



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

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MEDIA STATEMENT

SOUTH AFRICA SUCCESSFULLY ISSUES US\$3.5 BILLION

The National Treasury is pleased to announce the successful issuance of US\$3.5 billion in the international capital markets. The transaction consisted of two dollar-denominated bonds, a 12-year bond maturing in 2037 and a 30-year bond maturing in 2055, each of which were US\$1.75 billion.

The bonds priced at more favourable rates than the government achieved in its previous international bond issue in November 2024, reflecting improved investor perceptions of South Africa's fiscal and economic outlook.

The 12-year bond priced at a re-offer yield of 6.25 per cent, compared to the 7.1 per cent at which government issued a 12-year dollar bond in 2024. The 30-year bond priced at 7.375 per cent compared to 7.95 per cent in 2024. Lower yields translate into lower debt service costs, which create greater fiscal space for government to fund other urgent social and developmental priorities.

Investor demand was exceptionally strong, with the transaction attracting an orderbook of US\$13.1 billion, which was 3.7 times oversubscribed. Investors from the United Kingdom, North America, Europe, Asia, Africa and other regions participated, with orders placed by a wide range of high-quality investors, including fund managers, insurance companies, pension funds, hedge funds, banks, and other financial institutions.

"The robust demand and broad participation by investors reflects continued confidence in our sound macroeconomic policy framework and prudent fiscal management," said the director general of the National Treasury Duncan Pieterse.

The 2025 Budget pencilled in US\$5.3 billion in foreign currency borrowings for 2025/26. Of this, approximately US\$2.8 billion has already been secured from multilateral development banks and international financial institutions. It had been intended that the remaining US\$2.5 billion would be raised on international capital markets. However, while executing the transaction, government raised the allocation to US\$3.5 billion to take advantage of favourable pricing. Government will set aside US\$1 billion of this to prefund the 2026/27 foreign currency funding requirement of US\$4.3 billion.



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The National Treasury appointed Deutsche Bank and Nedbank as Joint Bookrunners for the transaction, with RHO Capital acting as the empowerment partner.

The National Treasury appreciates the strong support from the global investor community and remains committed to responsible fiscal stewardship and the long-term sustainability of South Africa's public finances.

Government's funding strategy focuses on lowering its overall cost of borrowing while diversifying its sources of funding and strengthening its resilience against external market volatility. Government will continue to mobilise concessional funding and engage with bilateral lenders. It is also introducing new instruments on the domestic market such as the Infrastructure and Development Finance Bond launched in November 2025.

Issued by the National Treasury
Republic of South Africa

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