

Reference: 20150210

6 July 2016

Troy Michie
fyi-request-2825-2797dcf2@requests.fyi.org.nz

Dear Troy Michie

Thank you for your Official Information Act request, received on 9 June 2015. You requested the following:

"... source of the \$40b that has borrowed since 2008, mainly the companies/banks that this money has been borrowed from as well as the rates of interest that have been charged and also any costings/quotes from the companies that were not used as a source of borrowing (as I would assume that there would have been some research into who would be best value to borrow from)."

With regard to the debt issued by the NZDMO since 2008, the Government does not enter into individual loan agreements when borrowing money. Instead the Government issues marketable securities which can be traded by investors. These are issued through regular tenders of Treasury Bills and Government Bonds and to retail investors resident in New Zealand through its Kiwi Bond programme.

Government Bonds and Treasury Bills are sold to registered tender participants; tender results, including the weighted-average yields for successful bids, are available on the NZDMO website at www.nzdmo.govt.nz. Tender participants may on-sell their bonds to clients or other investors. The clients tend to be various types of financial institutions either in New Zealand or offshore such as pension funds, investment funds, insurance companies and central banks. These securities may also be on-sold in smaller denominations through banks or brokers to private individuals. The NZDMO does not hold complete ownership details of Treasury Bills and Government Bonds as many investors hold their investments through companies providing custodial services.

A list of the amounts outstanding under all the Government's borrowing programmes as at 30 June 2014 is in the "New Zealand Economic and Financial Overview" which is available at: <http://www.nzdmo.govt.nz/publications/nzefo/2015>.

Updated monthly figures are published in the Government Financial Statements which are available at: <http://www.treasury.govt.nz/government/financialstatements/monthend>.

This fully covers the information you requested. You have the right to ask the Ombudsman to investigate and review my decision.

Yours sincerely

A handwritten signature in cursive script that reads "S Vrede". The signature is written in dark ink and is positioned above the printed name and title.

Sarah Vrede
Acting Head of Debt Management Office