The LSF welcomes the launch of L&G LSF African Government Bond (USD) UCITS ETF, the first of its kind available in Europe

6th August 2026

The Liquidity and Sustainability Facility (LSF) is pleased to welcome the launch of the L&G LSF African Government Bond (USD) UCITS ETF, developed by Legal & General Asset Management (L&G). Listed in the UK, Germany, and Switzerland, it is the first of its kind available in Europe.

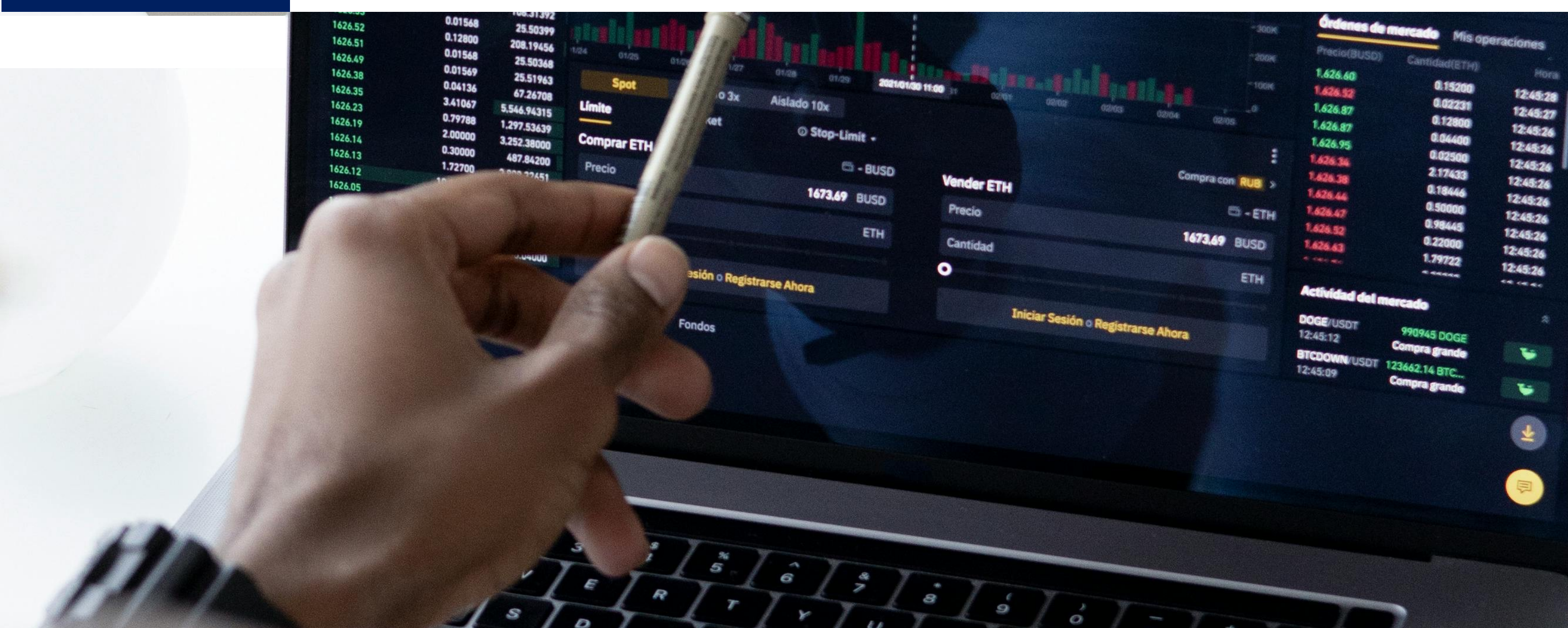
Building the Foundations: From Index to Investable Product

Since its establishment, the LSF has worked with African and international partners to address a structural challenge facing African sovereign issuers—illiquid secondary markets that translate into higher borrowing costs. This launch is a direct illustration of the LSF's strategic ambition: to move beyond individual transactions and create a durable financial market infrastructure for African economies. In 2024, the LSF established a collaboration with S&P Dow Jones Indices with a view to create an African Sovereigns Index: the iBoxx LSF USD African Sovereigns Index, which was launched in June 2024. For this index, the LSF developed a proprietary selection methodology and curation process, offering investors a purpose-built benchmark.

By providing market participants with a standardized, investable benchmark, the index aims to bring additional transparency and liquidity to the African sovereign Eurobonds market, facilitate more informed investment decisions, and support broader market participation and investment in Africa. With this ETF, that benchmark becomes a public-market product, accessible to investors through a familiar and transparent vehicle.

The Role of Indices and ETFs in Supporting Liquidity

Indices and ETFs can play a particular role in bringing liquidity to emerging markets. By aggregating exposure to a defined universe of bonds within a single, tradable structure, they allow investors—who typically allocate capital through recognised benchmarks—to access markets that might otherwise be difficult to navigate individually. As the investor base broadens, secondary market activity tends to increase, supporting better price discovery and, over time, contributing to a reduction in the liquidity premium borne by issuers.



A Milestone for the LSF's Mission

This launch is an important milestone in the LSF’s mission to support the liquidity of African sovereign and corporate issuances, lower the cost of finance, and increase liquidity in African capital markets. By facilitating pioneering fund launches such as this, it seeks to mobilise private investment in African economies through developed capital markets.

In the words of the LSF Board members

“We are delighted to see the launch of the first ETF based on the iBoxx LSF USD African Sovereigns index,” said **Dr Vera Songwe, Founder & Chair of the LSF.** *“It illustrates the increasing appetite of investors for African securities. We look forward to seeing the ETF grow, and at scale, contribute to* ***reducing the cost of capital for African sovereigns.”***

“When we first supported the establishment of the LSF, our ambition went beyond building new market infrastructure to implementation.” said ***Prof. Benedict Okey Oramah, Former President and Chairman of the Board of Directors of Afreximbank.*** *“We envisioned a foundation for deeper, more resilient African capital markets. The launch of this ETF is a tangible milestone in that journey—it demonstrates that African sovereign debt can attract the same caliber of investable, standardized products found in mature markets. This is what capital markets development looks like in practice.”*

Disclaimer

This document is for information and discussion only. The material contained herein does not constitute a recommendation by The Liquidity and Sustainability Facility (LSF) DAC of any kind. The information herein is not intended to provide tax, legal, investment, accounting, financial or other professional advice on any matter, and should not be used or relied upon as such. The Liquidity and Sustainability Facility (LSF) DAC does not accept any liability for any loss arising from the use of the information or consequences of any actions taken based on the information contained herein. The Liquidity and Sustainability Facility (LSF) DAC does not guarantee the accuracy of information contained herein and The Liquidity and Sustainability Facility (LSF) DAC does not make any representations or warranties in respect of such information. The information contained herein is not intended to be, nor does it constitute, an offer or solicitation to buy or sell any security or other financial instrument and/or an offer or solicitation of investment, financial or banking services by The Liquidity and Sustainability Facility (LSF) DAC.
The Liquidity and Sustainability Facility (LSF) DAC is not regulated, licensed and / or authorised as a financial service provider in Ireland (where it is incorporated) or elsewhere. This document is intended only for the person to whom it was sent, the distribution of this document may be restricted by law or regulation.

The LSF acts on own account and not as a market maker and furthermore it does not operate as a deposit taker, a fund or as a provider of investment services. It is not regulated, licensed and / or authorised as a financial service provider in Ireland (where it is incorporated) or elsewhere.

The Liquidity and Sustainability Facility (LSF) DAC is a designated activity company with limited liability duly incorporated under the laws of Ireland on 20 October 2021. The issued share capital of the LSF is held on trust for charitable purposes.

THE LSF SECRETARIAT Ltd
info@lsfacility.org

www.lsfacility.org