

Auction results in March 2022

	Type	Bond	Amount of bids m.kr.	Amount allocated m.kr.	Yield/ simple interest
4.3.2022	Auction	RIKB 42 0217	14,194	6,988	4.95
18.3.2022	Auction	RIKS 26 0216	5,150	4,870	-0.66
18.3.2022	Auction	RIKS 37 0115	3,310	2,510	0.77
28.3.2022	Auction	RIKV 22 0518	15,600	15,000	3.05
28.3.2022	Auction	RIKV 22 0720	7,400	6,500	3.50

Treasury bond issuance in Q1/2022

<i>Amounts in b.kr.</i>	<i>Maximum</i>	<i>Actual</i>
RIKB 24 0415	-	8.3
RIKB 42 0217	-	6.6
RIKS 26 0216	-	19.8
RIKS 37 0115	-	23.6
Total issued this year		58.3

Treasury bond issuance as of 31 March 2022

Regular auctions

Bond series

<i>Amounts in b.kr.</i>	<i>Sales value</i>
RIKB 24 0415	8.3
RIKB 42 0217	6.6
RIKS 26 0216	19.8
RIKS 37 0115	23.6
Total issued this year	58.3

Contents

Benchmark issues, attributes
Central government debt
Swaps
Investors T-bonds and bills
Securities lending facility, redemption profile, yield curves and turnover
Yield for Treasury bonds
Inflation premium
Auction of Treasury bonds
Auctions of Treasury bills
Auctions of Treasury bonds and bills
Iceland Sovereign Credit Rating
State guarantees

Contributors

Bjorgvin Sighvatsson bs@cb.is
Hafsteinn Hafsteinsson haha@cb.is
Laufey B. Ómarsdóttir lbo@cb.is
Magnús Freyr Hrafnsson mfh@cb.is
Oddgeir Gunnarsson og@cb.is

Editor

Sturla Pálsson sp@cb.is
--

The information in this publication is from the Central Bank of Iceland and from data vendors that are considered reliable.

The information is as of the last month-end unless otherwise specified.

Government Debt Management cannot be held liable for possible errors, typographical or otherwise, that may appear in Market Information. Comments on the contents of this publication may be submitted to lanamal@lanamal.is.

Benchmark issues, attributes

Domestic marketable debt

<i>Issues</i>	<i>ISIN</i>	<i>Date of issue (d.m.y)</i>	<i>Maturity date</i>	<i>Interest, %</i>	<i>Type of bond</i>	<i>Duration*</i>	<i>Years to maturity</i>
<i>T - bills</i>							
RIKV 22 0420	IS0000033561	17.11.2021	20.4.2022	0.00	Bullet	0.06	0.05
RIKV 22 0518	IS0000033959	30.3.2022	18.5.2022	0.00	Bullet	0.13	0.13
RIKV 22 0720	IS0000033819	26.1.2022	20.7.2022	0.00	Bullet	0.31	0.30
<i>Nominal T-bonds</i>							
RIKB 22 1026	IS0000020717	26.10.2011	26.10.2022	7.25	Bullet	0.57	0.57
RIKB 23 0515	IS0000032191	15.5.2020	15.5.2023	1.50	Bullet	1.11	1.12
RIKB 24 0415	IS0000033009	15.4.2021	15.4.2024	2.50	Bullet	1.97	2.04
RIKB 25 0612	IS0000019321	12.6.2009	12.6.2025	8.00	Bullet	2.80	3.20
RIKB 28 1115	IS0000028249	15.11.2016	15.11.2028	5.00	Bullet	5.70	6.63
RIKB 31 0124	IS0000020386	24.1.2011	24.1.2031	6.50	Bullet	7.01	8.82
RIKB 42 0217	IS0000033884	17.2.2022	17.2.2042	4.50	Bullet	13.24	19.89
<i>Inflation-linked T-bonds</i>							
RIKS 26 0216	IS0000030732	16.2.2018	16.2.2026	1.50	Bullet	3.80	3.88
RIKS 30 0701	IS0000020576	1.7.2011	1.7.2030	3.25	Bullet	7.34	8.25
RIKS 33 0321	IS0000021251	21.3.2012	21.3.2033	3.00	Bullet	9.70	10.97
RIKS 37 0115	IS0000033793	15.1.2022	15.1.2037	1.00	Bullet	13.81	14.80
Average of benchmark series						5.0	5.7

* Macaulay.

Foreign marketable debt

<i>Issues</i>	<i>ISIN</i>	<i>Date of issue</i>	<i>Maturity date</i>	<i>Interest, %</i>	<i>Type of bond</i>	<i>Duration*</i>	<i>Years to maturity</i>
USD 5,875% 11 May 2022	USX34650AA31	11.5.2012	11.5.2022	5.875	Bullet	0.11	0.11
EUR 0,5% 20 Dec 2022	XS1738511978	13.12.2017	20.12.2022	0.500	Bullet	0.72	0.72
EUR 0,1% 20 Jun 2024	XS2015295814	20.6.2019	20.6.2024	0.100	Bullet	2.22	2.22
EUR 0,625% 3 Jun 2026	XS2182399274	3.6.2020	3.6.2026	0.625	Bullet	4.11	4.18
EUR 0,0% 15 Apr 2028	XS2293755125	4.2.2021	15.4.2028	0.000	Bullet	6.04	6.04
Average of benchmark series						3.5	3.5

* Macaulay.

Government debt

Domestic central government debt 31 March 2022 in m.kr.

Issues	Nominal amount, beg. of month	Inflation compensation	Issue/ buybacks nominal	Inc. inflation compensation, end of month	Years to maturity	Market value	% of domestic debt
<i>T-bills</i>							
RIKV 22 0316	30,450		-30,450	0	0,00	0	0,0
RIKV 22 0420	39,855		0	39,855	0,05	39,803	3,4
RIKV 22 0518	0		15,000	15,000	0,13	14,943	1,3
RIKV 22 0720	15,803		6,500	22,303	0,30	22,071	1,9
Total	86,108			77,158	0.14	76,817	6.6
<i>Nominal T-bonds</i>							
RIKB 22 1026	95,374		0	95,374	0.57	97,081	8.2
RIKB 23 0515	78,376		0	78,376	1.12	75,852	6.7
RIKB 24 0415	53,142		0	53,142	2.04	50,729	4.6
RIKB 25 0612	102,696		0	102,696	3.20	111,343	8.8
RIKB 28 1115	92,675		0	92,675	6.63	92,425	8.0
RIKB 31 0124	117,825		0	117,825	8.82	129,655	10.1
RIKB 42 0217	0		6,988	6,988	19.88	6,540	0.6
Total	540,087			547,075	4.34	563,624	47.1
<i>Inflation-linked T-bonds</i>							
RIKS 26 0216	55,740	10,403	4,870	71,013	3.88	77,241	6.1
RIKS 30 0701	78,683	30,445	0	109,128	8.25	136,825	9.4
RIKS 33 0321	79,394	27,324	0	106,718	10.97	135,159	9.2
RIKS 37 0115	21,380	449	2,510	24,339	14.79	24,916	2.1
Total	235,197	68,622		311,199	8.70	374,140	26.8
<i>Other central government debt *</i>							
Inflation-linked debt				226,187	8.10		19.5
Nominal debt				1	0.04		0.0
Total domestic debt				1,161,620	5.96		100.0

* Mostly indexed and nominal loan from Íl-fund and government indexed debt due to the National Power Company, (Landsvirkjun) and assumed government guarantees.

Foreign central government debt

Issues	Issued nominal amount (millions)	Remaining nominal amount	Nominal amount ISK*	Years to maturity
<i>Foreign bonds</i>				
USD 5,875% 11 May 2022	1,000	92	11,773	0.11
EUR 0,5% 20 Dec 2022	500	500	71,000	0.72
EUR 0,1% 20 Jun 2024	500	500	71,000	2.22
EUR 0,625% 3 Jun 2026	500	500	71,000	4.18
EUR 0,0% 15 Apr 2028	750	750	106,500	6.04
Total foreign debt			331,273	3.47
Central government debt			1,492,893	

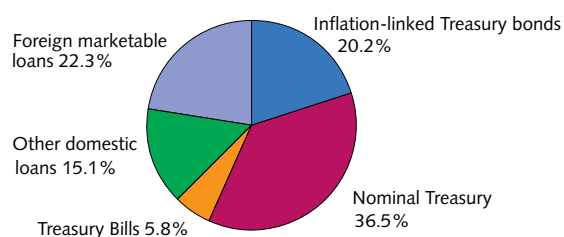
* Mid rate, official exchange rate of The Central Bank of Iceland.

Central government debt. total in m.kr.

	Nominal incl./ inflation compensation	Weighted time to maturity
Nominal debt	624,234	3.82
Inflation-linked debt	537,386	8.45
Foreign currency debt	331,273	3.47
Total	1,492,893	5.41
Total debt as percentage of GDP *		41.5

* GDP according to the Central bank of Iceland latest forecast.

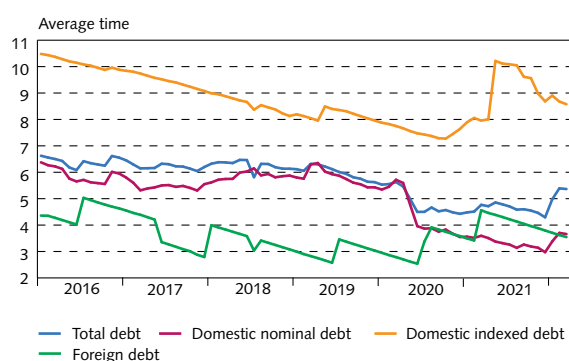
Total market value of benchmark issues



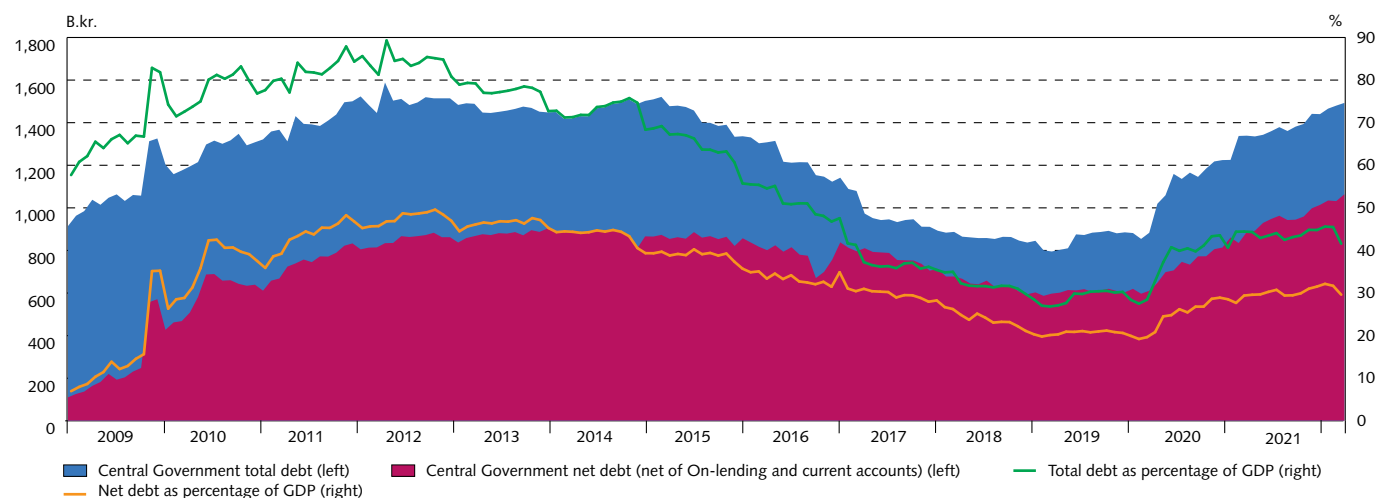
Net debt in m.kr.

	Nominal incl./ inflation compensation end of month
<i>On-lending and cash at the Central bank</i>	
Nominal on - lending	26,536
Inflation-linked on - lending	32,774
FX on - lending	6,355
Cash ISK	70,716
Cash FX	293,955
Total on-lending	430,337
Nominal debt	526,982
Inflation-linked debt	504,612
Foreign currency debt	30,963
Net central government debt	1,062,556
Total net debt as percentage of GDP	29.6

Average Time to Maturity of government debt including swaps



Changes in central government debt



Swaps

31 March 2022

Inflation and Interest Rate swaps in ISK (m.kr.)

Year	New		Expired		Outstanding at year-end	
	Number of contracts	Nominal amount	Number of contracts	Nominal amount	Number of contracts	Nominal amount
2018	22	28,000	0	0	22	28,000
2019	0	0	0	0	22	28,000
2020	2	6,000	0	0	24	34,000
2021	2	10,000	20	26,000	6	18,000
2022	0	0	0	0	6	18,000
2023	0	0	1	3,000	5	15,000
2024	0	0	0	0	5	15,000
2025	0	0	4	10,000	1	5,000
2026	0	0	1	5,000	0	0

Interest rate type (m.kr.)

	Without swaps		With swaps	
	Nominal amount with accrued indexation (ISK)	Proportion, %	Nominal value with accrued indexation (ISK)	Proportion, %
Icelandic fixed interest rates	547,075	37	531,075	36
Icelandic indexed interest rates	537,386	36	535,092	36
Icelandic floating interest rates	77,159	5	95,159	6
Foreign fixed interest rates	331,273	22	331,273	22
Foreign floating interest rates	0	0	0	0
Total	1,492,893	100	1,492,598	100

Effect of swaps on Treasury debt (m.kr.)

	Nominal amount with accrued indexation (ISK)	Market value (ISK)	Proportion, %	Duration
<i>Government debt</i>				
Nominal debt	624,234	654,559	42	3.24
Inflation-linked debt	537,386	614,669	36	7.87
Foreign currency debt	331,273	331,261	22	3.42
Total	1,492,893	1,600,489	100	5.06
<i>Government debt with swaps</i>				
Nominal debt	626,234	657,572	42	3.16
Inflation-linked debt	535,092	612,158	36	7.89
Foreign currency debt	331,273	331,261	22	3.42
Total	1,492,598	1,600,990	100	5.02

Investors*

Owners of T-bonds and bills 31 March 2022

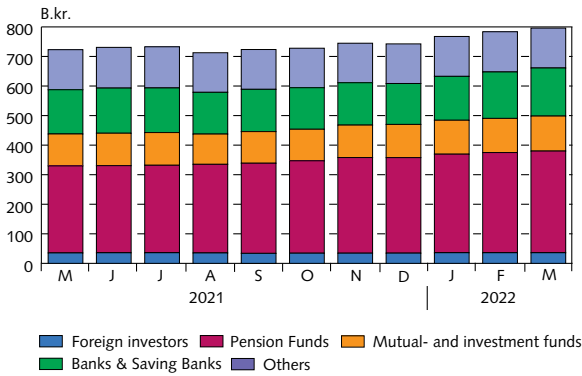
	RIKB							RIKS				Total	Bills total
	22 1026	23 0515	24 0415	25 0612	28 1115	31 0124	42 0216	26 0216	30 0701	33 0321	37 0115		
<i>Nominal value in m.k.</i>													
Domestic investors													
Banks & Saving Banks	47,183	45,318	31,694	18,040	3,360	4,301	826	6,308	509	2,766	2,390	162,695	49,050
Miscellaneous credit undertakings	8,231	500	3	62	49	74	35	5,533	12,193	12,837	0	39,516	7,050
Mutual and inv. funds	9,776	12,593	12,199	14,929	8,561	8,195	1,900	26,969	13,164	8,616	1,510	118,412	14,300
Pension Funds	25,188	17,633	7,348	50,326	48,941	69,592	4,194	2,655	49,450	49,327	19,290	343,943	2,750
Firms	884	463	601	3,027	1,502	1,437	60	3,243	1,124	906	145	13,392	900
Insurance companies	1,607	1,624	1,828	7,135	8,185	9,899	553	14,150	2,861	3,496	845	52,182	800
Households	908	46	41	2,023	93	82	0	1,897	641	1,739	70	7,540	8
Others	629	0	6	5,411	8,143	7,170	245	195	262	272	0	22,332	2,300
Foreign investors	1,119	199	107	2,043	14,141	18,055	175	171	0	15	0	36,024	0
Total	95,524	78,376	53,827	102,996	92,975	118,805	7,988	61,120	80,203	79,974	24,250	796,037	77,158

<i>Dirty price (T-bills nominal value) in m.kr.</i>													
Domestic investors													
Banks & Saving Banks	49,437	44,390	30,959	20,676	3,407	4,770	771	8,037	901	4,708	2,497	170,552	49,050
Miscellaneous credit undertakings	8,624	490	3	71	49	82	33	7,050	21,590	21,846	0	59,838	7,050
Mutual and inv. funds	10,244	12,335	11,916	17,110	8,683	9,088	1,773	34,364	23,311	14,663	1,577	145,062	14,300
Pension Funds	26,391	17,271	7,178	57,678	49,636	77,176	3,913	3,383	87,563	83,945	20,151	434,285	2,750
Firms	926	454	587	3,469	1,524	1,594	56	4,133	1,990	1,541	151	16,425	900
Insurance companies	1,684	1,591	1,786	8,177	8,301	10,977	516	18,030	5,066	5,949	883	62,959	800
Households	951	45	40	2,319	94	91	0	2,417	1,135	2,960	73	10,125	8
Others	659	0	6	6,201	8,259	7,951	229	248	464	463	0	24,479	2,300
Foreign investors	1,172	195	104	2,342	14,342	20,023	163	218	0	25	0	38,584	0
Total	100,089	76,770	52,578	118,042	94,294	131,752	7,452	77,878	142,021	136,100	25,332	962,308	77,158

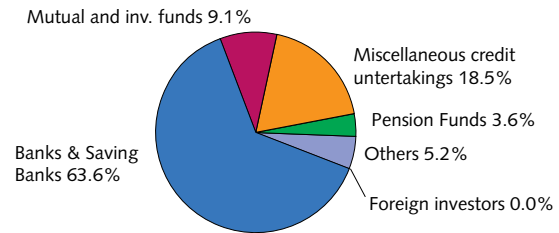
* Included outstanding repo with the primary dealers. From October 2020, owners are categorized according to the international statistical standard for national accounts (SNA08), adopted by the United Nations Statistical Commission.

	RIKB							RIKS				Total	Bills Total
	22 1026	23 0515	24 0415	25 0612	28 1115	31 0124	42 0216	26 0216	30 0701	33 0321	37 0115		
<i>Changes between months</i>													
<i>Nominal value in m.k.</i>													
Domestic investors													
Banks & Saving Banks	1,405	397	413	1,451	-634	250	826	645	-335	-59	1,120	5,477	-2,500
Miscellaneous credit undertakings	467	0	3	0	2	0	35	270	16	-3	0	790	100
Mutual and inv. funds	-766	950	35	-144	-741	-636	1,900	2,890	87	-455	-250	2,871	-5,300
Pension Funds	-572	-646	348	-473	50	580	4,194	-125	-273	384	1,605	5,072	-1,000
Firms	-160	4	116	-68	20	-100	60	291	-138	211	-75	161	400
Insurance companies	-634	-630	-696	-378	-672	-660	553	427	358	3	424	-1,906	-1,400
Households	-21	-75	21	-87	7	-60	0	-7	5	-1	0	-218	0
Others	0	0	0	0	0	40	245	0	0	-30	-154	101	750
Foreign investors	-218	0	0	0	1,418	-1,474	175	105	0	0	0	6	0
Total	-500	-0	240	300	-550	-2,060	7,988	4,495	-280	50	2,670	12,353	-8,950

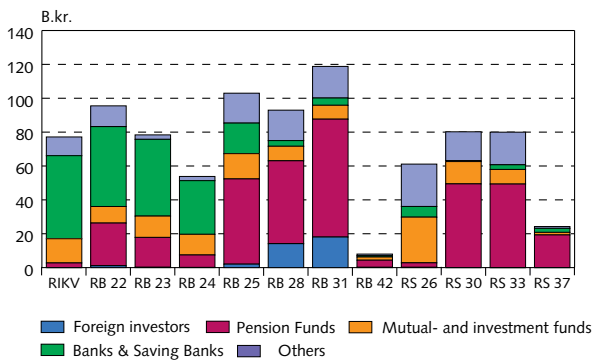
Owners of T-bonds 31 March 2022



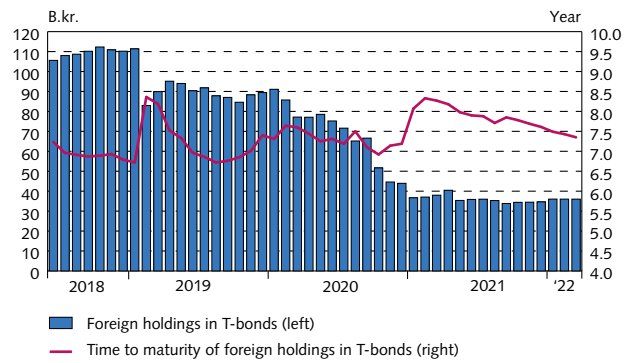
Owners of T-bills 31 March 2022



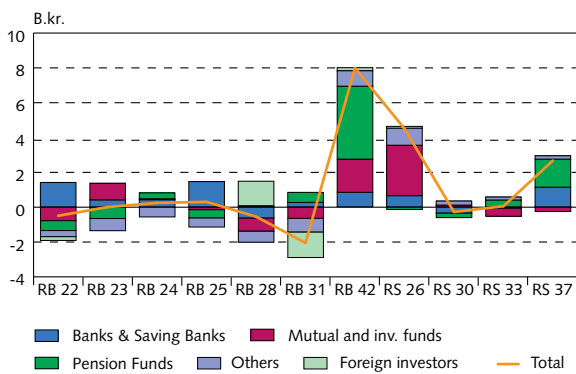
Owners of marketable T-bonds and bills 31 March 2022



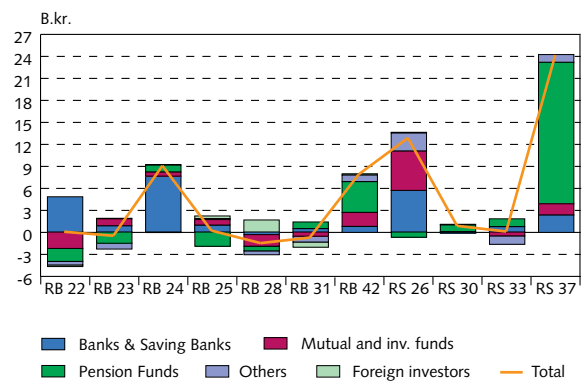
Time to maturity of non-residents' holdings in T-bond and -bills 31 March 2022



Net purchases by market participants between months



Net purchases by market participants from 31 December 2021

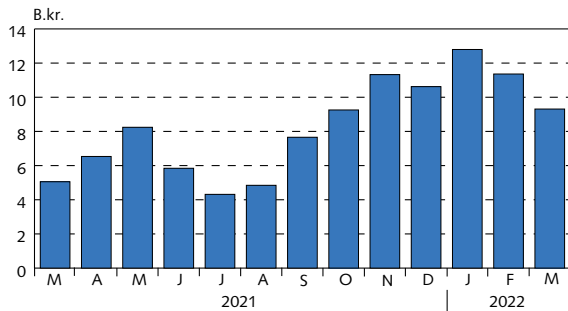




Market Information

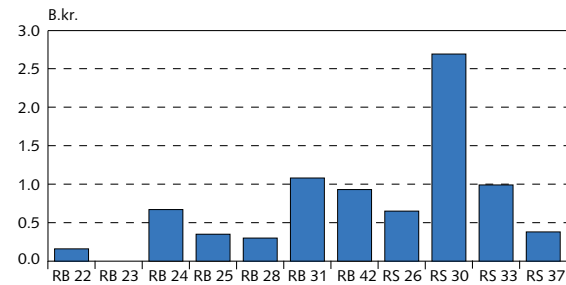
Securities lending facility, redemption profile, yield curves and turnover

Average amount in the security lending facility*

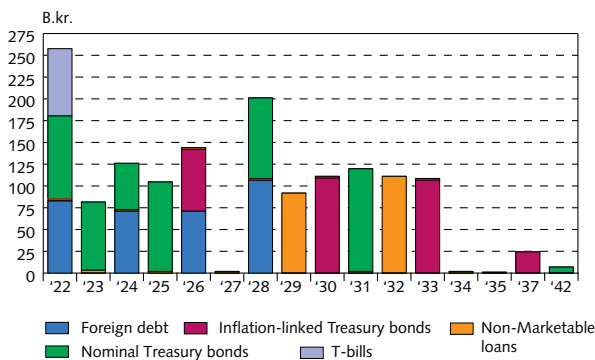


* Calculated at market price.

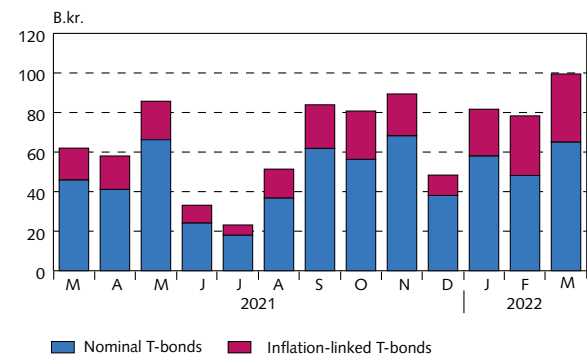
Outstanding amount in the securities lending facility at the end of last month*



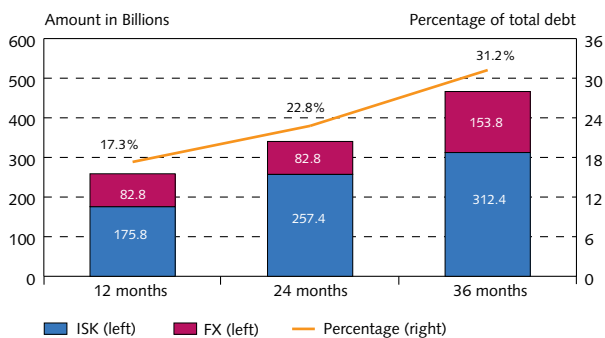
Redemption profile of government debt



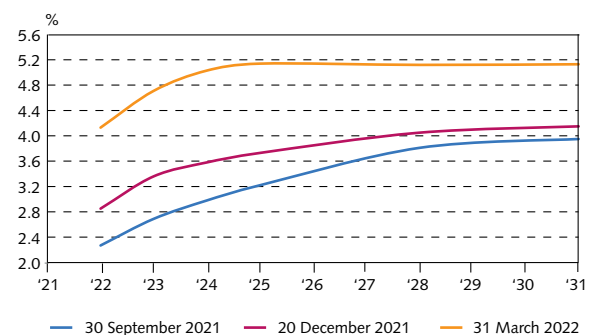
Monthly trading volume in T-Bonds on NASDAQ Iceland Exchange



Accumulated Maturities



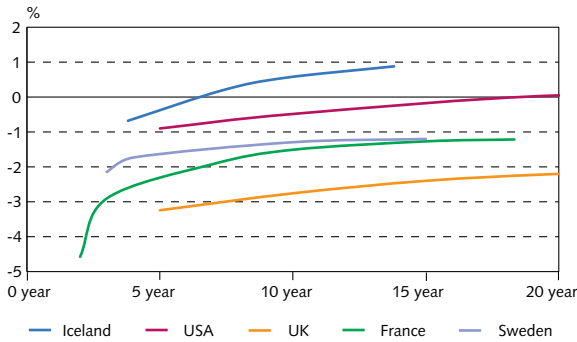
Nominal yield curves



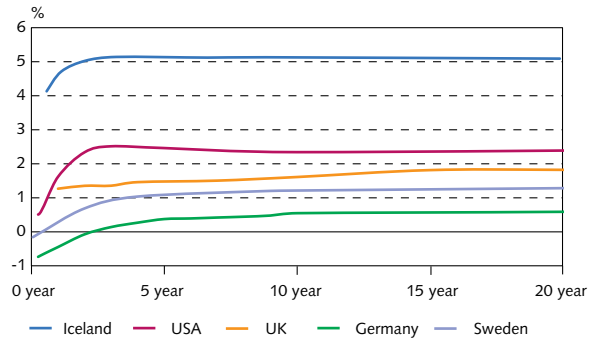


Market Information

Yield curve inflation-linked T-bonds



Yield curve Treasury bills and nominal T-bonds



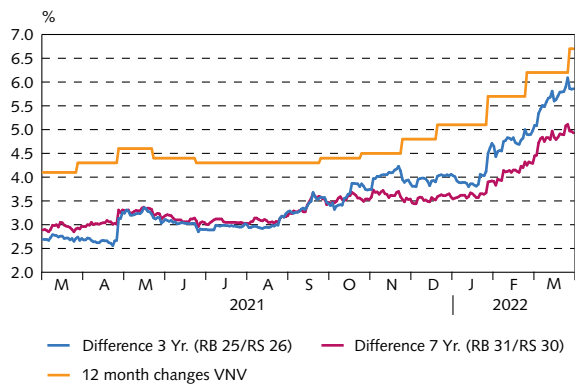
Yield for Treasury bonds

Zero-coupon



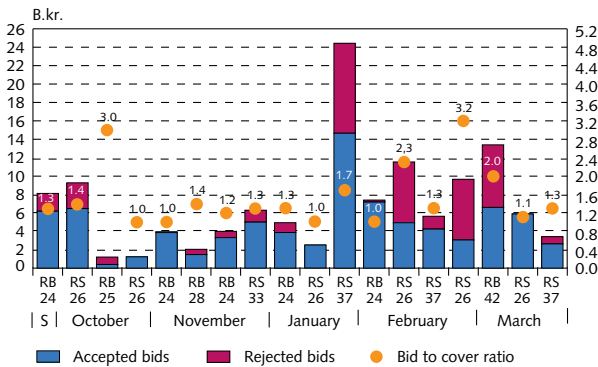
Inflation premium

Inflation premium nominal T-bonds



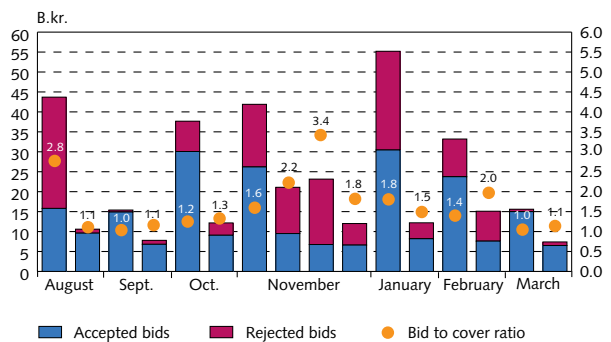
Auctions of Treasury bonds

Treasury bonds at market value



Auctions of Treasury bills

Treasury bills at market value



Auctions of Treasury bonds and bills

Auctions in 2022, in m.kr.

Date		Offers		No. of bids	No. of acc. bids	Yield %	Acc. bids		Non comp. auction nominal v.	Total value
		Market value	Nominal value				Market value	Nominal value		
Nominal T-Bonds										
07.01.22	RIKB 24 0415	4,939	5,070	15	12	3.71	3,868	3,970	20	3,887
18.02.22	RIKB 24 0415	5,636	5,865	15	10	4.45	4,243	4,415	162	4,398
04.03.22	RIKB 42 0217	13,395	14,194	64	24	4.95	6,595	6,988	0	6,595
Total		23,970	25,129				14,705	15,373	182	14,879
Indexed T-Bonds										
07.01.22	RIKS 26 0216	2,386	2,240	11	9	-0.08	2,497	2,040	0	2,497
21.01.22	RIKS 37 0115	24,430	24,805	119	79	1.11	14,654	14,855	1,050	15,690
04.02.22	RIKS 26 0216	7,395	6,961	18	12	-0.05	7,181	5,855	470	7,758
04.02.22	RIKS 37 0115	11,535	11,940	39	13	1.25	4,932	5,085	390	5,310
18.02.22	RIKS 26 0216	9,655	9,052	18	6	-0.17	3,062	2,480	223	3,337
18.03.22	RIKS 26 0216	5,341	4,920	25	23	-0.66	5,884	4,640	230	6,176
18.03.22	RIKS 37 0115	3,416	3,310	17	12	0.77	2,631	2,510	0	2,631
Total		64,158	63,228				40,841	37,465	2,363	43,399
										Indexed value
										Total value
										58,278
T-Bills										
24.01.22	RIKV 22 0316	55,017	55,200	25	13	2.45	30,349	30,450		
24.01.22	RIKV 22 0720	12,042	12,203	13	8	2.75	8,095	8,203		
21.02.22	RIKV 22 0420	33,047	33,201	25	16	2.99	23,640	23,750		
21.02.22	RIKV 22 0720	14,899	15,100	15	11	3.30	7,499	7,600		
28.03.22	RIKV 22 0518	15,536	15,600	9	7	3.05	14,938	15,000		
28.03.22	RIKV 22 0720	7,320	7,400	7	5	3.50	6,430	6,500		
Total		137,861	138,704				90,951	91,503		



Primary dealers

<i>Primary dealers in government securities</i>	<i>Telephone</i>	<i>Bloomberg</i>
Íslandsbanki	+354 440 4000	ISLA
Arion banki	+354 444 6000	ARIO
Kvika banki hf.	+354 540 3200	KVIK
Landsbankinn	+354 410 4000	LAIS

Events

25 April 2022	Auction of Treasury bills
28 April 2022	CPI announcement
29 April 2022	Auction of Treasury bonds
4 May 2022	Central Bank Policy Rate
6 May 2022	Auction of Treasury bonds

Iceland Sovereign Credit Rating

	<i>Confirm</i>	<i>Foreign currency</i>		<i>Domestic currency</i>		<i>Outlook</i>
		<i>Long-Term</i>	<i>Short-Term</i>	<i>Long-Term</i>	<i>Short-Term</i>	
Moody's	August 2021	A2		A2		Stable
S&P	May 2021	A	A-1	A	A-1	Stable
Fitch	March 2022	A	F-1+	A	F-1+	Stable

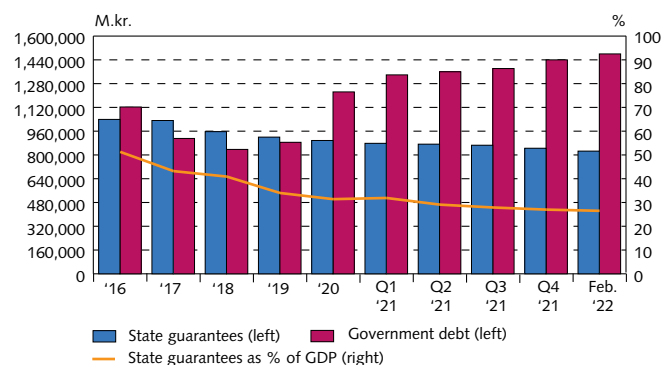
State guarantees¹

State guarantees 2018-2022

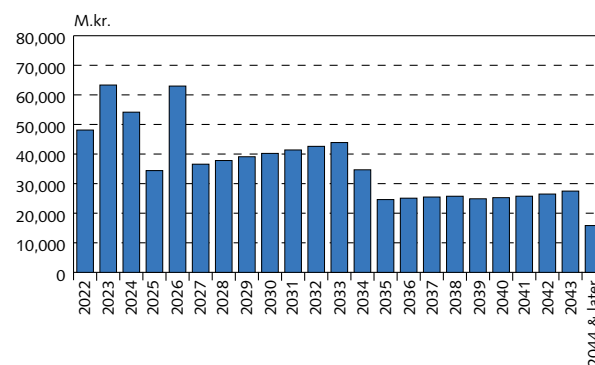
(in m.ISK)	February	Outstanding end of year			
	2022	2021	2020	2019	2018
Lending agencies	782,535	786,665	801,080	825,323	849,610
ÍL - Fund	716,146	718,952	731,917	753,380	777,716
Regional Development Fund	10,829	10,725	11,510	13,046	11,569
Icelandic Student Loan Fund	55,559	56,988	57,654	58,897	60,325
Co-operative and Limited Partnerships	32,241	33,271	69,097	92,010	104,596
National Power Company sf.	27,601	28,659	64,035	86,546	93,430
RARIK ohf. (Iceland State Electricity)	522	513	717	901	1,069
Farice ehf.	0	0	0	0	5,508
Isavia ohf.	836	865	962	1,034	1,123
RUV ohf. (National Broadcasting Service)	3,282	3,234	3,127	3,062	3,012
Other	0	0	256	467	454
Industries/ Municipalities	11,048	25,222	27,152	2,654	2,603
NIB - Nordic Investment Bank	0	0	3,050	2,654	2,603
Business Supplemental and Support loans	11,048	11,141	10,364	0	0
Icelandair hf.	0	14,081	13,739	0	0
State Guarantees total	825,823	845,158	897,329	919,987	956,809

1. Government of Iceland guaranteed 90% of a revolving credit facility to Icelandir of \$120 million, in total \$108 million, Icelandair terminated the credit facility effective 22.2.2022.

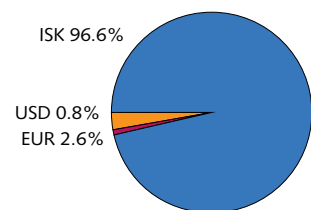
State guarantees - government debt and GDP 2016-2022



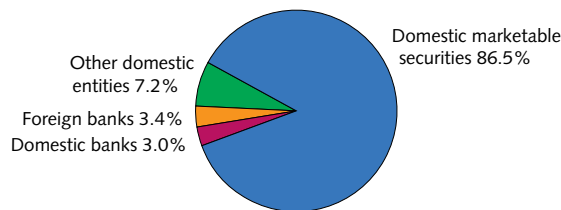
State guarantees - Maturity profile



Currency ratio



Type of lenders



Interest rate type

