



New Zealand Government Debt Market Outlook

September 2023

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Overview

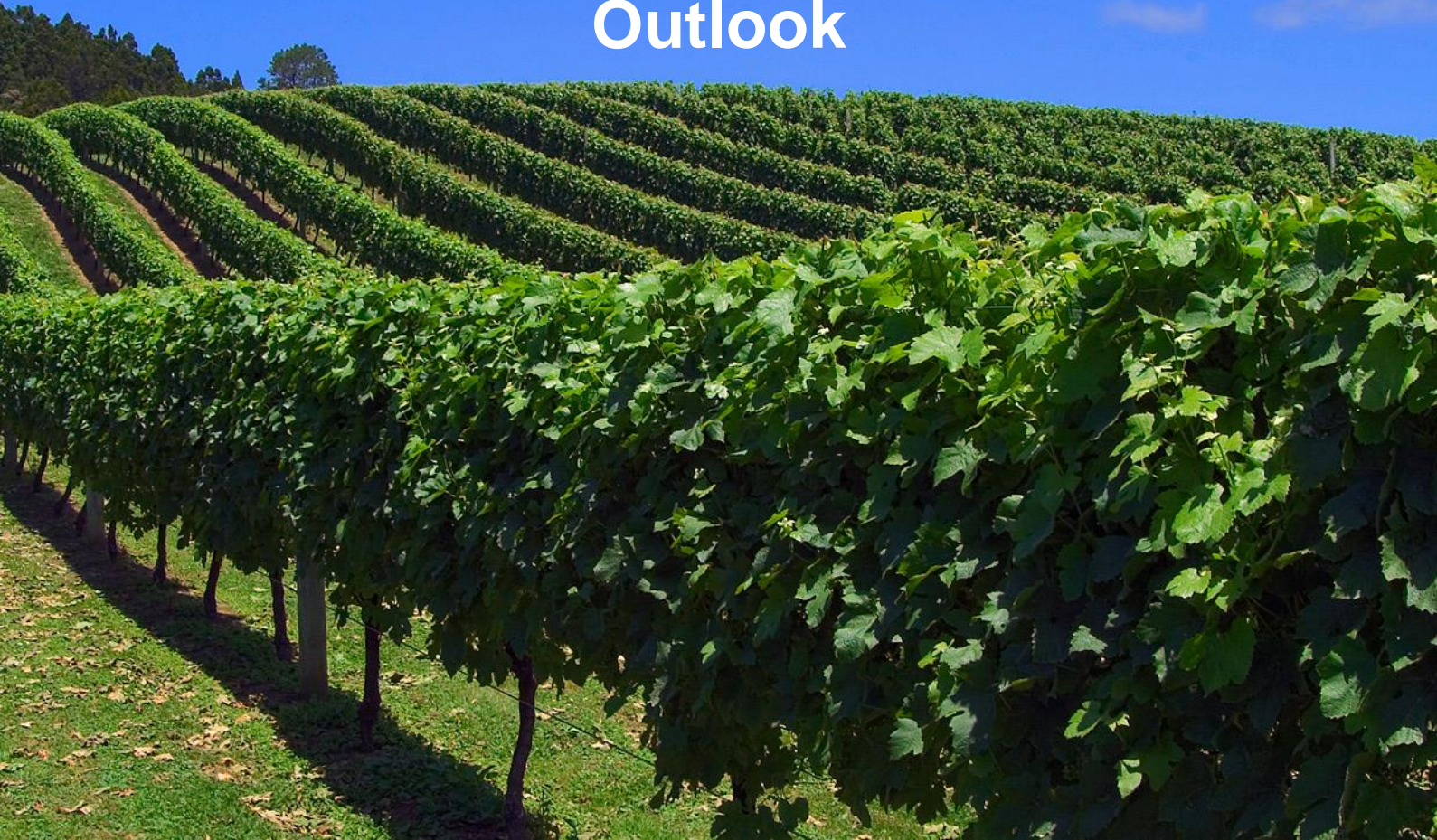


Borrowing Programme and Fiscal Outlook

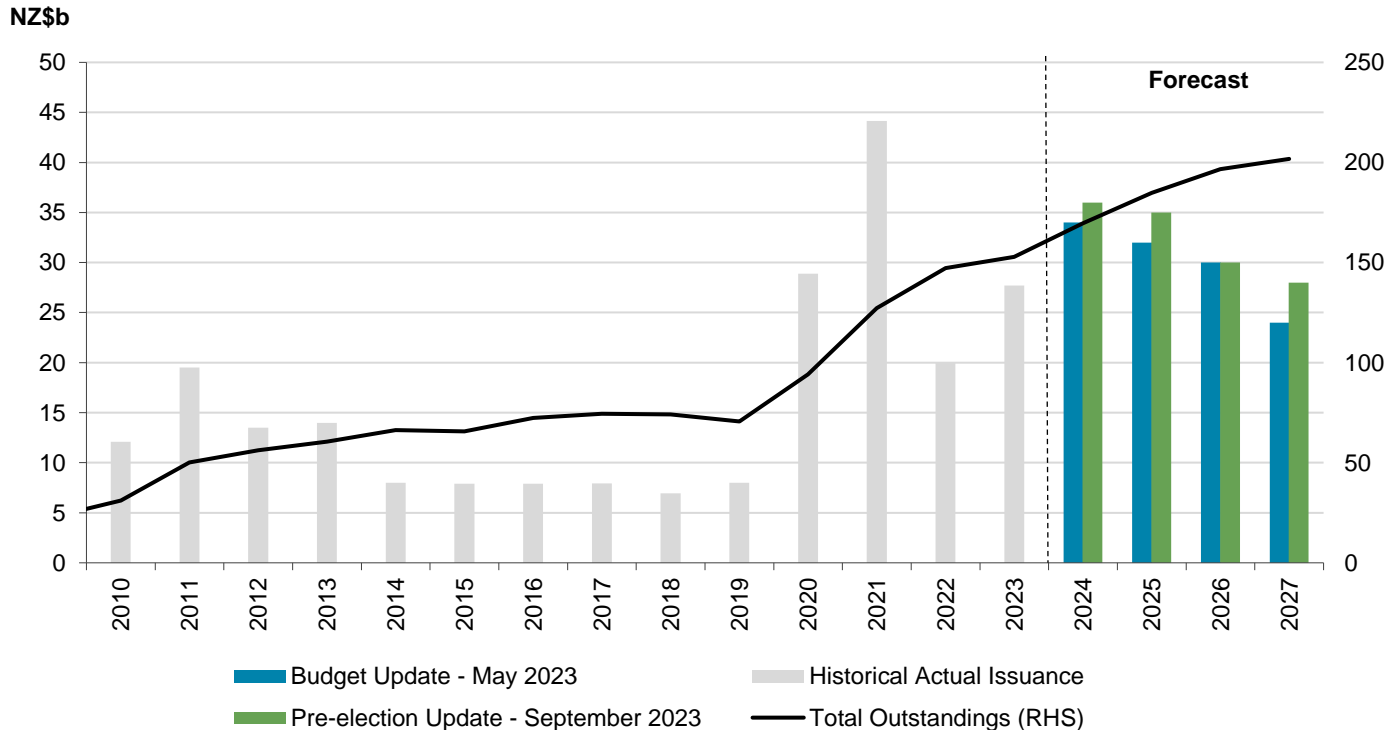


New Zealand Government Securities Portfolio

Borrowing Programme and Fiscal Outlook



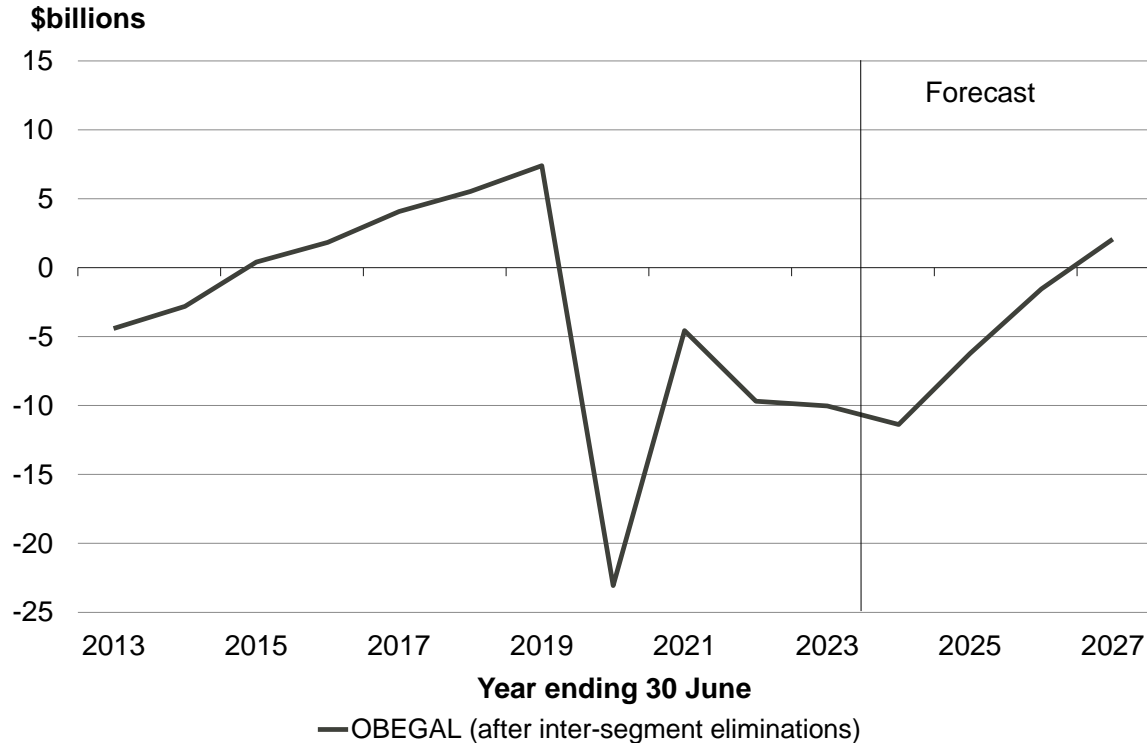
Changes in NZGB Programme Forecasts



Forecasts

Year ending 30 June (face value)	2024	2025	2026	2027	Total
Gross NZGB issuance (NZ\$ billion)	36.0	35.0	30.0	28.0	129.0
NZGB maturities and repurchases (NZ\$ billion)	18.8	19.9	18.2	22.9	79.7
Net NZGB issuance (NZ\$ billion)	17.2	15.2	11.8	5.1	49.3
NZGBs outstanding (NZ\$ billion)	169.6	184.8	196.6	201.7	n/a
NZGBs outstanding (% GDP)	41%	42%	42%	41%	n/a
Forecast short-term borrowings (NZ\$ billion)	9	9	9	9	n/a
Change in NZGB issuance (relative to BEFU)	2	3	0	4	9
Change in short-term borrowings (relative to BEFU)	0	0	0	0	n/a

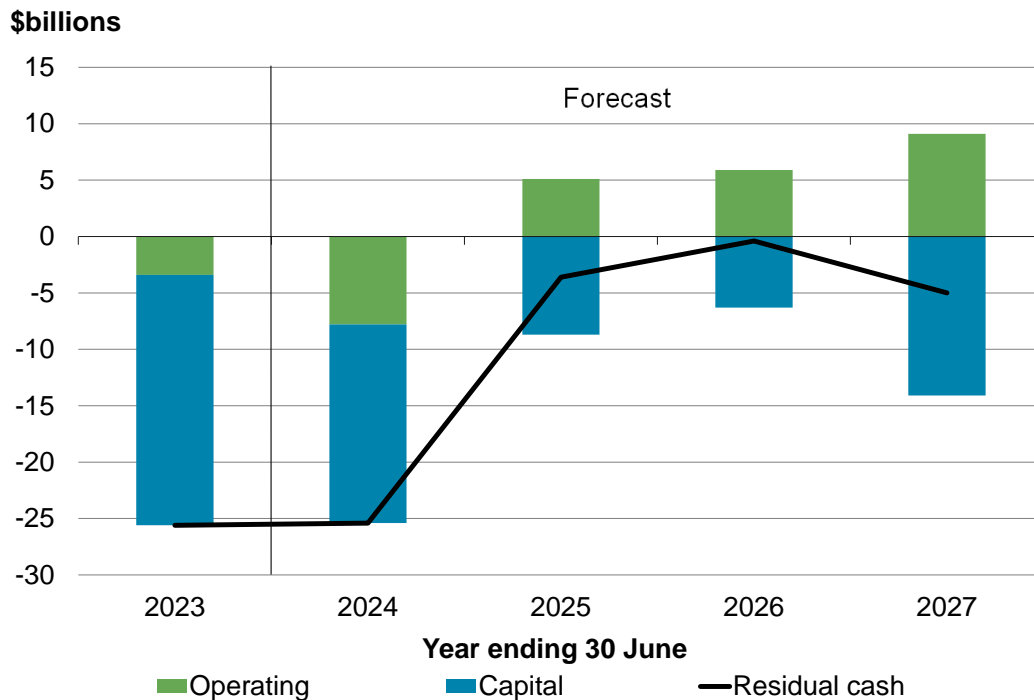
Operating Balance



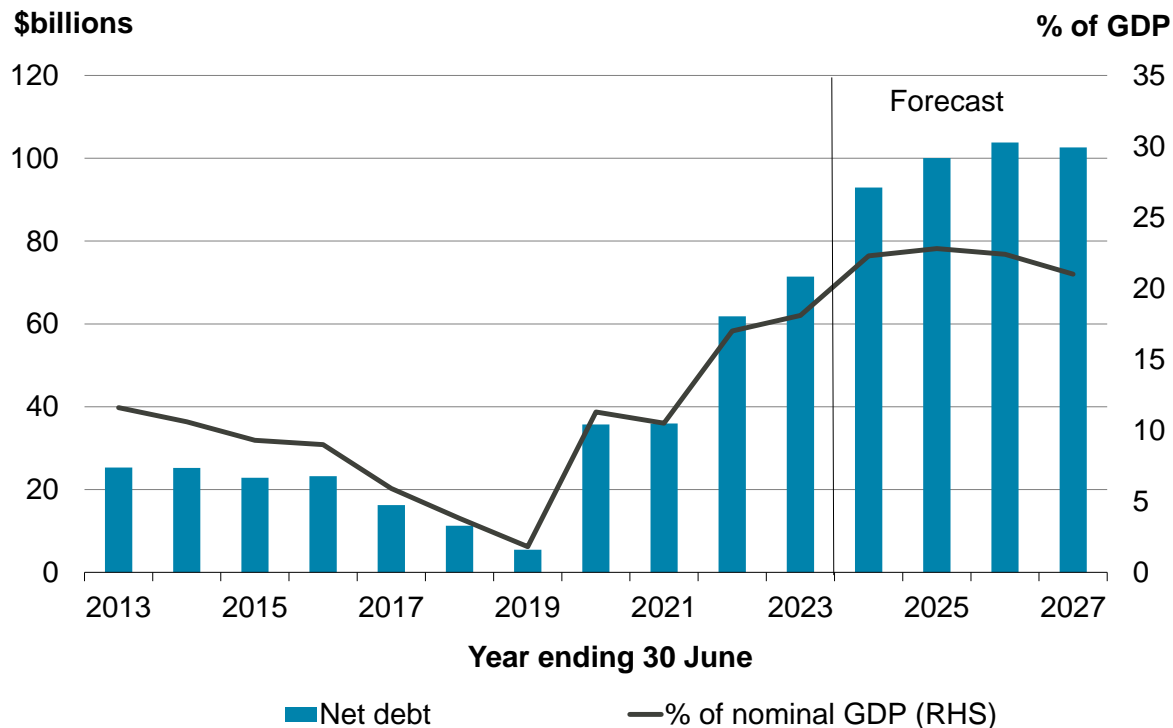
Source: The Treasury

* Line in chart is the operating balance excluding gains and losses

Core Crown Residual Cash Position



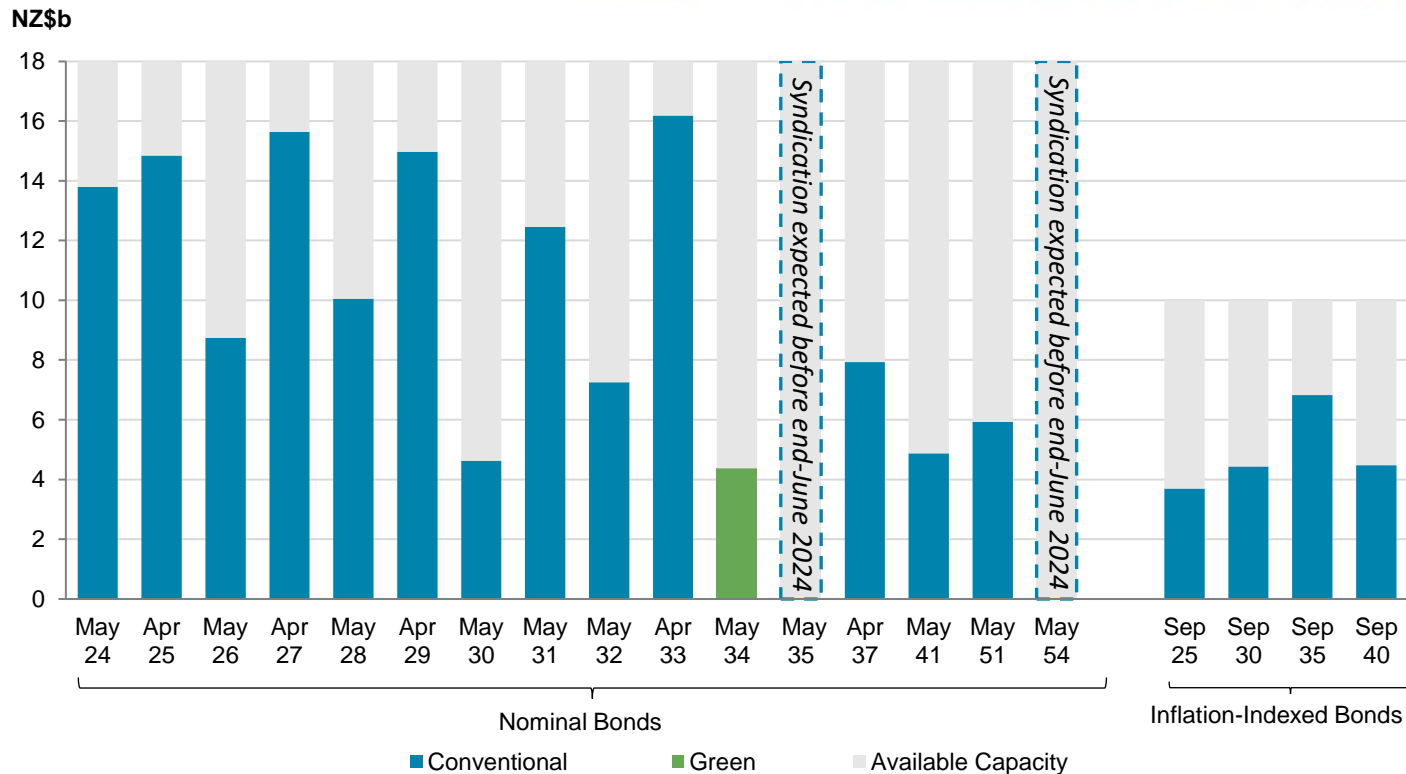
Net Debt Projections



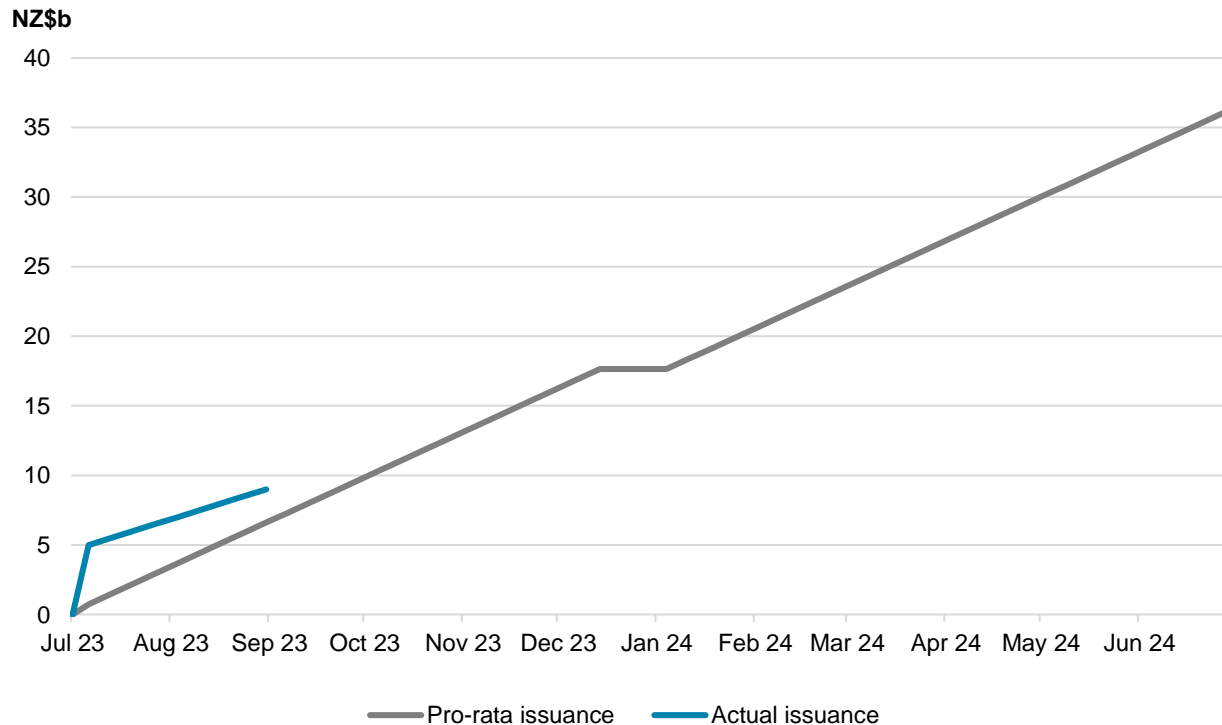
New Zealand Government Securities Portfolio



Current NZGB Portfolio

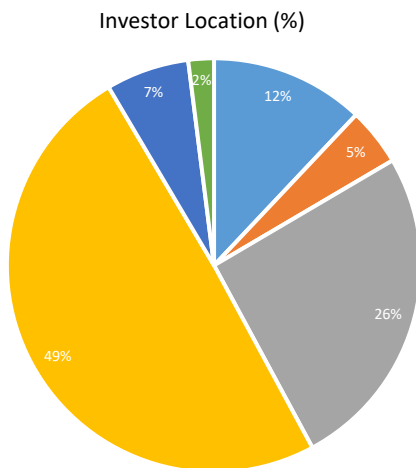


2023/24 Issuance To-Date

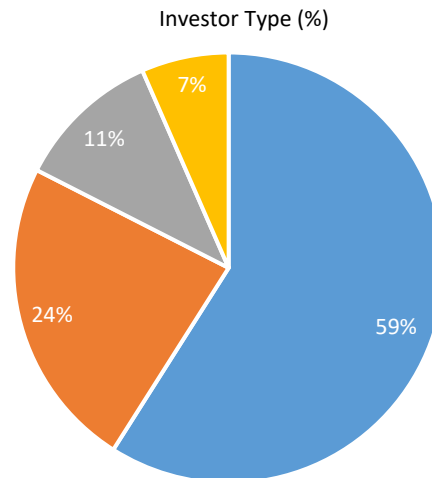


A Diverse Global Investor Base

NZGB 2033 syndicated tap allocation

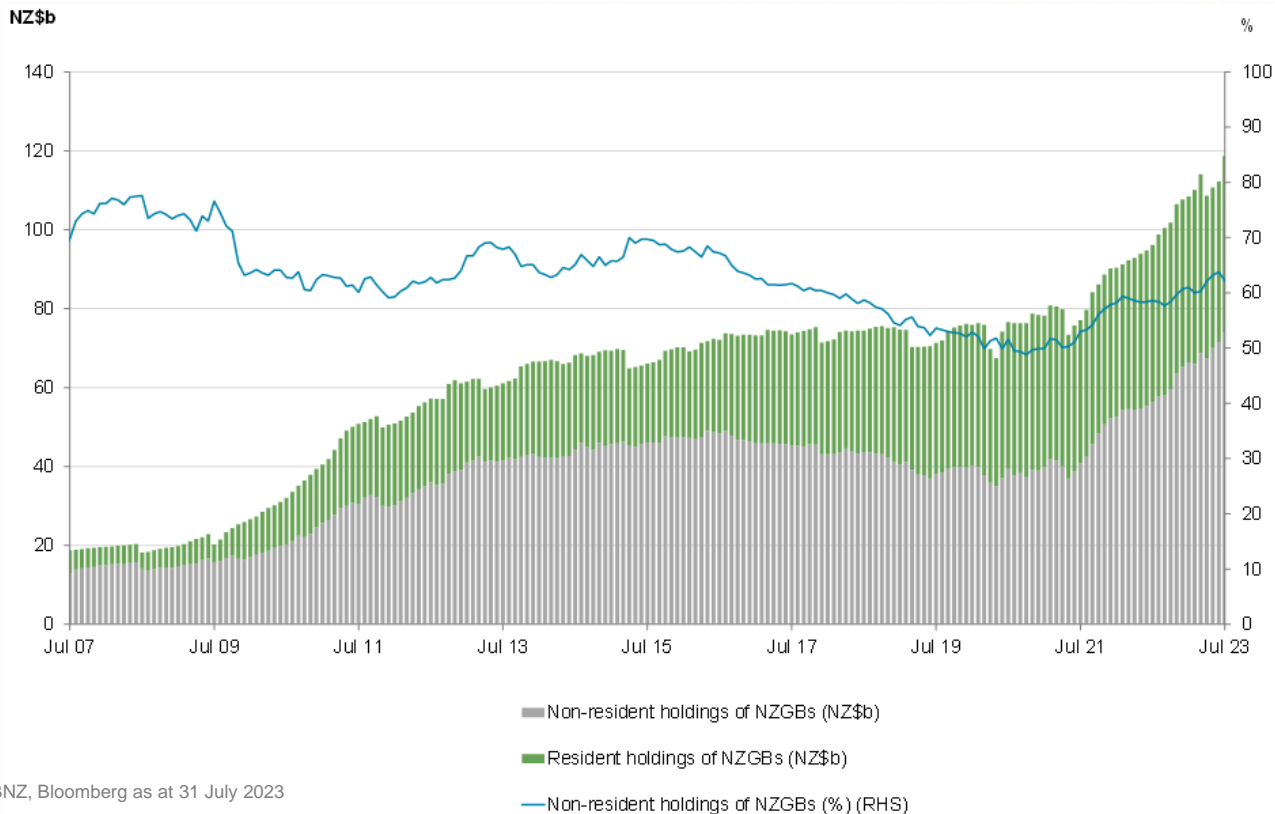


■ Asia
■ Europe/UK
■ North America
■ Australia
■ New Zealand
■ Other

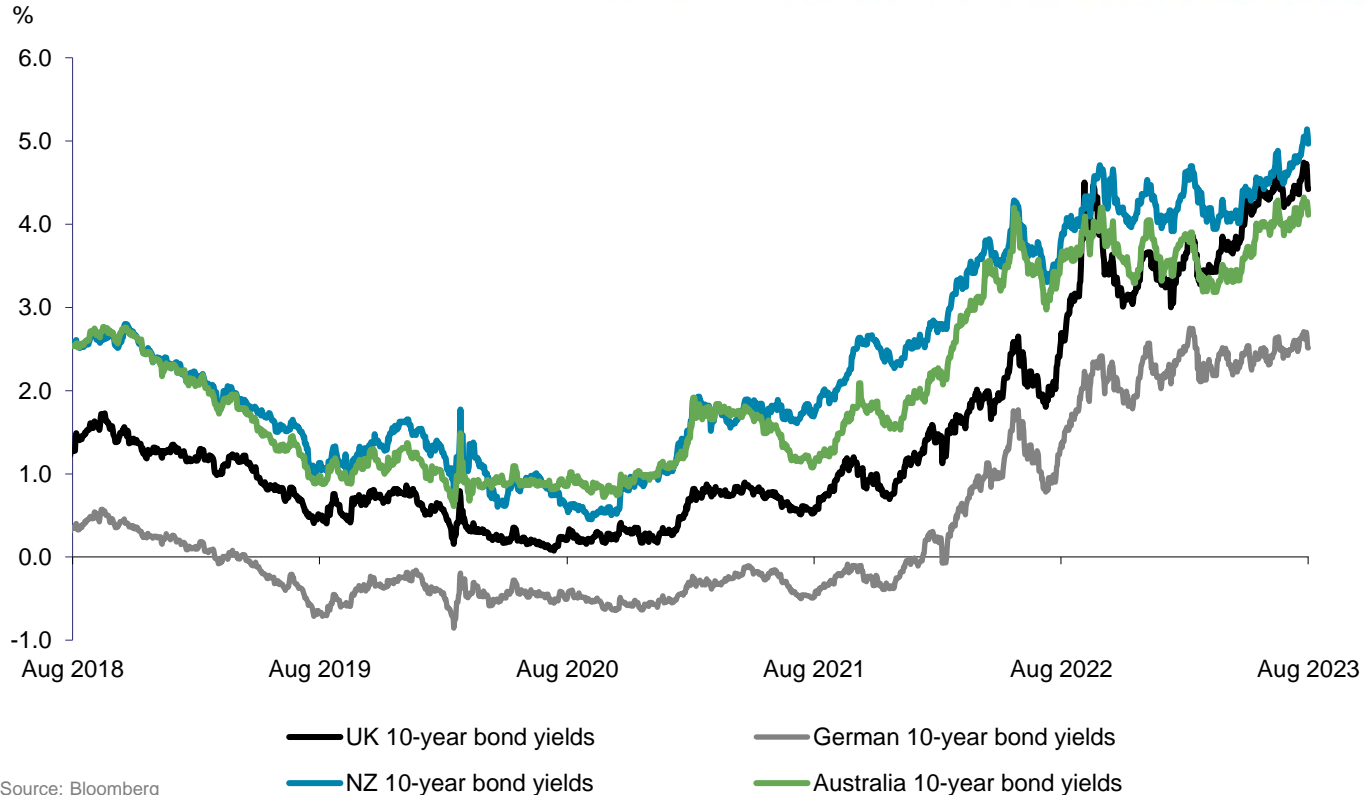


■ Asset Manager/ Central Bank
■ Bank - Balance Sheet
■ Bank - Trading Book
■ Hedge Fund

Offshore Holdings of NZGBs



Peers' 10-Year Government Bond Yields



Source: Bloomberg

Green Bond Eligible Expenditure

Green Categories	2021/22	2022/23	2023/24	2024/25	2025/26	Total	%
Clean Transport	723.9	1,007.3	1,137.4	475.6	312.3	3,656.5	39.4
Energy Efficiency and Renewable Energy	121.0	212.7	422.7	308.4	336.4	1,401.2	15.1
Green Buildings	48.0	82.0	233.0	180.0	26.0	569.0	6.1
Living and Natural Resources and Land Use	22.0	22.5	26.2	26.5	22.1	119.3	1.3
Terrestrial and Aquatic Biodiversity	426.9	477.0	519.4	482.4	409.0	2,314.7	24.9
Climate Change Adaptation	71.4	95.4	132.2	110.6	113.2	522.8	5.7
Sustainable Water and Wastewater Management	281.6	106.2	101.3	32.0	-	521.1	5.6
Pollution Prevention and Control	25.0	22.6	51.1	39.0	35.7	173.4	1.9
Total	1,719.8	2,025.7	2,623.3	1,654.5	1,254.7	9,278.0	100.0

Source: Treasury, Actuals and forecast as at 31 March 2023, including Budget 2023 expenditure

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