

# The Growing African Bond Market



## FACTORS DRIVING AFRICAN GROWTH



Enabling regulatory environment



Increasing depth of liquidity



Depth and sophistication of the investor base

### FINANCIAL INSTITUTIONS (FI)

- New banking regulations
- Increased participation and expansion of banking services

### POWER & INFRASTRUCTURE (P&I)

- Large infrastructure projects planned where local term funding is required

### PUBLIC SECTOR (PS)

- Increase in funding of government budget and expenditure programmes

### NATURAL RESOURCES

- New discoveries and increased commercialisation driving opportunities across minerals, oil and gas, and renewables



### MANUFACTURING

- Growing demand for manufactured products
- Growing working capital and CAPEX requirements

## KEY TRENDS ACROSS THE CONTINENT

### GHANA

Government focused on the development of an independently managed treasury bond programme

### NIGERIA

FMDQ increasingly becoming the location of choice for the listing of fixed income products

### ZAMBIA

Increased interest from State-Owned Entities - to support growth initiatives

### NAMIBIA

Continued interest in issuances that align with the current Government's CAPEX programme (i.e. longer dated issuances)

### KENYA

Growth driven by the FI sector due to regulatory total capital requirements and interest rate capping. Growth expected from the public sector and P&I due to increased infrastructure and CAPEX demands

### TANZANIA

Growth has been driven by the FI sector. Going forward, growth is expected from the P&I as commercialisation of oil discoveries and infrastructure projects come on stream

### MOZAMBIQUE

Issuances have slowed due to volatile interest rate environment

### SOUTH AFRICA

Appetite for assets remains strong despite initial market volatility, a demonstration of the depth and resilience of the market

BONDS OUTSTANDING (US\$BN)

■ >60bn ■ 5bn - 60bn ■ 0 - 5bn

## THE STANDARD BANK STORY



Africa's largest lender by assets with an on-the-ground presence across 20 countries



Standard Bank's Debt Capital Market team acknowledged as "Most innovative team of the Year" for 2016 by The Banker magazine



Partnering with clients to bring about growth across the markets in which we operate