

TREASURY CORPORATION

728. Dr D.J. Honey to the Treasurer:

With reference to the Treasury Corporation, for the years 2019–20 to 2021–22 inclusive,:

- (a) How much new debt was issued in each year;
- (b) What was the average interest rate on the new debt for each year;
- (c) How much debt was repaid in each year;
- (d) What was the average interest rate on the repaid debt for each year;
- (e) Why does Treasury deal in foreign exchange; and
- (f) What was the profit / loss from the foreign exchange trading for each year?

Ms R. Saffioti replied:

(a)–(d)

Year	New Debt* \$m	New debt Weighted Yield	Repayment** \$m	Weighted Average Rate of Debt Repaid
2019–20	1,472	1.31%	713	2.22%
2020–21	1,541	0.88%	704	2.94%
2021–22	0	0	2,454	1.40%

*excludes refinancing of maturing debt and high quality liquid assets held as part of balance sheet management.

** repayments represent the aggregate of client repayments in each of the financial years and the weighted book yield of those repayments excluding any administration charge.

- (e) WATC provides a range of foreign exchange solutions for its Western Australian public sector clients, including assisting public sector agencies with the management of foreign exchange risk in accordance with Treasurer's Instruction 826. WATC, in partnership with public sector clients, undertakes the trade execution of currency management strategies to manage clients' foreign exchange exposures.
- (f) WATC does not actively trade foreign exchange for capital gain. Foreign exchange transactions are undertaken to support client foreign exchange risk management, for the payment of invoices denominated in foreign currencies or to convert foreign currency denominated funding back into Australian dollars.