

Funding Strategy

**IN THE WEEK COMMENCING 6 FEBRUARY (BUT NOT PRIOR TO THE RELEASE OF THE RBA'S MONTHLY POLICY ANNOUNCEMENT), AND SUBJECT TO MARKET CONDITIONS, SAFA INTENDS TO ISSUE UP TO \$1 BILLION OF A NEW MAY 2038 SELECT LINE VIA SYNDICATED PLACEMENT WITH ANZ, CBA, NAB, AND UBS ACTING AS JOINT LEAD MANAGERS ON THE TRANSACTION.**

- Undertake pre-funding during FY2022-23 to manage refinancing risk
- Tap existing even year Select Lines to circa \$4 billion initially, building to \$4.5 billion in future years
- Supplement existing fixed rate odd years (2025 / 2027) with AONIA FRN's, initially targeting \$3 billion in each maturity bucket, building to \$4-4.5 billion in future years
- In FY2023-24 consider issuing new odd year fixed rate lines into the 2029 maturity and beyond, supplemented with AONIA FRN's
- Consider issuing a new May 2038 benchmark, and longer dated non-benchmark issuance out to 2052
- Actively manage liquidity including being pre-funded for a term maturity 12 months prior

**Fixed and Floating Rate Term Outstandings (\$m)**

Coupon	Maturity	30-Jun-22	Week FV	Year FV	03-Feb-23
1.50%	22/09/2022	2,062	0	-2,062	0
AONIA +34bps	16/06/2023*	1,511	0	0	1,511
4.25%	20/11/2023	1,520	0	0	1,520
2.25%	15/08/2024	3,128	0	0	3,128
2.75%	16/04/2025	1,250	0	0	1,250
AONIA +17bps	10/06/2025*	850	0	145	995
3.00%	20/07/2026	3,540	0	0	3,540
AONIA +31bps	15/06/2027*	0	0	1,125	1,125
3.00%	20/09/2027	1,500	0	0	1,500
3.00%	24/05/2028	3,040	0	1,000	4,040
2.75%	24/05/2030	2,815	0	1,050	3,865
1.75%	24/05/2032	2,560	0	750	3,310
1.75%	24/05/2034	2,000	0	0	2,000
2.00%	23/05/2036	1,000	0	1,000	2,000
2.25%	24/05/2040*	1,003	0	0	1,003
<b>Total</b>		<b>27,779</b>	<b>0</b>	<b>5,070</b>	<b>30,787</b>

\* Non-benchmark line

Target cap of \$4.0b in any maturity bucket

**SAFA's Short Term Outstandings**

	Currency	Outstandings (\$m)
PN	AUD	2,640
ECP	AUD Equiv	0
AONIA FRN	AUD	0
<b>Total</b>		<b>2,640</b>

Indicative AUD Equivalent vs \$2.75b target

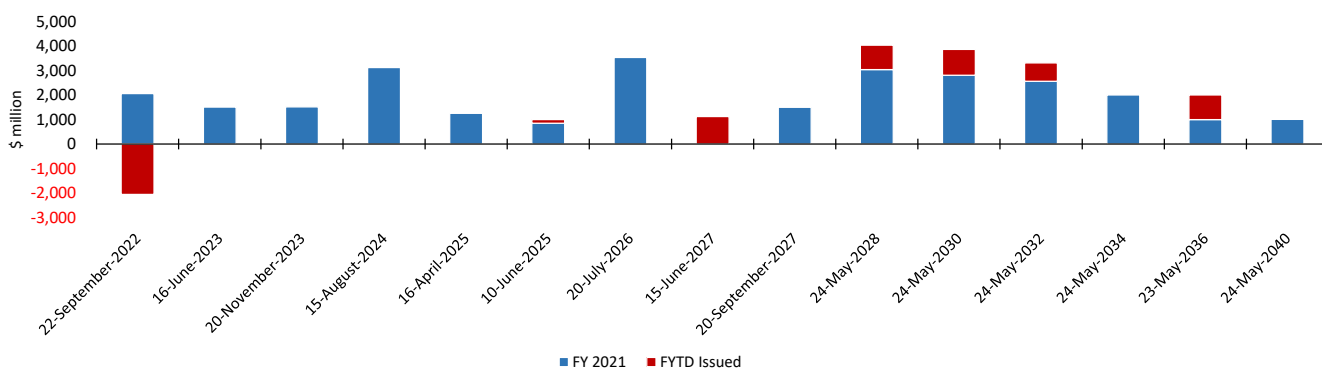
**FY2022-23 Long-Term Bond Issuance**

MYBR Estimate	\$4.80 billion
Face Value Raised	\$5.07 billion
Capital Value Raised	\$4.53 billion
<b>Remaining Capital Value</b>	<b>\$0.27 billion</b>

**Long Term Debt Issued FY2022-23**

July	May-36	\$1.0 billion
July	May-30	\$0.3 billion
August	June 2025 FRN	\$0.145 billion
August	May-32	\$0.75 billion
August	May-28	\$1.0 billion
October	May-30	\$0.75 billion
December	June 2027 FRN	\$1.125 billion

**Bonds Outstandings - Current**



LONG TERM FUNDING	\$ BILLION
2022-23 MYBR	4.80
2023-24 Projected	6.00 (less any pre-funding done during FY2022-23)
2024-25 Projected	6.20
2025-26 Projected	6.10

**LINES FOR REVERSE ENQUIRY**

Longer dated non-benchmark

**LINES FOR PUBLIC ISSUANCE CONSIDERATION**

New May 2038 Fixed

For enquiries please contact:

Andrew Kennedy, Director Treasury Services on (08) 8429 0416 / 0401 123 943

**LONG TERM FUNDING & ASSET MANAGEMENT**

Adrian Files, A/ Funding and Balance Sheet Manager on (08) 8429 0155

**SHORT TERM FUNDING & CASH MANAGEMENT**

Alex Oswald, A/ Cash and Liquidity Manager on (08) 8429 2941

**NOTES**

[SAFA MYBR 2022-23 Revised Funding Update](#)  
[SA Trsr / SAFA FY2022-23 Budget Presentation](#)  
[SAFA INVESTOR PRESENTATION JAN 2023](#)