

RSA FINANCIAL COOPERATIVES RETAIL SAVINGS BONDS

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Department:
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OVERVIEW

- Purpose and Objectives of the Issuance
- Features of the Financial Cooperative Retail Savings Bonds
- Types of Cooperative Retail Savings Bond

OVERVIEW

- Authorized Purchasers
- Interest Rates
- Questions

PURPOSE AND OBJECTIVES OF ISSUANCE

- In compliance with section 86 of the Cooperatives Banks Act, 2007 (no. 40 of 2007), Part 3, paragraph 3.2(a)
- To offer products which support Government's social responsibility; not profit driven but cost effective.
- To provide a secure, affordable savings vehicle for Financial Services Co-operatives and Co-operative Banks
- To diversify savings instruments available to Financial Services Co-operatives and Co-operative Banks

PURPOSE AND OBJECTIVES OF ISSUANCE

cont.

- RSA Cooperative Retail Savings Bond was officially launched by the National Treasury during the Co-operative Financial Institutions Indaba, held in Cape Town between 19 and 21 October in 2011

FEATURES OF THE FINANCIAL CO-OPERATIVE RETAIL SAVINGS BOND

- Investment amount:

Minimum R1000.00, No Maximum

Top-up minimum R500.00
- No costs or fees charged
- Guaranteed returns
- Backed by full faith of Government

TYPES OF FINANCIAL CO-OPERATIVE RETAIL SAVINGS BONDS

- 1-year Co-operative Retail Savings Bond
- 2-year Co-operative Retail Savings Bond
- 3-year Co-operative Retail Savings Bond

ELIGIBLE CFI'S IN RSA

Members	Deposits	Loans	Total assets
31,481	R187,949,244	R 128,733,822	R 201,823,072

SOURCE: Co-operative Banks Development Agency Annual Report | For the year ended 31 March 2012

AUTHORISED PURCHASERS

- **Financial Services Cooperatives;**
- **Cooperative Financial Institutions; and**
- **Cooperative Banks, as registered**

INTEREST RATES

The Prevailing Interest Rates of the RSA Financial Cooperative Retail Bonds are determined by interpolating the equivalent yields of the (365 day) 1 - year Treasury Bill, the 3-year and 5-year Government Bonds respectively.

FOR THE MONTH OF OCTOBER 2012:

1-year Cooperative Retail Bond:	5.05%
2-year Cooperative Retail Bond:	6.00%
3-year Cooperative Retail Bond:	6.50%

CURRENT INVESTORS

There are currently four (4) Financial Cooperatives that have invested over R1.8 million in the RSA Financial Co-operative Retail Savings Bonds

- **OSK: Co-operative Bank**
Reg. number: 2002/000019/24
- **KZN Ladies Empowerment: Financial Services Co-operative Ltd.**
Reg. number: 2009/001744/24
- **Boikago Savings & Credit Primary Co-operative**
Reg. number: 2005/000213/24
- **Ditsobotla: Primary Savings and Credit Co-operative Bank Ltd.**
Reg. number: 2001/000005/24

ACCESS TO FUNDS

- The co-operative banks and financial services co-operatives will have access to their funds invested after (6) six months, on condition that they can only withdraw their investments twice during a financial year.
- No penalty is charged on withdrawals
- The Financial Co-operative Retail Savings Bond can be used as collateral when borrowing money

QUESTIONS?

THANK YOU