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Attachment B – Relevant Credit Opinions and Research Reports:

1. Moody's – 5 September 2022 – Credit Opinion
2. S&P Global – 27 March 2023 – Bulletin
3. S&P Global – 11 October 2022 – Credit Opinion
4. S&P Global – 5 August 2021 – Credit FAQ
5. Fitch – 1 November 2022 – Credit Opinion

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Attachment B – Relevant Credit Opinions and Research Reports

1. **Moody's – 5 September 2022 – Credit Opinion can be found at - https://www.moodys.com/research/State-of-New-South-Wales-Australia-Update-to-credit-analysis-Credit-Opinion--PBC_1337524**

Treasury

Attachment B – Relevant Credit Opinions and Research Reports

2. **S&P Global – 26 March 2023 – Bulletin**

S&P Global Ratings

RatingsDirect®

Bulletin:

New Government, Similar Budgetary Course In New South Wales

March 26, 2023

This report does not constitute a rating action.

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MELBOURNE (S&P Global Ratings) March 27, 2023--S&P Global Ratings anticipates the incoming government of New South Wales (NSW), Australia's most populous state, will continue the previous administration's course of gradual fiscal consolidation. This comes after Labor won power for the first time since March 2011.

Labor's election promises, if fully implemented, are unlikely to move the needle on our 'AA+' rating on NSW. In the run-up to the March 25 election, the state's independent parliamentary budget office assessed that Labor's policies would reduce net new borrowing needs by a cumulative A$2.1 billion over the next four years. This is modest relative to gross state debt of about A$160 billion and climbing. A large share of the purported savings will come from pausing certain highway upgrades, slashing spending on contractors, and thinning the senior ranks of the public service.

We see slight downside risk to the rating from potentially higher overall spending on public sector wages. This spending represents the state's single largest outlay. The incoming government proposes to abolish an existing "wage cap," though it would maintain existing targets of 3%-3.5% wages growth in fiscal 2024 (ending June 30) and 2.5% in subsequent years. Wages growth above these targets would be permitted with offsetting and budget-neutral "productivity savings," which may be difficult to quantify. If wages were instead to rise in line with inflation and without countervailing savings, there could be a further delay in the return to operating surplus. This, in turn, could call into question the quality of the state's financial management.

NSW's budgetary performance is near the weaker end of the spectrum among highly rated peers (see "Subnational Debt 2023: Australian States Navigate Crosscurrents Of COVID, Coal, And Capex," published Feb. 26, 2023). We still expect the state's debt burden to continue to rise. A major driver of NSW's after-capital-account deficits is its hefty infrastructure investment program, budgeted to exceed A$108 billion over four years (on a cash basis, at nonfinancial public sector level). On this, there is little to differentiate the major political parties. The new government has ruled out further "asset recycling" or privatizations, which might have helped narrow our measure of the after-capital-account deficit but are electorally unpopular.

Center-left Labor will hold a thin majority, based on the election count at the time of writing. The previous center-right Coalition had led a minority government since 2021 with the support of several crossbenchers. We note that hung parliaments are not uncommon in Australian state politics.

Our rating on NSW (AA+/Stable/A-1+) reflects the state's wealthy and diversified economy, excellent financial management, and exceptional liquidity. On our measures, NSW is likely to return to cash operating surpluses in fiscal 2023, after reporting operating deficits over the preceding three years. The state government rolled out tens of billions of dollars in public health and business support measures in response to COVID-19 lockdowns in 2020 and 2021. More recently, revenue upsides have been channeled into new spending in areas like healthcare and cost-of-living support, slightly delaying the fiscal recovery.

Related Research

- New South Wales (State Of), March 1, 2023
- Subnational Debt 2023: Australian States Navigate Crosscurrents Of COVID, Coal, And Capex, Feb. 26, 2023
- Institutional Framework Assessment: Australian States And Territories, May 4, 2022

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Attachment B – Relevant Credit Opinions and Research Reports

3. **S&P Global – 11 October 2022 – Credit Opinion**

S&P Global
Ratings

RatingsDirect®

New South Wales (State of)

October 11, 2022

This report does not constitute a rating action.

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Credit Highlights

Overview

Credit context and assumptions	Base-case expectations
Economy is maintaining momentum despite rising headwinds; excellent financial management continues to support ratings.	Budgetary performance is recovering, although still weak compared with peers; large infrastructure program to drive debt higher.
--The state economy is recuperating from earlier lockdowns, supported by high vaccination coverage and a low unemployment rate.	--NSW's operating balance will revert to surplus after about four years in deficit. Capital revenues are temporarily boosted by a large asset sale, but after-capital-account deficits remain structurally elevated at over 10% of revenues.
--Operating expense control has historically been a strength, although the latest budget introduces new spending initiatives that delay the return to surplus.	--Debt continues to rise. As taxation revenue and pandemic-related spending normalize, new borrowing will finance a large infrastructure program.
--Australia's institutional settings remain extremely predictable and supportive.	--Liquidity will remain exceptional, bolstered by strong access to debt capital markets.

Our long-term issuer credit ratings on New South Wales (State of) (NSW) are 'AA+'. Our ratings are supported by NSW's wealthy and diversified economy, excellent financial management, and exceptional liquidity.

Budgetary performance is gradually improving from a period of weakness. On our measures, NSW is likely to record small cash operating deficits for four consecutive years over fiscals 2020-2023 (years ending June 30). The state government rolled out tens of billions of dollars in public health and business support measures in response to COVID-19 outbreaks in 2020 and 2021. More recently, new spending in areas like early childhood education and affordable housing will weigh on performance for fiscal 2023.

We expect a return to cash operating surpluses, supporting our stable outlook on the state. NSW has achieved high vaccination coverage and further lockdowns appear unlikely. Meanwhile, after-capital-account deficits will narrow in line with the improving operating position but remain elevated because of the state's historically large infrastructure pipeline.

Outlook

The stable outlook reflects our expectation that NSW's budgetary performance will recover during the next few years as its economy climbs out of a COVID-19-induced downturn. New borrowings will see NSW's debt continue to rise and remain consistent with its 'AA+' rated peers.

Downside scenario

Downward pressure on the ratings could emerge if NSW's financial management weakens or its budget becomes increasingly constrained due to policy decisions, which could see the government borrow regularly to fund operating expenses.

Downward pressure could also emerge if NSW underperforms our expectations, such that its operating deficits or large after-capital-account deficits become entrenched, resulting in a steeper rise in debt than we presently forecast. This could occur, for instance, if NSW further expands its infrastructure program without concomitant revenue growth.

Upside scenario

Upward pressure on the ratings could emerge if NSW's fiscal performance were to substantially exceed our expectations, with stronger after-capital-account balances. This could result in the state's debt burden falling well below our present forecast.

Rationale

Economy is maintaining momentum despite rising headwinds; excellent financial management continues to support ratings

NSW's economic fundamentals remain strong. The state economy is recovering from a lockdown in the third quarter of 2021 and floods in the first quarter of 2022. The labor market is a bright spot. The state's unemployment rate stood at 3.4% in August 2022, roughly in line with the national average, which itself is near record lows. In addition, by early 2022 the NSW economy had recovered all the jobs lost during prior lockdowns. NSW has achieved high vaccination coverage, with approximately 96% of its eligible population (ages 16 and above) double dosed. The state has phased out most of its remaining mask-wearing rules and is soon to eliminate the last mandatory isolation rules for COVID-19 positive cases.

We see rising headwinds from monetary policy tightening. The Reserve Bank of Australia (RBA) has lifted its policy rate target aggressively to 2.60%, or by 250 basis points in just six months, in response to surging inflation. We forecast that it will continue hiking to 3.1% by the end of 2022 (see "Economic Outlook Asia-Pacific Q4 2022: Dealing With Higher Rates," published Sept. 25, 2022). This is translating into higher mortgage rates. House prices are declining, after they appreciated strongly during the pandemic, which we expect will lead to a falloff in NSW's transfer duty revenues.

NSW has the largest subnational economy in Australia, accounting for about one-third of national GDP. Its populace is wealthy by international standards, with nominal gross state product per capita of about US$58,800 (as of June 30, 2021, based on the year-average exchange rate). Its economy is services-driven and highly diversified. The state's population stands at about 8.1 million. Its capital, Sydney, is Australia's largest city and most important commercial hub.

The NSW government's longstanding focus on control of operating expenses contributes to our positive assessment of its financial management. NSW has successfully implemented several rounds of savings measures and kept public sector wage growth relatively low. The government has recently lifted its cap on public sector wage growth for the next two fiscal years to 3% from 2.5%, although it faces pressure for higher pay from public sector unions. NSW has also been a global leader in using its balance sheet to support its infrastructure strategy.

NSW's Fiscal Responsibility Act 2012 commits the state (at the "general government" level) to keeping operating expense growth below long-term average operating revenue growth, currently calculated at 5.6% per annum. However, the target will be breached over fiscal years 2020 to 2022 due to large outlays in response to the pandemic. In its November 2020 budget, NSW also revised the schedule to fully fund its superannuation (i.e., defined-benefit pension) liabilities, delaying the target date to 2040 from 2030. NSW will resume making contributions after a two-year suspension, and so the change does not weigh on our credit assessment. Further delays or reductions in contributions could weaken our view of future budgetary performance or financial management.

Supporting NSW's management is the institutional framework within which all Australian states and territories operate. We consider this framework to be one of the strongest and most predictable for subsovereign governments globally (see "Institutional Framework Assessment: Australian States And Territories," published May 4, 2022). It promotes a robust management culture and high levels of financial disclosure and transparency.

Recent ministerial changes do not materially affect NSW's medium-term fiscal trajectory, in our view. The former treasurer, Dominic Perrottet, was elevated to premier (head of government) in October 2021 following the resignation of his predecessor, and a new treasurer was appointed at the same time. Budget transparency remains solid. The NSW government produces annual budgets that include detailed projections for the next four years. It also produces midyear updates and audited final financial outcomes, generally within four months of period-end, though there were delays in the last two fiscal years. Accounts are prepared on both a cash and accrual basis, with public corporations consolidated in these accounts.

Budgetary performance is recovering, although still weak compared with peers; large infrastructure program to drive debt higher

We expect NSW's cash operating position will revert to surplus in fiscal 2024 after four years in deficit. We have pushed back this surplus target date by a year following recent spending announcements across early childhood education, affordable housing, clean energy, and flood response. The state government estimates that it has committed A$53 billion since March 2020 in responding to and recovering from COVID-19, with several billion dollars recouped from the sovereign or from revenues deferred but not lost. Operating revenue is now rebounding, supported by buoyant labor markets and higher goods-and-services tax (GST) grants from the sovereign. The June 2022 state budget announced modest tax reform, giving first home buyers a choice between paying transfer duty or an annual property tax. The state estimates the cost of this reform (in the form of lost revenue) at A$664 million over four years.

We project NSW's after-capital-account deficit will remain above 10% of total revenues. On our measures, NSW's budgetary performance is relatively weak compared with domestic peers except Victoria (State of) (AA/Stable/A-1+). NSW has large infrastructure ambitions and is forecasting capital expenditure (on a cash basis) to exceed A$106 billion over the next four years. About two-thirds of this total is allocated to road, rail, and transport projects, with the remainder spread across health, education, and other areas. Our credit analysis is based on NSW's nonfinancial public sector, which consolidates the general government sector and government-owned corporations. We treat as capital revenue approximately A$11 billion received from the state's sale of its 49% stake in WestConnex, a motorway scheme, in September 2021.

With record levels of public infrastructure investment budgeted across Australia, we see some risk of project delays due to market capacity constraints and supply chain disruptions. NSW's budget already includes an allowance for A$8 billion of capital slippage in fiscal 2023. Our forecasts still assume some under-delivery over the next two years.

While the state's infrastructure pipeline will be partially funded by financial assets previously accumulated in the NSW Infrastructure Future Fund, new borrowing will still be needed. We expect NSW's adjusted tax-supported debt to rise to about 160% of operating revenue by the end of fiscal 2025, up from 102% in fiscal 2020. The rise in public debt is a common theme across most Australian states (see "Local Government Debt 2022: Australian State Debt To Breach Half A Trillion Dollars," published March 9, 2022).

NSW's reported debt includes a few billion dollars of lease liabilities and financial liabilities associated with assets acquired using "service concession" arrangements. Under Australian Accounting Standards Board (AASB) 16 Leases, there has been no distinction between operating leases and finance leases from fiscal 2020 onward. Australia's public accounting standards in this regard appear to be more conservative than those of some foreign jurisdictions.

In our adjusted measure of NSW's tax-supported debt, we deduct assets of the NSW Generations Fund (NGF). The NGF, as described in the NSW Generations Funds Act 2018, is a sinking fund that sets aside money to reduce future debt. Its balance stood at A$15.2 billion as of April 2022. We apply haircuts to the NGF's noncash assets, reflecting their market price and liquidity risks.

We expect NSW to draw down on the NGF in the near term before it grows again through investment earnings and future contributions. The NSW government deposited A$11 billion from the WestConnex transaction into the NGF and is using these proceeds to buy back and retire market debt over a two-year period, starting with $4.3 billion of bonds that matured in March 2022. This will reduce NSW's gross borrowing needs. At the same time, the government has decided to suspend other contributions into the NGF in fiscal 2023. This is a temporary change from its previous plan to direct surplus cash, dividends from state-owned

corporations, and mining royalties into the NGF (see Credit FAQ: How New South Wales' Generations Fund Is Influencing State Credit Quality, published Aug. 5, 2021).

NSW's liquidity remains robust. We estimate that its total free cash, after funding contracted year-to-date and after applying our standard haircuts to noncash financial assets, is sufficient to cover about 131% of debt service during the next 12 months. We expect NSW's debt-servicing needs to comprise about A$11.4 billion in short-term commercial paper, A$4.4 billion of term debt maturing this fiscal year, and A$4 billion-A$5 billion in annual interest expenses.

We consider NSW to have strong access to external liquidity, reflecting its demonstrated history of issuing bonds in deep and liquid capital markets. The RBA backstopped the domestic government bond market through a quantitative easing program that ran from November 2020 to February 2022. It is now allowing its bond holdings to gradually diminish as they mature. We also believe the Australian government would provide support to states, if needed in a severe stress scenario, as it did in 2009-2010, when it offered to provide a guarantee over state and territory government borrowing.

We expect NSW's annual interest expenses to remain below 5% of operating revenues despite the recent rise in market yields. New South Wales Treasury Corp. (TCorp) manages the state's liquidity and external borrowings. Most of TCorp's outstanding debt issuance is in the form of Australian-dollar fixed-rate benchmark bonds, with a small volume of inflation-linked bonds, floating-rate notes, and foreign-currency notes. It uses swaps to fully hedge its foreign-currency exposures. TCorp has reduced refinancing risk by lengthening its maturity profile, and it actively engages in "switches" by buying back bonds nearing maturity and issuing at longer tenors. TCorp also has A$8.8 billion in green and sustainability bonds on issue.

NSW's contingent liabilities are small and do not weigh on our credit assessment. Reported contingent liabilities stand at about A$2 billion at general government level for fiscal 2022. We also consider the state's share of the liabilities of minority-owned companies Ausgrid and Endeavour Energy to be potential contingent liabilities.

Selected Indicators

Mil. A$	2020	2021	2022e	2023bc	2024bc	2025bc
Operating revenue	86,917	92,120	107,561	107,217	107,688	110,549
Operating expenditure	89,002	92,331	110,061	107,857	103,113	103,179
Operating balance	(2,085)	(211)	(2,500)	(640)	4,575	7,370
Operating balance (% of operating revenue)	(2.4)	(0.2)	(2.3)	(0.6)	4.2	6.7
Capital revenue	2,629	2,809	13,313	3,510	6,715	6,412
Capital expenditure	21,547	21,588	24,227	26,546	25,488	26,387
Balance after capital accounts	(21,003)	(18,990)	(13,414)	(23,677)	(14,198)	(12,605)
Balance after capital accounts (% of total revenue)	(23.5)	(20.0)	(11.1)	(21.4)	(12.4)	(10.8)
Debt repaid	4,200	3,800	4,400	5,300	7,800	8,900
Gross borrowings	6,600	24,000	25,800	20,615	27,297	26,747
Balance after borrowings	(18,603)	1,210	7,986	(8,362)	5,299	5,242
Tax-supported debt (outstanding at year-end)	89,041	111,109	123,263	147,330	163,303	176,754
Tax-supported debt (% of consolidated operating revenue)	102.4	120.6	114.6	137.4	151.6	159.9
Interest (% of operating revenue)	3.2	3.3	3.2	3.8	4.2	4.5
National GDP per capita (A$)	77,153	80,485	88,546	93,041	94,608	96,556

The data and ratios above result in part from S&P Global Ratings' own calculations, drawing on national as well as international sources, reflecting S&P Global Ratings' independent view on the timeliness, coverage, accuracy, credibility, and usability of available information. The main sources are the financial statements and budgets, as provided by the issuer. bc--Base case reflects S&P Global Ratings' expectations of the most likely scenario. e--Estimate. A$--Australian dollar.

Ratings Score Snapshot

Key rating factors	Scores
Institutional framework	1
Economy	1
Financial management	1
Budgetary performance	4
Liquidity	1
Debt burden	4
Stand-alone credit profile	aa+
Issuer credit rating	AA+

S&P Global Ratings bases its ratings on non-U.S. local and regional governments (LRGs) on the six main rating factors in this table. In the **"Methodology For Rating Local And Regional Governments Outside Of The U.S.,"** published on July 15, 2019, we explain the steps we follow to derive the global scale foreign currency rating on each LRG. The institutional framework is assessed on a six-point scale: 1 is the strongest and 6 the weakest score. Our assessments of economy, financial management, budgetary performance, liquidity, and debt burden are on a five-point scale, with 1 being the strongest score and 5 the weakest.

Key Sovereign Statistics

Sovereign Risk Indicators. An interactive version is available at https://www.spratings.com/sri.

Related Criteria

- Criteria | Governments | International Public Finance: Methodology For Rating Local And Regional Governments Outside Of The U.S., July 15, 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Default, Transition, and Recovery: 2021 Annual International Public Finance Default And Rating Transition Study, Oct. 4, 2022
- Economic Research: Economic Outlook Asia-Pacific Q4 2022: Dealing With Higher Rates, Sept. 25, 2022

- Comparative Statistics: Local And Regional Government Risk Indicators: Asia-Pacific LRGs' Post-Pandemic Appetite For Capital Spending Is Strong, Sept. 22, 2022
- Institutional Framework Assessments For International Local And Regional Governments, Sept. 13, 2022
- Local And Regional Governments Outlook 2022: Life Without Central Government Crutches, July 13, 2022
- Bulletin: Two Steps Forward, One Step Back For New South Wales Budget, June 20, 2022
- Global Ratings List: International Public Finance Entities 2022, June 3, 2022
- Institutional Framework Assessment: Australian States And Territories, May 4, 2022
- Local Government Debt 2022: Credit Quality Recuperating For Largest Regions In Developed Markets, April 11, 2022
- Local Government Debt 2022: Australian State Debt To Breach Half A Trillion Dollars, March 9, 2022
- Australian States Embark On The Recovery Path, Nov. 29, 2021
- Credit FAQ: How New South Wales' Generations Fund Is Influencing State Credit Quality, Aug. 5, 2021
- Ratings History List: Asia-Pacific Local And Regional Government Ratings Since 1975, May 29, 2020

Ratings Detail (as of October 11, 2022)*

New South Wales (State of)	
Issuer Credit Rating	AA+/Stable/A-1+
Issuer Credit Ratings History	
06-Dec-2020	AA+/Stable/A-1+
07-Apr-2020	AAA/Negative/A-1+
26-Sep-2018	AAA/Stable/A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings credit ratings on the global scale are comparable across countries. S&P Global Ratings credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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Treasury

Attachment B – Relevant Credit Opinions and Research Reports

4. S&P Global – 5 August 2021 – Credit FAQ

S&P Global
Ratings

RatingsDirect®

Credit FAQ:

How New South Wales' Generations Fund Is Influencing State Credit Quality

August 5, 2021

This report does not constitute a rating action.

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Investors are displaying growing interest in S&P Global Ratings' analytical treatment of the New South Wales Generations Fund (NGF). This follows the June 2021 New South Wales (NSW) state budget and New South Wales Treasury Corp.'s (TCorp's) subsequent announcement of its fiscal year 2021-2022 borrowing intentions.

Our 'AA+/Stable/A-1+' credit ratings on the Australian state of NSW are supported by factors such as its robust management of debt and liquidity. The NSW government is responding to the aftereffects of last year's COVID-19-related recession and the current evolving outbreak in Sydney by cushioning the economy through temporary fiscal support and enlarging its infrastructure investment program. This will see public debt rise sharply, even if prospective asset transactions eventuate. We expected this when we lowered our rating on the state in December 2020.

The NGF sets aside money to retire debt at some (unspecified) time. We consider such debt retirement funds, under certain circumstances, to be credit positive. However, the NGF's projected growth and asset allocation may also engender risks. In forming our views, we will evaluate whether the state's strategy increases or decreases its overall balance sheet risk, rather than looking at the fund in isolation. In this commentary, we address the key questions that have been of interest to investors.

Frequently Asked Questions

What is the NGF?

The NGF was established under the NSW Generations Funds Act 2018. It comprises two separate funds: the NSW Generations (Debt Retirement) Fund and the NSW Generations (Community Services and Facilities) Fund.

The Debt Retirement Fund is by far the larger component, valued at A$11.3 billion as of June 30, 2020 (the end of the fiscal 2019-2020 year). The Community Services and Facilities Fund had a balance of just A$37.6 million at the same date. The two funds are ringfenced from each other. This Credit FAQ is primarily concerned with the Debt Retirement Fund (DRF). For clarity, we will use the term "DRF" rather than the broader New South Wales Generations Fund(s).

As outlined in its enabling legislation, the DRF's purpose is "to provide funding to reduce the debt of the state." State budget documents describe the fund as supporting intergenerational equity by "ensuring future generations are not burdened with excessive debt."

Money may be paid into the DRF by parliamentary appropriation or ministerial direction. In addition, the DRF's own investment returns, income from certain "relevant NSW equity interests," and any proceeds from the sale of such equity interests are automatically paid into the DRF. The legislation names Roads Retained Interest Pty Ltd. (RRIPL) as a relevant equity interest. RRIPL is a government-owned corporation that holds NSW's 49% stake in WestConnex Group, which is building Australia's largest road infrastructure project.

Payments out of the DRF can only be made for retiring debt or for administrative expenses relating to the control and management of the fund.

How does S&P Global Ratings treat the DRF when calculating NSW's debt metrics?

In assessing state, local, and regional government credit ratings, we use a measure called tax-supported debt. This includes market and nonmarket borrowings as well as other debtlike obligations, such as lease liabilities. For Australian states, we also consolidate the debt of public nonfinancial corporations, such as state-owned water utilities. But in our measure of NSW's tax-supported debt, we deduct the balance of the DRF. This is the same treatment we apply to the Canadian Province of Québec, which established its Generations Fund in 2006. We do not adjust our interest expense metric.

We apply this treatment only in limited situations in which a rated entity establishes a debt retirement fund under legislation and when drawdowns are restricted to debt repayment and not any ordinary spending.

Does this mean S&P Global Ratings measures indebtedness the same way the NSW government does?

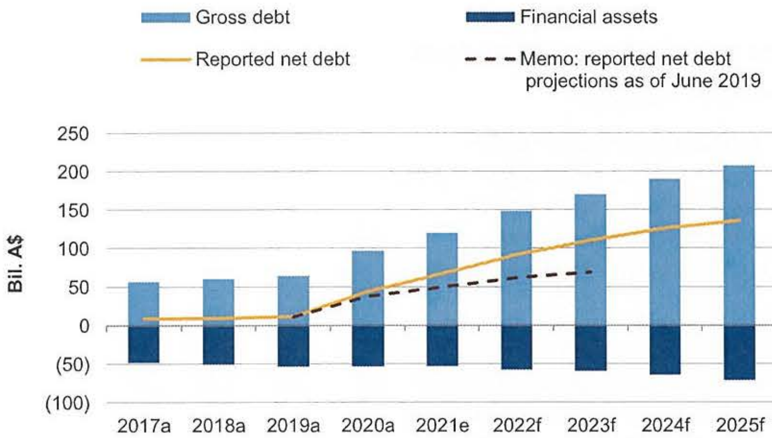
We do not adopt NSW's own measure of net debt. All Australian states report net debt as an important budget aggregate. This is usually at "general government" level, which excludes public corporations. Many also set self-imposed fiscal rules or targets that are expressed in net debt terms.

In the case of NSW, financial assets incorporated in the state's own calculation of net debt include the DRF as well as multiple other state investment funds, such as the NSW Infrastructure Future Fund (NIFF), Social and Affordable Housing Fund, and Treasury Managed Fund. Each of these funds serves a different policy purpose. Because we subtract only the balance of the DRF, our adjusted measure of NSW's tax-supported debt will arithmetically be higher than the state's reported net debt (charts 1a and 1b).

Chart 1a

NSW's Reported Net Debt Is Set To Climb...

Gross debt and net debt at NFPS level

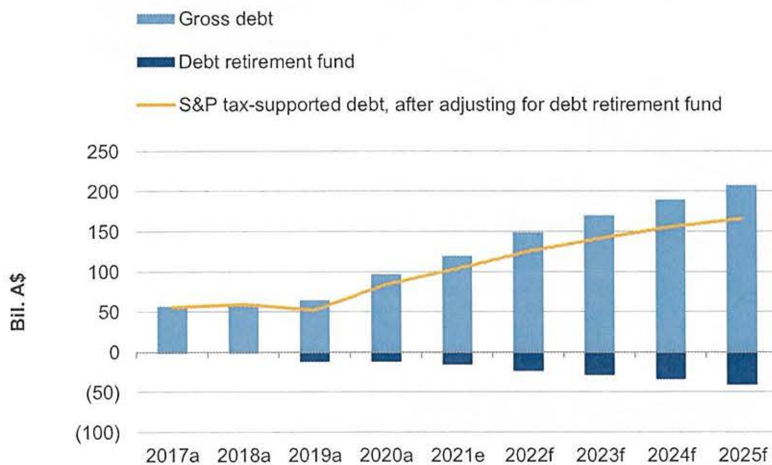


NSW--New South Wales. NFPS--Nonfinancial public sector. a--Actual. e--Estimate. f--Forecast. Bil.--Billion. The fiscal year ends on June 30. Source: NSW budget papers and annual reports.

Chart 1b

And Our Measure Of Offsetting Financial Assets Is Narrower

Gross debt and S&P tax-supported debt at NFPS level



NSW--New South Wales. NFPS--Nonfinancial public sector. a--Actual. e--Estimate. f--Forecast. Bil.--Billion. The fiscal year ends on June 30. Source: NSW budget papers and annual reports.

Charts 1a and 1b are indicative only. The medium-term rise in NSW's debt will probably be shallower than forecast if the state under-delivers on its capital budget, as is common. But downside risks in the short run are heightened because of the evolving coronavirus outbreak in Sydney, discussed further below.

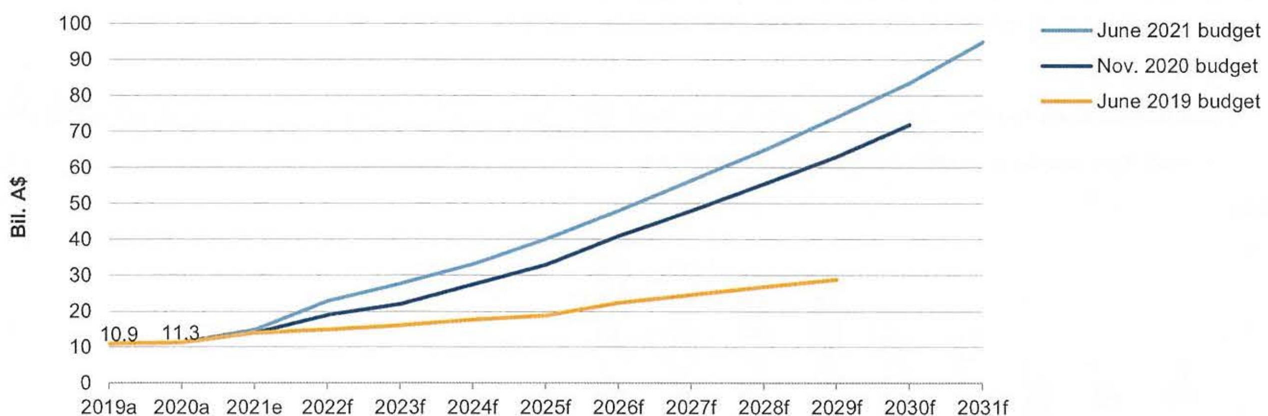
How does S&P Global Ratings project the future growth of the DRF and are there upsides to the trajectory presented in the NSW budget?

In late 2018, NSW deposited A$10 billion into the DRF. The fund will grow through further contributions and investment returns. Its long-term return objective is 4.5% p.a. above inflation, over rolling 10-year periods. For our own forecasts, we may apply different rate-of-return assumptions to those used by NSW. The fund's most recent annual report shows it has a diversified asset class mix, with 40.1% allocated to equities, 22.5% to other liquid assets, 14.2% to credit, 11% to direct assets, and 12.2% to cash.

The state's projections for growth of the DRF have been continually revised upward (chart 2), with the latest budget forecasting that its balance will exceed A$90 billion within a decade. This is occurring because in the years since the DRF's inception, NSW has progressively committed to diverting more and more revenue items into the DRF. For instance, the November 2020 budget promised to redirect "surplus cash," future dividends from state-owned corporations, and future mining royalties into the DRF. The June 2021 budget added future TCorp dividends and income tax-equivalent receipts to this list.

Chart 2

NSW's Debt Retirement Fund Projections Have Been Repeatedly Revised Upward



NSW--New South Wales. A--Actual. E--Estimate. F--Forecast. The fiscal year ends on June 30. Source: Approximations based on charts in NSW budget papers.

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We expect that other, unbudgeted contributions will further enlarge the DRF. For instance, the projections in chart 2 do not include proceeds from the impending sale of NSW's 49% stake in WestConnex, though they do include distributions from RRIPL that will continue to be earned if the

divestment does not transpire. Because WestConnex (via RRIPL) is identified as a "relevant NSW equity interest" under the NGF legislation, its sale proceeds will be deposited into the DRF. We therefore believe the proceeds won't be used to reduce the size of TCorp's borrowing task or "recycled" into near-term infrastructure investment, though debt paydowns remain an option.

In addition, NSW announced in November 2020 a scoping study into monetizing its lotteries duty revenue stream. According to the accompanying media release, consideration will be given to placing cash proceeds from this monetization into the DRF, too.

We note that in NSW's cashflow statements, payments into the DRF are recorded "below the line" as purchases of "investments in financial assets for liquidity purposes." The sums in this row have been revised upward in the June 2021 budget. The increases partly reflect decisions to redirect more cash and future revenues into the DRF, as discussed above. However, transactions related to NSW's various other investment funds are also reported here. For instance, the June 2021 budget describes the establishment of a Snowy Hydro Legacy Fund in mid-2021, with seed funding of A$2 billion. The reinvestment of in-year returns from the state's funds flows through this line as well. As such, the cashflow sums alone should not be taken as an estimate of how much money is being diverted into the DRF.

Does S&P Global Ratings believe NSW is borrowing money to invest in high-risk financial assets?

If a government were to borrow to invest in financial assets, in our view, this would weaken its credit risk profile. This is distinct from borrowing to fund real infrastructure or to prefund upcoming debt maturities.

The NGF's enabling legislation does not allow the state to directly borrow money to place into the DRF. However, cash is fungible. NSW is running cash deficits and concurrently rerouting cash into the DRF that might otherwise be used to meet immediate spending needs. In turn, this means it must borrow more than would otherwise be required to plug the deficit. We therefore think the corollary to recent decisions to tip more money into the DRF is that NSW's gross debt and its financial assets are expanding at a faster pace. This may be roughly neutral on our adjusted tax-supported debt measure and neutral in net debt terms, but not neutral for balance sheet risk or consequently the credit rating.

Market participants have construed the DRF as a carry trade. According to NSW budget documents, the DRF has a high allocation to growth assets because of its long-term investment horizon. It is thus different to several other state investment funds, such as the NIFF, which keeps two-thirds of its portfolio in defensive assets (i.e., liquid cash and bonds) to meet short- to medium-term capital spending needs.

The NSW government acknowledges the varying risk-return profiles of its different investment funds. For instance, the February 2021 half-year review explains that "the state's growing pool of financial assets increases the impacts of financial market volatility on the state's balance sheet ... While market risk can be mitigated through portfolio diversification and ensuring only appropriate levels of risk are taken, significant unexpected shifts in market performance, such as during the months of February and March 2020, can impact the state's financial assets and net debt." We agree with this assessment, noting that any market volatility would also tend to affect our measure of NSW's tax-supported debt in a procyclical way.

What are the implications for the state's credit quality?

In forming our views, we will consider whether the state's actions increase or decrease its overall balance sheet risk, rather than looking at the DRF in isolation. We think the creation of the DRF was logical--it was established at a time when NSW's debt burden was significantly lower, at about 60%-70% of operating revenues, and seeded with A$3 billion of surplus cash and A$7 billion from the first WestConnex transaction. But the rapid projected growth of the fund toward A$90 billion, at a time when NSW is also incurring substantial deficits, may accentuate exposure to market risks.

To ensure potential market risks are factored into our credit assessment, we may alter our valuation of the DRF's assets when calculating the state's adjusted debt, revert to measuring tax-supported debt without the deduction, or factor these risks elsewhere in the credit rating construct. We already adjust or haircut other financial assets (not just for NSW, but for all state, local, and regional governments) when calculating debt-service coverage as part of our liquidity assessment to account for the fact that certain assets may be illiquid or devalued in a stress scenario.

In cases where a government's exposure to market risks becomes excessive, in our view, we may lower its financial management and/or debt burden assessments. U.K. councils are a more extreme case in point. Several have borrowed to support the acquisition of commercial real estate investments, drawing scrutiny from the former Public Works Loan Board (see "Institutional Framework Assessment: U.K. Local And Regional Government: Local Authorities," published Oct. 9, 2020).

We will apply similar principles to other rated entities but assess them on a case-by-case basis. By way of comparison, Québec's Generations Fund is comparable in size to the DRF, with a book value of C$11.9 billion as of March 31, 2021. (Québec's outstanding debt stock is much larger than NSW's, at about C$264 billion.) The Québec government (AA-/Stable/A-1+) projects it to reach C$30.3 billion by 2026. The Québec Generations Fund has a similar target mix of diversified assets in its investment policy to the DRF. We note, too, that the Australian state of Queensland recently established a debt retirement fund (Queensland Future Fund) of its own.

Does the DRF constrain NSW's fiscal options?

We believe the DRF gives NSW more latitude to manage its debt burden in the long run because it can choose to retire or buy back debt at opportune times. The state's net financial worth will also grow so long as investment returns exceed the cost of borrowing. However, we think the hypothecation of future revenue streams to the DRF could curtail NSW's budgetary flexibility. The sums earmarked for the DRF are relatively minor, representing a few billion dollars out of annual state operating revenues in the order of A$90 billion. But if they grow materially, we may reflect this in a weaker budgetary performance assessment.

A cash operating surplus, which we expect NSW to achieve soon, ordinarily denotes a government's ability to cover its operating expenses with operating revenues. In the case of NSW, though, a small surplus may still imply a need to borrow to meet recurrent spending because some revenues will be diverted into the DRF. In addition, a provision in the NGF legislation allows the treasurer to direct "windfall tax revenue in excess of budget forecasts" into the DRF. This could mean that unanticipated improvements in NSW's tax intake will not translate into smaller borrowing tasks. Again, if this occurs, we may consider revising our budgetary performance assessment.

Are changes to the DRF's governance material to the way that S&P Global Ratings evaluates it?

We view as robust the current governance of the DRF and legislated rules that it can be used only to repay debt. Imminent changes to its governance and the dissolution in 2020 of the NGF's advisory board are therefore credit neutral. A bill before the NSW state parliament purports to increase transparency by requiring any government that wants to draw on the DRF to report those drawdowns to parliament. We note that the NGF already publishes an annual report and audited financial statements for both of its constituent funds.

How does the Greater Sydney lockdown affect NSW's finances?

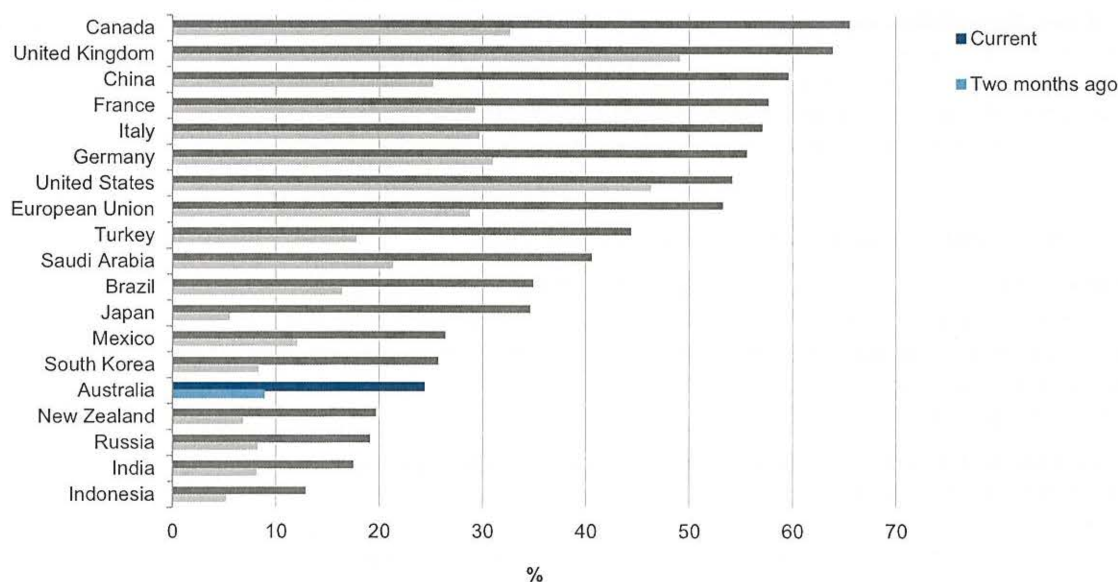
While NSW had been virtually coronavirus-free over the fiscal 2020-2021 year, setting the scene for a strong economic recovery, a recent outbreak of the highly contagious Delta variant has flipped the script. In late June, the state government reintroduced strict stay-at-home orders for Greater Sydney. This region encompasses one-fifth of Australia's population. The lockdown is scheduled to last until at least the end of August.

We anticipate more fiscal relief if the lockdown extends beyond August. The federal and state governments have so far announced a support package that includes direct cash grants and temporary taxation relief. The cost of NSW's announcements totaled about A$4.1 billion as of July. In addition, there will be a hit to NSW's own-source revenue and future grant receipts from the drag on economic activity, pointing to downside risk to the state's deficit forecast for fiscal year 2021-2022.

Meanwhile, the Reserve Bank of Australia has stuck to its timeline for tapering bond purchases from September, signaling confidence in the economy's ability to bounce back quickly and in governments' access to debt funding markets. We agree that the economy has proven resilient to damage from past lockdowns (see "Australia Lockdowns Unlikely To Delay Fiscal Repair," published Aug. 4, 2021).

We believe NSW can manage the costs of the current lockdown, provided it is not prolonged for many months, at its current 'AA+' rating. However, occasional outbreaks and stop-start, circuit-breaker lockdowns will remain a concern for all Australian states through the remainder of 2021, especially as the national vaccination effort has been torpid (chart 3). Under a plan agreed by National Cabinet on July 30, lockdowns will become less likely only once 70%-80% of the adult population (equivalent to about 56%-64% of the total population) is fully vaccinated.

Chart 3



The percentage of population covered divides doses administered for each vaccine type by the number of doses required for full vaccination. Source: Bloomberg Vaccine Tracker as of August 3, 2021.

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Related Research

- Australia Lockdowns Unlikely To Delay Fiscal Repair, Aug. 4, 2021
- New South Wales's Medium-Term Budget Tracking Broadly As Expected, June 22, 2021
- New South Wales Ratings Lowered To 'AA+' On COVID-19-Induced Rising Debt Burden; Outlook Stable, Dec. 7, 2020
- New South Wales Treasury Corp. Long-Term Rating Lowered To 'AA+' After Similar Action On Australian State; Stable, Dec. 7, 2020
- Institutional Framework Assessment: U.K. Local And Regional Government: Local Authorities, Oct. 9, 2020

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Treasury

Attachment B – Relevant Credit Opinions and Research Reports

5. **Fitch – 1 November 2022 – Credit Opinion**

RATING ACTION COMMENTARY

Fitch Affirms New South Wales and New South Wales Treasury Corporation at 'AAA'; Outlook Stable

Tue 01 Nov, 2022 - 5:42 AM ET

Fitch Ratings - Sydney - 01 Nov 2022: Fitch Ratings has affirmed the Long-Term Foreign- and Local-Currency Issuer Default Ratings (IDRs) for the State of New South Wales (NSW) and New South Wales Treasury Corporation (TCorp) at 'AAA'. The Outlook is Stable. Fitch has also affirmed Short-Term Foreign- and Local-Currency IDRs of 'F1+' for the two entities.

The ratings on all of TCorp's outstanding senior unsecured bonds and notes, and its Commonwealth of Australia-guaranteed bond have also been affirmed at 'AAA'. Fitch has also affirmed the short-term rating of 'F1+' for TCorp's USD10 billion commercial paper programme and all issuance under the programme.

The ratings are based on NSW's Standalone Credit Profile (SCP) of 'aaa', which Fitch has assigned under our International Local and Regional Governments (LRG) Rating Criteria from a combination of a 'Stronger' risk profile and debt sustainability score in the 'aa' category.

Fitch classifies Australian states and territories (states) as 'Type A' LRGs based on their structural attributes, such as their material share of general government expenditure, including responsibilities for health and education spending, tax-sharing arrangements with the federal government and the ability to incur and sustain budgetary deficits.

We regard TCorp as a government-related entity (GRE) under our Government-Related Entities Rating Criteria. The criteria include an equalisation factor for entities that receive a guarantee from a government sponsor for a majority of their debt obligations (more than 75%), which is applied to our rating assessment of TCorp on the basis of the full NSW government guarantee. As a result, the key rating drivers reflect those of the state.

KEY RATING DRIVERS

Risk Profile: 'Stronger'

We evaluate NSW across six key risk factors, which we assess as 'Stronger' or 'Midrange'. We do not assess any factors as 'Weaker'. The 'Stronger' assessment reflects a negligible risk that the issuer's ability to service debt with its operating balance may weaken over the scenario horizon to FY26 due to revenue that is below or expenditure that is above our expectations, or because of an unanticipated rise in liabilities or debt-servicing requirements.

Revenue Robustness: 'Stronger'

The NSW economy contributes around a third of national GDP and is key to Australia's (AAA/Stable) strong and sustained record of economic growth. The economy is diverse, with a large services sector, high wealth levels and stable employment base - unemployment is currently at record lows and supports the state's recovery from the pandemic downturn. Economic growth generally tracks in line with national growth and prospects for continued growth are strong.

The state's primary revenue sources are federal grants, which are distributed under a well-established and stable transfer system and contributed around 39% of the state's total reported revenue in FY21. State taxes formed another 39% of NSW's reported revenue. The state's Fitch-adjusted total revenue CAGR for FY17-FY21 was 3.3%, compared with its GDP growth of 3.5% and national GDP growth of 4.5%.

Revenue Adjustability: 'Stronger'

Australian states have unrestricted ability to adjust own-source revenue, but they typically avoid major changes due to political pressure or to remain competitive with domestic peers. The large portion of federal transfers restrains budgetary flexibility, although NSW has high revenue independence and fiscal autonomy relative to domestic peers due to its large economy and taxpayer base. We estimate that additional revenue that can be raised via tax adjustments would cover over 200% of a reasonably expected

decline in revenue, without unduly restricting household budgets. This supports the 'Stronger' assessment.

Expenditure Sustainability: 'Stronger'

States' expenditure responsibilities cover a major portion of total government spending, including education and healthcare. We view these as typically predictable with low cyclicality. Social welfare is covered by the central government, which reduces major counter-cyclical spending by states. NSW is committed to fiscal discipline and aims to limit expenditure growth to below revenue growth.

Despite current spending pressures related to the pandemic, natural disaster recovery and the rising cost of living, we believe the state's history of strong financial management and fiscal discipline will result in tight long-term expenditure control, leading to the 'Stronger' assessment.

Expenditure Adjustability: 'Midrange'

Australian states have high autonomy over their delivery of public services, although broad expenditure responsibilities restrict spending flexibility. We estimate that around 80% of NSW's total costs are inflexible, which is within our criteria threshold of between 70% and 90% for a 'Midrange' assessment of expenditure adjustability.

Staff costs contribute around half of total Fitch-adjusted operating expenditure, and key public services of health and education comprise around 47% of the state's total expenditure. NSW has limited flexibility to reduce these costs. Capital spending accounts for around 17% of NSW's total spending and provides some budgetary flexibility via the ability to reduce or defer capital projects, supporting our 'Midrange' assessment.

Liabilities & Liquidity Robustness: 'Stronger'

NSW's strong debt and liquidity management is reinforced by its sophisticated financing vehicle - TCorp - and robust risk management and governance settings. TCorp has established access to domestic and international debt markets with a deep and diversified investor base providing strong demand for its securities. Foreign-exchange risk is effectively hedged and borrowings are mainly on fixed rates to minimise interest-rate risk. The debt profile is long-dated, with well-distributed maturities. Debt servicing is manageable despite rising interest rates, and supported by an effective capital management framework.

Liabilities & Liquidity Flexibility: 'Stronger'

NSW has strong access to liquidity via large internal liquidity resources and ready access to domestic and international debt markets via TCorp. Demand for TCorp's large and frequent debt issuance is supported by its diverse investor base and the state's strong credit profile. TCorp maintained market access during the pandemic-induced market volatility in 2020 and 2021, and it was able to extend its weighted-average debt maturity to 6.5 years by late 2020 (from five years in 2017) by issuing long-dated bonds. The average debt maturity has since slightly shortened to 6.2 years at FYE22.

Debt Sustainability: 'aa category'

The debt sustainability assessment is based on a rating case scenario over five years to FY26 incorporating economic, fiscal and debt projections through an economic cycle, including headroom for downside risk. The primary metric used for Type A LRGs is the economic liability burden, which combines the state's net adjusted debt and a pro rata share of federal debt, relative to state GDP (the pro rata share of federal debt is calculated based on a mix of the state's shares in the nation's GDP and population). The metric therefore incorporates a possible trajectory of federal debt over the scenario horizon in addition to the LRG's debt.

Under our rating case, the economic liability burden will rise in each year to FY26, although at a slowing rate, to be 65.0% in FY26, from 59.8% in FY21. The trend of the metric over the rating case reflects a continued economic rebound and stabilisation in growth, gradual recovery in NSW's fiscal performance and continued rise in borrowings at both the state and federal levels driven by pandemic-related spending in the health response and economic stimulus measures. The metric remains comfortably within the 'aa' debt sustainability category range of 40%-70% across all rating case periods.

Fitch regards the payback ratio (operating balance/net adjusted debt) as the key secondary metric. The payback ratio will improve to 26.4x in FY26 under our rating case scenario, from -90.2x in FY21. This is in the 'b' category.

The debt sustainability assessment is driven by the primary metric for Type A LRGs on account of their sovereign-like attributes, including the ability to incur and sustain deficits. We do not believe the weaker payback ratio warrants an override to the 'aa' debt sustainability score, indicated by the primary metric.

DERIVATION SUMMARY

The ratings are based on NSW's SCP of 'aaa', assigned as a combination of a 'Stronger' risk profile and debt sustainability score in the 'aa' category.

TCorp is an integral component of our rating assessment of NSW, given its critical function within the state's financial management framework. TCorp issues debt on behalf of the NSW government and state authorities and provides investment-management and financial risk-management services for the state, including managing a large portion of the state's financial assets. We consider the credit profile of TCorp as inherently linked to that of the NSW government due to its central role in the state's financial management and full state guarantee of its debt obligations.

TCorp's ratings are equalised with NSW's ratings under our GRE criteria based on the full debt guarantee by the state.

Short-Term Ratings

NSW is automatically assigned a Short-Term IDR of 'F1+' as its corresponding Long-Term IDR lies between 'AAA' and 'AA-'. This is based on the short-term ratings correspondence contained within the local and regional government rating criteria.

Risk Profile:

Revenue Robustness:

Revenue Adjustability:

Expenditure Sustainability:

Expenditure Adjustability:

Liabilities and Liquidity Robustness:

Liabilities and Liquidity Flexibility:

Debt sustainability:

Support (Budget Loans):

Support (Ad Hoc):

Asymmetric Risk:

Sovereign Cap:

Sovereign Floor:

Quantitative assumptions - Issuer Specific

Fitch's rating case is a "through-the-cycle" scenario, which incorporates a combination of revenue, cost and financial risk stresses. It is based on FY17-FY21 figures and FY22-FY26 projected ratios. The key assumptions for the scenario include:

- Operating revenue CAGR of 4.3% in FY22-FY26 (FY17-FY21: 3.1%);

- Operating expenditure CAGR of 2.4% in FY22-FY26 (FY17-FY21: 6.2%);

- Net capex to average AUD15.3 billion in FY22-FY26 (FY17-FY21: AUD11.1 billion);

- Cost of funds to average 3.7% in FY21-FY25 (FY21: 3.3% Fitch-estimated average cost of funds).

Liquidity and Debt Structure

Fitch's calculation of the state's net adjusted debt includes senior unsecured debt and other liabilities that we consider debt-like, such as public-private partnerships, leases, service concessions and superannuation liabilities, and nets out the state's debt retirement fund, cash and short-term liquid investments.

Net adjusted debt for FY21 is derived as follows: direct debt (AUD76.5 billion) + other Fitch-classified debt (AUD71.3 billion) - Fitch-calculated, unrestricted cash, liquid deposits and sinking funds (AUD19.0 billion) = AUD128.8 billion.

Issuer Profile

New South Wales is a mainland state in Australia's east and home to over 8 million people, almost a third of Australia's total population. The population has grown at an average of 1.3% over the last 10 years, and around two-thirds live in the state capital, Australia's largest city of Sydney. The state has a diversified economy and large taxpayer base, with services making up a significant proportion of the state's economic output. Major industries are financial and insurance services, professional, scientific and technical services, construction, health care and social assistance and manufacturing.

NSW is one of six states and two territories that together form the Commonwealth of Australia. Like the other states, NSW is self-governing and represents the second tier of government in Australia, and also controls a third, lower tier of local governments.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to negative rating action/downgrade:

Sovereign Downgrade: A downgrade of Australia's 'AAA' rating.

Fiscal Discipline: Failure by the state to control expenditure and deliver on its fiscal targets to restore fiscal equilibrium. This could result in downward rating action from a softening in the risk profile from the current 'Stronger' level (notably from a weaker assessment of the state's expenditure sustainability), or a weaker debt sustainability

score from an economic liability burden closer to 70% on a sustained basis in our rating-case scenario with no significant improvement in the payback ratio.

Sovereign Performance: A slower economic and fiscal recovery from the pandemic leading to wider deficits and higher federal debt levels, increasing the augmented debt used in the economic liability burden calculation for NSW and causing a deterioration in the metric above the negative sensitivity.

Negative rating action on NSW would be mirrored in TCorp's ratings.

Factors that could, individually or collectively, lead to positive rating action/upgrade:

The ratings are at the highest level on Fitch's rating scale and cannot be upgraded.

ESG Considerations

Unless otherwise disclosed in this section, the highest level of ESG credit relevance is a score of '3'. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. For more information on Fitch's ESG Relevance Scores, visitwww.fitchratings.com/esg

Fitch does not provide separate ESG relevance scores for TCorp as its ratings and ESG profile are derived from its parent. ESG relevance scores and commentary for the parent entity - NSW - can be found here https://www.fitchratings.com/entity/new-south-wales-state-of-80730981

PUBLIC RATINGS WITH CREDIT LINKAGE TO OTHER RATINGS

The ratings of TCorp are equalised with those of NSW.

Best/Worst Case Rating Scenario

International scale credit ratings of Sovereigns, Public Finance and Infrastructure issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of three notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit https://www.fitchratings.com/site/re/10111579.

References for Substantially Material Source Cited as Key Driver Rating

The principal sources of information used in the analysis are described in the Applicable Criteria.

RATING ACTIONS

ENTITY / DEBT	RATING			PRIOR
New South Wales, State of	LT IDR	AAA Rating Outlook Stable	Affirmed	AAA Rating Outlook Stable
	ST IDR	F1+	Affirmed	F1+
	LC LT IDR	AAA Rating Outlook Stable	Affirmed	AAA Rating Outlook Stable
	LC ST IDR	F1+	Affirmed	F1+
New South Wales Treasury Corporation	LT IDR	AAA Rating Outlook Stable	Affirmed	AAA Rating Outlook Stable
	ST IDR	F1+	Affirmed	F1+
	LC LT IDR	AAA Rating Outlook Stable	Affirmed	AAA Rating Outlook Stable
	LC ST IDR	F1+	Affirmed	F1+

senior unsecured	LT	AAA	Affirmed	AAA
guaranteed	LT	AAA	Affirmed	AAA

VIEW ADDITIONAL RATING DETAILS

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Additional information is available on www.fitchratings.com

PARTICIPATION STATUS

The rated entity (and/or its agents) or, in the case of structured finance, one or more of the transaction parties participated in the rating process except that the following issuer(s), if any, did not participate in the rating process, or provide additional information, beyond the issuer's available public disclosure.

APPLICABLE CRITERIA

Government-Related Entities Rating Criteria (pub. 30 Sep 2020)

Public Sector, Revenue-Supported Entities Rating Criteria (pub. 02 Sep 2021) (including rating assumption sensitivity)

International Local and Regional Governments Rating Criteria (pub. 03 Sep 2021) (including rating assumption sensitivity)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

New South Wales Treasury Corporation	EU Endorsed, UK Endorsed
New South Wales, State of	EU Endorsed, UK Endorsed

UNSOLICITED ISSUERS

New South Wales, State of (Unsolicited)

With Rated Entity or Related Third Party Participation	Yes
With Access to Internal Documents	Yes
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