



PRESS RELEASE

The Liquidity Sustainability Facility and S&P Dow Jones Indices Collaborate on Launch of African Sovereigns Index

iBoxx LSF USD African Sovereigns Index can be licensed for the Creation of ETFs and other Index-Based Products

London, 28th June 2024

The Liquidity and Sustainability Facility (LSF) is pleased to announce its collaboration with S&P Dow Jones Indices (S&P DJI) on the development and launch of the **iBoxx LSF USD African Sovereigns Index**. The index tracks the performance of the universe of African Sovereign Eurobonds that the LSF accepts as collateral in the framework of repo transactions.

LSF is licensing the iBoxx LSF USD African Sovereigns Index to use as a benchmark for its repo facility. The index, which is owned and managed by S&P DJI, can be replicated to create index-based products such as exchange-traded funds (ETF).

The index is launched today at an event hosted by MOBILIST, a UK government programme focused on mobilising private investment in emerging markets and developing economies through public markets.

“Deepening capital markets, by building infrastructure that facilitates the inclusion of developing economies in capital market instruments is crucial to mobilize cheaper and longer-term resources” said **Vera Songwe, Founder and Chairwoman of the LSF**. “Inclusion in indices is an important step towards increased profile and access to a wider range of investors for African Sovereign issuers and we hope for many other emerging markets as we expand.”

“S&P Dow Jones Indices is pleased to offer an index that provides broad coverage of the African Sovereign bond universe,” said **Randolf Tantzsch, Fixed Income Product Management Team Lead at S&P DJI**. “The specific methodology developed through the collaboration with LSF can offer good representation and inclusion of African nations with access to international markets.”

“We have been a long-standing champion of LSF”, said **British Robinson, Prosper Africa Coordinator**. “The iBoxx LSF USD African Sovereigns Index will help investors benchmark the true risks and rewards from investing in a diversified portfolio of African hard currency sovereign debt. Addressing these information asymmetries will inevitably drive investment into Africa. Helping develop a more efficient and transparent investment ecosystem in Africa is a key objective of Prosper Africa and we are proud to support this initiative.”

“Market indices play a significant role in asset allocation. The adoption of new inclusive indices can allow investors to track the performance of a wider range of assets and support allocation to emerging markets and developing economies where it is most needed,” said **Louise Walker, Head of Private Sector and Capital Markets Department, Foreign,**



Commonwealth and Development Office. “Supporting the liquidity of African bond markets is essential for market development and improving the attractiveness and viability of the asset class.”

“This is a new development for the LSF that is fully aligned with its core missions,” said **David Escoffier, CEO of the LSF Secretariat.** “We need instruments such as indices that bring additional transparency and liquidity to the market in order to crowd in more investors and effectively mobilise private capital to support the sustainable development of Africa. It is a privilege to be supported in that endeavor by such leading international partners.”

The LSF was designed with the dual objective of supporting the liquidity of African Sovereign Eurobonds on the repo market and incentivizing SDG-related investments such as GSS bonds on the African continent.

More information related to the **iBoxx LSF USD African Sovereigns Index** can be found on:

- [iBoxx Fixed Income Indices | S&P Global \(spglobal.com\)](https://www.spglobal.com).
- www.lsfacility.org/index

Notes to the Editor

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About the Liquidity and Sustainability Facility

The establishment of the LSF was announced in November 2021 at the COP26 in Glasgow. Its aim is to improve African Sovereign debt sustainability and, through its participation with African governments and private investors, contribute to the enhancement of liquidity in the market on par with international standards.

For more information, visit www.lsfacility.org
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About Prosper Africa

Prosper Africa is a U.S. Presidential-level national security initiative created to increase trade and investment at transformative levels. Prosper Africa is leading innovative approaches to U.S.-Africa trade relations and is changing the way we do business with Africa.

About MOBILIST

A flagship UK government programme, MOBILIST supports investment solutions that help deliver the climate transition and the United Nation's Global Goals in developing economies. MOBILIST focuses on mobilising institutional capital to spur new scalable and replicable financial products. MOBILIST invests capital, delivers technical assistance, conducts research and builds partnerships to catalyse investment in new listed products. www.mobilistglobal.com