



TE TAI ŌHANGA
THE TREASURY



New Zealand Government Debt Market Outlook

October 2022

Investor.relations@treasury.govt.nz

New Zealand Government



Overview



Fiscal Outlook

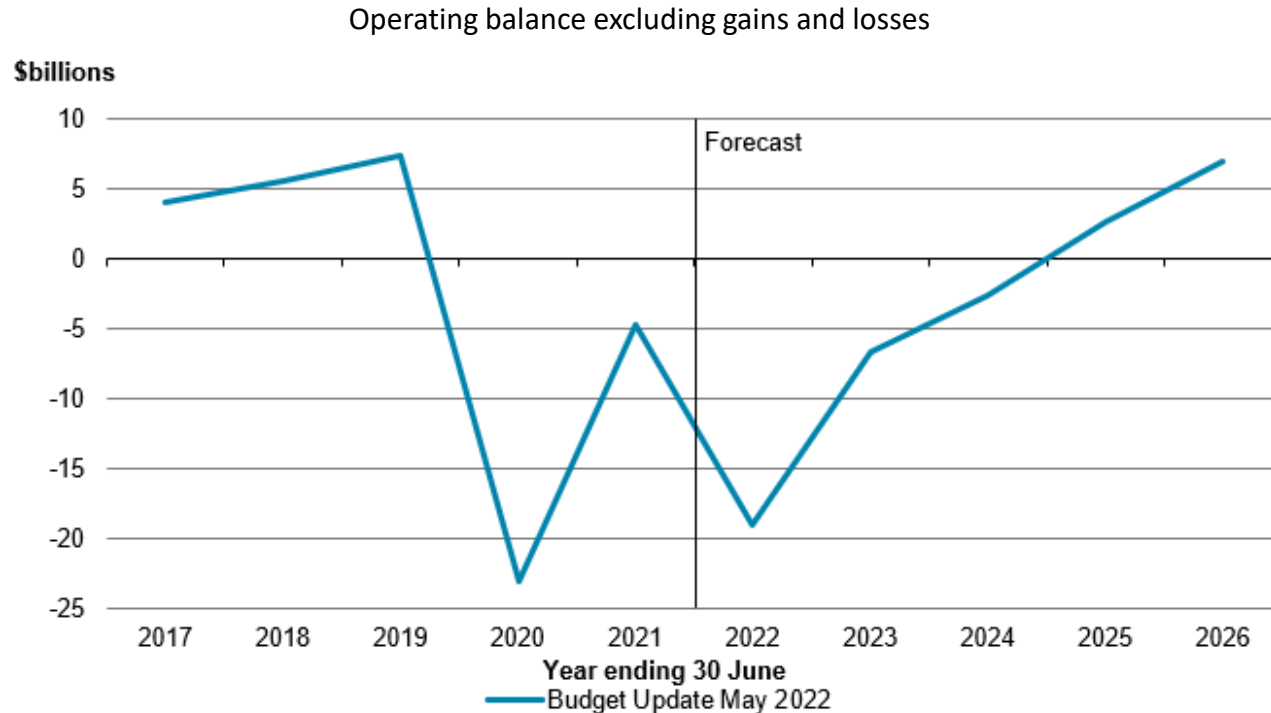


Funding Strategy

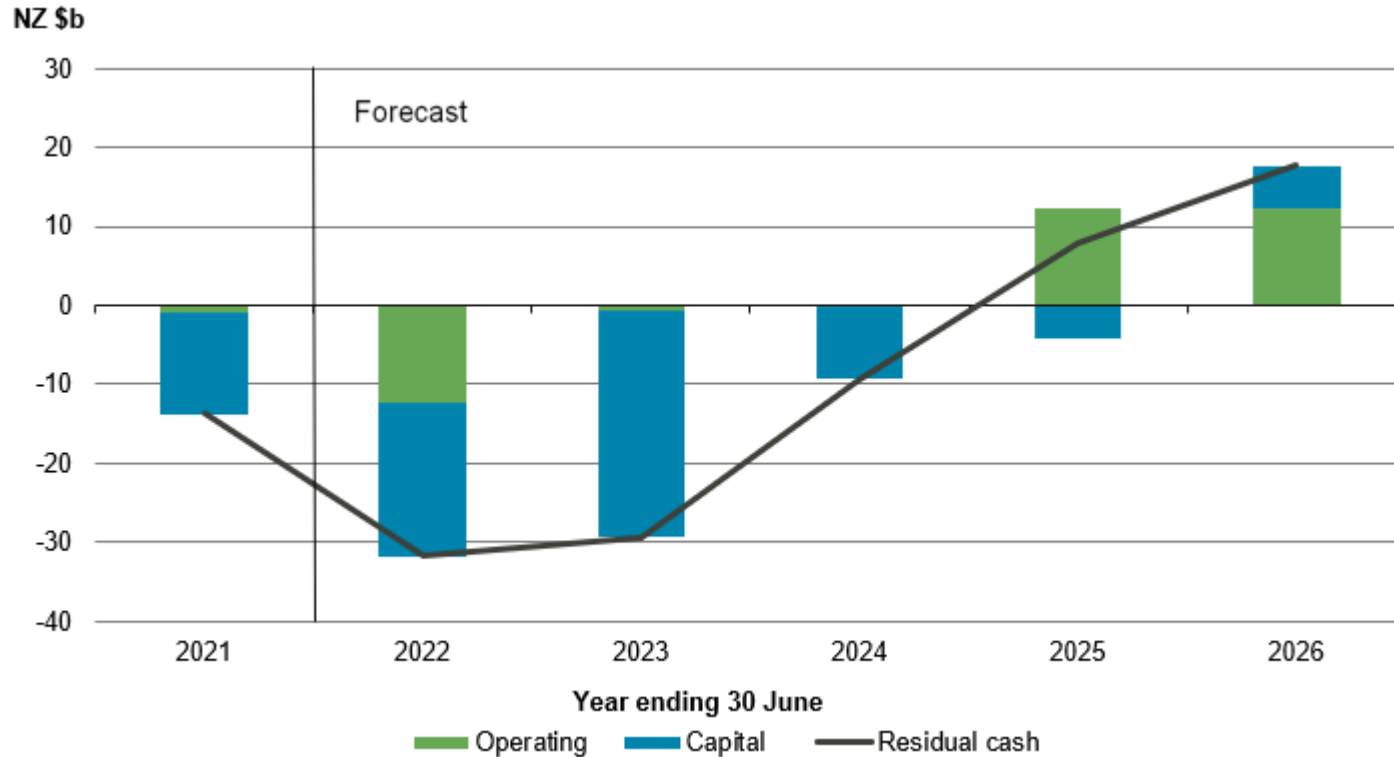


Fiscal Outlook

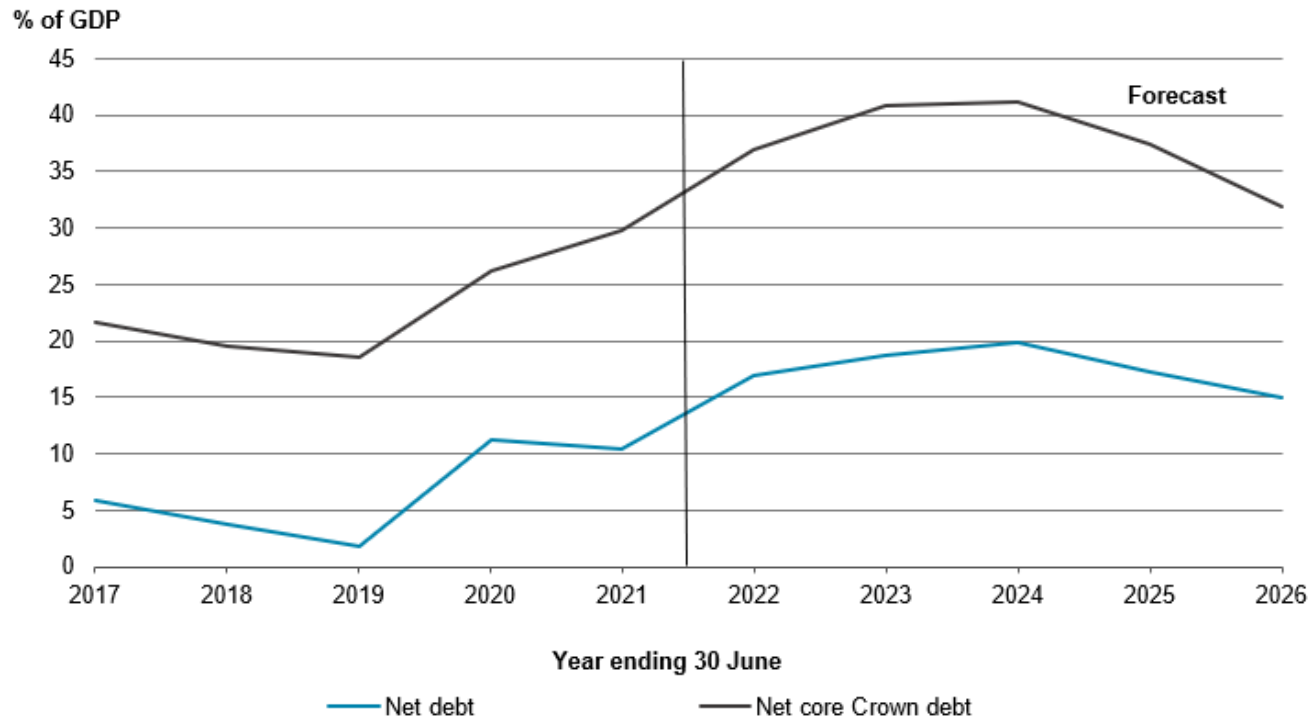
Fiscal Outlook - Operating Balance



Residual Cash Position



Net Debt Projections



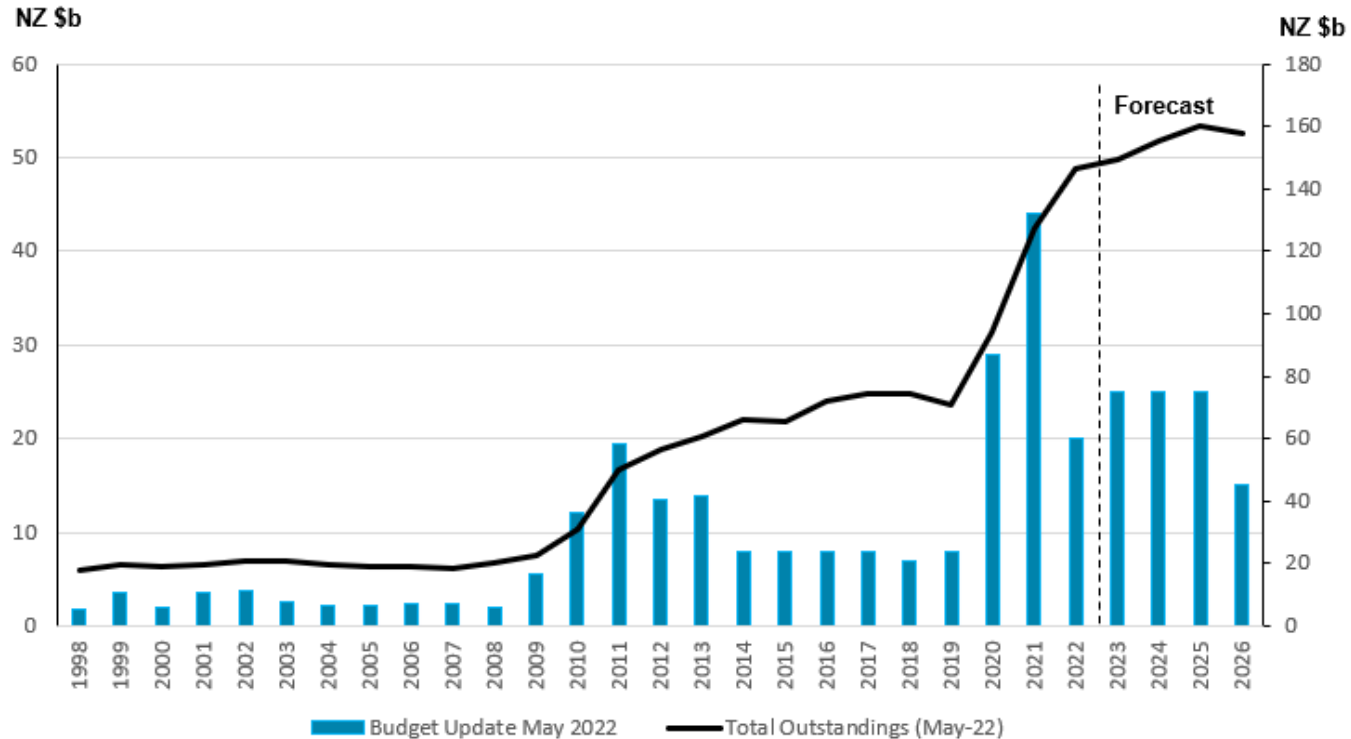
Funding Strategy



Forecast Borrowing Programme

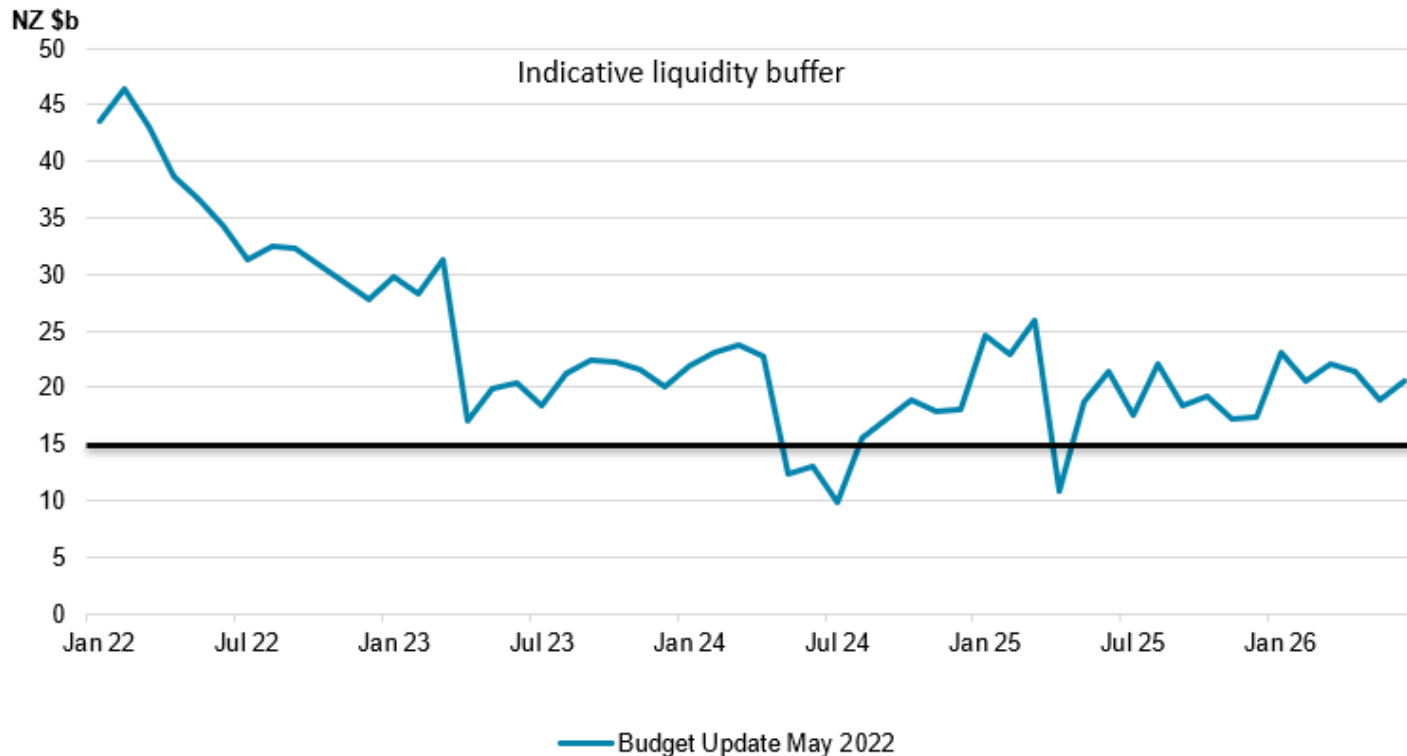
Year ending 30 June (face value)	2022	2023	2024	2025	2026	Total
Gross NZGB issuance (NZ\$ billion)	20.0	25.0	25.0	25.0	15.0	110.0
NZGB maturities and repurchases (NZ\$ billion)	0.8	22.1	18.8	20.2	17.8	79.7
Net NZGB issuance (NZ\$ billion)	19.2	2.9	6.2	4.9	-2.8	30.3
NZGBs outstanding (NZ\$ billion)	146.4	149.3	155.5	160.4	157.6	n/a
NZGBs outstanding (% of GDP)	40%	37%	37%	36%	34%	n/a
Forecast T-Bills on issue (NZ\$ billion)	4	3	3	3	3	n/a

Forecast NZGB Programme

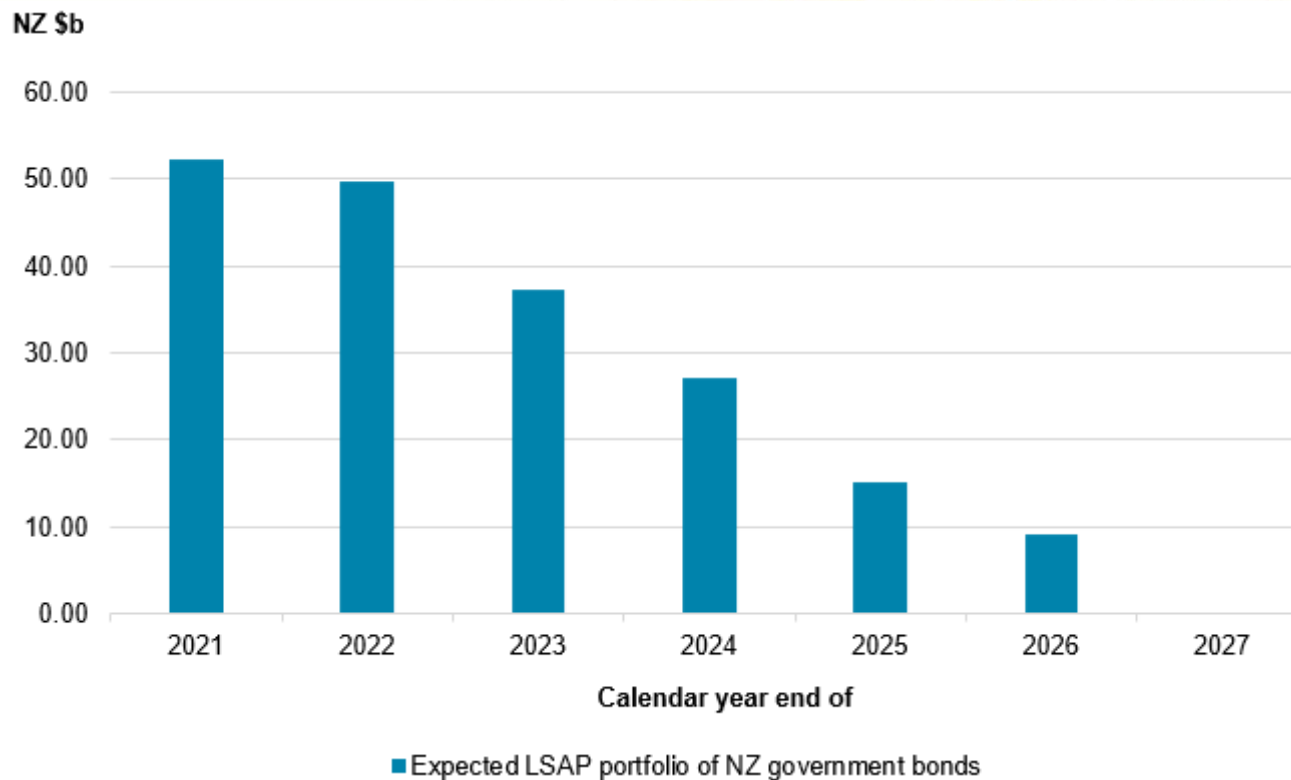


Source: The Treasury – Budget Update, May 2022

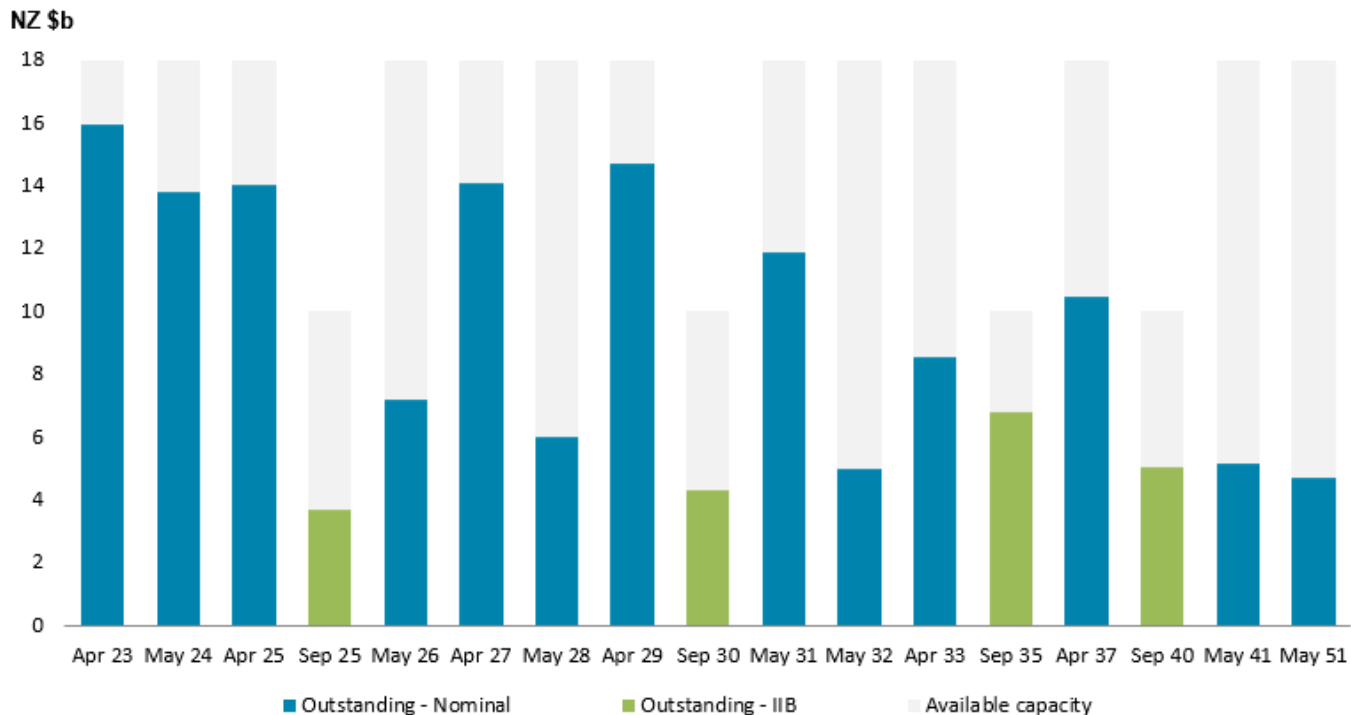
Indicative Liquidity Buffer



RBNZ's Holdings Under LSAP Programme

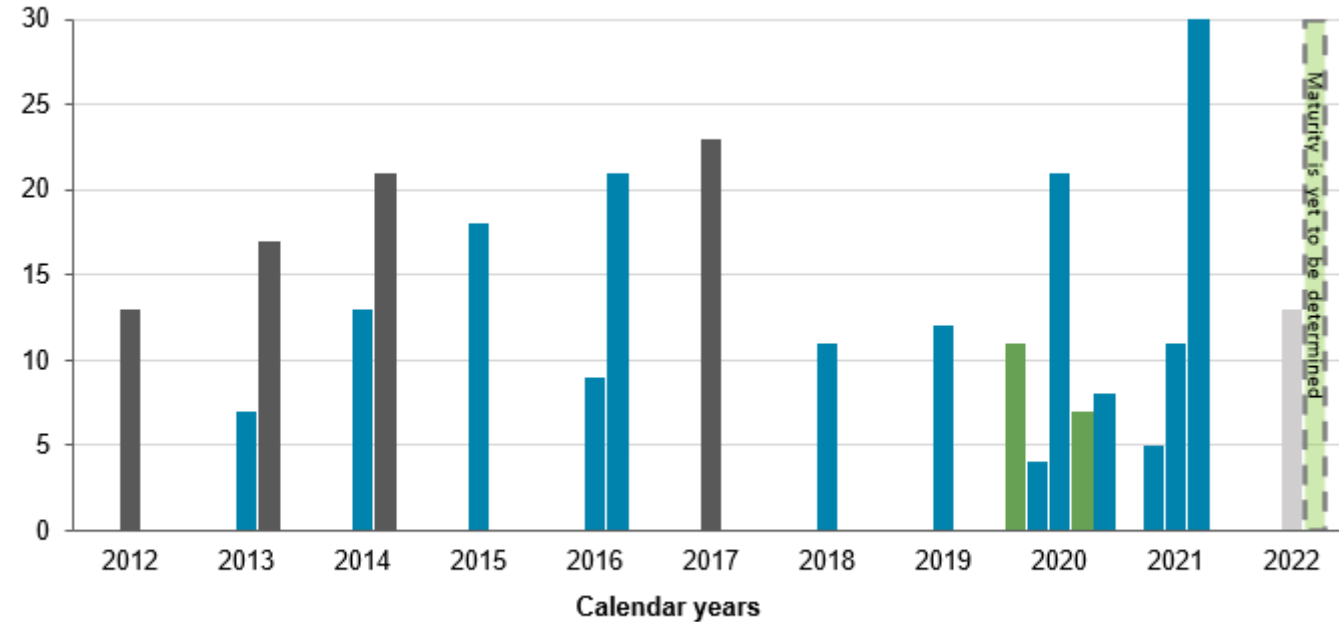


Current NZGB Portfolio



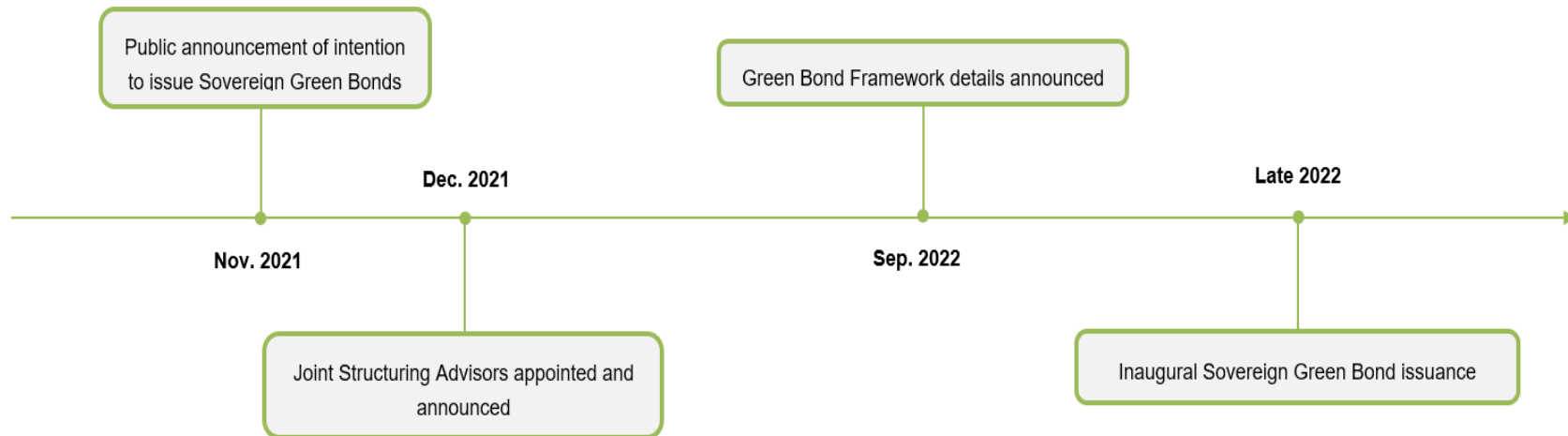
One Further Syndication Before 31 December

Years to maturity



■ Nominal bonds ■ Inflation-indexed bonds ■ Nominal bond tap ■ Inflation indexed bond tap ■ Green bond

Green Bond Programme Launched



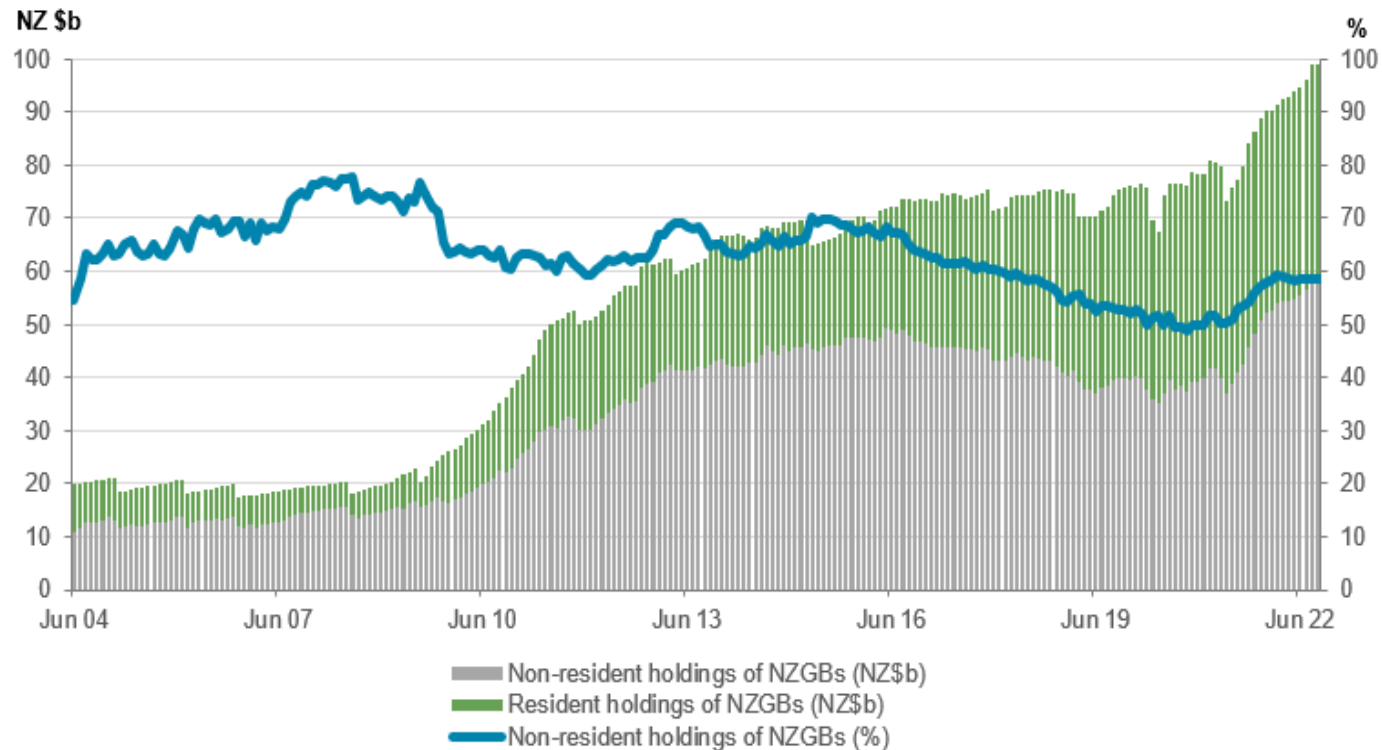
Green Bonds Framework

Use of Proceeds¹

Green Categories	2021/22 \$m	2022/23 - 2024/25 \$m	Total \$m	Share %
Clean Transport	\$750	\$2,339	\$3,089	45.4%
Energy Efficiency and Renewable Energy	\$172	\$775	\$947	13.9%
Green Buildings	TBC	TBC	TBC	TBC
Living and Natural Resources and Land Use	\$17	\$74	\$91	1.3%
Terrestrial and Aquatic Biodiversity	\$410	\$1,410	\$1,820	26.8%
Climate Change Adaptation	\$72	\$116	\$188	2.8%
Sustainable Water and Wastewater Management	\$322	\$150	\$472	6.9%
Pollution Prevention and Control	\$36	\$157	\$193	2.8%
Total	\$1,779	\$5,021	\$6,800	100.0%

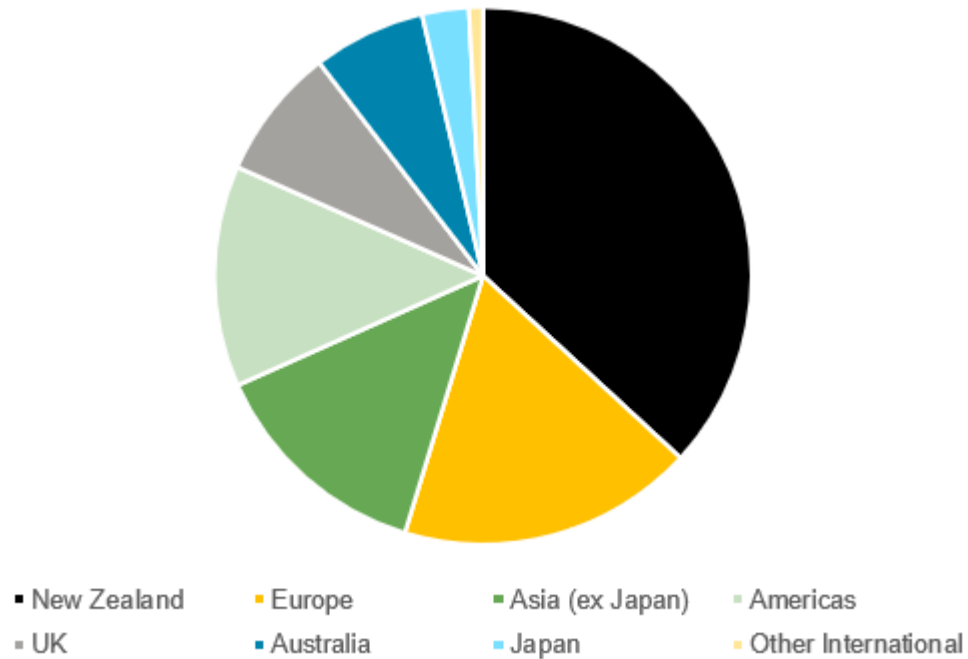
¹ As at 1 September 2022
Source: The Treasury, Stats NZ

Offshore Holdings of NZGBs



Source: RBNZ, Bloomberg as at 30th Sep 2022

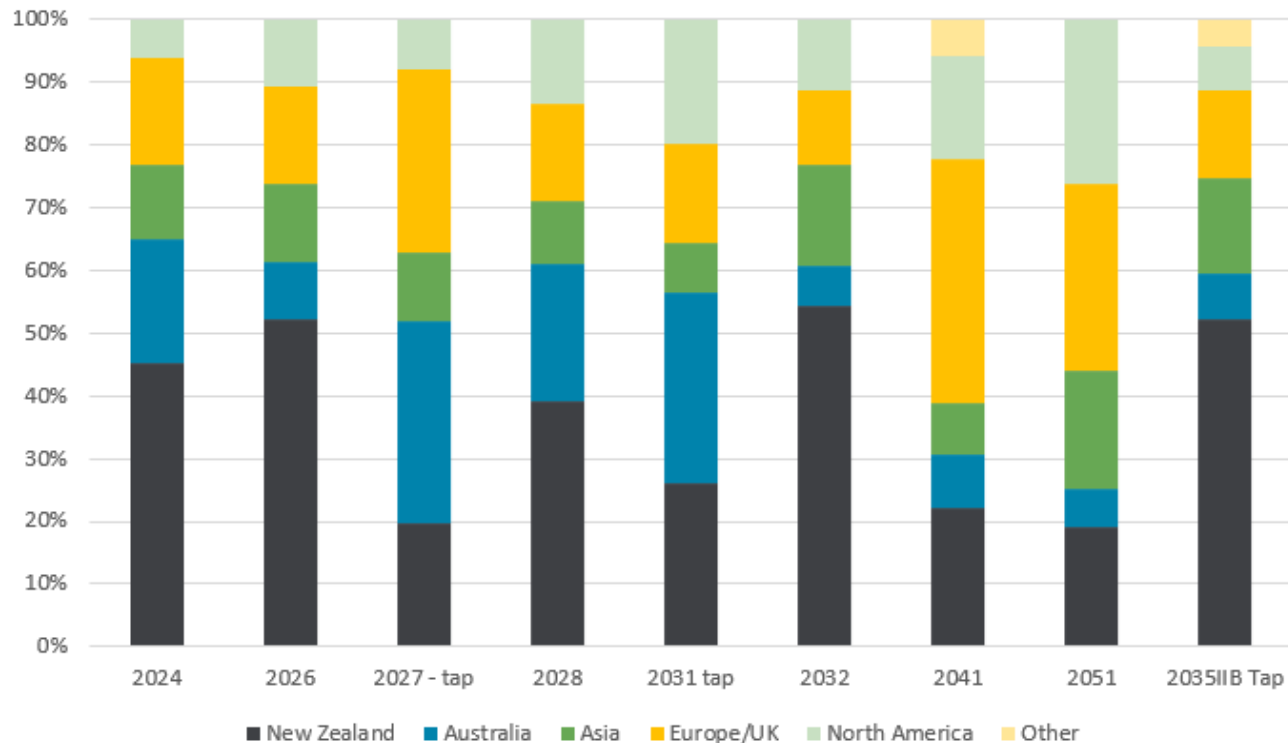
Secondary Market Turnover Data - Last 3 Years



Source: The Treasury

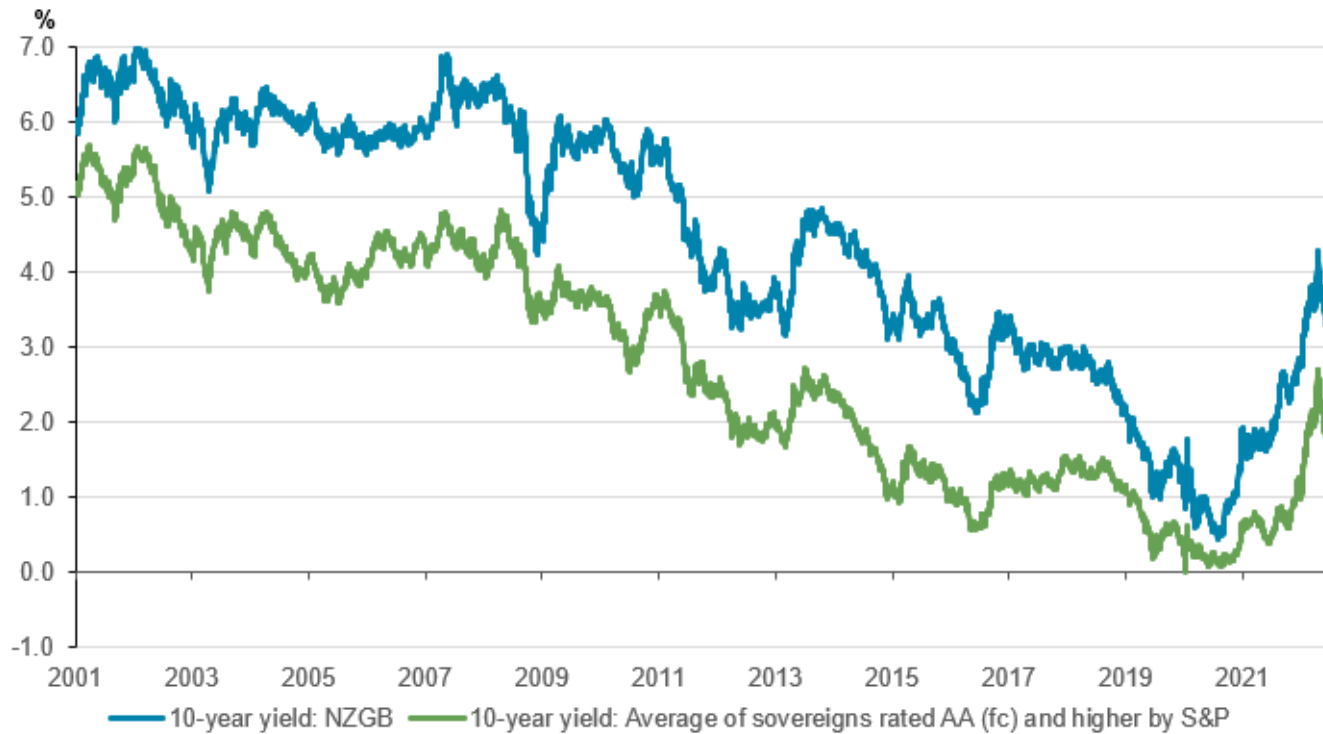
For the purposes of this secondary market turnover data, New Zealand Debt Management (NZDM) relies on data provided by registered tender counterparties, which are a subset of all secondary market participants.

Syndication Allocation By Region



Syndication Allocation by Investor Location

NZGB and Sovereign Peer Yields



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