



Top Up | **BONDS**



1 YEAR ANNIVERSARY



national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



JULY IS SAVINGS MONTH IN SA

The National Treasury in April 2023 celebrated the one-year anniversary of the launch of its RSA Retail Savings Top-Up Bond in the retail capital markets. This Bond has received an overwhelmingly positive response from the public, particularly from investors who lack significant financial resources but have the aspiration to start saving towards their financial goals. Informal groups such as stokvels have also shown interest in the Top-Up Bond. Furthermore, the Top-Up Bond provides investors with the option to switch to the Fixed-Rate and Inflation-Linked bonds, two long-standing products, once they have accumulated R1000 or more in capital.

The RSA Retail Savings Top-Up Bond has garnered significant attention from a diverse group of investors since its inception on 1 April 2022. The product's inclusive nature, which permits informal groups such as stokvels to invest, has induced their interest in placing their pooled savings into an interest-bearing bond. 3144 individual investors and 17 informal groups have invested a total

of R134.9 million in the Top-Up Bond, with updated figures available on 30 June 2023.

South Africa is widely regarded as a country with a low savings rate, and as a result, has a limited capacity to invest in infrastructure development and create job opportunities, among other benefits. The launch of the Top-Up Bond is aimed at encouraging South Africans to adopt a savings culture. According to research, individuals are more likely to continue doing something if they do it every day for 18 to 254 days. The RSA Retail Savings Top-Up Bond was designed with this objective in mind - to help individuals cultivate the habit of saving. The Top-Up Bond, along with the retail bond suite, aims to enhance the financial resilience of the public and aid the government in fulfilling its constitutional duty of combating poverty and inequality.

The launch of the Top-Up Bond is aimed at encouraging South Africans to adopt a savings culture

Investors are afforded flexibility in growing their investment with a minimum capital of R500, which can be increased through top-up deposits of at least R100 at any point during the investment term. The bond's interest rate is variable, adjusted quarterly, and compounded. The RSA Retail Savings Bonds were launched in 2004 by

the National Treasury to promote a savings culture, encourage responsible financial behaviour, and expand the range of financial instruments available in the market. The RSA Retail Savings Top-Up Bond offers greater access, flexibility, and the potential for returns to investors, particularly those interested in developing a habit of regular savings and those new to the investment landscape.

The National Treasury is dedicated to promoting financial responsibility among South Africans by providing innovative financial products that encourage saving and investment. In addition, the Treasury is committed to enhancing financial access and improving its services to support its goal of fostering a savings culture. Through the RSA Retail Savings Bonds, the Treasury offers safe and secure investment products that enable individuals to cultivate healthy financial habits.

To start investing, you can visit the RSA Retail Savings Bonds website at www.rsaretailbonds.gov.za or email your filled-in application form, certified ID copy, and stamped proof of banking to queries@rsaretailbonds.gov.za. Informal groups may participate in the RSA Retail Savings Top Up Bonds by providing the required registration documents with the application form which are:

- Certified Stokvel, / informal group official Constitution
- Certified ID copies of the Chairperson, Treasurer and Secretary
- Bank stamped Stokvel, / informal group bank account statement / proof of bank account

Written by: National Treasury



R134.9 million
(as at end June 2023)



3144
individual investors



17
informal groups



HOW TO INVEST IN Top Up

The RSA Retail Savings Top Up Bond requires a minimum capital of R500, which can be increased through top-up deposits of at least R100 at any point during the investment term, making saving easy.

Individuals

Informal groups

1



Visit the RSA Retail Savings Bonds website at www.rsaretailbonds.gov.za or

2



email a filled-in application form, certified ID copy, and stamped proof of banking to queries@rsaretailbonds.gov.za.

Our contact number:

012 315 5888

Informal groups may participate in the RSA Retail Savings Top Up Bonds by providing the required registration documents with the application form which are:
NB: Informal groups cannot apply online

1



Certified Stokvel, / informal group official Constitution

2



Certified ID copies of the Chairperson, Treasurer and Secretary

3



Bank stamped Stokvel, / informal group bank account statement / proof of bank account