

S&P Dow Jones Indices

A Division of **S&P Global**

TalkingPoints

Exploring Fixed Income in Africa



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S&P Dow Jones Indices (S&P DJI) made a commitment in 2014 to expand its fixed income coverage to Africa. The index development process started with a series of sovereign bond indices designed to represent and measure performance within the region. The S&P Africa Sovereign Bond Index seeks to track the performance of local currency-denominated sovereign bonds from 13 countries within Africa. The index series also includes a benchmark of hard currency bonds issued in U.S. dollars, euros, and Japanese yen, as represented by the S&P Africa Hard Currency Sovereign Bond Index.

As a subindex of the S&P Africa Sovereign Bond Index, the S&P South Africa Sovereign Bond Index is designed to track the performance of ZAR-denominated sovereign debt publicly issued by the South African government.

S&P DJI also developed the S&P South Africa Sovereign Inflation-Linked Bond Index, which is a subindex of the S&P Global Emerging Sovereign Inflation-Linked Bond Index.

1. What details are available for these indices?

S&P DJI builds indices with transparency in mind. These indices aim to make opaque fixed income information more transparent by providing bond-level information in addition to the index-level performance measurements. Our reports are informative, insightful, and organized in order to provide efficiency, in addition to being a tool for investment performance measurement.

Register to receive our latest research, education, and commentary at on.spdji.com/SignUp.

The S&P South Africa Sovereign Bond Index

The S&P South Africa Sovereign Bond Index seeks to track the performance of South African rand-denominated sovereign debt publicly issued by the government of South Africa in its domestic market.

Exhibit 1: Quick Facts – S&P South Africa Sovereign Bond Index

Weighting Method	Market value weighted
Rebalancing Frequency	Monthly
Calculation Frequency	End of day
Calculation Currencies	ZAR
Launch Date	Nov. 25, 2014
First Value Date	Dec. 31, 1999

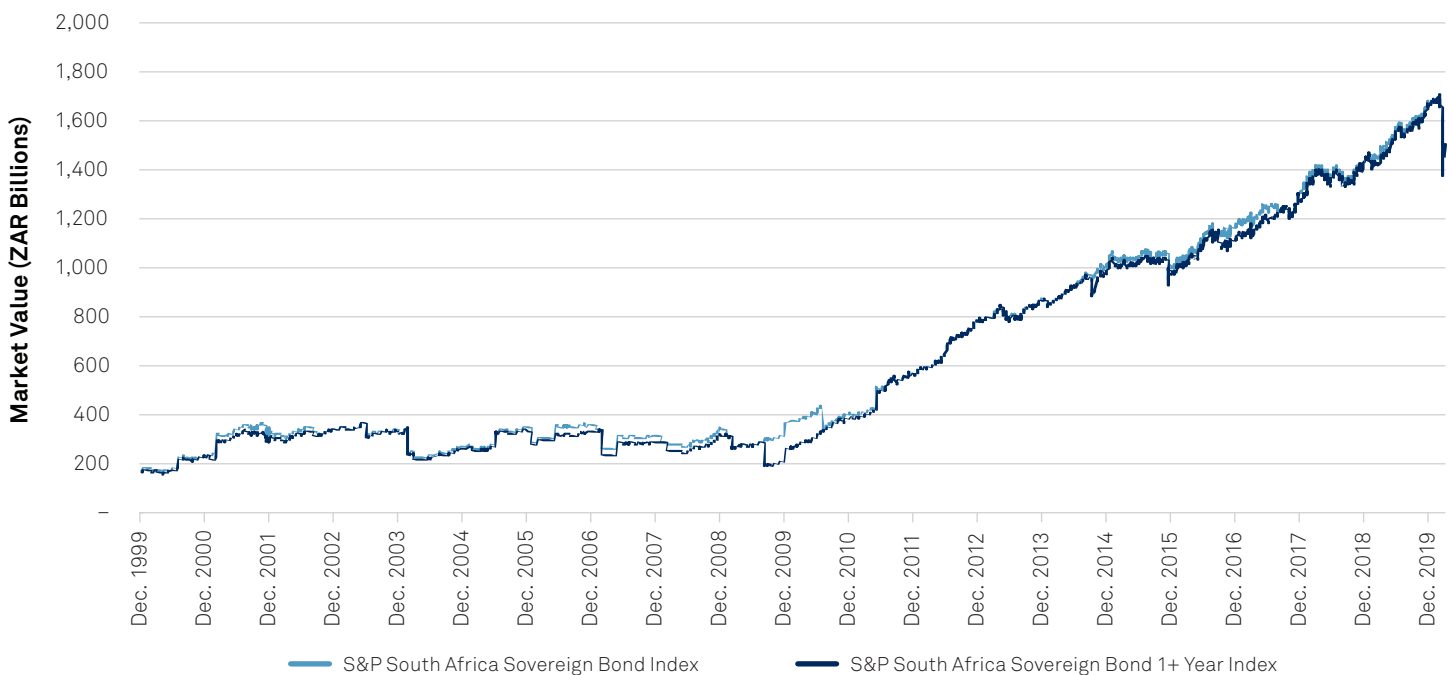
Source: S&P Dow Jones Indices LLC. Table is provided for illustrative purposes.

Exhibit 2: Index-Level Sovereign Bond Data

Index	Ticker	Number of Bonds	Price	Market Value (ZAR)	Effective Duration	Effective Yield	Convexity
S&P South Africa Sovereign Bond Index	SPFIZA	13	81.721	1,518,883,647,615.42	6.37	10.62	0.63
S&P South Africa Sovereign Bond 1+ Year Index	SPFIZAA	13	81.721	1,518,883,647,615.42	6.37	10.62	0.63

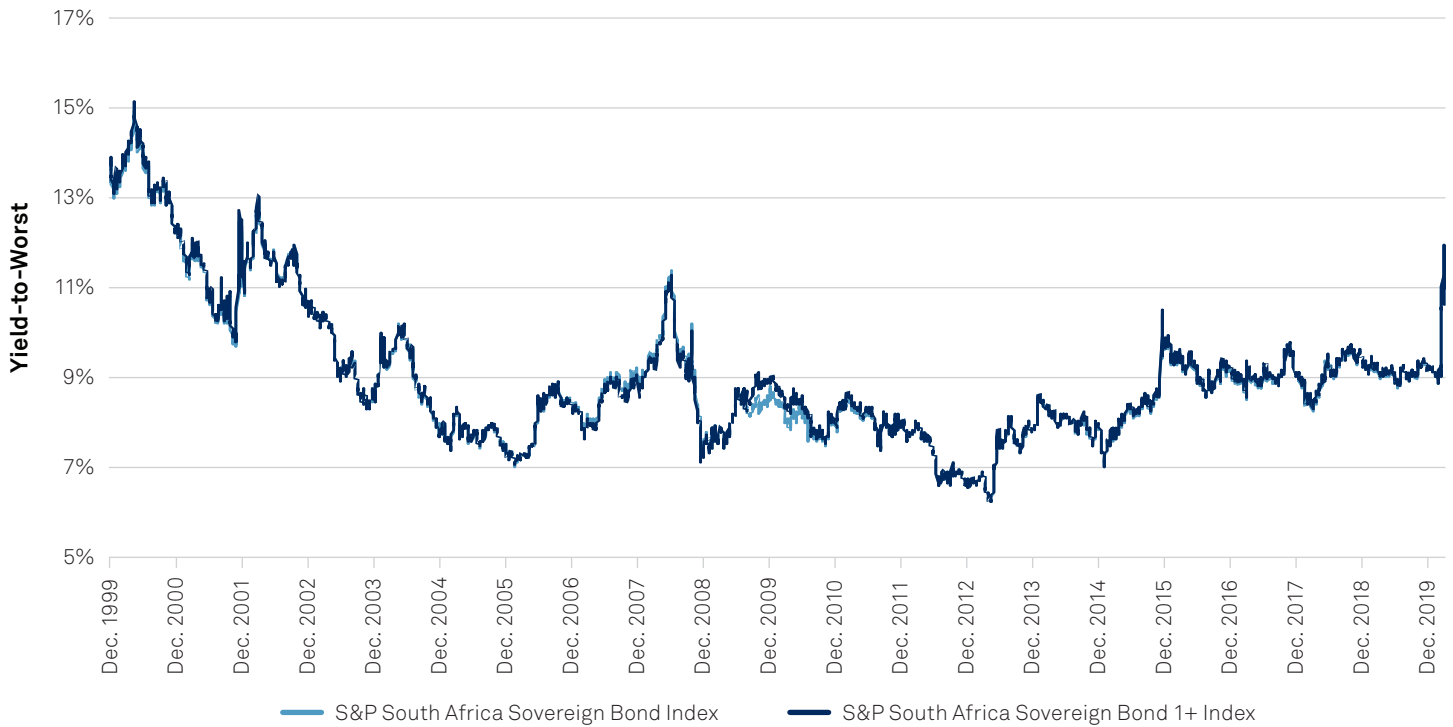
Source: S&P Dow Jones Indices LLC. Data as of March 31, 2020. Table is provided for illustrative purposes.

Exhibit 3: Market Value – S&P South Africa Sovereign Bond Indices



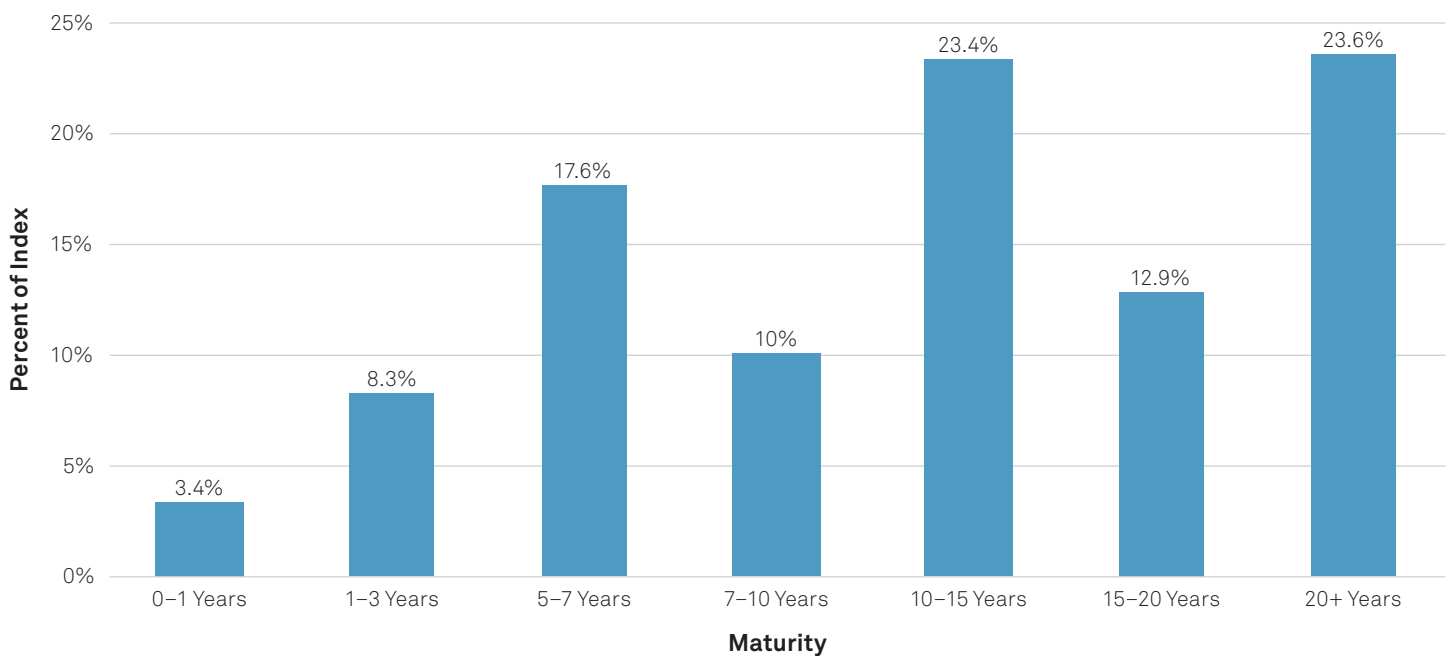
Source: S&P Dow Jones Indices LLC. Data as of March 31, 2020. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Exhibit 4: Yield-to-Worst – S&P South Africa Sovereign Bond Indices



Source: S&P Dow Jones Indices LLC. Data as of March 31, 2020. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Exhibit 5: Maturities – S&P South Africa Sovereign Bond Index



Source: S&P Dow Jones Indices LLC. Data as of March 31, 2020. Chart is provided for illustrative purposes.

Exhibit 6: Historical Total Returns (%) – S&P South Africa Sovereign Bond Indices

Date	S&P South Africa Sovereign Bond Index	S&P South Africa Sovereign Bond 1+ Year Index
2019	10.14	10.15
2018	7.55	7.61
2017	10.19	10.26
2016	15.48	15.56
2015	-3.82	-4.02
2014	10.10	10.25
2013	0.35	0.30
2012	16.61	16.59
2011	8.73	8.72
2010	13.35	14.70
2009	0.64	-0.07
2008	15.95	16.44
2007	4.93	4.51
2006	5.26	5.11
2005	10.53	10.58
2004	13.43	13.69
2003	17.86	17.84
2002	16.11	16.15
2001	18.07	18.36
2000	19.32	19.37

Source: S&P Dow Jones Indices LLC. Data as of March 31, 2020. Index performance based on total return in ZAR. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

S&P South Africa Sovereign Inflation-Linked Bond Index

The S&P South Africa Sovereign Inflation-Linked Bond Index is a comprehensive, market-value-weighted index designed to track the performance of South African rand-denominated sovereign inflation-linked securities publicly issued by the government of South Africa for the domestic market.

Exhibit 7: Quick Facts – S&P South Africa Sovereign Inflation-Linked Bond Index

Weighting Method	Market value weighted
Rebalancing Frequency	Monthly
Calculation Frequency	End of day
Calculation Currencies	ZAR
Launch Date	Aug. 20, 2014
First Value Date	Nov. 1, 1999

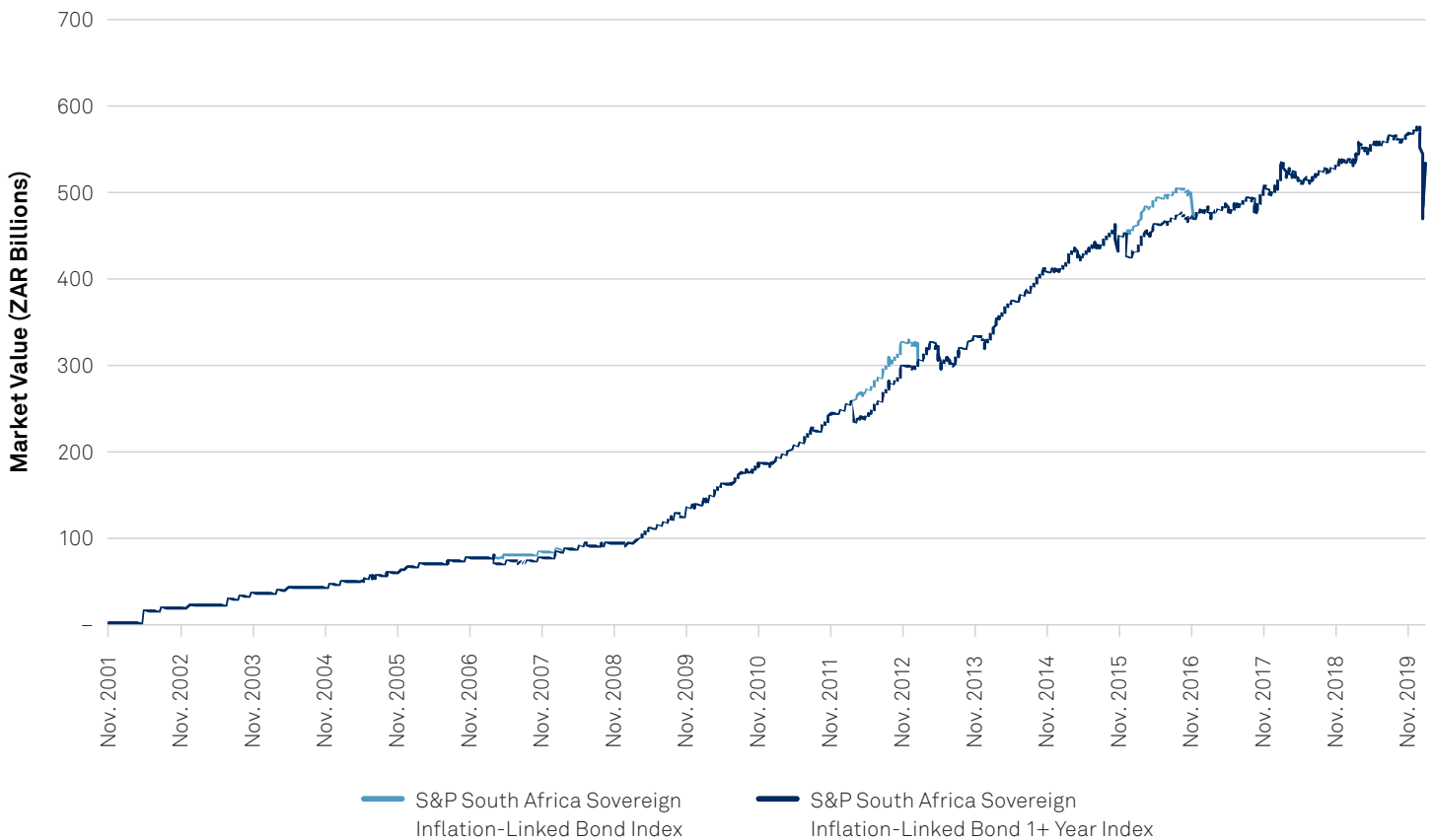
Source: S&P Dow Jones Indices LLC. Data as of March 31, 2020. Table is provided for illustrative purposes.

Exhibit 8: Index-Level Inflation-Linked Data

Index	Ticker	Number of Bonds	Price	Market Value (ZAR)	Effective Duration	Effective Yield	Convexity
S&P South Africa Sovereign Inflation-Linked Bond Index	SPFIIZA	10	79.472	536,054,778,283.74	8.29	4.13	1.21
S&P South Africa Sovereign Inflation-Linked 1+ Year Bond Index	SPFIZA1	10	79.472	536,054,778,283.74	8.29	4.13	1.21

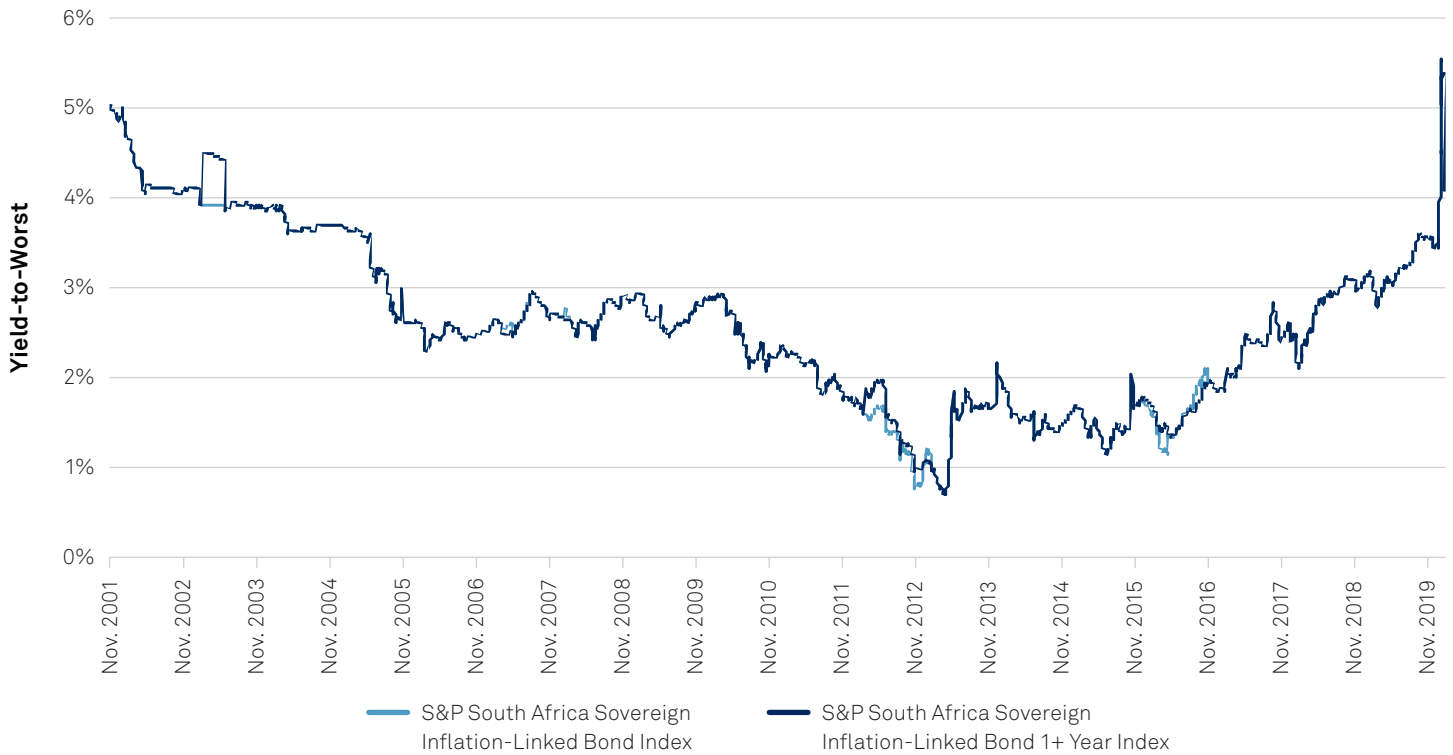
Source: S&P Dow Jones Indices LLC. Data as of March 31, 2020. Table is provided for illustrative purposes.

Exhibit 9: Market Value – S&P South Africa Sovereign Inflation-Linked Bond Indices



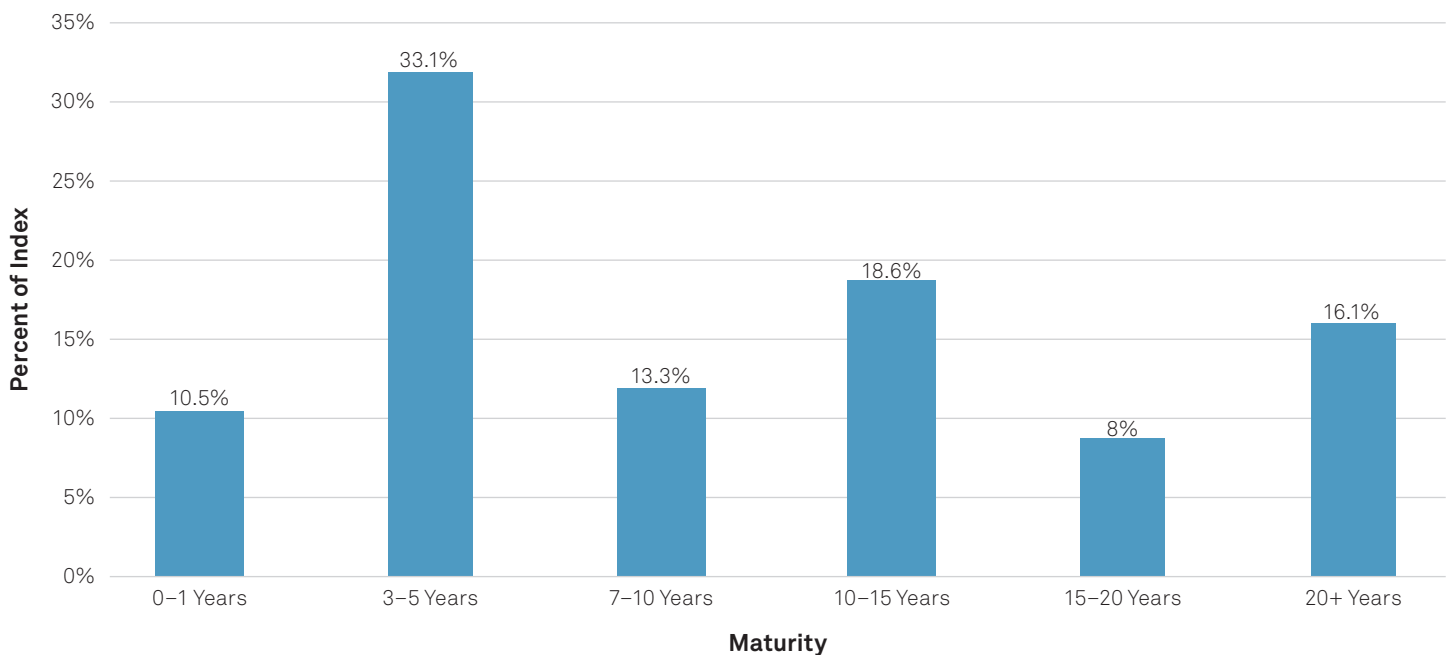
Source: S&P Dow Jones Indices LLC. Data as of March 31, 2020. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Exhibit 10: Yield-to-Worst – S&P South Africa Sovereign Inflation-Linked Bond Indices



Source: S&P Dow Jones Indices LLC. Data as of March 31, 2020. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

Exhibit 11: Maturities – S&P South Africa Sovereign Inflation-Linked Bond Index



Source: S&P Dow Jones Indices LLC. Data as of March 31, 2020. Chart is provided for illustrative purposes.

Exhibit 12: Historic Total Returns (%) – S&P South Africa Sovereign Inflation-Linked Bond Indices

Date	S&P South Africa Sovereign Inflation-Linked Bond Index	S&P South Africa Sovereign Inflation-Linked 1+ Year Bond Index
2019	2.40	2.40
2018	0.04	0.04
2017	2.55	2.55
2016	6.27	6.14
2015	3.52	3.52
2014	10.95	10.95
2013	0.45	0.47
2012	18.26	19.43
2011	13.28	13.28
2010	11.10	11.10
2009	8.99	8.99
2008	11.59	11.66
2007	9.89	9.72
2006	10.03	10.03
2005	17.05	17.05
2004	8.19	8.19
2003	8.13	7.98
2002	32.41	32.41

Source: S&P Dow Jones Indices LLC. Data as of March 31, 2020. Index performance based on total return in ZAR. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

2. Where can I find additional information?

For more information on the S&P South Africa Sovereign Bond Index and the S&P South Africa Inflation-Linked Bond Index or any of our index offerings, please go to www.spdji.com or see the following links:

[S&P Africa Sovereign Bond Index](#)

[S&P South Africa Sovereign Bond Index](#)

[S&P South Africa Sovereign Bond 1+ Year Index](#)

[S&P South Africa Sovereign Inflation-Linked Bond Index](#)

[S&P South Africa Sovereign Inflation-Linked Bond 1+ Year Index](#)

Performance Disclosure

The S&P South Africa Sovereign Bond Index was launched November 25, 2014. The S&P South Africa Sovereign Bond 1+ Year Index was launched August 8, 2017. The S&P South Africa Sovereign Inflation-Linked Bond Index was launched August 20, 2014. The S&P South Africa Sovereign Inflation-Linked Bond 1+ Year Index was launched August 23, 2016. All information presented prior to an index's Launch Date is hypothetical (back-tested), not actual performance. The back-test calculations are based on the same methodology that was in effect on the index Launch Date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. Complete index methodology details are available at www.spdji.com. Past performance of the Index is not an indication of future results. Prospective application of the methodology used to construct the Index may not result in performance commensurate with the back-test returns shown. S&P Dow Jones Indices defines various dates to assist our clients in providing transparency. The First Value Date is the first day for which there is a calculated value (either live or back-tested) for a given index. The Base Date is the date at which the Index is set at a fixed value for calculation purposes. The Launch Date designates the date upon which the values of an index are first considered live: index values provided for any date or time period prior to the index's Launch Date are considered back-tested. S&P Dow Jones Indices defines the Launch Date as the date by which the values of an index are known to have been released to the public, for example via the company's public website or its datafeed to external parties. For Dow Jones-branded indices introduced prior to May 31, 2013, the Launch Date (which prior to May 31, 2013, was termed "Date of introduction") is set at a date upon which no further changes were permitted to be made to the index methodology, but that may have been prior to the Index's public release date.

The back-test period does not necessarily correspond to the entire available history of the Index. Please refer to the methodology paper for the Index, available at www.spdji.com for more details about the index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations.

Another limitation of using back-tested information is that the back-tested calculation is generally prepared with the benefit of hindsight. Back-tested information reflects the application of the index methodology and selection of index constituents in hindsight. No hypothetical record can completely account for the impact of financial risk in actual trading. For example, there are numerous factors related to the equities, fixed income, or commodities markets in general which cannot be, and have not been accounted for in the preparation of the index information set forth, all of which can affect actual performance.

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