

16 February 2023

Dear David

Thank you for your request of 24 November 2022 to the Reserve Bank of New Zealand – Te Pūtea Matua under the Official Information Act 1982 (OIA), as follows:

- *Can you please provide any advice/information produced or received by RBNZ in the last 3 months on risks to mortgages from OCR increases? This includes advice/discussion/estimates around the potential strain on mortgages or risks of forfeiture from OCR increases*

### Response

Twenty documents were found to be in scope of your request. Thirteen documents are being released to you in part or in full and are enclosed with this letter. Seven further documents are being withheld or declined in full, three of which are publicly available on the RBNZ website.

The table below lists the documents in scope of your request, including details of any withholding or refusal grounds applied under the OIA.

**Table 1: Documents in scope of your request**

Doc.	Document date	Document title	Decision
1	11 November 2022	Paper 4.3 - Financial stability update	Withhold in full s 9(2)(d) release would impact the economic interests of New Zealand
2	2 September 2022	Appendices 1 and 2 – Background Analysis and Data	Released in full (main paper is out of scope of the request)
3	12 August 2022	Memo for Financial Stability Committee – Housing and macro-prudential policy update (to Deposit Takers Steering Group)	Released in part Out of scope
4	18 August 2022	Memo for Financial Stability Committee – Housing and macro-prudential policy update	Released in part Out of scope
5	1 December 2022	RBNZ Report 5981: Reserve Bank Financial System Roundup	Released in full

**IN CONFIDENCE**

<b>Doc.</b>	<b>Document date</b>	<b>Document title</b>	<b>Decision</b>
6	2 November 2022	Latest FSR: Financial Stability Report for November 2022	Declined in full s 18(d) publicly available
7	13 September 2022	Memo for Financial Stability Committee – November 2022 FSR bank liaison meetings	Released in full
8	28 October 2022	Key messages for Nov FSR	Released in full
9	27 September 2022	November 2022 Financial Stability Committee Risk Assessment	Released in full
10	2 November 2022	Financial Stability Report - Snapshots	Declined in full s 18(d) publicly available
11	12 September 2022	Pre-FSR November 2022 meeting – assessment of financial stability risks	Released in full
12	19 October 2022	Board Paper 2.3 – Key themes for the November 2022 Financial Stability Report	Released in part S 9(2)(g)(i) free and frank
13	September 2022	Household sector – Pre-FSR team discussion	Released in full
14	Undated	Chapter 1 – Financial stability risk and policy assessment	Withheld in full s 9(2)(g)(i), free and frank (draft document) Final publicly available (refer document 6 above)
15	Undated	Chapter 2 – Asset prices, households, and businesses	Withheld in full s 9(2)(g)(i), free and frank (draft document) Final publicly available (refer document 6 above)
16	Undated	Chapter 3 – Financial sector dynamics and institutional resilience	Withheld in full s 9(2)(g)(i), free and frank (draft document) Final publicly available (refer document 6 above)
17	31 October 2022	RBNZ Bulletin – 2022 Bank Solvency Stress Test: Assessing the resilience of banks to a stagflation scenario	Declined in full s 18(d) publicly available
18	21 September 2022	Memo for Financial Stability Committee – 2022 Bank Industry Stress Test	Released in part S 9(2)(b)(ii) commercially sensitive and Out of Scope

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<b>Doc.</b>	<b>Document date</b>	<b>Document title</b>	<b>Decision</b>
19	3 November 2022	Memo for Financial Stability Committee – 2022 Bank Industry Stress Testing – Mortgage Sensitivity	Released in full
20	19 September 2022	Solvency Stress Test: Round Table – Key themes, initial challenge and outlier identification	Released in part s 9(2)(b)(ii), commercially sensitive

The below table details the documents being released to you.

**Table 2: Documents released**

<b>Doc.</b>	<b>Document date</b>	<b>Document title</b>	<b>Decision</b>
2	2 September 2022	Appendices 1 and 2 – Background Analysis and Data	Released in full (main paper is out of scope of the request)
3	12 August 2022	Memo for Financial Stability Committee – Housing and macro-prudential policy update (to Deposit Takers Steering Group)	Released in part s 9(2)(g)(i) free and frank
4	18 August 2022	Memo for Financial Stability Committee – Housing and macro-prudential policy update	Released in part s 9(2)(g)(i) free and frank
5	1 December 2022	RBNZ Report 5981: Reserve Bank Financial System Roundup	Released in full
7	13 September 2022	Memo for Financial Stability Committee – November 2022 FSR bank liaison meetings	Released in full
8	28 October 2022	Key messages for Nov FSR	Released in full
9	27 September 2022	November 2022 Financial Stability Committee Risk Assessment	Released in full
11	12 September 2022	Pre-FSR November 2022 meeting – assessment of financial stability risks	Released in full
12	19 October 2022	Board Paper 2.3 – Key themes for the November 2022 Financial Stability Report	Released in part S 9(2)(g)(i) free and frank
13	September 2022	Household sector – Pre-FSR team discussion	Released in full

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<b>Doc.</b>	<b>Document date</b>	<b>Document title</b>	<b>Decision</b>
18	21 September 2022	Memo for Financial Stability Committee – 2022 Bank Industry Stress Test	Released in part s 9(2)(b)(ii) commercially sensitive and out of scope
19	3 November 2022	Memo for Financial Stability Committee – 2022 Bank Industry Stress Testing – Mortgage Sensitivity	Released in full
20	19 September 2022	Solvency Stress Test: Round Table – Key themes, initial challenge and outlier identification	Released in part s 9(2)(b)(ii), commercially sensitive

As you will note, some withheld is being withheld under the following sections of the OIA:

- *9(2)(b)(ii) – to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is subject of the information*
- *9(2)(g)(i) – to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between Ministers of the Crown or members of an organisation or officers and employees of any public service agency or organisation in the course of their duty*

In terms of section 9(1) of the OIA, we are satisfied that the withholding of the information is not outweighed by other considerations that render it desirable to make the information available in the public interest.

**Publicly available information**

Three documents in scope of your request are being declined under section 18(d) of the OIA, as they are publicly available. For your convenience, I have listed those documents in the table below and provided a link to their web location.

**Table 3: Publicly available documents**

<b>Doc.</b>		<b>Document title</b>	<b>Website address</b>
6	2 November 2022	Latest FSR: Financial Stability Report for November 2022	<a href="https://www.rbnz.govt.nz/financial-stability/financial-stability-report-for-november-2022">Financial Stability Report for November 2022 - Reserve Bank of New Zealand - Te Pūtea Matua (rbnz.govt.nz)</a>
10	2 November 2022	Financial Stability Report - Snapshots	<a href="https://www.rbnz.govt.nz/financial-stability/financial-stability-report-for-november-2022-snapshots">Financial Stability Report for November 2022 - Reserve Bank of New Zealand - Te Pūtea Matua (rbnz.govt.nz)</a>
17	31 October 2022	RBNZ Bulletin – 2022 Bank Solvency Stress Test: Assessing the resilience of banks to a stagflation scenario	<a href="https://www.rbnz.govt.nz/bulletin/2022-bank-solvency-stress-test-assessing-the-resilience-of-banks-to-a-stagflation-scenario">2022 Bank Solvency Stress Test: Assessing the resilience of banks to a stagflation scenario - Reserve Bank of New Zealand - Te Pūtea Matua (rbnz.govt.nz)</a>

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You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the OIA. The relevant details can be found on the Ombudsman's website at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz).

Please note that we may publish a copy of this response on the RBNZ website at [www.rbnz.govt.nz/research-and-publications/official-information-requests](http://www.rbnz.govt.nz/research-and-publications/official-information-requests). Responses to OIA requests are published in order to improve public transparency and provide an additional resource for anyone seeking information.

Yours sincerely

Government and Industry Relations

**Reserve Bank of New Zealand - Te Pūtea Matua**

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