

TCV 2020-21 Funding Announcement

Tuesday 24 November 2020

Treasury Corporation of Victoria (TCV) is the central financing authority for the State of Victoria and issues Victorian Government guaranteed debt for on-lending to the State and Victorian Government Business Enterprises. TCV and the State are rated AAA (negative) by Standard & Poor's Corporation and Aaa (stable) by Moody's Investors Service.

The 2020-21 Victorian Budget was handed down by the Treasurer of Victoria, Tim Pallas MP, on the 24th of November 2020. For the financial year ending 30 June 2021, TCV's total funding requirement is \$45.754 billion.

The following table outlines the projected borrowing program for the budget planning period to June 2022.

	2020-21 \$A millions	2021-22 \$A millions
Client new money requirement	42,227	23,211
Client loan refinancing	3,527	3,467
Client total financing requirement	45,754	26,678
Completed financing to date	-26,332	-1,100
Total to complete program	19,422	25,578

TCV 2020-21 Funding Strategy

The TCV funding strategy will continue to focus on:

- building outstandings in our existing benchmark bond lines
- establishing new 2025 and 2033 bonds to complete the infill of TCV's domestic bond curve to 2034
- growing recently created long dated non-benchmark lines
- maximising the diversity of our investor base.

The remainder of the 2020-21 long-term funding requirement will be predominately funded through the Domestic Benchmark Bond program. It is envisaged that TCV will be a more active issuer via public tenders and syndications, and reverse enquiry or tap issuance will continue to remain an important and significant part of our overall funding activity.

Given the increased size of the funding requirement TCV intends to hold a minimum of two tenders a month via Yieldbroker DEBTS. The timing of these tenders, the specific bonds and the volumes to be offered will be announced to the market when appropriate.

Once TCV has completed the in filling of its curve with the issuance of both the 2025 and 2033 bonds it will consider further extending the curve by creating a new 2035 maturity.

Short-term borrowing activities will continue to be sourced from our Australian Dollar Domestic Promissory Note program and the Euro Commercial Paper program. The mix of issuance will be determined by relative pricing and demand conditions in each of these markets.

TCV will consider non-AUD issuance via its EMTN program when issuance conditions are favourable.

TCV has no plans to issue inflation linked debt.

TCV would like to thank our investors and dealer panel intermediaries for their continued support and we look forward to successfully completing our market financing activities for 2020-21.

For further enquiries, please contact:

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