

Quarterly funding update

March Quarter 2024



Borrowing Programme Update

During the quarter LGFA issued NZ\$330 million of bonds across seven bond maturities via two bond tenders.

We also accessed the AUD bond market for the third time with A\$500 million tranches of September 2027 and March 2034 bonds that brings our A\$ outstandings to A\$2.65 billion.

The weighted average term of issuance during the March quarter was 6.8 years (and 7.4 years for the nine month period to 31 March 2024) compared to a weighted average term for the 2022-23 financial year of 5.5 years.

Other news

Council and CCO membership as at 31 March 2024 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\$1.3 billion, (NZ\$3.9 billion ytd) bringing total term loans outstanding to NZ\$19.3 billion and short term loans of NZ\$635 million as at 31 March 2024.

Climate Action Loans (CALs) outstanding to councils and CCOs borrowers as at 31 March 2024 totalled \$1.79 billion to five borrowers and there were GSS loans outstanding of NZ\$384.2 million to six borrowers.

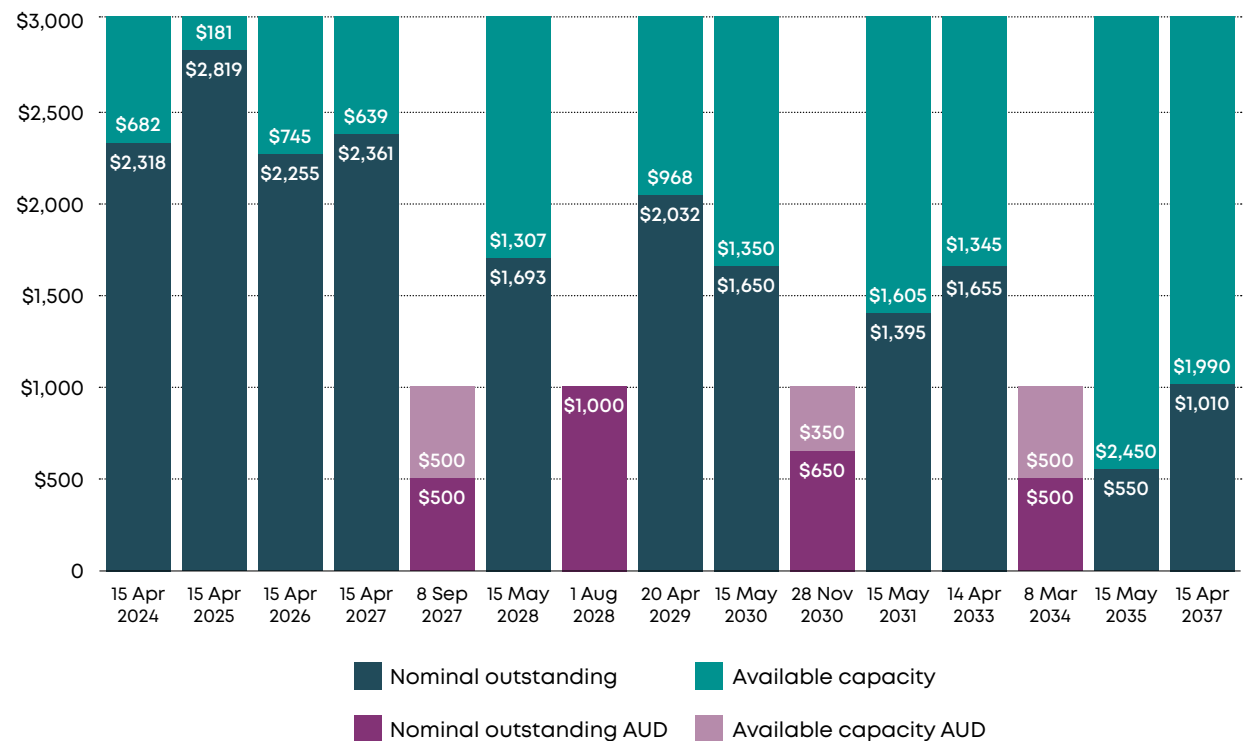
Due to the ongoing larger than expected council and CCO borrowing during the nine month period to 31 March 2024, we are revising upwards our forecast bond issuance for FY23-24 by NZ\$300 million to NZ\$5.3 billion. Our ytd issuance (including NZ\$ and A\$ bonds) has been \$4.7 billion but we will look to prefund future issuance requirements if market conditions are conducive. Our draft SOI 2024-27 will be finalised and published on 30 June 2024 and that will contain forecast council borrowing and LGFA bond issuance assumptions for each of the next three years.

S&P Global Ratings affirmed our credit ratings on 1 March 2024.

LGFA has established a ECP programme and will look to commence issuance in the coming quarter.

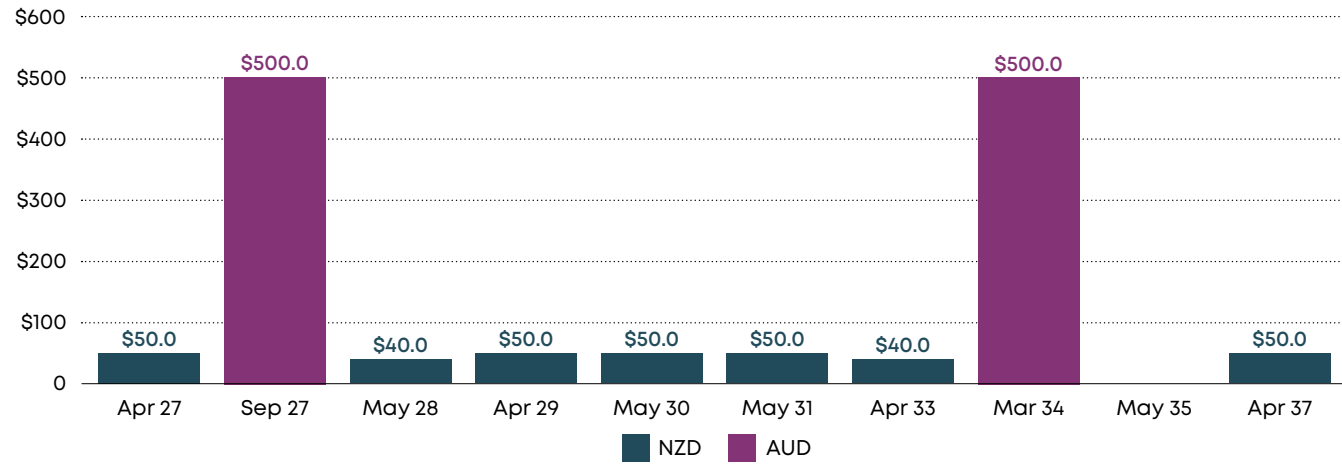
LGFA bonds on issue (\$ million)

As at 31 March 2024: NZ\$19,738 million and A\$2,650 million

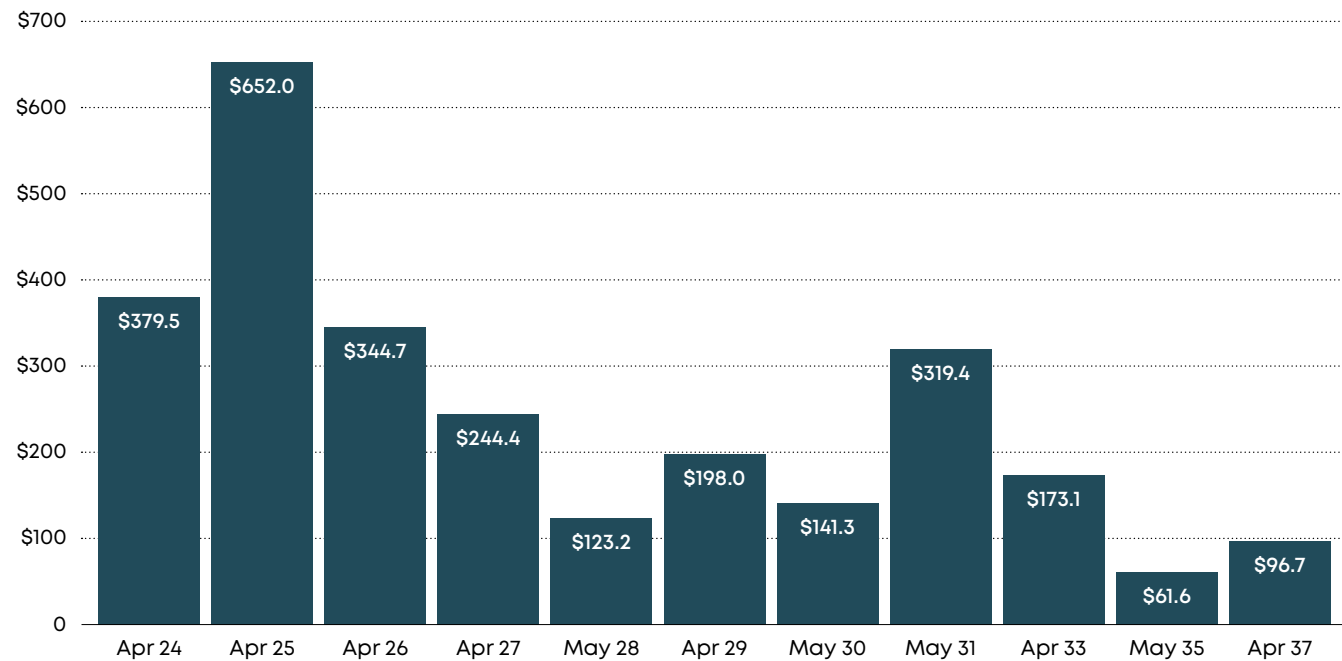


Includes NZ\$1.1 billion of treasury stock

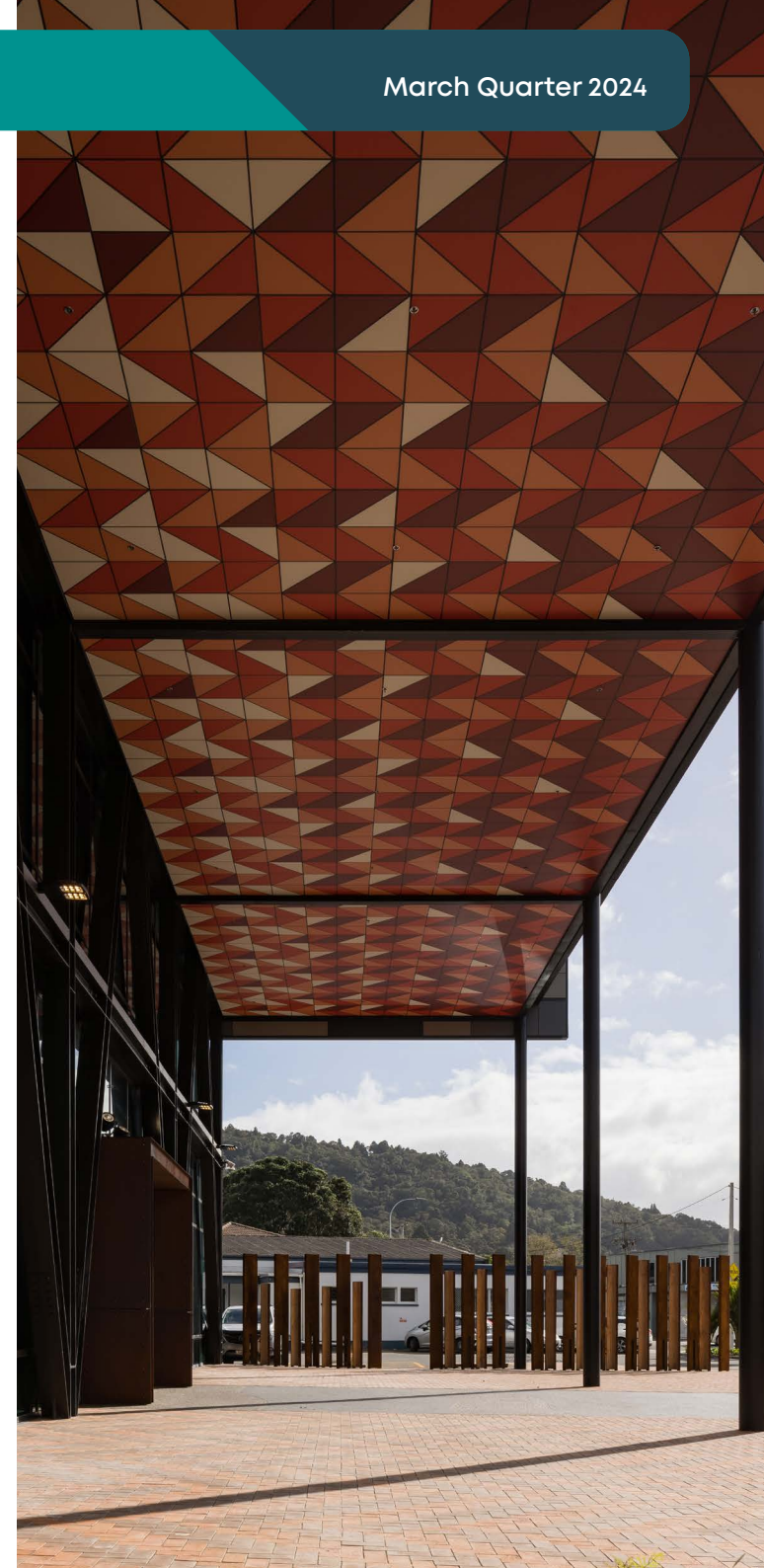
March Quarter LGFA Bond Issuance (\$ million)



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



Whangārei District Council's Civic Centre, Te Iwitahi, opened to the public in June 2023



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

	Apr 27	Sep 27	May 28	Apr 29	May 30	May 31	Apr 33	Mar 34	May 35	Apr 37	Total
Tender 105 (6 March)	\$50				\$50					\$50	\$150
A\$ Syndication (1 March)		\$540						\$540			\$1080
Tender 104 (24 Jan)			\$40	\$50		\$50	\$40				\$180
	\$50	\$540	\$40	\$50	\$50	\$50	\$40	\$540	\$0	\$50	\$1410

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

	Apr 24	Apr 25	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	Apr 33	May 35	Apr 37	Total
Mar	\$107.4	\$223.1	\$119.4	\$67.8	\$59.4	\$81.4	\$50.4	\$176.0	\$25.8	\$5.9	\$7.7	\$924.4
Feb	\$187.6	\$149.1	\$75.7	\$27.9	\$9.6	\$51.1	\$55.9	\$19.7	\$80.6	\$33.8	\$59.5	\$750.6
Jan	\$84.5	\$279.8	\$149.6	\$148.6	\$54.2	\$65.5	\$34.9	\$123.7	\$66.7	\$21.8	\$29.4	\$1,058.7
	\$379.5	\$652.0	\$344.7	\$244.4	\$123.2	\$198.0	\$141.3	\$319.4	\$173.1	\$61.6	\$96.7	\$2,733.7

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

As at month end	Banks	Offshore	Domestic Investors	RBNZ
Mar	\$5,464.3	\$6,446.1	\$5,776.1	\$1,174.0
Feb	\$5,237.1	\$6,303.9	\$5,942.0	\$1,174.0
Jan	\$5,587.2	\$6,028.2	\$5,806.5	\$1,174.0
Dec 2023	\$5,458.0	\$6,152.0	\$5,677.0	\$1,174.0

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

	Banks	Offshore	Domestic Investors	RBNZ
Mar	29.0%	34.2%	30.6%	6.2%
Feb	28.1%	33.8%	31.9%	6.3%
Jan	30.0%	32.4%	31.2%	6.3%
Dec 2023	29.6%	33.3%	30.8%	6.4%

Secondary Market Yields on LGFA NZD Bonds (month end)

	Apr 24	Apr 25	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	Apr 33	May 35	Apr 37
Mar	5.61%	5.44%	5.02%	4.85%	4.80%	4.82%	4.88%	5.00%	5.12%	5.26%	5.38%
Feb	5.68%	5.60%	5.19%	5.06%	5.00%	5.03%	5.10%	5.21%	5.33%	5.47%	5.57%
Jan	5.74%	5.44%	5.01%	4.90%	4.87%	4.92%	4.97%	5.09%	5.21%	5.35%	5.48%
Dec 2023	5.73%	5.35%	4.95%	4.84%	4.82%	4.85%	4.90%	5.02%	5.12%	5.27%	5.36%

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

	Apr 24	Apr 25	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	Apr 33	May 35	Apr 37
Mar	10 bps	26 bps	42 bps	43 bps	44 bps	45 bps	48 bps	55 bps	57 bps	61 bps	63 bps
Feb	14 bps	30 bps	41 bps	43 bps	44 bps	48 bps	52 bps	59 bps	62 bps	68 bps	69 bps
Jan	21 bps	33 bps	39 bps	43 bps	48 bps	54 bps	51 bps	56 bps	60 bps	63 bps	64 bps
Dec 2023	21 bps	24 bps	36 bps	39 bps	43 bps	49 bps	49 bps	54 bps	58 bps	61 bps	62 bps

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

	Apr 24	Apr 25	Apr 26	Apr 27	May 28	Apr 29	May 30	May 31	Apr 33	May 35	Apr 37
Mar	6 bps	16 bps	23 bps	35 bps	45 bps	53 bps	60 bps	71 bps	78 bps	86 bps	93 bps
Feb	7 bps	17 bps	25 bps	40 bps	49 bps	57 bps	65 bps	74 bps	81 bps	90 bps	96 bps
Jan	9 bps	21 bps	29 bps	43 bps	53 bps	61 bps	67 bps	77 bps	84 bps	91 bps	98 bps
Dec 2023	10 bps	17 bps	21 bps	32 bps	45 bps	53 bps	60 bps	70 bps	75 bps	84 bps	91 bps

2024 Tender and Settlement Dates

Tender #	Announcement Date	Tender Date	Settlement Date
107	Monday, 29 April 2024	Wednesday, 1 May 2024	Monday, 6 May 2024
108	Monday, 27 May 2024	Wednesday, 29 May 2024	Tuesday, 4 June 2024
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

For further information