

WHAT DO AFRICAN FINANCIAL MARKETS NEED?

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Today Africa is facing a major issue, which is the cost of debt. The sustainability of debt is at stake for African governments. One major reason for the cost of debt being so high in Africa is the liquidity premium that is imposed by investors on its debt. If you compare with other markets, where repo facilities are available, where investors can refinance their positions very easily, Africa is at a competitive disadvantage. We have come together with many partners to create this innovative repo facility. Called the Liquidity and Sustainability Facility, to level the playing field for African markets and reduce at last the cost of debt for African governments.

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