

Quarterly funding update

September Quarter 2024

Borrowing Programme Update

During the September 2024 quarter LGFA issued the equivalent NZ\$1.435 billion of bonds through three NZD bond tenders totalling NZ\$550 million and A\$800 million of AUD bonds through syndicated taps of the existing 2027 and 2034 maturities.

LGFA is in a strong funding and liquidity position following the September quarter issuance and the successful \$650 million May 2032 Sustainable Financing Bond issue on 2 October. Council borrowing for the first four months of the financial year is below forecast. As a result, we have reduced our annual borrowing requirement from \$5.4 billion to \$5.15 billion.

LGFA is currently considering the establishment of an EMTN Programme that is expected to provide alternative sources of financing at more attractive pricing levels comparable to domestic capital markets.

Other news

Far North District Holdings joined during the quarter with membership now at seventy-seven councils and six CCOs. The number of guarantors was unchanged at seventy-two councils.

Total term borrowing by councils during the quarter was NZ\$1.1 billion compared to NZ\$1.2 billion in the September 2023 quarter, and NZ\$6.1 billion for the year to June 2024. Total term loans outstanding are NZ\$20.7 billion and short term loans of NZ\$673 million as at 30 September 2024.

Climate Action Loans (CALs) outstanding to councils and CCOs borrowers total \$2.95 billion to seven borrowers and there were GSS loans outstanding of NZ\$401.2 million to six borrowers.

LGFA has NZ\$900 million of LGFA Bills and the equivalent of NZ\$967 million of ECP (across USD and EUR) on issue. LGFA bonds lent on repo by LGFA to banks total NZ\$205 million as at 30 September 2024.

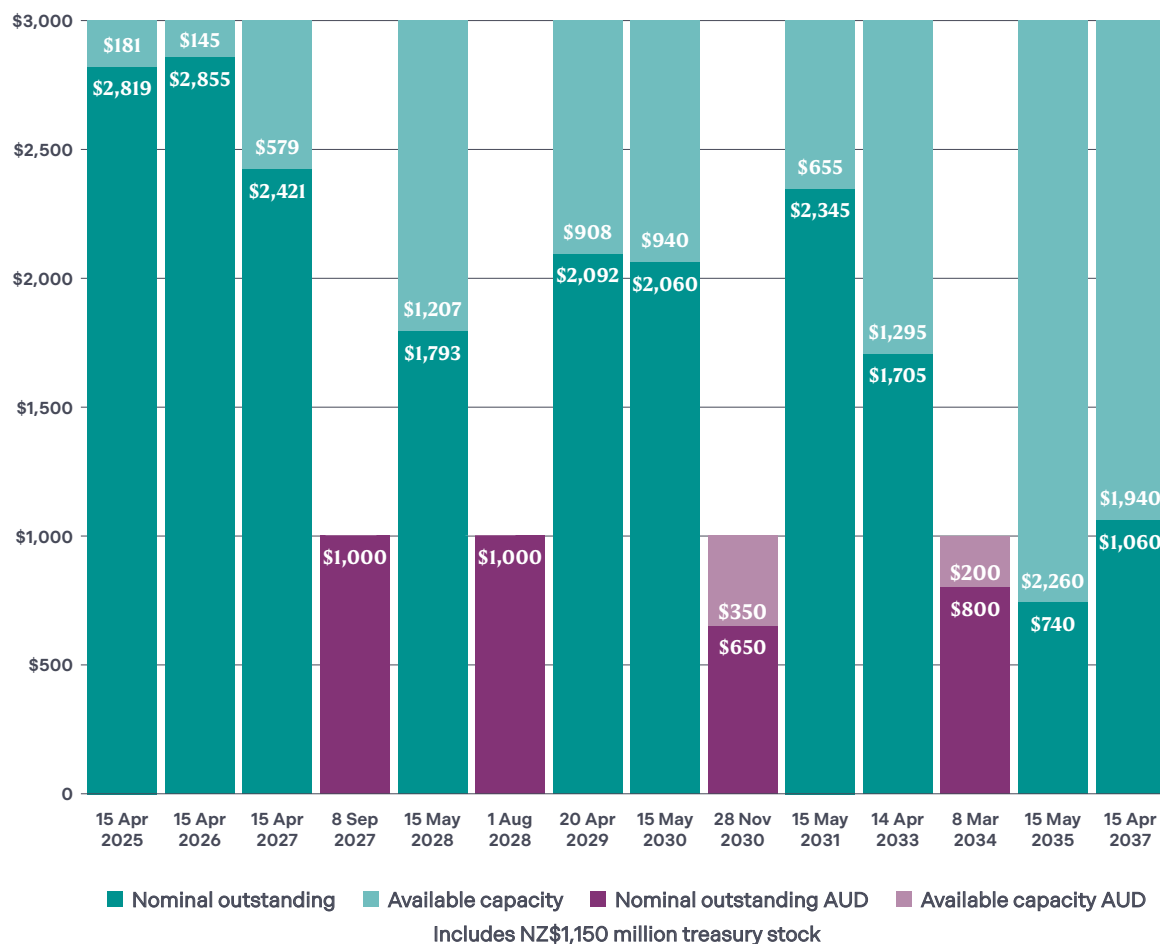
S&P Global Ratings released the revised methodology for Public Sector Financing Agencies on 9 September 2024 and affirmed the AA+ foreign currency and AAA domestic currency ratings that are the same as the New Zealand Government. The LGFA Stand Alone Credit Profile (SACP) was lifted 2 notches to AA+.

LGFA published its inaugural Climate Related Disclosures Report on 4 September 2024.

LGFA is currently documenting an EMTN Programme and would expect to undertake its first issuance in early 2025.

LGFA bonds on issue (\$ million)

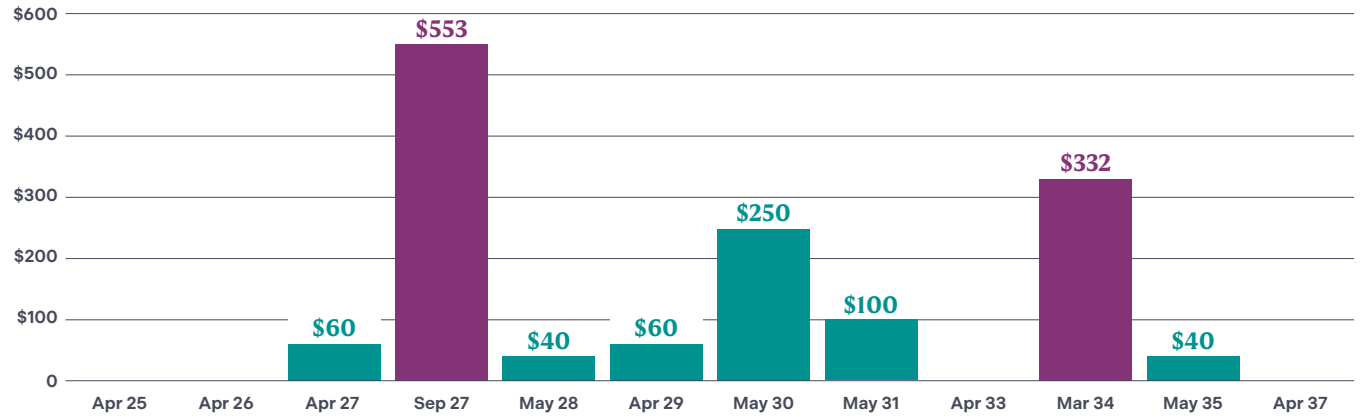
As at 30 September 2024: NZ\$19,890 million and A\$3,450 million



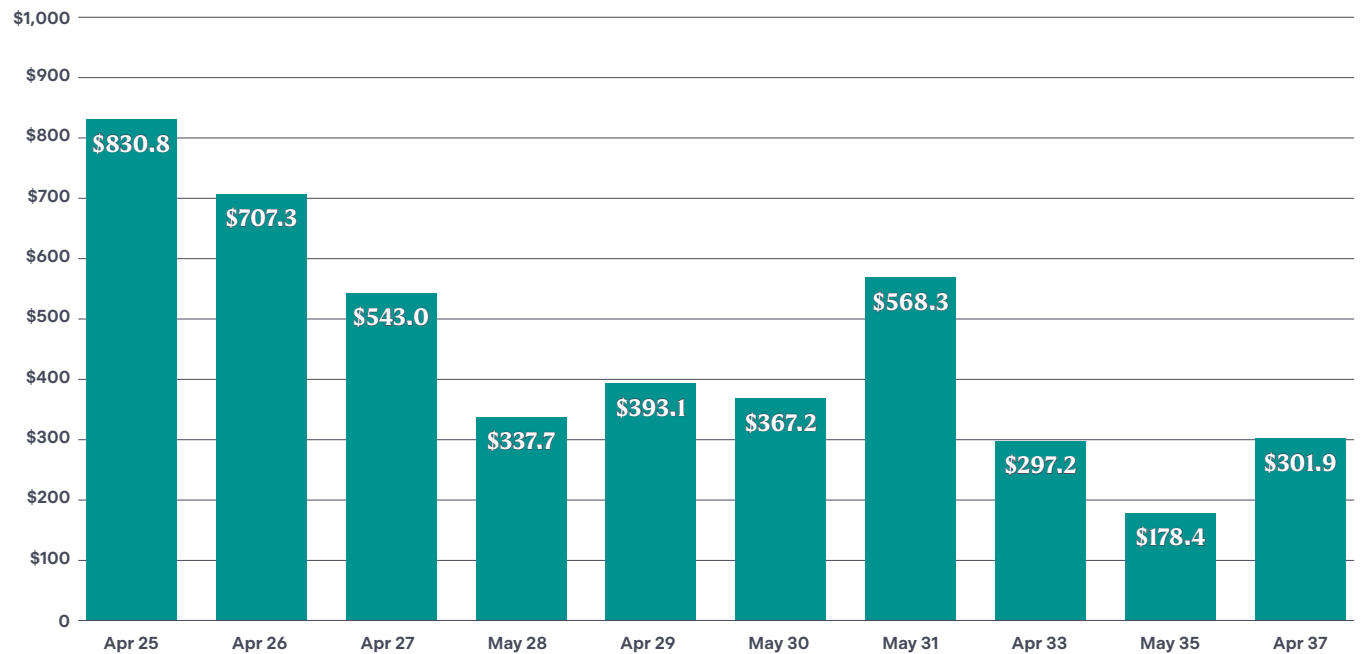
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September Quarter Bond Issuance (NZ\$ equivalent million)



September Quarter Secondary Market Activity in NZD Bonds (NZ\$ million)



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September Quarter LGFA Bond Issuance (NZ\$ equivalent million)

	Apr 25	Apr 26	Apr 27	Sep 27	May 28	Apr 29	May 30	May 31	Apr 33	Mar 34	May 35	Apr 37	Total
Tender 111 (4 Sep)							\$100	\$60			\$40		\$200
Tender 110 (9 Aug)					\$40		\$80	\$40					\$160
AUD Syndication (25 July)				\$553						\$332			\$885
Tender 109 (3 July)			\$60			\$60	\$70						\$190
	\$0	\$0	\$60	\$553	\$40	\$60	\$250	\$100	\$0	\$332	\$40	\$0	\$1,435

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
September	\$350.6	\$188.7	\$101.6	\$72.6	\$70.5	\$129.1	\$170.3	\$39.8	\$40.7	\$77.1	\$1,241.2
August	\$182.5	\$303.9	\$273.0	\$196.6	\$147.2	\$107.4	\$156.6	\$137.1	\$28.6	\$128.0	\$1,661.0
July	\$297.8	\$214.7	\$168.4	\$68.5	\$175.4	\$130.7	\$241.4	\$120.2	\$109.0	\$96.7	\$1,622.8
	\$830.8	\$707.3	\$543.0	\$337.7	\$393.1	\$367.2	\$568.3	\$297.2	\$178.4	\$301.9	\$4,525.0

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

As at month end	Banks	Offshore	Domestic Investors	RBNZ
September	\$5,983.4	\$6,238.2	\$5,681.3	\$1,042.1
August	\$5,681.6	\$6,534.1	\$5,619.1	\$934.0
July	\$5,125.4	\$6,903.7	\$5,576.0	\$934.0
June	\$5,516.4	\$6,733.5	\$5,065.1	\$934.0

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

Banks	Offshore	Domestic Investors	RBNZ
31.6%	32.9%	30.0%	5.5%
30.3%	34.8%	30.0%	5.0%
27.6%	37.2%	30.1%	5.0%
30.2%	36.9%	27.8%	5.1%

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
September	4.72%	3.93%	3.84%	3.95%	4.14%	4.32%	4.48%	4.72%	4.90%	5.07%
August	4.92%	4.24%	4.12%	4.18%	4.30%	4.46%	4.58%	4.79%	4.94%	5.09%
July	5.22%	4.54%	4.34%	4.36%	4.43%	4.56%	4.68%	4.84%	5.00%	5.13%
June	5.51%	5.06%	4.90%	4.85%	4.86%	4.91%	5.00%	5.11%	5.23%	5.37%

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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
September	12 bps	10 bps	18 bps	27 bps	38 bps	43 bps	47 bps	53 bps	56 bps	54 bps
August	14 bps	14 bps	26 bps	35 bps	43 bps	49 bps	51 bps	56 bps	61 bps	61 bps
July	15 bps	20 bps	25 bps	35 bps	41 bps	49 bps	54 bps	54 bps	60 bps	58 bps
June	18 bps	29 bps	28 bps	32 bps	35 bps	39 bps	55 bps	47 bps	51 bps	54 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
September	16 bps	13 bps	33 bps	48 bps	62 bps	73 bps	82 bps	92 bps	98 bps	107 bps
August	9 bps	10 bps	29 bps	45 bps	56 bps	68 bps	75 bps	85 bps	90 bps	98 bps
July	14 bps	13 bps	28 bps	42 bps	51 bps	63 bps	74 bps	81 bps	89 bps	94 bps
June	16 bps	23 bps	22 bps	35 bps	40 bps	48 bps	56 bps	63 bps	70 bps	79 bps

2024-25 Tender and Settlement Dates

Tender #	Announcement Date	Tender Date	Settlement Date
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
115	Monday, 20 January 2025	Wednesday, 22 January 2025	Tuesday, 28 January 2025
116	Monday, 10 February 2025	Wednesday, 12 February 2025	Monday, 17 February 2025
117	Monday, 10 March 2025	Wednesday, 12 March 2025	Monday, 17 March 2025
118	Tuesday, 8 April 2025	Thursday, 10 April 2025	Tuesday, 15 April 2025
119	Monday, 5 May 2025	Wednesday, 7 May 2025	Monday, 12 May 2025
120	Friday, 30 May 2025	Wednesday, 4 June 2025	Monday, 9 June 2025
121	Monday, 30 June 2025	Wednesday, 2 July 2025	Monday, 7 July 2025

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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