

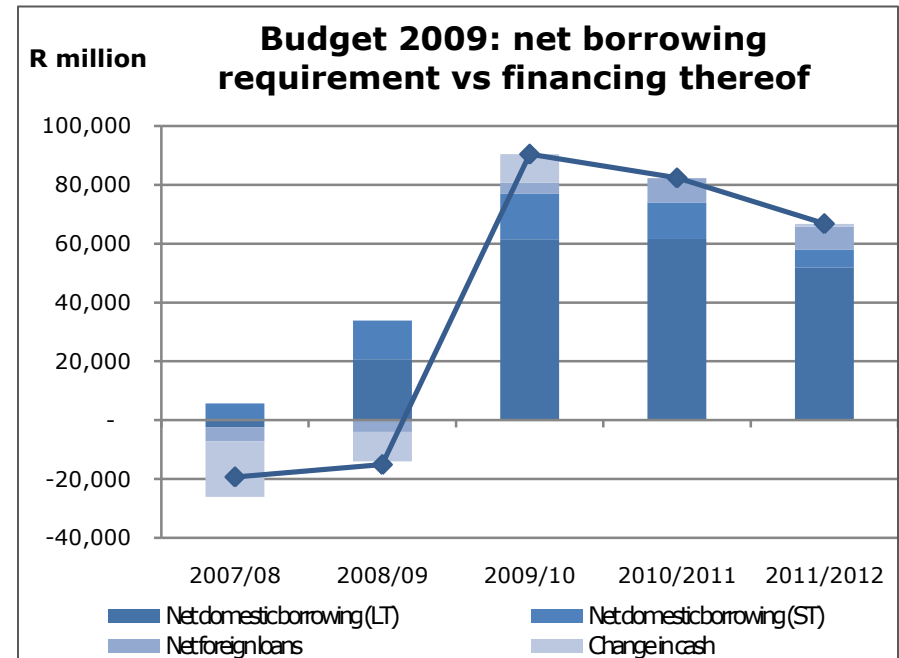
## The impact of the Global Crisis on Funding Needs

OECD Global Forum on Public Debt Management

# South Africa

the state of play

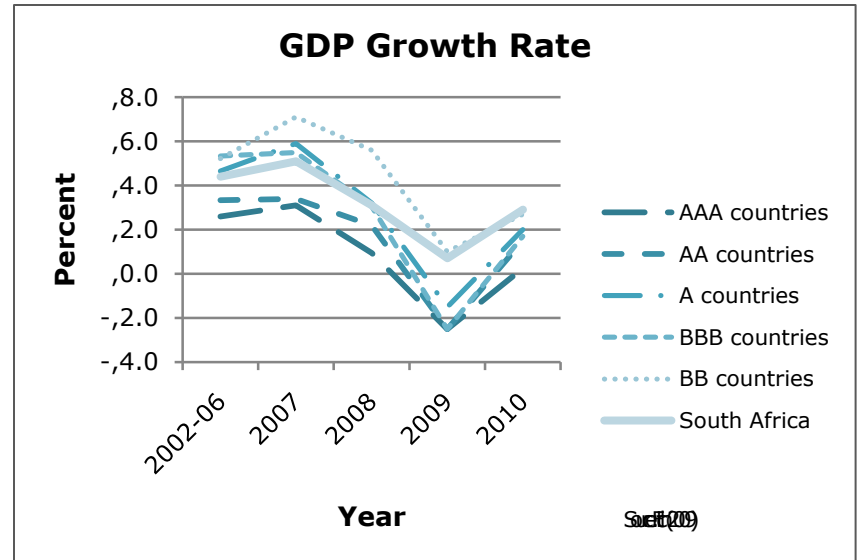
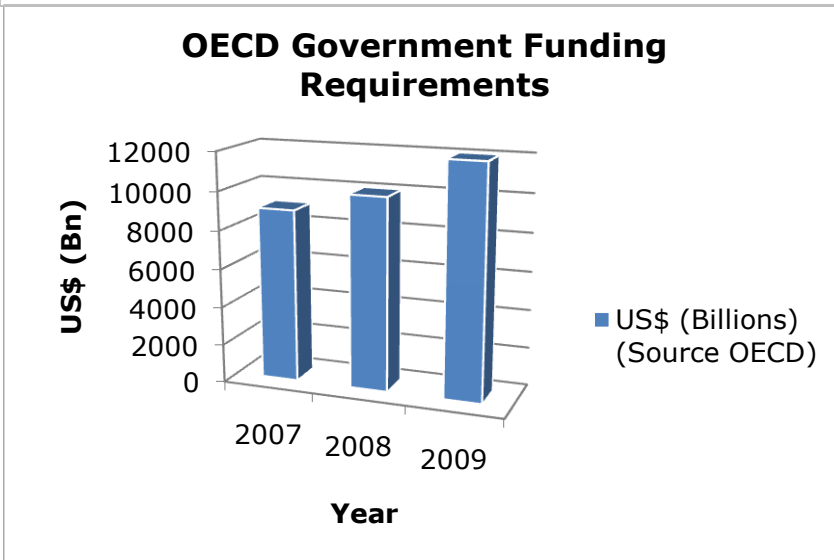
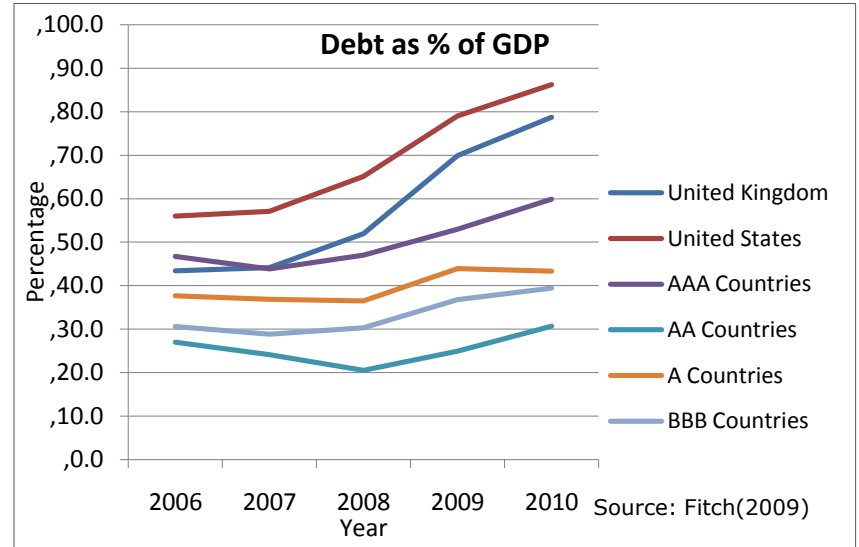
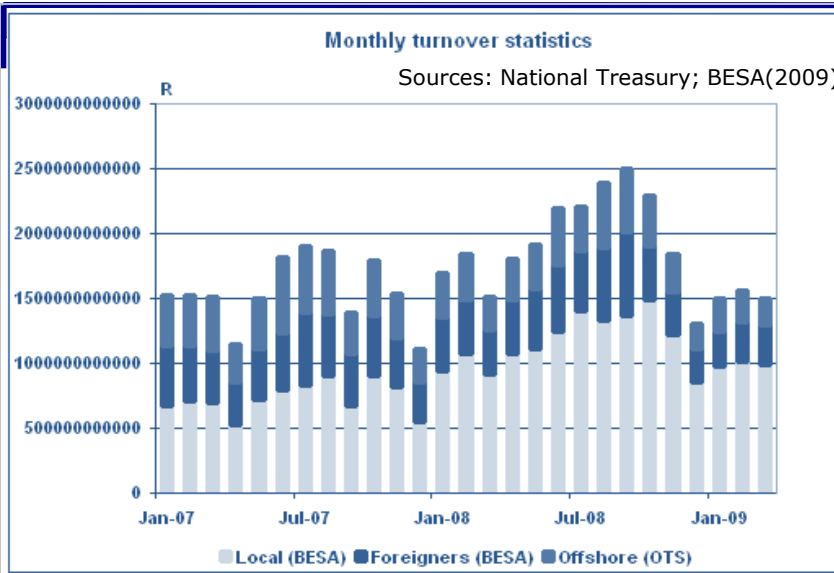
- South Africa as an EM economy is affected by its own domestic agenda & the global crisis
- Went into the crisis in good shape, budget surplus, & strong fiscal position...
- Have a big funding requirement, but for spending on infrastructure, not on bank assistance – SA banking sector has remained well capitalised
- Public sector borrowing will be euro 260m (11.8% of GDP)
- GDP projections
  - 2110 : 1.5%
  - 2111 : 2.7%
  - 2112 : 3.2%
- Inflation expected to be consistently inside 3-6% band from Q2 2110 – Upside risk with power supply pricing



Sources: National Treasury (2009)

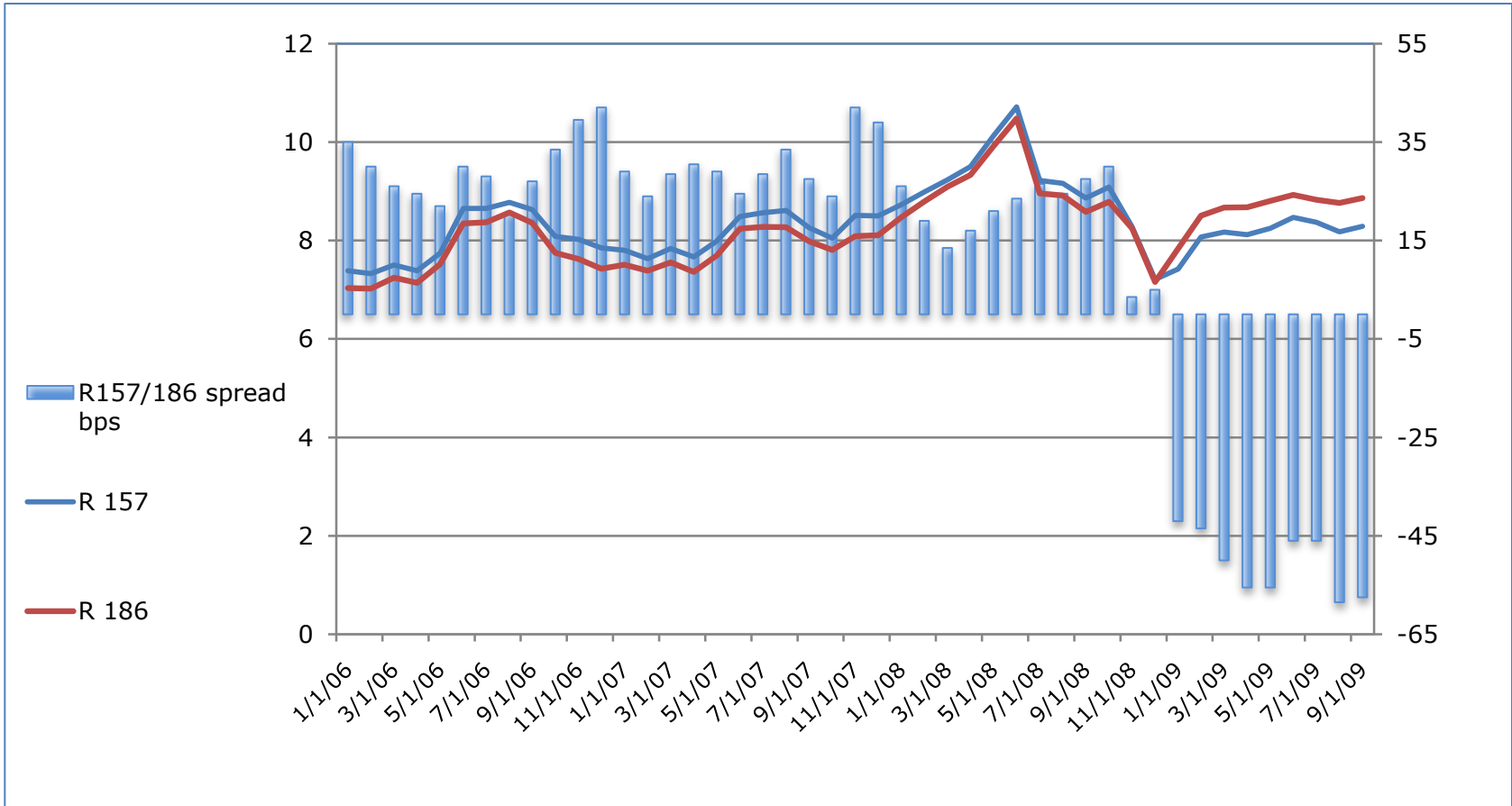
# Global Context

debt is fighting for oxygen in a tough market



# Spreads

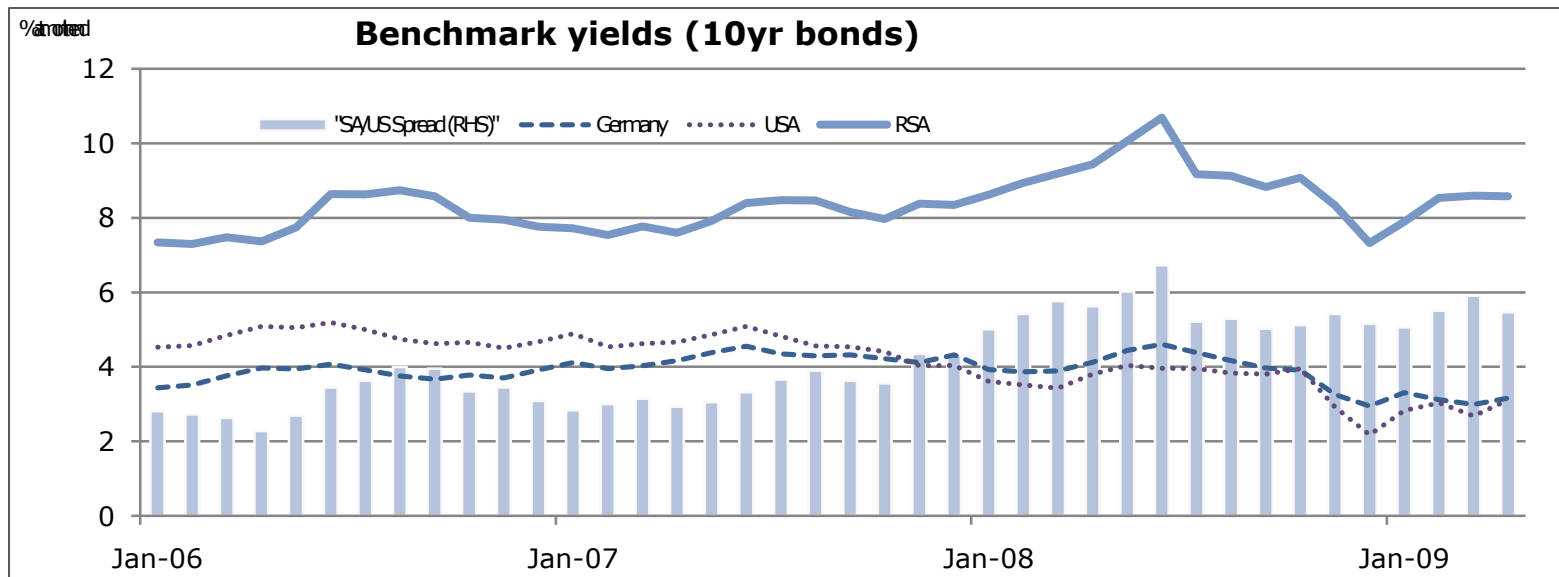
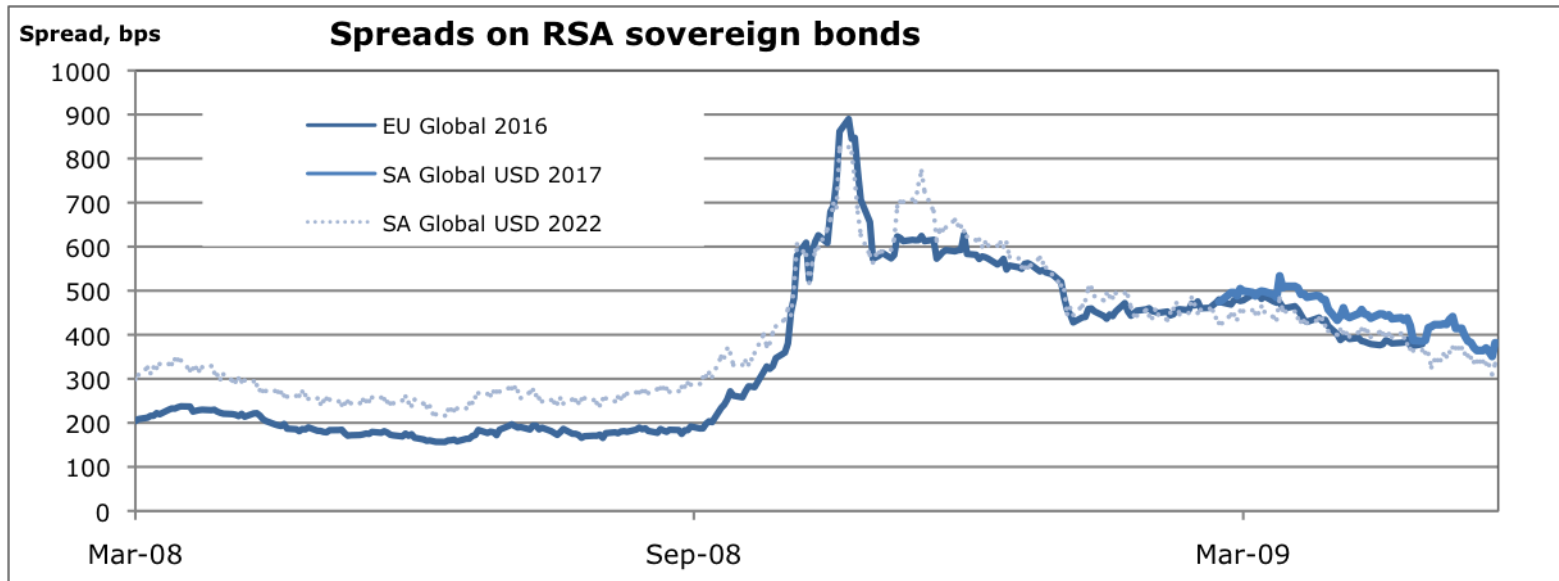
## Domestic



Source: BESA(2009)

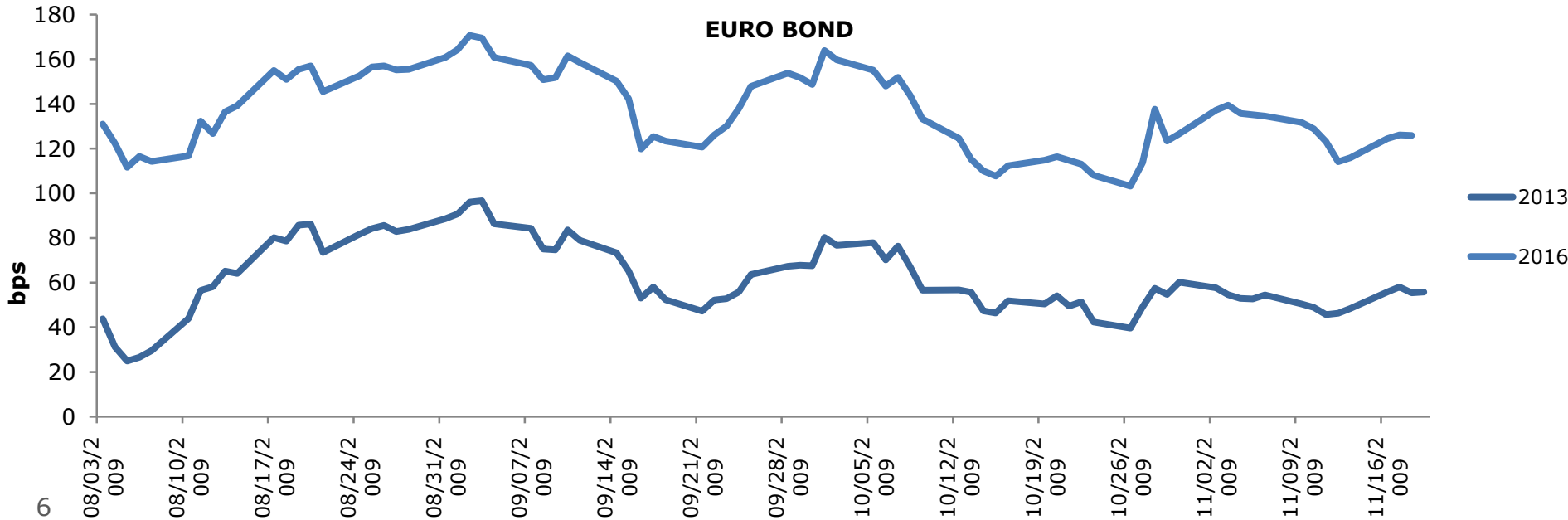
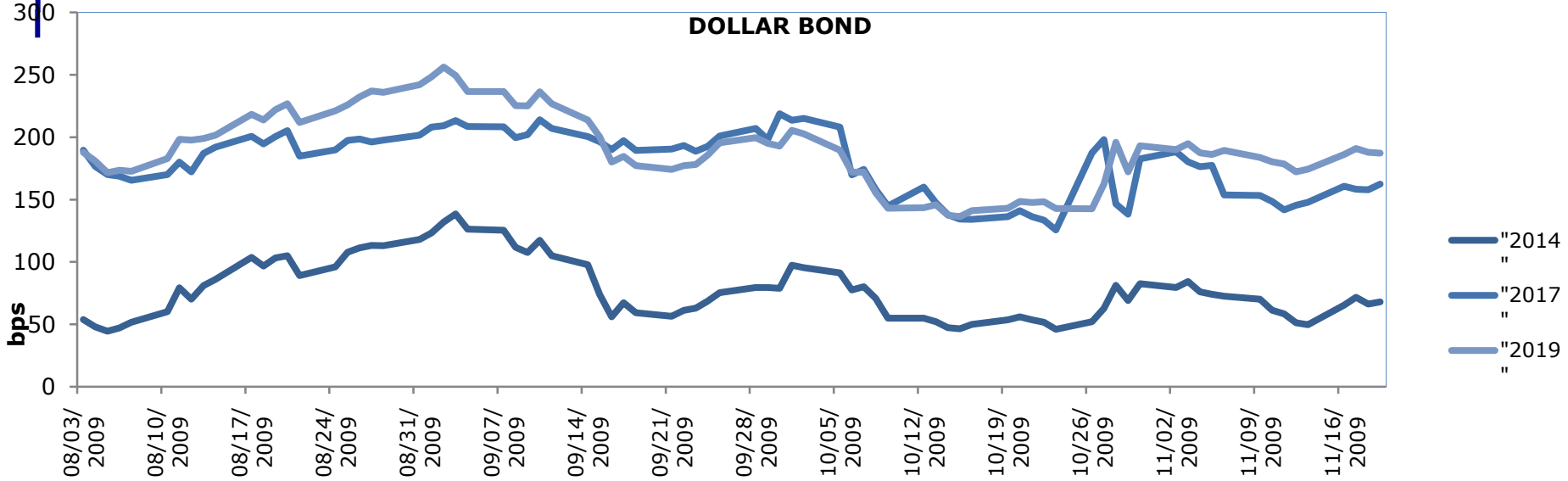
# Spreads

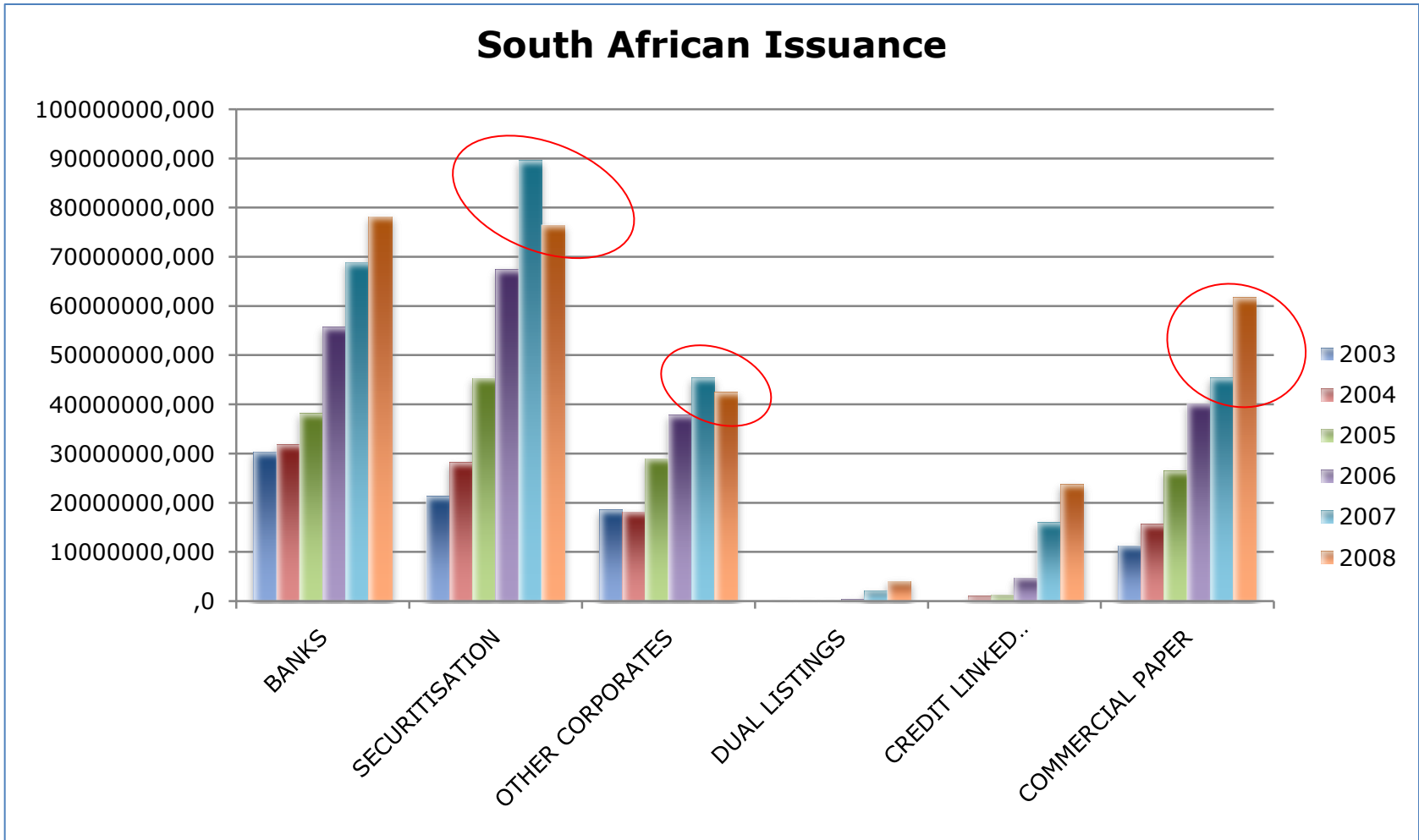
## Spreads in a global context



# Spreads

# foreign bonds





Source: BESA(2009)