

SAFA's Funding Requirement for JUNE 2020

In line with SAFA's May announcement, SAFA did not access term markets during the month, and has **no intentions to access term fixed rate debt markets in June.**

**Select Line Fixed and Floating Rate Outstandings as at
31 May 2020**

| Coupon | Maturity | Outstandings \$'m | Change \$'m |
|--------------|-------------------|----------------------|----------------|
| 5.00% | 20 May 2021 | 2,044.500 | Nil |
| 1.50% | 22 September 2022 | 2,467.000 | Nil |
| 4.25% | 20 November 2023 | 1,520.000 | Nil |
| 2.25% | 15 August 2024 | 2,628.000 | Nil |
| 2.75% | 16 April 2025 | 1,250.000 | Nil |
| 3.00% | 20 July 2026 | 2,540.000 | Nil |
| 3.00% | 20 September 2027 | 1,500.000 | Nil |
| 3.00% | 24 May 2028 | 2,040.000 | Nil |
| 2.75% | 24 May 2030 | 1,765.000 | Nil |
| 1.75% | 24 May 2032 | 1,060.000 | Nil |
| Total | | 18,814.500 | Nil |

As announced in May, SAFA continues to monitor developments in risk free rate markets and is considering a new 3 year AONIA FRN with quarterly coupons, subject to investor interest, pricing and market conditions. Further details will be provided when a transaction eventuates.

The South Australian budget has been delayed until after the release of the Federal Budget (6 October 2020). As such, SAFA has no update to the announcement released on 5 March regarding its 2019-20 or 2020-21 funding requirement. At the time of the MYBR release in December 2019, SAFA revised its long term funding requirement to \$3 billion for 2019-20 and \$3.6 billion for 2020-21. To date in FY2019-20 SAFA has raised \$4 billion in long term funding.

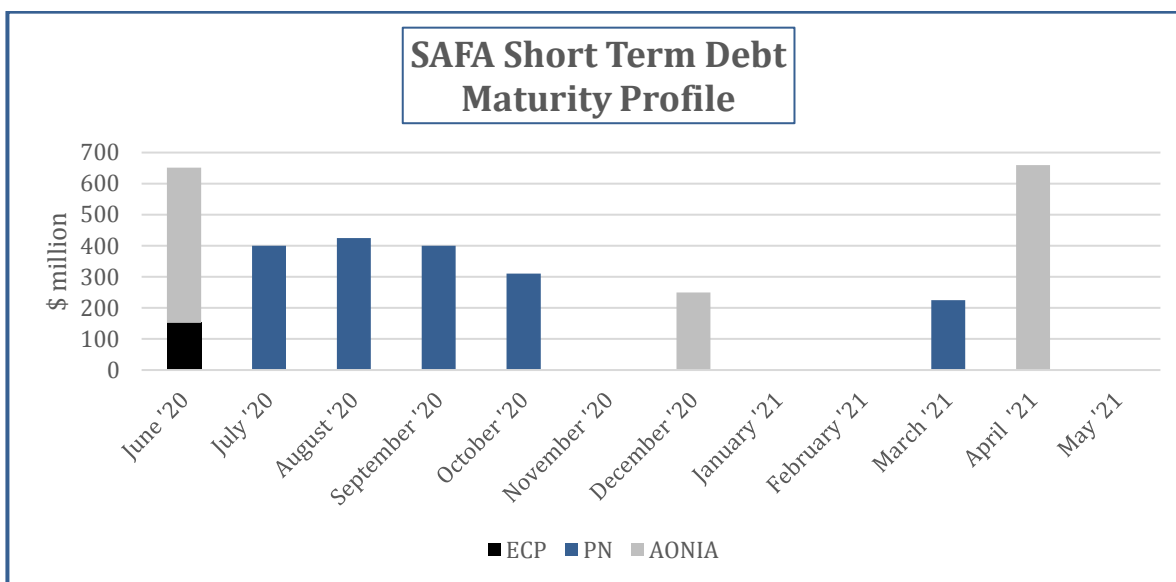
SAFA has previously targeted to hold \$2 billion in short term funding via a combination of PN's, ECP and 1 year AONIA FRN's. SAFA now considers it prudent to hold a larger short term liquidity buffer and is targeting outstandings of between \$2.5 billion and \$3 billion by 30 June 2020.

SAFA will provide markets with any update to its funding program as soon as it is known. SAFA will act in markets as needed to meet the state financing requirements, and continues to issue via publically communicated primary transactions, although retains flexibility in its program as required.

SAFA's Short Term Outstandings:

| | Currency | Outstandings \$'m | Change \$'m |
|------------------|----------|----------------------|----------------|
| PN | AUD | 1,760 | -425 |
| ECP | AUD | Nil | Nil |
| ECP | USD | 100 | Nil |
| ECP | EUR | Nil | Nil |
| AONIA FRN | AUD | 1,410 | Nil |

(Indicative AUD \$3,321m vs original \$2,000m target. Expected to be reduced to between \$2,500m and \$3,000m by 30 June 2020)



SAFA Turnover (raw data; excludes primary issuance, repo/stock borrowing)

| | Turnover \$'m | Investor % | Outstandings \$'m |
|--------------------------|---------------------|-------------------|----------------------|
| 2020 - April | 3,534 | 66% | 18,815 |
| 2020 - March | 1,187 | 81% | 17,315 |
| 2020 - February | 872 | 77% | 17,315 |
| 2020 - January | 1,627 | 66% | 18,315 |
| <u>2020 - YTD</u> | <u>7,220</u> | <u>70%</u> | |
| 2019 - Actual | 15,399 | 76% | 18,315 |

For enquiries please contact:

Andrew Kennedy, Director Treasury Services on (08) 8226 9840

Davide Caravaglio, Treasury Analyst on (08) 8226 9411

1 June 2020