



NATIONAL TREASURY
REPUBLIC OF SOUTH AFRICA

PRESS RELEASE

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

In terms of paragraph 5 of the Terms and Conditions of the RSA Retail Bonds, the National Treasury through the ALM Division should determine the rate of interest applicable for the 2-year, 3-year and 5-year RSA Retail Bonds at the end of every month.

The Terms and Conditions further specify that in the event that yields on government bonds move by more than 50 basis points from the initial period of setting the interest rates (31 August 2004), to the end of the current period (30 September 2004), the rates of interest on RSA Retail Bonds should be changed accordingly.

From 1 September 2004 to 30 September 2004, yields on Government bonds have moved by an average of 47 basis points between 2-year and 5-year maturities.

Therefore, the following interest rates for RSA Retail Bonds will be applicable from 1 October 2004 to 31 October 2004:

2-year retail bond = 8.25%
3-year retail bond = 8.50%
5-year retail bond = 9.00%

These rates therefore remain unchanged since the last announcement.

For further information please contact

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