

# Quarterly funding update

June Quarter 2024



## Borrowing Programme Update

During the quarter LGFA issued NZ\$1.77 billion of bonds across seven bond maturities via one syndication and two bond tenders.

The weighted average term of issuance during the June quarter was 5.64 years (and for the twelve month period to 30 June 2024 of 5.93 years) compared to a weighted average term for the 2022-23 financial year of 5.50 years.

For the 12-month period to 30 June 2024 we issued A\$2.65 billion of AUD bonds and NZ\$3.73 billion of NZ bonds.

## Other news

There were no new Council or CCO members during the quarter with membership unchanged at seventy-seven councils and five CCOs. The number of guarantors was also unchanged at seventy-two councils.

Total term borrowing by councils during the quarter was NZ\$2.2 billion, (NZ\$6.1 billion for the year to June 2024) bringing total term loans outstanding to NZ\$19.8 billion and short term loans of NZ\$604 million as at 30 June 2024.

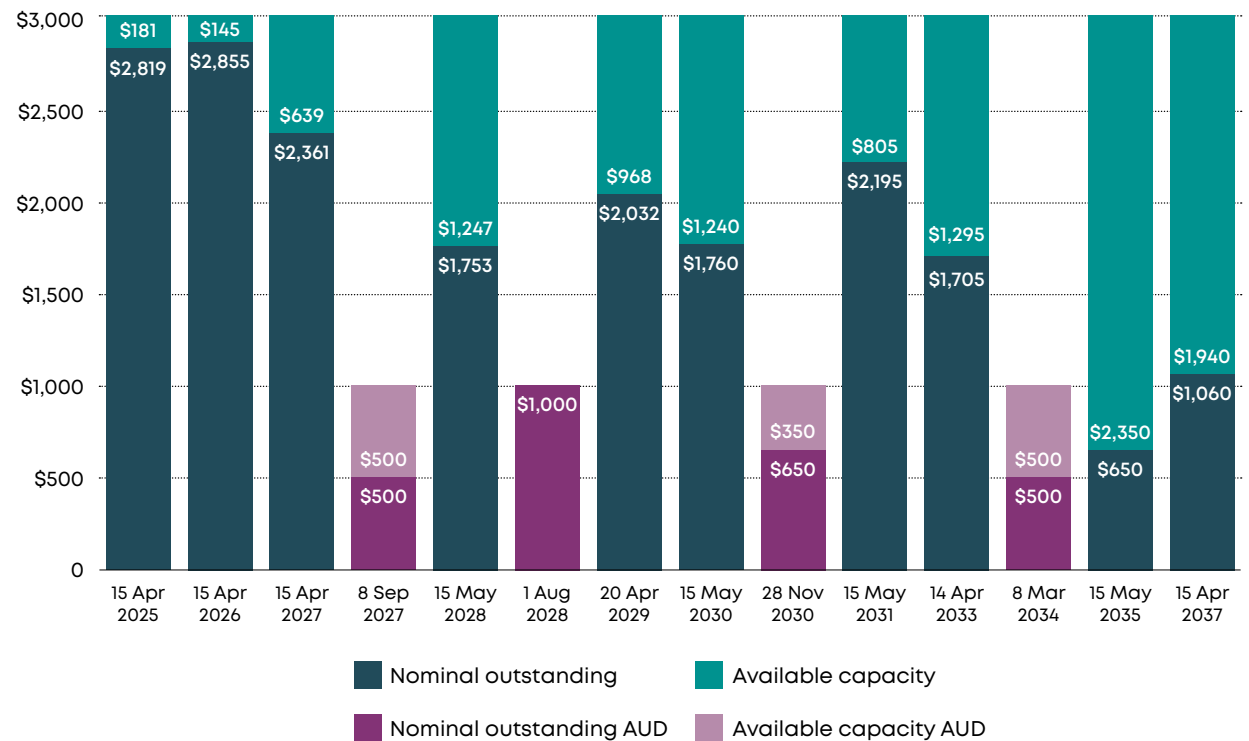
Climate Action Loans (CALs) outstanding to councils and CCOs borrowers as at 30 June 2024 totalled \$2.75 billion to seven borrowers and there were GSS loans outstanding of NZ\$377.2 million to six borrowers.

Our SOI 2024-27 was published on 25 June 2024 and assumed forecast LGFA bond issuance for the year to June 2025 of \$5.4 billion based upon forecast council borrowing of \$5.8 billion.

LGFA has commenced issuing Euro Commercial Paper under our ECP programme during the quarter and outstandings were US\$506 million at 30 June 2024.

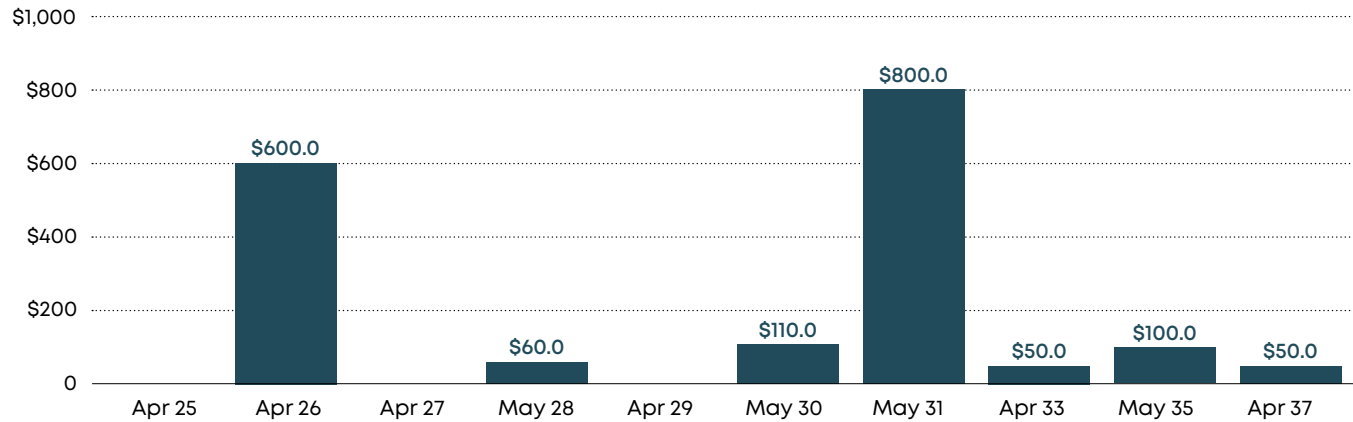
## LGFA bonds on issue (\$ million)

As at 30 June 2024: NZ\$19,190 million and A\$2,650 million

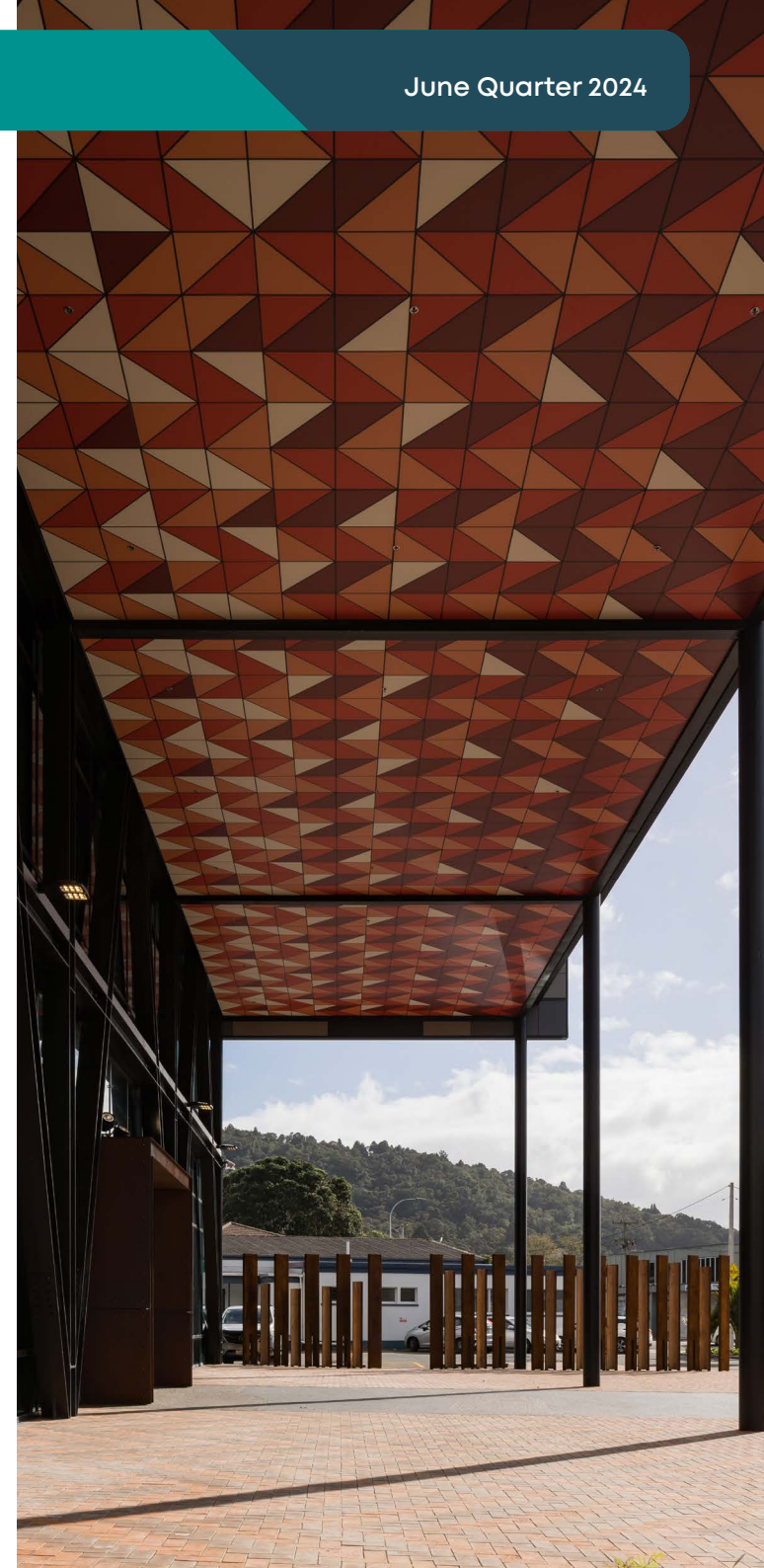
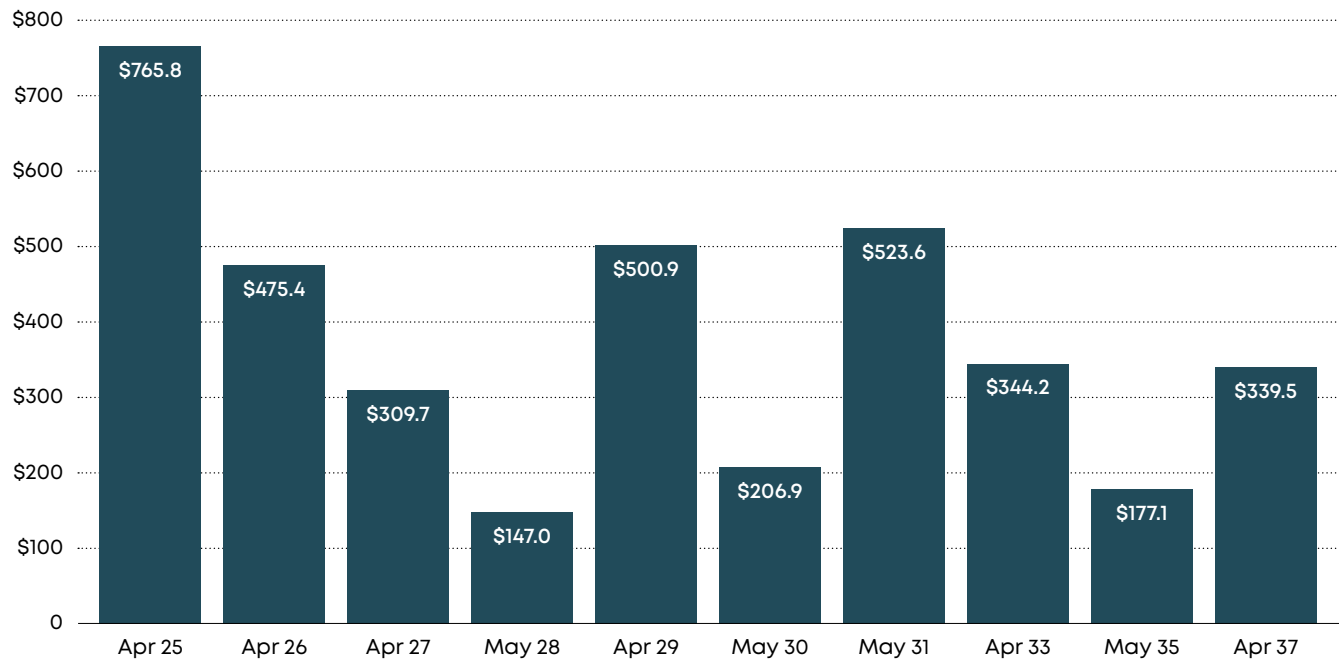


Includes NZ\$1.1 billion of treasury stock

## June Quarter LGFA Bond Issuance (\$ million)



## Secondary Market Turnover of LGFA NZD Bonds estimated by LGFA (NZ\$ million) – June Quarter



## June Quarter LGFA Bond Issuance (NZ\$ equivalent million)

	Apr 25	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	Apr 33	May 35	Apr 37	Total
Tender 108 (29 May)				\$60		\$60			\$60		\$180
Tender 107 (1 May)						\$50		\$50	\$40	\$50	\$190
Syndication (9 April)		\$600					\$800				\$1,400
	<b>\$0</b>	<b>\$600</b>	<b>\$0</b>	<b>\$60</b>	<b>\$0</b>	<b>\$110</b>	<b>\$800</b>	<b>\$50</b>	<b>\$100</b>	<b>\$50</b>	<b>\$1,770</b>

## Secondary Market Turnover of LGFA NZD Bonds estimated by LGFA (NZ\$ million)

	Apr 25	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	Apr 33	May 35	Apr 37	Total
June	\$230.1	\$65.2	\$37.0	\$119.0	\$179.6	\$85.1	\$209.2	\$226.3	\$135.7	\$167.2	\$1,454.3
May	\$283.5	\$75.2	\$67.7	\$9.7	\$200.1	\$51.3	\$183.4	\$62.0	\$6.4	\$57.5	\$996.8
April	\$252.3	\$335.0	\$205.0	\$18.3	\$121.3	\$70.6	\$131.0	\$55.9	\$35.0	\$114.8	\$1,339.2
	<b>\$765.8</b>	<b>\$475.4</b>	<b>\$309.7</b>	<b>\$147.0</b>	<b>\$500.9</b>	<b>\$206.9</b>	<b>\$523.6</b>	<b>\$344.2</b>	<b>\$177.1</b>	<b>\$339.5</b>	<b>\$3,790.3</b>

## Holdings of LGFA NZD Bonds by Investor Group (NZ\$ million)

As at month end	Banks	Offshore	Domestic Investors	RBNZ
June	\$5,516.4	\$6,733.5	\$5,065.1	\$934.0
May	\$5,179.3	\$6,779.2	\$5,378.5	\$934.0
April	\$5,079.9	\$6,905.7	\$5,243.4	\$934.0
Mar	\$5,464.3	\$6,446.1	\$5,776.1	\$1,174.0

## Holdings of LGFA NZD Bonds by Investor Group (% of outstandings)

Banks	Offshore	Domestic Investors	RBNZ
30.2%	36.9%	27.8%	5.1%
28.3%	37.1%	29.4%	5.1%
28.0%	38.0%	28.9%	5.1%
29.0%	34.2%	30.6%	6.2%

## Secondary Market Yields on LGFA NZD Bonds (month end)

	Apr 25	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	Apr 33	May 35	Apr 37
June	5.51%	5.06%	4.90%	4.85%	4.86%	4.91%	5.00%	5.11%	5.23%	5.37%
May	5.61%	5.28%	5.11%	5.05%	5.04%	5.07%	5.18%	5.27%	5.40%	5.55%
April	5.60%	5.31%	5.20%	5.15%	5.18%	5.24%	5.36%	5.46%	5.60%	5.74%
Mar	5.44%	5.02%	4.85%	4.80%	4.82%	4.88%	5.00%	5.12%	5.26%	5.38%

## Secondary Market Spreads to NZGB for LGFA NZD Bonds (month end)

	Apr 25	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	Apr 33	May 35	Apr 37
June	18 bps	29 bps	28 bps	32 bps	35 bps	39 bps	55 bps	47 bps	51 bps	54 bps
May	25 bps	37 bps	36 bps	36 bps	39 bps	41 bps	59 bps	49 bps	54 bps	60 bps
April	24 bps	39 bps	43 bps	42 bps	46 bps	50 bps	56 bps	60 bps	65 bps	70 bps
Mar	23 bps	47 bps	48 bps	50 bps	52 bps	54 bps	55 bps	62 bps	66 bps	68 bps

## Secondary Market Spreads to Swap for LGFA NZD Bonds (month end)

	Apr 25	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	Apr 33	May 35	Apr 37
June	16 bps	23 bps	22 bps	35 bps	40 bps	48 bps	56 bps	63 bps	70 bps	79 bps
May	17 bps	25 bps	24 bps	35 bps	42 bps	48 bps	58 bps	64 bps	72 bps	81 bps
April	21 bps	29 bps	32 bps	41 bps	49 bps	56 bps	67 bps	72 bps	80 bps	89 bps
Mar	16 bps	24 bps	35 bps	45 bps	53 bps	60 bps	71 bps	78 bps	86 bps	93 bps

## 2024 Tender and Settlement Dates

Tender #	Announcement Date	Tender Date	Settlement Date
109	Monday, 1 July 2024	Wednesday, 3 July 2024	Monday, 8 July 2024
110	Monday, 5 August 2024	Wednesday, 7 August 2024	Monday, 12 August 2024
111	Monday, 2 September 2024	Wednesday, 4 September 2024	Monday, 9 September 2024
112	Monday, 30 September 2024	Wednesday, 2 October 2024	Monday, 7 October 2024
113	Monday, 11 November 2024	Wednesday, 13 November 2024	Monday, 18 November 2024
114	Monday, 9 December 2024	Wednesday, 11 December 2024	Monday, 16 December 2024

## LGFA Issuer Credit Ratings

	Short Term	Long Term (local currency)	Long Term (foreign currency)
S&P Global Ratings Australia Pty Limited	A-1+	AAA	AA+
Fitch Australia Pty Limited	F1+	AA+	AA+

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He Puna Taimoana. The New Brighton hot saltwater pools are a key development in the New Brighton Regeneration Project. Christchurch City Council