



## LÁNAMÁL RÍKISINS

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To newspapers, newsrooms  
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**Press release**  
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### **Quarterly Government Debt Management *Prospect***

#### **Second quarter 2021**

- *Estimated Treasury bond issuance during the current year is reduced from **200 b.kr.** market value to **180 b.kr.** market value.<sup>1</sup>*
- *In Q2, benchmark Treasury bonds will be offered for sale in the amount of **40-60 b.kr.** market value.*
- *A new nominal Treasury bond maturing in 2024 will be issued during the quarter, and market making is planned for the series.*
- *The bonds that could conceivably be offered are all benchmark Treasury issues, and market conditions will determine how much, if any, will be sold in each series.*

#### **Introduction**

The fiscal plan for 2022-2026 was introduced on 22 March 2021. Because the Treasury position is more favourable than was assumed at the time the previous fiscal plan was prepared, it has been decided to reduce planned Treasury bond issuance for this year from 200 b.kr. to 180 b.kr.

Issuance in the first quarter of 2021 totalled 60 b.kr. market value. In the Government Debt Management *Prospect* for 2021, it was stated that the Treasury had a variety of options for meeting its borrowing needs in 2021, and that Treasury bond issuance would be the mainstay of Treasury financing. As this quarterly *Prospect* indicates, Treasury issuance will be higher in H1/2021 than in H2.

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<sup>1</sup>The sale price or market value refers to the clean price plus accrued indexation; i.e., with indexation but without accrued interest.



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### **Planned Treasury bond issuance**

Total Treasury bond issuance in the second quarter of the year is estimated at **40-60 b.kr.** Because of the economic uncertainty prevailing at present, it is not possible to publish estimated maximum issuance figures for individual series during the quarter. It is important that the Treasury have the flexibility to distribute issuance across bond series based on market conditions at the time in question. A new nominal bond will be issued during the quarter. The terms of the new series will be announced at a later time, but the targeted maturity will be in 2024.

### **Buybacks – switch auctions**

Buybacks and switch auctions of RIKB 21 0805 will continue. Terms, participation, and market conditions will determine whether this will be done, and if so, which benchmark issues will be offered in switch auctions and how much will be sold in this manner.

### **Planned Treasury bill issuance**

Because of the continued uncertainty about the economic impact of the pandemic, flexibility in Treasury bill issuance is important, and it is possible that additional Treasury bill auctions will be added to those already on the Government Debt Management issuance calendar.

Further information on issuance of individual series of Treasury bonds and bills will be published two business days prior to each auction.

Further information can be obtained from Björgvin Sighvatsson, Head of Government Debt Management, at tel +354 569 9600.