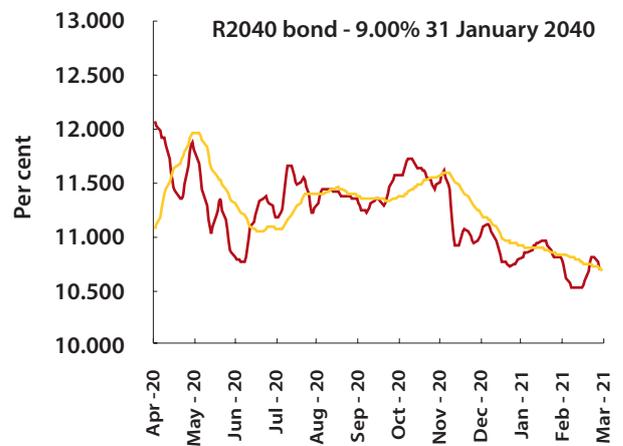
— 5-Day moving average — 30-Day moving average

# 7. Annexures | continued

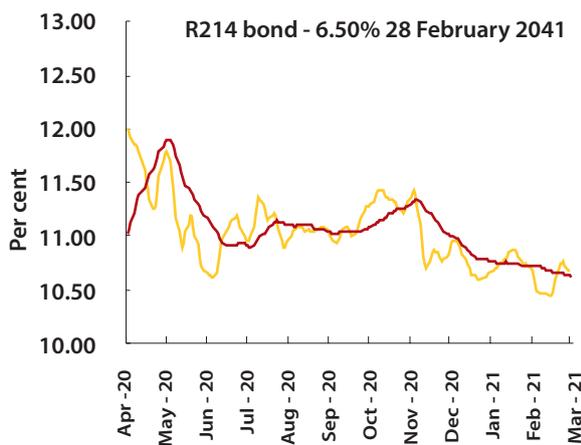
## ANNEXURE B: YIELD TRENDS OF GOVERNMENT FIXED-RATE BONDS, 2020/21



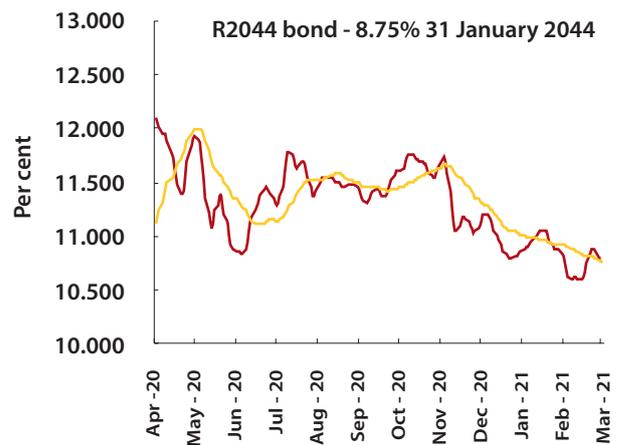
— 5-Day moving average — 30-Day moving average



— 5-Day moving average — 30-Day moving average



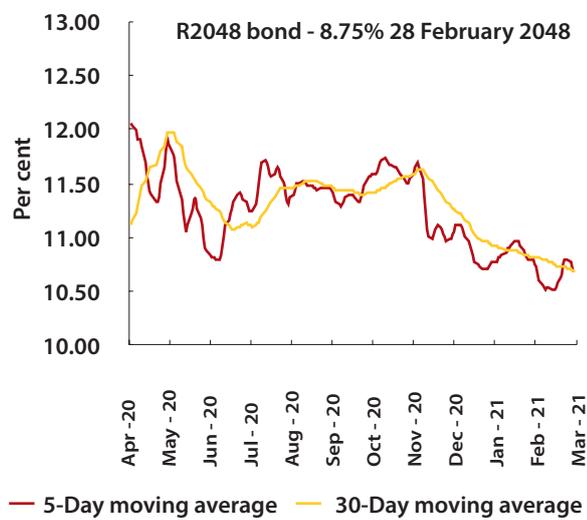
— 5-Day moving average — 30-Day moving average



— 5-Day moving average — 30-Day moving average

## 7. Annexures | continued

### ANNEXURE B: YIELD TRENDS OF GOVERNMENT FIXED-RATE BONDS, 2020/21



## 7. Annexures | continued

### ANNEXURE C: FIXED-RATE BOND YIELD SPREADS, 2020/21

Fixed-rate bond yield spreads, 01 April 2020

|              | R2023 (2023) | R186 (2026) | R2030 (2030) | R213 (2031) | R2032 (2032) | R2035 (2035) | R209 (2036) | R2037 (2037) | R2040 (2040) | R214 (2041) | R2044 (2044) | R2048 (2048) |
|--------------|--------------|-------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|
| R208 (2021)  | 223          | 518         | 626          | 650         | 667,5        | 693          | 691         | 702          | 703          | 697         | 707,5        | 703,5        |
| R2023 (2023) |              | 295         | 403          | 427         | 444,5        | 470          | 468         | 479          | 480          | 474         | 484,5        | 480,5        |
| R186 (2026)  |              |             | 108          | 132         | 149,5        | 175          | 173         | 184          | 185          | 179         | 189,5        | 185,5        |
| R2030 (2030) |              |             |              | 24          | 41,5         | 67           | 65          | 76           | 77           | 71          | 81,5         | 77,5         |
| R213 (2031)  |              |             |              |             | 17,5         | 43           | 41          | 52           | 53           | 47          | 57,5         | 53,5         |
| R2032 (2032) |              |             |              |             |              | 25,5         | 23,5        | 34,5         | 35,5         | 29,5        | 40           | 36           |
| R2035 (2035) |              |             |              |             |              |              | -2          | 9            | 10           | 4           | 14,5         | 10,5         |
| R209 (2036)  |              |             |              |             |              |              |             | 11           | 12           | 6           | 16,5         | 12,5         |
| R2037 (2037) |              |             |              |             |              |              |             |              | 1            | -5          | 5,5          | 1,5          |
| R2040 (2040) |              |             |              |             |              |              |             |              |              | -6          | 4,5          | 0,5          |
| R214 (2041)  |              |             |              |             |              |              |             |              |              |             | 10,5         | 6,5          |
| R2044 (2044) |              |             |              |             |              |              |             |              |              |             |              | -4           |

Fixed-rate bond yield spreads, 31 March 2021

|              | R2023 (2023) | R186 (2026) | R2030 (2030) | R213 (2031) | R2032 (2032) | R2035 (2035) | R209 (2036) | R2037 (2037) | R2040 (2040) | R214 (2041) | R2044 (2044) | R2048 (2048) |
|--------------|--------------|-------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|
| R208 (2021)  | 173          | 390,5       | 591,5        | 636,5       | 676          | 744,5        | 737,5       | 770          | 779,5        | 772,5       | 785,5        | 778          |
| R2023 (2023) |              | 217,5       | 418,5        | 463,5       | 503          | 571,5        | 564,5       | 597          | 606,5        | 599,5       | 612,5        | 605          |
| R186 (2026)  |              |             | 201          | 246         | 285,5        | 354          | 347         | 379,5        | 389          | 382         | 395          | 387,5        |
| R2030 (2030) |              |             |              | 45          | 84,5         | 153          | 146         | 178,5        | 188          | 181         | 194          | 186,5        |
| R213 (2031)  |              |             |              |             | 39,5         | 108          | 101         | 133,5        | 143          | 136         | 149          | 141,5        |
| R2032 (2032) |              |             |              |             |              | 68,5         | 61,5        | 94           | 103,5        | 96,5        | 109,5        | 102          |
| R2035 (2035) |              |             |              |             |              |              | -7          | 25,5         | 35           | 28          | 41           | 33,5         |
| R209 (2036)  |              |             |              |             |              |              |             | 32,5         | 42           | 35          | 48           | 40,5         |
| R2037 (2037) |              |             |              |             |              |              |             |              | 9,5          | 2,5         | 15,5         | 8            |
| R2040 (2040) |              |             |              |             |              |              |             |              |              | -7          | 6            | -1,5         |
| R214 (2041)  |              |             |              |             |              |              |             |              |              |             | 13           | 5,5          |
| R2044 (2044) |              |             |              |             |              |              |             |              |              |             |              | -7,5         |

## 7. Annexures | continued

### ANNEXURE C: FIXED-RATE BOND YIELD SPREADS, 2020/21

Change in basis points, 2020/21

|              | R2023 (2023) | R186 (2026) | R2030 (2030) | R213 (2031) | R2032 (2032) | R2035 (2035) | R209 (2036) | R2037 (2037) | R2040 (2040) | R214 (2041) | R2044 (2044) | R2048 (2048) |
|--------------|--------------|-------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|
| R208 (2021)  | -50          | -127,5      | -34,5        | -13,5       | 8,5          | 51,5         | 46,5        | 68           | 76,5         | 75,5        | 78           | 74,5         |
| R2023 (2023) |              | -77,5       | 15,5         | 36,5        | 58,5         | 101,5        | 96,5        | 118          | 126,5        | 125,5       | 128          | 124,5        |
| R186 (2026)  |              |             | 93           | 114         | 136          | 179          | 174         | 195,5        | 204          | 203         | 205,5        | 202          |
| R2030 (2030) |              |             |              | 21          | 43           | 86           | 81          | 102,5        | 111          | 110         | 112,5        | 109          |
| R213 (2031)  |              |             |              |             | 22           | 65           | 60          | 81,5         | 90           | 89          | 91,5         | 88           |
| R2032 (2032) |              |             |              |             |              | 43           | 38          | 59,5         | 68           | 67          | 69,5         | 66           |
| R2035 (2035) |              |             |              |             |              |              | -5          | 16,5         | 25           | 24          | 26,5         | 23           |
| R209 (2036)  |              |             |              |             |              |              |             | 21,5         | 30           | 29          | 31,5         | 28           |
| R2037 (2037) |              |             |              |             |              |              |             |              | 8,5          | 7,5         | 10           | 6,5          |
| R2040 (2040) |              |             |              |             |              |              |             |              |              | -1          | 1,5          | -2           |
| R214 (2041)  |              |             |              |             |              |              |             |              |              |             | 2,5          | -1           |
| R2044 (2044) |              |             |              |             |              |              |             |              |              |             |              | -3,5         |

## 7. Annexures | continued

### ANNEXURE D: SUMMARY OF 91-DAY AND 182-DAY TREASURY BILL AUCTIONS, 2020/21

| ISSUE DATE | 91-DAY              |                        |                            |                    | 182-DAY             |                        |                            |                    |
|------------|---------------------|------------------------|----------------------------|--------------------|---------------------|------------------------|----------------------------|--------------------|
|            | 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 (%) |
| 2020/04/03 | 989                 | 789                    | 0,82                       | 5,88               | 7 565               | 2 645                  | 2,86                       | 6,26               |
| 2020/04/09 | 2 448               | 1 200                  | 2,04                       | 5,77               | 9 973               | 2 645                  | 3,77                       | 6,09               |
| 2020/04/17 | 5 570               | 1 200                  | 4,64                       | 4,62               | 13 576              | 2 645                  | 5,13                       | 5,08               |
| 2020/04/24 | 4 274               | 1 200                  | 3,56                       | 4,28               | 7 585               | 2 645                  | 2,87                       | 4,78               |
| 2020/04/30 | 3 695               | 1 350                  | 2,74                       | 4,27               | 9 798               | 2 945                  | 3,33                       | 4,62               |
| 2020/05/08 | 876                 | 715                    | 0,65                       | 4,14               | 7 346               | 3 244                  | 2,49                       | 4,49               |
| 2020/05/15 | 2 158               | 1 350                  | 1,60                       | 4,23               | 9 095               | 2 945                  | 3,09                       | 4,36               |
| 2020/05/22 | 2 912               | 2 912                  | 2,16                       | 4,16               | 3 975               | 3 975                  | 1,35                       | 4,49               |
| 2020/05/29 | 2 828               | 2 528                  | 2,09                       | 4,21               | 4 641               | 4 641                  | 1,58                       | 4,62               |
| 2020/06/05 | 6 259               | 1 350                  | 4,64                       | 4,22               | 18 572              | 3 571                  | 6,31                       | 4,51               |
| 2020/06/12 | 7 449               | 1 400                  | 5,32                       | 4,13               | 9 471               | 3 070                  | 3,09                       | 4,46               |
| 2020/06/19 | 4 683               | 1 400                  | 3,34                       | 4,09               | 6 734               | 3 070                  | 2,19                       | 4,46               |
| 2020/06/26 | 1 478               | 1 400                  | 1,06                       | 4,06               | 3 341               | 2 291                  | 1,09                       | 4,49               |
| 2020/07/03 | 3 311               | 1 400                  | 2,36                       | 4,02               | 15 350              | 3 070                  | 5,00                       | 4,38               |
| 2020/07/10 | 3 959               | 1 400                  | 2,83                       | 4,00               | 5 988               | 3 070                  | 1,95                       | 4,41               |
| 2020/07/17 | 4 195               | 1 400                  | 3,00                       | 3,98               | 11 306              | 3 070                  | 3,68                       | 4,28               |
| 2020/07/24 | 1 353               | 1 213                  | 0,97                       | 3,92               | 5 379               | 3 070                  | 1,75                       | 4,21               |
| 2020/07/31 | 6 017               | 1 400                  | 4,30                       | 3,91               | 12 289              | 3 070                  | 4,00                       | 4,14               |
| 2020/08/07 | 3 419               | 1 400                  | 2,44                       | 3,83               | 14 605              | 3 070                  | 4,76                       | 3,98               |
| 2020/08/14 | 9 067               | 1 400                  | 6,48                       | 3,72               | 15 409              | 3 070                  | 5,02                       | 3,85               |
| 2020/08/21 | 14 061              | 1 400                  | 10,04                      | 3,60               | 14 431              | 3 070                  | 4,70                       | 3,71               |
| 2020/08/28 | 5 372               | 1 400                  | 3,84                       | 3,48               | 6 312               | 3 070                  | 2,06                       | 3,67               |
| 2020/09/04 | 2 278               | 1 400                  | 1,63                       | 3,45               | 6 352               | 3 070                  | 2,07                       | 3,65               |
| 2020/09/11 | 4 240               | 1 400                  | 3,03                       | 3,46               | 5 627               | 3 070                  | 1,83                       | 3,65               |
| 2020/09/18 | 4 922               | 1 400                  | 3,52                       | 3,49               | 6 349               | 3 070                  | 2,07                       | 3,71               |
| 2020/09/25 | 4 665               | 1 400                  | 3,33                       | 3,50               | 7 142               | 3 070                  | 2,33                       | 3,74               |
| 2020/10/02 | 3 235               | 1 400                  | 2,31                       | 3,51               | 7 543               | 3 070                  | 2,46                       | 3,69               |
| 2020/10/09 | 2 034               | 1 400                  | 1,45                       | 3,51               | 4 590               | 3 070                  | 1,50                       | 3,68               |

## 7. Annexures | continued

### ANNEXURE D: SUMMARY OF 91-DAY AND 182-DAY TREASURY BILL AUCTIONS, 2020/21

| ISSUE DATE | 91-DAY              |                        |                            |                    | 182-DAY             |                        |                            |                    |
|------------|---------------------|------------------------|----------------------------|--------------------|---------------------|------------------------|----------------------------|--------------------|
|            | 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 (%) |
| 2020/10/16 | 2 351               | 1 400                  | 1,68                       | 3,49               | 3 085               | 3 070                  | 1,00                       | 3,69               |
| 2020/10/23 | 3 412               | 1 400                  | 2,44                       | 3,49               | 6 036               | 3 070                  | 1,97                       | 3,71               |
| 2020/10/30 | 2 250               | 1 400                  | 1,61                       | 3,51               | 4 731               | 3 070                  | 1,54                       | 3,76               |
| 2020/11/06 | 1 166               | 1 001                  | 0,83                       | 3,53               | 3 451               | 3 070                  | 1,12                       | 3,74               |
| 2020/11/13 | 1 934               | 1 400                  | 1,38                       | 3,61               | 4 184               | 3 070                  | 1,36                       | 3,81               |
| 2020/11/20 | 1 642               | 1 372                  | 1,17                       | 3,74               | 5 012               | 3 070                  | 1,63                       | 3,89               |
| 2020/11/27 | 3 772               | 1 400                  | 2,69                       | 3,75               | 4 195               | 3 070                  | 1,37                       | 3,93               |
| 2020/12/04 | 2 855               | 1 839                  | 2,04                       | 3,77               | 5 903               | 3 070                  | 1,92                       | 3,93               |
| 2020/12/11 | 1 613               | 1 266                  | 1,15                       | 3,79               | 1 733               | 835                    | 0,56                       | 4,02               |
| 2020/12/18 | 3 145               | 1 400                  | 2,25                       | 3,79               | 1 332               | 1 007                  | 0,43                       | 4,03               |
| 2020/12/24 | 923                 | 688                    | 0,66                       | 3,87               | 852                 | 347                    | 0,28                       | 4,20               |
| 2020/12/31 | 1 353               | 903                    | 0,97                       | 3,91               | 6 395               | 3 070                  | 2,08                       | 4,19               |
| 2021/01/08 | 1 942               | 1 400                  | 1,39                       | 3,89               | 4 522               | 3 070                  | 1,47                       | 4,14               |
| 2021/01/15 | 3 632               | 1 400                  | 2,59                       | 3,84               | 4 199               | 3 070                  | 1,37                       | 4,12               |
| 2021/01/22 | 2 298               | 1 400                  | 1,64                       | 3,78               | 3 739               | 3 070                  | 1,22                       | 4,09               |
| 2021/01/29 | 1 833               | 1 400                  | 1,31                       | 3,79               | 3 503               | 3 070                  | 1,14                       | 4,14               |
| 2021/02/05 | 1 780               | 1 400                  | 1,27                       | 3,79               | 4 056               | 3 070                  | 1,32                       | 4,27               |
| 2021/02/12 | 1 281               | 946                    | 0,91                       | 3,81               | 3 915               | 3 070                  | 1,28                       | 4,36               |
| 2021/03/19 | 1 787               | 1 400                  | 1,28                       | 3,83               | 4 327               | 3 070                  | 1,41                       | 4,41               |
| 2021/02/26 | 1 027               | 815                    | 0,73                       | 3,83               | 5 413               | 3 070                  | 1,76                       | 4,42               |
| 2021/03/05 | 1 320               | 860                    | 0,94                       | 3,86               | 3 217               | 1 862                  | 1,05                       | 4,52               |
| 2021/03/12 | 1 728               | 1 400                  | 1,23                       | 3,86               | 4 653               | 3 070                  | 1,52                       | 4,56               |
| 2021/03/19 | 1 792               | 1 400                  | 1,28                       | 3,86               | 6 487               | 3 070                  | 2,11                       | 4,63               |
| 2021/03/26 | 611                 | 611                    | 0,44                       | 3,85               | 5 632               | 3 070                  | 1,83                       | 4,64               |

## 7. Annexures | continued

### ANNEXURE E: SUMMARY OF 273-DAY AND 364-DAY TREASURY BILL AUCTIONS, 2020/21

| ISSUE DATE | 273-DAY             |                        |                            |                    | 364-DAY             |                        |                            |                    |
|------------|---------------------|------------------------|----------------------------|--------------------|---------------------|------------------------|----------------------------|--------------------|
|            | 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 (%) |
| 2020/04/03 | 4 671               | 3 190                  | 1,46                       | 6,22               | 10 166              | 3 751                  | 3,04                       | 6,25               |
| 2020/04/09 | 4 643               | 3 190                  | 1,46                       | 6,13               | 6 247               | 3 340                  | 1,87                       | 6,12               |
| 2020/04/17 | 10 966              | 3 190                  | 3,44                       | 5,24               | 12 086              | 3 340                  | 3,62                       | 5,25               |
| 2020/04/24 | 10 560              | 3 190                  | 3,31                       | 4,87               | 10 784              | 3 340                  | 3,23                       | 4,89               |
| 2020/04/30 | 7 962               | 3 740                  | 2,13                       | 4,67               | 8 467               | 4 040                  | 2,54                       | 4,66               |
| 2020/05/08 | 9 499               | 4 076                  | 2,54                       | 4,50               | 6 823               | 4 040                  | 1,69                       | 4,52               |
| 2020/05/15 | 5 814               | 3 740                  | 1,55                       | 4,43               | 5 175               | 4 040                  | 1,28                       | 4,48               |
| 2020/05/22 | 1 950               | 1 950                  | 0,52                       | 4,49               | 1 671               | 1 671                  | 0,41                       | 4,62               |
| 2020/05/29 | 2 098               | 2 098                  | 0,56                       | 4,64               | 1 855               | 1 855                  | 0,46                       | 4,76               |
| 2020/06/05 | 3 379               | 3 379                  | 0,90                       | 4,83               | 3 775               | 3 775                  | 0,85                       | 4,86               |
| 2020/06/12 | 11 879              | 4 040                  | 2,94                       | 4,78               | 18 535              | 4 440                  | 4,17                       | 4,89               |
| 2020/06/19 | 8 570               | 4 040                  | 2,12                       | 4,71               | 8 469               | 4 440                  | 1,91                       | 4,81               |
| 2020/06/26 | 7 098               | 4 040                  | 1,76                       | 4,64               | 10 744              | 5 219                  | 2,42                       | 4,71               |
| 2020/07/03 | 11 414              | 4 040                  | 2,83                       | 4,54               | 15 126              | 4 440                  | 3,41                       | 4,60               |
| 2020/07/10 | 10 049              | 4 040                  | 2,49                       | 4,50               | 12 066              | 4 440                  | 2,72                       | 4,53               |
| 2020/07/17 | 13 842              | 4 040                  | 3,43                       | 4,39               | 15 790              | 4 440                  | 3,56                       | 4,40               |
| 2020/07/24 | 8 436               | 4 040                  | 2,09                       | 4,32               | 8 015               | 4 627                  | 1,81                       | 4,35               |
| 2020/07/31 | 11 134              | 4 040                  | 2,76                       | 4,27               | 12 378              | 4 440                  | 2,79                       | 4,30               |
| 2020/08/07 | 14 822              | 4 040                  | 3,67                       | 4,12               | 17 111              | 4 440                  | 3,85                       | 4,12               |
| 2020/08/14 | 17 091              | 4 040                  | 4,23                       | 3,96               | 20 100              | 4 440                  | 4,53                       | 3,97               |
| 2020/08/21 | 12 199              | 4 040                  | 3,02                       | 3,85               | 14 504              | 4 440                  | 3,27                       | 3,88               |
| 2020/08/28 | 6 699               | 4 040                  | 1,66                       | 3,87               | 7 209               | 4 440                  | 1,62                       | 3,89               |
| 2020/09/04 | 9 888               | 4 040                  | 2,45                       | 3,84               | 13 248              | 4 440                  | 2,98                       | 3,86               |
| 2020/09/11 | 15 168              | 4 040                  | 3,75                       | 3,70               | 13 493              | 4 440                  | 3,04                       | 3,73               |
| 2020/09/18 | 10 989              | 4 040                  | 2,72                       | 3,73               | 11 843              | 4 440                  | 2,67                       | 3,75               |
| 2020/09/25 | 5 345               | 4 040                  | 1,32                       | 3,86               | 7 183               | 4 440                  | 1,62                       | 3,82               |
| 2020/10/02 | 9 048               | 4 040                  | 2,24                       | 3,77               | 5 914               | 4 440                  | 1,33                       | 3,91               |

## 7. Annexures | continued

### ANNEXURE E: SUMMARY OF 273-DAY AND 364-DAY TREASURY BILL AUCTIONS, 2020/21

| ISSUE DATE | 273-DAY             |                        |                            |                    | 364-DAY             |                        |                            |                    |
|------------|---------------------|------------------------|----------------------------|--------------------|---------------------|------------------------|----------------------------|--------------------|
|            | 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 (%) |
| 2020/10/09 | 3 718               | 3 268                  | 0,92                       | 3,79               | 9 656               | 4 440                  | 2,17                       | 3,84               |
| 2020/10/16 | 6 378               | 4 417                  | 1,58                       | 3,81               | 5 234               | 4 440                  | 1,18                       | 3,86               |
| 2020/10/23 | 10 475              | 4 040                  | 2,59                       | 3,78               | 8 184               | 4 627                  | 1,84                       | 3,92               |
| 2020/10/30 | 5 695               | 4 040                  | 1,41                       | 3,85               | 12 590              | 4 440                  | 2,84                       | 3,92               |
| 2020/11/06 | 4 176               | 4 040                  | 1,03                       | 3,86               | 10 263              | 4 440                  | 2,31                       | 3,89               |
| 2020/11/13 | 8 334               | 4 040                  | 2,06                       | 3,85               | 5 948               | 4 440                  | 1,34                       | 3,95               |
| 2020/11/20 | 4 688               | 4 040                  | 1,16                       | 4,00               | 5 328               | 4 440                  | 1,20                       | 4,05               |
| 2020/11/27 | 2 556               | 2 190                  | 0,63                       | 4,14               | 4 194               | 4 051                  | 0,94                       | 4,17               |
| 2020/12/04 | 4 291               | 3 601                  | 1,06                       | 4,29               | 8 740               | 4 440                  | 1,97                       | 4,31               |
| 2020/12/11 | 3 800               | 3 617                  | 0,94                       | 4,43               | 7 144               | 4 440                  | 1,61                       | 4,40               |
| 2020/12/18 | 6 604               | 4 040                  | 1,63                       | 4,47               | 4 581               | 4 053                  | 1,03                       | 4,49               |
| 2020/12/24 | 7 003               | 4 040                  | 1,73                       | 4,53               | 4 320               | 1 853                  | 0,97                       | 4,49               |
| 2020/12/31 | 10 940              | 4 040                  | 2,71                       | 4,50               | 6 177               | 4 440                  | 1,39                       | 4,51               |
| 2021/01/08 | 12 857              | 4 040                  | 3,18                       | 4,42               | 12 592              | 4 440                  | 2,84                       | 4,46               |
| 2021/01/15 | 13 434              | 4 040                  | 3,33                       | 4,33               | 15 242              | 4 440                  | 3,43                       | 4,35               |
| 2021/01/22 | 8 672               | 4 040                  | 2,15                       | 4,26               | 6 889               | 4 440                  | 1,55                       | 4,30               |
| 2021/01/29 | 4 981               | 4 040                  | 1,23                       | 4,29               | 7 435               | 4 440                  | 1,67                       | 4,30               |
| 2021/02/07 | 7 250               | 4 549                  | 1,79                       | 4,31               | 3 931               | 3 931                  | 0,89                       | 4,45               |
| 2021/02/14 | 3 946               | 3 226                  | 0,98                       | 4,47               | 8 473               | 4 440                  | 1,91                       | 4,52               |
| 2021/02/21 | 10 940              | 4 040                  | 2,71                       | 4,50               | 6 177               | 2 175                  | 1,39                       | 4,51               |
| 2021/02/28 | 4 356               | 4 040                  | 1,08                       | 4,78               | 6 215               | 4 440                  | 1,40                       | 4,78               |
| 2021/03/05 | 13 504              | 4 040                  | 3,34                       | 4,80               | 8 126               | 4 440                  | 1,83                       | 4,87               |
| 2021/03/12 | 13 006              | 4 040                  | 3,22                       | 4,79               | 9 607               | 4 440                  | 2,16                       | 4,90               |
| 2021/03/19 | 11 900              | 4 040                  | 2,95                       | 4,77               | 18 322              | 4 440                  | 4,13                       | 4,88               |
| 2021/03/26 | 6 277               | 4 040                  | 1,55                       | 4,79               | 15 267              | 4 440                  | 3,44                       | 4,86               |

## 7. Annexures | continued

### ANNEXURE F: SUMMARY OF FIXED-RATE BOND AUCTIONS, 2020/21

| ISSUE DATE | BOND CODE | MATURITY   | COUPON (%) | OFFER AMOUNT (R'M) | ALLOCATED AMOUNT (R'M) | BIDS RECEIVED (R'M) | CLEARING YIELD (%) |
|------------|-----------|------------|------------|--------------------|------------------------|---------------------|--------------------|
| 2020/04/07 | R2023     | 2023/02/28 | 7,750      | 1 510              | 1 510                  | 5 400               | 7,100              |
| 2020/04/07 | R2030     | 2030/01/31 | 8,000      | 1 510              | 1 510                  | 5 515               | 10,030             |
| 2020/04/07 | R2032     | 2032/03/31 | 8,250      | 1 510              | 1 510                  | 4 270               | 11,445             |
| 2020/04/14 | R186      | 2026/12/21 | 10,500     | 1 510              | 1 510                  | 9 265               | 9,550              |
| 2020/04/14 | R2032     | 2032/03/31 | 8,250      | 1 510              | 1 510                  | 3 765               | 11,200             |
| 2020/04/14 | R2037     | 2037/01/31 | 8,500      | 1 510              | 1 510                  | 2 720               | 11,710             |
| 2020/04/21 | R186      | 2026/12/21 | 10,500     | 1 510              | 1 510                  | 9 125               | 8,980              |
| 2020/04/21 | R2030     | 2030/01/31 | 8,000      | 1 510              | 1 510                  | 5 005               | 10,355             |
| 2020/04/21 | R2035     | 2035/02/28 | 8,875      | 1 510              | 1 510                  | 3 510               | 11,220             |
| 2020/04/28 | R186      | 2026/12/21 | 10,500     | 1 510              | 1 510                  | 4 340               | 5,960              |
| 2020/04/28 | R2023     | 2023/02/28 | 7,750      | 1 510              | 1 510                  | 12 530              | 9,080              |
| 2020/04/28 | R2030     | 2030/01/31 | 8,000      | 1 510              | 1 510                  | 7 100               | 10,900             |
| 2020/05/05 | R186      | 2026/12/21 | 10,500     | 1 510              | 1 510                  | 11 070              | 8,075              |
| 2020/05/05 | R2030     | 2030/01/31 | 8,000      | 1 510              | 1 510                  | 12 515              | 9,950              |
| 2020/05/05 | R2032     | 2032/03/31 | 8,250      | 1 510              | 1 510                  | 7 215               | 10,565             |
| 2020/05/12 | R186      | 2026/12/21 | 10,500     | 1 510              | 1 510                  | 6 735               | 7,780              |
| 2020/05/12 | R2030     | 2030/01/31 | 8,000      | 1 510              | 1 510                  | 5 585               | 9,400              |
| 2020/05/12 | R2035     | 2035/02/28 | 8,875      | 1 510              | 1 510                  | 3 775               | 10,660             |
| 2020/05/19 | R2023     | 2023/02/28 | 7,750      | 2 100              | 2 100                  | 4 160               | 4,800              |
| 2020/05/19 | R2030     | 2030/01/31 | 8,000      | 2 000              | 2 000                  | 7 115               | 8,900              |
| 2020/05/19 | R2035     | 2035/02/28 | 8,875      | 2 000              | 2 000                  | 6 165               | 10,600             |
| 2020/05/26 | R186      | 2026/12/21 | 10,500     | 2 100              | 2 100                  | 4 580               | 7,550              |
| 2020/05/26 | R2030     | 2030/01/31 | 8,000      | 2 000              | 2 000                  | 4 280               | 8,960              |
| 2020/05/26 | R2035     | 2035/02/28 | 8,875      | 2 000              | 2 000                  | 4 555               | 10,240             |
| 2020/06/02 | R2030     | 2030/01/31 | 8,000      | 2 100              | 2 100                  | 4 810               | 8,685              |
| 2020/06/02 | R2035     | 2035/02/28 | 8,875      | 2 000              | 2 000                  | 4 560               | 10,290             |
| 2020/06/02 | R2037     | 2037/01/31 | 8,500      | 2 000              | 2 000                  | 4 000               | 10,560             |
| 2020/06/09 | R186      | 2026/12/21 | 10,500     | 2 100              | 2 100                  | 5 970               | 7,530              |
| 2020/06/09 | R2030     | 2030/01/31 | 8,000      | 2 000              | 2 000                  | 6 460               | 8,980              |
| 2020/06/09 | R2048     | 2048/02/28 | 8,750      | 2 000              | 2 000                  | 4 540               | 11,070             |
| 2020/06/17 | R186      | 2026/12/21 | 10,500     | 1 500              | 1 500                  | 3 515               | 7,795              |

## 7. Annexures | continued

### ANNEXURE F: SUMMARY OF FIXED-RATE BOND AUCTIONS, 2020/21

| ISSUE DATE | BOND CODE | MATURITY   | COUPON (%) | OFFER AMOUNT (R'M) | ALLOCATED AMOUNT (R'M) | BIDS RECEIVED (R'M) | CLEARING YIELD (%) |
|------------|-----------|------------|------------|--------------------|------------------------|---------------------|--------------------|
| 2020/06/17 | R2030     | 2030/01/31 | 8,000      | 3 100              | 3 100                  | 8 610               | 9,295              |
| 2020/06/17 | R2032     | 2032/03/31 | 8,250      | 1 500              | 1 500                  | 2 640               | 10,185             |
| 2020/06/23 | R2030     | 2030/01/31 | 8,000      | 2 100              | 2 100                  | 8 940               | 9,180              |
| 2020/06/23 | R2035     | 2035/02/28 | 8,875      | 2 000              | 2 000                  | 3 595               | 10,890             |
| 2020/06/23 | R2048     | 2048/02/28 | 8,750      | 2 000              | 2 000                  | 4 755               | 11,370             |
| 2020/06/30 | R186      | 2026/12/21 | 10,500     | 2 100              | 2 100                  | 5 785               | 7,640              |
| 2020/06/30 | R2030     | 2030/01/31 | 8,000      | 2 000              | 2 000                  | 4 275               | 9,200              |
| 2020/06/30 | R2035     | 2035/02/28 | 8,875      | 2 000              | 2 000                  | 3 490               | 10,790             |
| 2020/07/07 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 3 845               | 7,900              |
| 2020/07/07 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 3 705               | 9,700              |
| 2020/07/07 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 5 420               | 11,750             |
| 2020/07/14 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 7 925               | 7,740              |
| 2020/07/14 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 7 670               | 9,480              |
| 2020/07/14 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 4 440               | 11,620             |
| 2020/07/21 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 9 905               | 7,490              |
| 2020/07/21 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 6 050               | 10,310             |
| 2020/07/21 | R2037     | 2037/01/31 | 8,500      | 2 200              | 2 200                  | 4 470               | 11,400             |
| 2020/07/28 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 4 960               | 7,425              |
| 2020/07/28 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 4 845               | 9,120              |
| 2020/07/28 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 5 105               | 10,000             |
| 2020/08/04 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 4 605               | 7,500              |
| 2020/08/04 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 5 060               | 10,220             |
| 2020/08/04 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 6 975               | 11,525             |
| 2020/08/11 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 3 990               | 10,190             |
| 2020/08/11 | R2037     | 2037/01/31 | 8,500      | 2 200              | 2 200                  | 3 440               | 11,285             |
| 2020/08/11 | R2044     | 2044/01/31 | 8,750      | 2 200              | 2 200                  | 7 000               | 11,520             |
| 2020/08/18 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 7 355               | 7,460              |
| 2020/08/18 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 4 385               | 10,220             |
| 2020/08/18 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 4 895               | 11,470             |
| 2020/08/25 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 6 155               | 7,330              |
| 2020/08/25 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 5 790               | 9,260              |

## 7. Annexures | continued

### ANNEXURE F: SUMMARY OF FIXED-RATE BOND AUCTIONS, 2020/21

| ISSUE DATE | BOND CODE | MATURITY   | COUPON (%) | OFFER AMOUNT (R'M) | ALLOCATED AMOUNT (R'M) | BIDS RECEIVED (R'M) | CLEARING YIELD (%) |
|------------|-----------|------------|------------|--------------------|------------------------|---------------------|--------------------|
| 2020/08/25 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 7 610               | 11,440             |
| 2020/09/01 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 6 000               | 10,060             |
| 2020/09/01 | R2040     | 2040/01/31 | 9,000      | 2 200              | 2 200                  | 6 890               | 11,220             |
| 2020/09/01 | R2044     | 2044/01/31 | 8,750      | 2 200              | 2 200                  | 6 870               | 11,330             |
| 2020/09/08 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 5 085               | 7,220              |
| 2020/09/08 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 3 815               | 9,190              |
| 2020/09/08 | R2035     | 2035/02/28 | 8,875      | 2 200              | 2 200                  | 4 205               | 10,840             |
| 2020/09/15 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 4 995               | 10,180             |
| 2020/09/15 | R2037     | 2037/01/31 | 8,500      | 2 200              | 2 200                  | 4 595               | 11,185             |
| 2020/09/15 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 6 740               | 11,320             |
| 2020/09/22 | R2035     | 2035/02/28 | 8,875      | 2 200              | 2 200                  | 4 330               | 11,130             |
| 2020/09/22 | R2040     | 2040/01/31 | 9,000      | 2 200              | 2 200                  | 5 245               | 11,510             |
| 2020/09/22 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 4 895               | 11,525             |
| 2020/09/29 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 7 160               | 7,260              |
| 2020/09/29 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 9 110               | 9,460              |
| 2020/09/29 | R2037     | 2037/01/31 | 8,500      | 2 200              | 2 200                  | 4 835               | 11,470             |
| 2020/10/06 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 8 120               | 9,550              |
| 2020/10/06 | R2040     | 2040/01/31 | 9,000      | 2 200              | 2 200                  | 6 225               | 11,780             |
| 2020/10/06 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 6 365               | 11,780             |
| 2020/10/13 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 6 235               | 7,150              |
| 2020/10/13 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 7 950               | 9,400              |
| 2020/10/13 | R2044     | 2044/01/31 | 8,750      | 2 200              | 2 200                  | 5 180               | 11,700             |
| 2020/10/20 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 7 015               | 6,950              |
| 2020/10/20 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 6 560               | 10,290             |
| 2020/10/20 | R2040     | 2040/01/31 | 9,000      | 2 200              | 2 200                  | 4 900               | 11,590             |
| 2020/10/27 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 6 425               | 7.07               |
| 2020/10/27 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 7 255               | 9.165              |
| 2020/10/27 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 6 535               | 11.43              |
| 2020/11/03 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 6 335               | 9,300              |
| 2020/11/03 | R2035     | 2035/02/28 | 8,875      | 2 200              | 2 200                  | 4 625               | 11,170             |
| 2020/11/03 | R2040     | 2040/01/31 | 9,000      | 2 200              | 2 200                  | 4 100               | 11,610             |

## 7. Annexures | continued

### ANNEXURE F: SUMMARY OF FIXED-RATE BOND AUCTIONS, 2020/21

| ISSUE DATE | BOND CODE | MATURITY   | COUPON (%) | OFFER AMOUNT (R'M) | ALLOCATED AMOUNT (R'M) | BIDS RECEIVED (R'M) | CLEARING YIELD (%) |
|------------|-----------|------------|------------|--------------------|------------------------|---------------------|--------------------|
| 2020/11/10 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 5 765               | 6,900              |
| 2020/11/10 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 9 420               | 9,870              |
| 2020/11/10 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 6 195               | 10,950             |
| 2020/11/17 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 5 960               | 8,780              |
| 2020/11/17 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 5 530               | 9,820              |
| 2020/11/17 | R2044     | 2044/01/31 | 8,750      | 2 200              | 2 200                  | 3 615               | 11,275             |
| 2020/11/24 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 6 540               | 6,950              |
| 2020/11/24 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 5 160               | 8,850              |
| 2020/11/24 | R2035     | 2035/02/28 | 8,875      | 2 200              | 2 200                  | 7 130               | 10,550             |
| 2020/12/01 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 4 100               | 7,100              |
| 2020/12/01 | R213      | 2031/02/28 | 7,000      | 2 200              | 2 200                  | 3 340               | 9,500              |
| 2020/12/01 | R2037     | 2037/01/31 | 8,500      | 2 200              | 2 200                  | 3 330               | 11,050             |
| 2020/12/08 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 7 225               | 6,880              |
| 2020/12/08 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 8 125               | 9,890              |
| 2020/12/08 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 7 715               | 11,040             |
| 2020/12/15 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 6 565               | 6,820              |
| 2020/12/15 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 8 000               | 8,750              |
| 2020/12/15 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 8 370               | 10,820             |
| 2021/01/12 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 6 230               | 6,670              |
| 2021/01/12 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 6 190               | 9,755              |
| 2021/01/12 | R2035     | 2035/02/28 | 8,875      | 2 200              | 2 200                  | 6 290               | 10,570             |
| 2021/01/19 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 7 710               | 8,785              |
| 2021/01/19 | R2037     | 2037/01/31 | 8,500      | 2 200              | 2 200                  | 7 655               | 10,820             |
| 2021/01/19 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 6 790               | 10,930             |
| 2021/01/26 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 7 305               | 6,690              |
| 2021/01/26 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 8 390               | 8,805              |
| 2021/01/26 | R2048     | 2048/02/28 | 8,750      | 2 200              | 2 200                  | 8 485               | 10,810             |
| 2021/02/02 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 10 660              | 9,440              |
| 2021/02/02 | R2037     | 2037/01/31 | 8,500      | 2 200              | 2 200                  | 11 920              | 10,425             |
| 2021/02/02 | R2040     | 2040/01/31 | 9,000      | 2 200              | 2 200                  | 9 920               | 10,570             |
| 2021/02/09 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 6 820               | 9,400              |

## 7. Annexures | continued

### ANNEXURE F: SUMMARY OF FIXED-RATE BOND AUCTIONS, 2020/21

| ISSUE DATE | BOND CODE | MATURITY   | COUPON (%) | OFFER AMOUNT (R'M) | ALLOCATED AMOUNT (R'M) | BIDS RECEIVED (R'M) | CLEARING YIELD (%) |
|------------|-----------|------------|------------|--------------------|------------------------|---------------------|--------------------|
| 2021/02/09 | R2037     | 2037/01/31 | 8,500      | 2 200              | 2 200                  | 8 665               | 10,380             |
| 2021/02/09 | R2044     | 2044/01/31 | 8,750      | 2 200              | 2 200                  | 7 065               | 10,630             |
| 2021/02/16 | R2035     | 2035/02/28 | 8,875      | 2 200              | 2 200                  | 5 055               | 10,105             |
| 2021/02/16 | R2040     | 2040/01/31 | 9,000      | 2 200              | 2 200                  | 4 670               | 10,580             |
| 2021/02/16 | R2044     | 2044/01/31 | 8,750      | 2 200              | 2 200                  | 5 130               | 10,620             |
| 2021/02/23 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 7 650               | 9,700              |
| 2021/02/23 | R2037     | 2037/01/31 | 8,500      | 2 200              | 2 200                  | 6 560               | 10,700             |
| 2021/02/23 | R2044     | 2044/01/31 | 8,750      | 2 200              | 2 200                  | 6 225               | 10,940             |
| 2021/03/02 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 4 920               | 7,230              |
| 2021/03/02 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 4 770               | 9,680              |
| 2021/03/02 | R2037     | 2037/01/31 | 8,500      | 2 200              | 2 200                  | 5 110               | 10,545             |
| 2021/03/09 | R213      | 2031/02/28 | 7,000      | 2 200              | 2 200                  | 4 945               | 9,670              |
| 2021/03/09 | R2035     | 2035/02/28 | 8,875      | 2 200              | 2 200                  | 3 335               | 10,825             |
| 2021/03/09 | R2040     | 2040/01/31 | 9,000      | 2 200              | 2 200                  | 3 265               | 11,170             |
| 2021/03/16 | R186      | 2026/12/21 | 10,500     | 2 200              | 2 200                  | 5 960               | 7,380              |
| 2021/03/16 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 4 945               | 9,230              |
| 2021/03/16 | R2035     | 2035/02/28 | 8,875      | 2 200              | 2 200                  | 3 695               | 10,810             |
| 2021/03/23 | R2030     | 2030/01/31 | 8,000      | 2 200              | 2 200                  | 3 645               | 9,500              |
| 2021/03/23 | R213      | 2031/02/28 | 7,000      | 2 200              | 2 200                  | 3 565               | 9,990              |
| 2021/03/23 | R2032     | 2032/03/31 | 8,250      | 2 200              | 2 200                  | 3 645               | 10,400             |
| 2021/03/30 | R2037     | 2037/01/31 | 8,500      | 1 600              | 1 600                  | 4 385               | 11,330             |
| 2021/03/30 | R2044     | 2044/01/31 | 8,750      | 1 600              | 1 600                  | 3 940               | 11,545             |
| 2021/03/30 | R2048     | 2048/02/28 | 8,750      | 1 600              | 1 600                  | 3 270               | 11,500             |

## 7. Annexures | continued

### ANNEXURE G: SUMMARY OF INFLATION-LINKED BOND AUCTIONS, 2020/21

| ISSUE DATE | BOND CODE | MATURITY   | COUPON(%) | OFFER AMOUNT (R'M) | ALLOCATED AMOUNT (R'M) | BIDS RECEIVED (R'M) | CLEARING YIELD(%) |
|------------|-----------|------------|-----------|--------------------|------------------------|---------------------|-------------------|
| 2020/04/03 | R212      | 2022/01/11 | 2,750     | 1040               | 650                    | 1 650               | 2,500             |
| 2020/04/03 | I2025     | 2025/01/31 | 2,000     |                    | 310                    | 845                 | 4,300             |
| 2020/04/03 | I2050     | 2050/12/31 | 2,500     |                    | 80                     | 1 980               | 4,450             |
| 2020/04/17 | I2025     | 2025/01/31 | 2,000     | 1040               | 400                    | 1 610               | 3,850             |
| 2020/04/17 | I2038     | 2038/01/31 | 2,250     |                    | 150                    | 680                 | 4,000             |
| 2020/04/17 | I2050     | 2050/12/31 | 2,500     |                    | 490                    | 1 230               | 4,100             |
| 2020/04/24 | I2033     | 2033/03/28 | 1,875     | 1040               | 605                    | 955                 | 4,450             |
| 2020/04/24 | I2038     | 2038/01/31 | 2,250     |                    | 205                    | 755                 | 4,470             |
| 2020/04/24 | I2046     | 2046/03/31 | 2,500     |                    | 230                    | 710                 | 4,550             |
| 2020/05/08 | I2025     | 2025/01/31 | 2,000     | 1040               | 160                    | 640                 | 3,840             |
| 2020/05/08 | I2046     | 2046/03/31 | 2,500     |                    | 380                    | 820                 | 4,200             |
| 2020/05/08 | I2050     | 2050/12/31 | 2,500     |                    | 500                    | 1 350               | 4,230             |
| 2020/05/15 | I2033     | 2033/03/28 | 1,875     | 1400               | 470                    | 750                 | 4,520             |
| 2020/05/15 | I2038     | 2038/01/31 | 2,250     |                    | 485                    | 975                 | 4,600             |
| 2020/05/15 | I2050     | 2050/12/31 | 2,500     |                    | 445                    | 1 010               | 4,650             |
| 2020/05/22 | I2025     | 2025/01/31 | 2,000     | 1400               | 555                    | 645                 | 3,800             |
| 2020/05/22 | I2038     | 2038/01/31 | 2,250     |                    | 445                    | 845                 | 4,660             |
| 2020/05/22 | I2050     | 2050/12/31 | 2,500     |                    | 400                    | 920                 | 4,680             |
| 2020/05/29 | I2025     | 2025/01/31 | 2,000     | 1400               | 410                    | 940                 | 3,790             |
| 2020/05/29 | I2038     | 2038/01/31 | 2,250     |                    | 630                    | 1 665               | 4,580             |
| 2020/05/29 | I2046     | 2046/03/31 | 2,500     |                    | 360                    | 1 390               | 4,610             |
| 2020/06/05 | I2029     | 2029/03/31 | 1,875     | 1400               | 250                    | 1 185               | 4,150             |
| 2020/06/05 | I2038     | 2038/01/31 | 2,250     |                    | 460                    | 795                 | 4,570             |
| 2020/06/05 | I2050     | 2050/12/31 | 2,500     |                    | 690                    | 755                 | 4,650             |
| 2020/06/12 | I2025     | 2025/01/31 | 2,000     | 1400               | 500                    | 580                 | 3,720             |
| 2020/06/12 | I2033     | 2033/03/28 | 1,875     |                    | 645                    | 1 130               | 4,440             |
| 2020/06/12 | I2046     | 2046/03/31 | 2,500     |                    | 255                    | 865                 | 4,585             |
| 2020/06/19 | I2025     | 2025/01/31 | 2,000     | 1400               | 505                    | 555                 | 3,750             |
| 2020/06/19 | I2038     | 2038/01/31 | 2,250     |                    | 640                    | 1 460               | 4,560             |
| 2020/06/19 | I2050     | 2050/12/31 | 2,500     |                    | 255                    | 490                 | 4,610             |
| 2020/06/26 | I2025     | 2025/01/31 | 2,000     | 1400               | 590                    | 1 150               | 3,820             |

## 7. Annexures | continued

### ANNEXURE G: SUMMARY OF INFLATION-LINKED BOND AUCTIONS, 2020/21

| ISSUE DATE | BOND CODE | MATURITY   | COUPON(%) | OFFER AMOUNT (R'M) | ALLOCATED AMOUNT (R'M) | BIDS RECEIVED (R'M) | CLEARING YIELD(%) |
|------------|-----------|------------|-----------|--------------------|------------------------|---------------------|-------------------|
| 2020/06/26 | I2038     | 2038/01/31 | 2,250     |                    | 305                    | 580                 | 4,580             |
| 2020/06/26 | I2050     | 2050/12/31 | 2,500     |                    | 505                    | 720                 | 4,660             |
| 2020/07/03 | I2029     | 2029/03/31 | 1,875     | 2000               | 100                    | 720                 | 4,310             |
| 2020/07/03 | I2038     | 2038/01/31 | 2,250     |                    | 700                    | 895                 | 4,760             |
| 2020/07/03 | I2046     | 2046/03/31 | 2,500     |                    | 765                    | 960                 | 4,820             |
| 2020/07/10 | I2025     | 2025/01/31 | 2,000     | 2000               | 500                    | 800                 | 3,980             |
| 2020/07/10 | I2038     | 2038/01/31 | 2,250     |                    | 745                    | 955                 | 4,950             |
| 2020/07/10 | I2050     | 2050/12/31 | 2,500     |                    | 755                    | 1 395               | 4,970             |
| 2020/07/17 | I2029     | 2029/03/31 | 1,875     | 2000               | 620                    | 1 665               | 4,450             |
| 2020/07/17 | I2038     | 2038/01/31 | 2,250     |                    | 640                    | 1 135               | 4,910             |
| 2020/07/17 | I2046     | 2046/03/31 | 2,500     |                    | 740                    | 2 340               | 4,920             |
| 2020/07/24 | I2025     | 2025/01/31 | 2,000     | 2000               | 725                    | 2 075               | 3,810             |
| 2020/07/24 | I2046     | 2046/03/31 | 2,500     |                    | 685                    | 1 190               | 4,910             |
| 2020/07/24 | I2050     | 2050/12/31 | 2,500     |                    | 590                    | 1 195               | 4,925             |
| 2020/07/31 | I2025     | 2025/01/31 | 2,000     | 2000               | 900                    | 2 545               | 3,730             |
| 2020/07/31 | I2033     | 2033/03/28 | 1,875     |                    | 600                    | 1 575               | 4,800             |
| 2020/07/31 | I2046     | 2046/03/31 | 2,500     |                    | 500                    | 1 330               | 4,930             |
| 2020/08/07 | I2029     | 2029/03/31 | 1,875     | 2000               | 860                    | 1 670               | 4,410             |
| 2020/08/07 | I2046     | 2046/03/31 | 2,500     |                    | 600                    | 1 170               | 4,870             |
| 2020/08/07 | I2050     | 2050/12/31 | 2,500     |                    | 540                    | 1 125               | 4,850             |
| 2020/08/14 | I2025     | 2025/01/31 | 2,000     | 2 000              | 770                    | 2 740               | 3,450             |
| 2020/08/14 | I2038     | 2038/01/31 | 2,250     |                    | 605                    | 1 915               | 4,780             |
| 2020/08/14 | I2046     | 2046/03/31 | 2,500     |                    | 610                    | 1 865               | 4,840             |
| 2020/08/21 | I2025     | 2025/01/31 | 2,000     | 2 000              | 665                    | 2 530               | 3,350             |
| 2020/08/21 | I2033     | 2033/03/28 | 1,875     |                    | 680                    | 1 705               | 4,570             |
| 2020/08/21 | I2046     | 2046/03/31 | 2,500     |                    | 655                    | 2 060               | 4,780             |
| 2020/08/28 | I2025     | 2025/01/31 | 2,000     | 2 000              | 700                    | 2 025               | 2,950             |
| 2020/08/28 | I2038     | 2038/01/31 | 2,250     |                    | 610                    | 930                 | 4,580             |
| 2020/08/28 | I2046     | 2046/03/31 | 2,500     |                    | 690                    | 1 330               | 4,640             |
| 2020/09/04 | I2025     | 2025/01/31 | 2,000     | 2 000              | 870                    | 2 185               | 2,750             |
| 2020/09/04 | I2038     | 2038/01/31 | 2,250     |                    | 405                    | 500                 | 4,530             |

## 7. Annexures | continued

### ANNEXURE G: SUMMARY OF INFLATION-LINKED BOND AUCTIONS, 2020/21

| ISSUE DATE | BOND CODE | MATURITY   | COUPON(%) | OFFER AMOUNT (R'M) | ALLOCATED AMOUNT (R'M) | BIDS RECEIVED (R'M) | CLEARING YIELD(%) |
|------------|-----------|------------|-----------|--------------------|------------------------|---------------------|-------------------|
| 2020/09/04 | I2046     | 2046/03/31 | 2,500     |                    | 725                    | 1 320               | 4,535             |
| 2020/09/11 | I2038     | 2038/01/31 | 2,250     | 2 000              | 660                    | 950                 | 4,630             |
| 2020/09/11 | I2046     | 2046/03/31 | 2,500     |                    | 640                    | 705                 | 4,670             |
| 2020/09/11 | I2050     | 2050/12/31 | 2,500     |                    | 700                    | 845                 | 4,670             |
| 2020/09/18 | I2025     | 2025/01/31 | 2,000     | 1 915              | 200                    | 200                 | 2,800             |
| 2020/09/18 | I2038     | 2038/01/31 | 2,250     |                    | 800                    | 800                 | 4,690             |
| 2020/09/18 | I2050     | 2050/12/31 | 2,500     |                    | 915                    | 915                 | 4,700             |
| 2020/09/25 | I2029     | 2029/03/31 | 1,875     | 2 000              | 690                    | 910                 | 4,150             |
| 2020/09/25 | I2038     | 2038/01/31 | 2,250     |                    | 690                    | 1 115               | 4,800             |
| 2020/09/25 | I2046     | 2046/03/31 | 2,500     |                    | 620                    | 1 140               | 4,840             |
| 2020/10/02 | I2025     | 2025/01/31 | 2,000     | 2 000              | 365                    | 490                 | 3,040             |
| 2020/10/02 | I2029     | 2029/03/31 | 1,875     |                    | 540                    | 965                 | 4,250             |
| 2020/10/02 | I2046     | 2046/03/31 | 2,500     |                    | 1 095                  | 1 360               | 4,850             |
| 2020/10/09 | I2025     | 2025/01/31 | 2,000     | 2 000              | 395                    | 395                 | 3,045             |
| 2020/10/09 | I2038     | 2038/01/31 | 2,250     |                    | 1 030                  | 1 660               | 4,820             |
| 2020/10/09 | I2046     | 2046/03/31 | 2,500     |                    | 575                    | 1 325               | 4,800             |
| 2020/10/16 | I2029     | 2029/03/31 | 1,875     | 2 000              | 700                    | 1 010               | 4,180             |
| 2020/10/16 | I2038     | 2038/01/31 | 2,250     |                    | 650                    | 905                 | 4,820             |
| 2020/10/16 | I2050     | 2050/12/31 | 2,500     |                    | 650                    | 1 120               | 4,800             |
| 2020/10/23 | I2025     | 2025/01/31 | 2,000     | 2 000              | 75                     | 75                  | 3,000             |
| 2020/10/23 | I2033     | 2033/03/28 | 1,875     |                    | 955                    | 4 690               | 4,730             |
| 2020/10/23 | I2046     | 2046/03/31 | 2,500     |                    | 970                    | 4 820               | 4,850             |
| 2020/10/30 | I2025     | 2025/01/31 | 2,000     | 2 000              | 120                    | 3 010               | 3,020             |
| 2020/10/30 | I2033     | 2033/03/28 | 1,875     |                    | 940                    | 4 750               | 4,780             |
| 2020/10/30 | I2050     | 2050/12/31 | 2,500     |                    | 940                    | 4 870               | 4,930             |
| 2020/11/06 | I2029     | 2029/03/31 | 1,875     | 2 000              | 615                    | 2 965               | 4,230             |
| 2020/11/06 | I2038     | 2038/01/31 | 2,250     |                    | 775                    | 2 970               | 4,840             |
| 2020/11/06 | I2046     | 2046/03/31 | 2,500     |                    | 610                    | 1 570               | 4,910             |
| 2020/11/13 | I2025     | 2025/01/31 | 2,000     | 2 000              | 695                    | 1 500               | 2,750             |
| 2020/11/13 | I2038     | 2038/01/31 | 2,250     |                    | 660                    | 1 160               | 4,670             |
| 2020/11/13 | I2050     | 2050/12/31 | 2,500     |                    | 520                    | 520                 | 4,740             |

## 7. Annexures | continued

### ANNEXURE G: SUMMARY OF INFLATION-LINKED BOND AUCTIONS, 2020/21

| ISSUE DATE | BOND CODE | MATURITY   | COUPON(%) | OFFER AMOUNT (R'M) | ALLOCATED AMOUNT (R'M) | BIDS RECEIVED (R'M) | CLEARING YIELD(%) |
|------------|-----------|------------|-----------|--------------------|------------------------|---------------------|-------------------|
| 2020/11/20 | I2029     | 2029/03/31 | 1,875     | 2 000              | 295                    | 695                 | 4,100             |
| 2020/11/20 | I2033     | 2033/03/28 | 1,875     |                    | 765                    | 1 230               | 4,660             |
| 2020/11/20 | I2046     | 2046/03/31 | 2,500     |                    | 940                    | 1 465               | 4,780             |
| 2020/11/27 | I2025     | 2025/01/31 | 2,000     | 2 000              | 205                    | 595                 | 2,670             |
| 2020/11/27 | I2033     | 2033/03/28 | 1,875     |                    | 830                    | 1 260               | 4,690             |
| 2020/11/27 | I2038     | 2038/01/31 | 2,250     |                    | 965                    | 2 015               | 4,765             |
| 2020/12/04 | I2029     | 2029/03/31 | 1,875     | 2 000              | 605                    | 2 155               | 4,080             |
| 2020/12/04 | I2033     | 2033/03/28 | 1,875     |                    | 785                    | 1 010               | 4,650             |
| 2020/12/04 | I2046     | 2046/03/31 | 2,500     |                    | 610                    | 1 610               | 4,720             |
| 2020/12/11 | I2025     | 2025/01/31 | 2,000     | 2 000              | 670                    | 1 550               | 2,430             |
| 2020/12/11 | I2033     | 2033/03/28 | 1,875     |                    | 690                    | 1 220               | 4,360             |
| 2020/12/11 | I2046     | 2046/03/31 | 2,500     |                    | 640                    | 1 185               | 4,380             |
| 2020/12/18 | I2025     | 2025/01/31 | 2,000     | 2 000              | 615                    | 990                 | 2,470             |
| 2020/12/18 | I2038     | 2038/01/31 | 2,250     |                    | 490                    | 580                 | 4,400             |
| 2020/12/18 | I2050     | 2050/12/31 | 2,500     |                    | 665                    | 665                 | 4,430             |
| 2021/01/15 | I2025     | 2025/01/31 | 2,000     | 2 000              | 1 250                  | 2 500               | 2,510             |
| 2021/01/15 | I2038     | 2038/01/31 | 2,250     |                    | 320                    | 355                 | 4,450             |
| 2021/01/15 | I2046     | 2046/03/31 | 2,500     |                    | 430                    | 680                 | 4,510             |
| 2021/01/22 | I2025     | 2025/01/31 | 2,000     | 2 000              | 745                    | 780                 | 4,450             |
| 2021/01/22 | I2029     | 2029/03/31 | 1,875     |                    | 885                    | 1 705               | 3,840             |
| 2021/01/22 | I2050     | 2050/12/31 | 2,500     |                    | 370                    | 685                 | 4,480             |
| 2021/01/29 | I2025     | 2025/01/31 | 2,000     | 2 000              | 1 250                  | 2 180               | 2,355             |
| 2021/01/29 | I2038     | 2038/01/31 | 2,250     |                    | 350                    | 775                 | 4,390             |
| 2021/01/29 | I2046     | 2046/03/31 | 2,500     |                    | 350                    | 660                 | 4,450             |
| 2021/02/05 | I2025     | 2025/01/31 | 2,000     | 2 000              | 330                    | 330                 | 2,250             |
| 2021/02/05 | I2033     | 2033/03/28 | 1,875     |                    | 275                    | 375                 | 4,180             |
| 2021/02/05 | I2050     | 2050/12/31 | 2,500     |                    | 1 105                  | 1 205               | 4,350             |
| 2021/02/12 | I2029     | 2029/03/31 | 1,875     | 2 000              | 790                    | 1 385               | 3,560             |
| 2021/02/12 | I2038     | 2038/01/31 | 2,250     |                    | 375                    | 545                 | 4,220             |
| 2021/02/12 | I2046     | 2046/03/31 | 2,500     |                    | 450                    | 865                 | 4,280             |
| 2021/02/19 | I2029     | 2029/03/31 | 1,875     | 2 000              | 1 100                  | 1 140               | 3,440             |

## 7. Annexures | continued

### ANNEXURE G: SUMMARY OF INFLATION-LINKED BOND AUCTIONS, 2020/21

| ISSUE DATE | BOND CODE | MATURITY   | COUPON(%) | OFFER AMOUNT (R'M) | ALLOCATED AMOUNT (R'M) | BIDS RECEIVED (R'M) | CLEARING YIELD(%) |
|------------|-----------|------------|-----------|--------------------|------------------------|---------------------|-------------------|
| 2021/02/19 | I2033     | 2033/03/28 | 1,875     |                    | 255                    | 290                 | 4,070             |
| 2021/02/19 | I2050     | 2050/12/31 | 2,500     |                    | 465                    | 570                 | 4,270             |
| 2021/02/26 | I2033     | 2033/03/28 | 1,875     | 2 000              | 285                    | 435                 | 3,950             |
| 2021/02/26 | I2038     | 2038/01/31 | 2,250     |                    | 425                    | 425                 | 4,220             |
| 2021/02/26 | I2046     | 2046/03/31 | 2,500     |                    | 310                    | 520                 | 4,170             |
| 2021/03/05 | I2029     | 2029/03/31 | 1,875     | 2 000              | 185                    | 295                 | 3,580             |
| 2021/03/05 | I2038     | 2038/01/31 | 2,250     |                    | 45                     | 45                  | 4,180             |
| 2021/03/05 | I2050     | 2050/12/31 | 2,500     |                    | 150                    | 350                 | 4,300             |
| 2021/03/12 | I2029     | 2029/03/31 | 1,875     | 2 000              | 310                    | 310                 | 3,550             |
| 2021/03/12 | I2033     | 2033/03/28 | 1,875     |                    | 340                    | 570                 | 4,200             |
| 2021/03/12 | I2046     | 2046/03/31 | 2,500     |                    | 1 025                  | 1 190               | 4,320             |
| 2021/03/19 | I2029     | 2029/03/31 | 1,875     | 2 000              | 215                    | 365                 | 3,530             |
| 2021/03/19 | I2038     | 2038/01/31 | 2,250     |                    | 680                    | 730                 | 4,290             |
| 2021/03/19 | I2050     | 2050/12/31 | 2,500     |                    | 865                    | 1 080               | 4,280             |
| 2021/03/26 | I2033     | 2033/03/28 | 1,875     | 2000               | 60                     | 180                 | 3,930             |
| 2021/03/26 | I2038     | 2038/01/31 | 2,250     |                    | 700                    | 710                 | 4,290             |
| 2021/03/26 | I2046     | 2046/03/31 | 2,500     |                    | 525                    | 525                 | 4,270             |

## 7. Annexures | continued

### ANNEXURE H: GLOSSARY

|                        |   |
|------------------------|---|
| Auction                | A process in which participants can submit bids to purchase a given amount of a good or service 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 amount of bids received by the total amount 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 payment of the original investment plus interest on a specified future date.   |
| Contingent liabilities | A government obligation that will only result in expenditure if a specific event occurs, such as a default by a state-owned company which results in government being called on to meet the obligation.   |
| Coupon (bond)          | The periodic interest payment made to bondholders during the life of a bond. Interest is usually paid twice a year.   |
| DMTN                   | A Domestic Medium-Term Note (DMTN) programme is a debt issuance note programme registered with a securities exchange and continuously offered to investors through a dealer. Notes and bonds can range between 1 and 30 years in maturity. A DMTN programme allows an issuer to tailor its debt issuance to meet its financing needs over time.           |
| GMTN                   | A Global Medium-Term Note (GMTN) programme is a debt issuance note programme registered with international securities exchanges and continuously offered to investors through a trust. Notes and bonds can range between 1 and 30 years in maturity. A GMTN programme allows a company to tailor its debt issuance to meet its financing needs over time. |
| Liquidity              | Ease of converting an asset into cash.  |
| Perpetual bond         | A bond with no maturity date.   |
| 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.   |
| Provisions             | Liabilities for which the payment date or amount is uncertain. The provisions for multilateral institutions are the unpaid portion of government's subscription to these institutions, payable on request.  |
| Public debt            | All money owed at any given time by any branch of government. Also referred to as government debt.  |

## 7. Annexures | continued

|                       |  |
|-----------------------|--|
| 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, subsequent to the original issuance in the primary market. It is also called the aftermarket.  |
| Sterilisation deposit | Operations by central banks to mitigate potentially undesired effects (currency appreciation or inflation) of inbound capital. The South African Reserve Bank “sterilises” excess cash created in the money market when purchasing foreign currency. |
| STRATE                | Share Transactions Totally Electronic (STRATE) is the authorised central securities depository for 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 amount of time left for the redemption of a bond.  |
| Three-legged bond     | A bond with three maturities and priced on the middle maturity (second leg); all maturities have the same price. Investors are given the option to split the bond into three maturities two years before the maturity of the first leg.              |
| Yield                 | A financial return or interest paid to buyers of bonds. The yield takes into account the total of annual interest payments, the purchase price, the redemption value and the amount of 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 | continued

### ANNEXURE I: ACRONYMS

|         |   |
|---------|---|
| CFI     | Cooperative financial institution             |
| CPD     | Corporation for Public Deposits               |
| DMTN    | Domestic Medium-Term Note                     |
| ETP     | Electronic trading platform                   |
| Fitch   | Fitch Ratings                                 |
| FRN     | Floating-rate note                            |
| GDP     | Gross Domestic Product                        |
| GMTN    | Global Medium-Term Note                       |
| IMF     | International Monetary Fund                   |
| JSE     | Johannesburg Stock Exchange                   |
| Moody's | Moody's Investors Service                     |
| MPC     | Monetary Policy Committee                     |
| MTBPS   | Medium Term Budget Policy Statement           |
| R&I     | Rating and Investment Information, Inc.       |
| Repo    | Repurchase                                    |
| RSA     | Republic of South Africa                      |
| S&P     | S&P Global Ratings                            |
| SARB    | South African Reserve Bank                    |
| SOC     | State-owned company                           |
| STRATE  | Share Trading Transactions Totally Electronic |
| US      | United States                                 |
| WCF     | Weighted cost of funding                      |









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