

Auction results in February 2023

	Type	Bond	Amount of bids m.kr.	Amount allocated m.kr.	Yield/ simple interest
3.2.2023	Auction	RIKB 26 1015	10,556	5,706	7.32
3.2.2023	Auction	RIKS 37 0115	4,272	3,422	1.95
17.2.2023	Auction	RIKB 26 1015	3,370	3,247	7.73
17.2.2023	Auction	RIKS 26 0216	9,375	5,220	1.61
27.2.2023	Auction	RIKV 23 0419	28,300	23,200	7.43
27.2.2023	Auction	RIKV 23 0719	13,580	10,080	7.73

Treasury bond issuance in Q1/2023

<i>Amounts in b.kr.</i>	<i>Maximum</i>	<i>Actual</i>
RIKB 26 1015	-	19.9
RIKS 26 0216	-	15.8
RIKS 37 0115	-	11.4
Total issued in the quarter		47.0

Treasury bond issuance as of 28 February 2023

Regular auctions

Bond series

<i>Amounts in b.kr.</i>	<i>Sales value</i>
RIKB 26 1015	19.9
RIKS 26 0216	15.8
RIKS 37 0115	11.4
Total issued this year	47.0

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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.

The coverage of central government debt in the publication refers to the A1-part of central government excluding pension liabilities and accounts payable, unless otherwise specifically stated.

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 23 0315	IS0000034551	26.10.2022	15.3.2023	0.00	Bullet	0.04	0.04
RIKV 23 0419	IS0000034726	30.11.2022	19.4.2023	0.00	Bullet	0.14	0.14
RIKV 23 0621	IS0000034304	1.2.2023	21.6.2023	0.00	Bullet	0.31	0.31
<i>Nominal T-bonds</i>							
RIKB 23 0515	IS0000032191	15.5.2020	15.5.2023	1.50	Bullet	0.21	0.21
RIKB 24 0415	IS0000033009	15.4.2021	15.4.2024	2.50	Bullet	1.10	1.13
RIKB 25 0612	IS0000019321	12.6.2009	12.6.2025	8.00	Bullet	2.07	2.29
RIKB 26 1015	IS0000034874	15.10.2022	15.10.2026	6.75	Bullet	3.25	3.63
RIKB 28 1115	IS0000028249	15.11.2016	15.11.2028	5.00	Bullet	4.99	5.71
RIKB 31 0124	IS0000020386	24.1.2011	24.1.2031	6.50	Bullet	6.34	7.90
RIKB 42 0217	IS0000033884	17.2.2022	17.2.2042	4.50	Bullet	12.23	18.97
<i>Inflation-linked T-bonds</i>							
RIKS 26 0216	IS0000030732	16.2.2018	16.2.2026	1.50	Bullet	2.92	2.97
RIKS 30 0701	IS0000020576	1.7.2011	1.7.2030	3.25	Bullet	6.55	7.34
RIKS 33 0321	IS0000021251	21.3.2012	21.3.2033	3.00	Bullet	8.66	10.06
RIKS 37 0115	IS0000033793	15.1.2022	15.1.2037	1.00	Bullet	12.94	13.88
Average of benchmark series						4.7	5.6

* 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>
EUR 0,1% 20 Jun 2024	XS2015295814	20.6.2019	20.6.2024	0.10	Bullet	1.31	1.31
EUR 0,625% 3 Jun 2026	XS2182399274	3.6.2020	3.6.2026	0.63	Bullet	3.22	3.26
EUR 0,0% 15 Apr 2028	XS2293755125	4.2.2021	15.4.2028	0.00	Bullet	5.13	5.13
Average of benchmark series						3.5	3.5

* Macaulay.

Government debt

Domestic central government debt 28 February 2023 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 23 0215	23,857		-23,857	0	0.00	0	0.0
RIKV 23 0315	24,970		24,200	49,170	0.04	49,047	3.9
RIKV 23 0419	7,200		0	7,200	0.14	7,129	0.6
RIKV 23 0621	0		19,225	19,225	0.31	18,767	1.5
Total	56,027			75,595	0.12	74,943	5.9
<i>Nominal T-bonds</i>							
RIKB 23 0515	83,090		-3,080	80,010	0.21	79,130	6.3
RIKB 24 0415	87,158		0	87,158	1.13	81,998	6.8
RIKB 25 0612	106,346		0	106,346	2.28	105,761	8.3
RIKB 26 1015	11,206		8,953	20,159	3.63	19,320	1.6
RIKB 28 1115	98,465		0	98,465	5.71	86,688	7.7
RIKB 31 0124	122,093		0	122,093	7.90	115,622	9.6
RIKB 42 0217	44,158		0	44,158	18.97	34,002	3.5
Total	552,516			558,389	5.01	522,522	43.8
<i>Inflation-linked T-bonds</i>							
RIKS 26 0216	78,373	22,861	5,220	106,454	2.97	106,965	8.4
RIKS 30 0701	78,683	39,931	0	118,614	7.34	128,684	9.3
RIKS 33 0321	79,394	36,601	0	115,995	10.06	125,877	9.1
RIKS 37 0115	35,784	4,210	3,422	43,415	13.88	38,049	3.4
Total	272,234	103,602		384,477	7.69	399,575	30.2
<i>Other central government debt *</i>							
Inflation-linked debt				255,299	6.36		20.0
Nominal debt				1	0.04		0.0
Total domestic debt				1,273,761	5.80		100.0

* Mostly inflation-linked loan from Íl-fund. Also inflation-linked loans in relation to the purchase of Landsvirkjun (the National Power Company of Iceland) and Landsnet (the operator of Iceland's national energy grid) together with assumed gov. guarantees.

Foreign central government debt

Issues	Issued nominal amount (millions)	Remaining nominal amount	Nominal amount ISK*	Years to maturity
<i>Foreign bonds</i>				
EUR 0,1% 20 Jun 2024	500	500	76,150	1.31
EUR 0,625% 3 Jun 2026	500	500	76,150	3.26
EUR 0,0% 15 Apr 2028	750	750	114,225	5.13
Other foreign central government debt**			49,796	4.30
Total foreign debt			316,321	3.63
Central government debt, total			1,590,082	

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

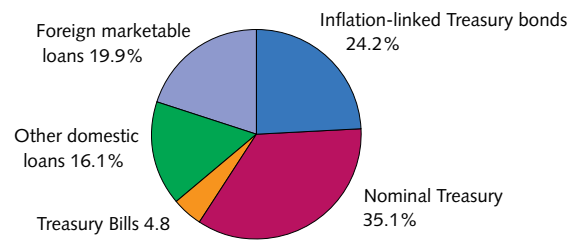
** Loan due to the government's purchase of Landsnet hf.

Central government debt. total in m.kr.

	<i>Nominal inc./ inflation compensation</i>	<i>Weighted time to maturity</i>
Nominal debt	633,985	4.42
Inflation-linked debt	639,777	7.16
Foreign currency debt	316,321	3.63
Total	1,590,082	5.37
Total debt as percentage of GDP *		38.9

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

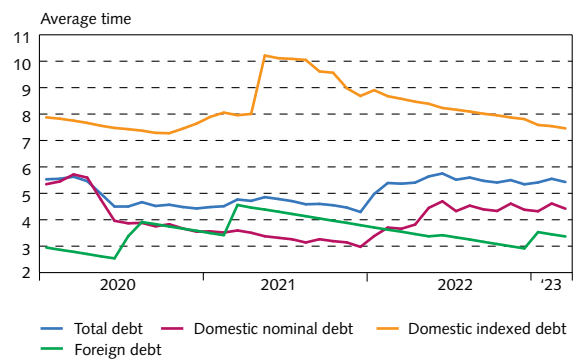
Total market value of benchmark issues



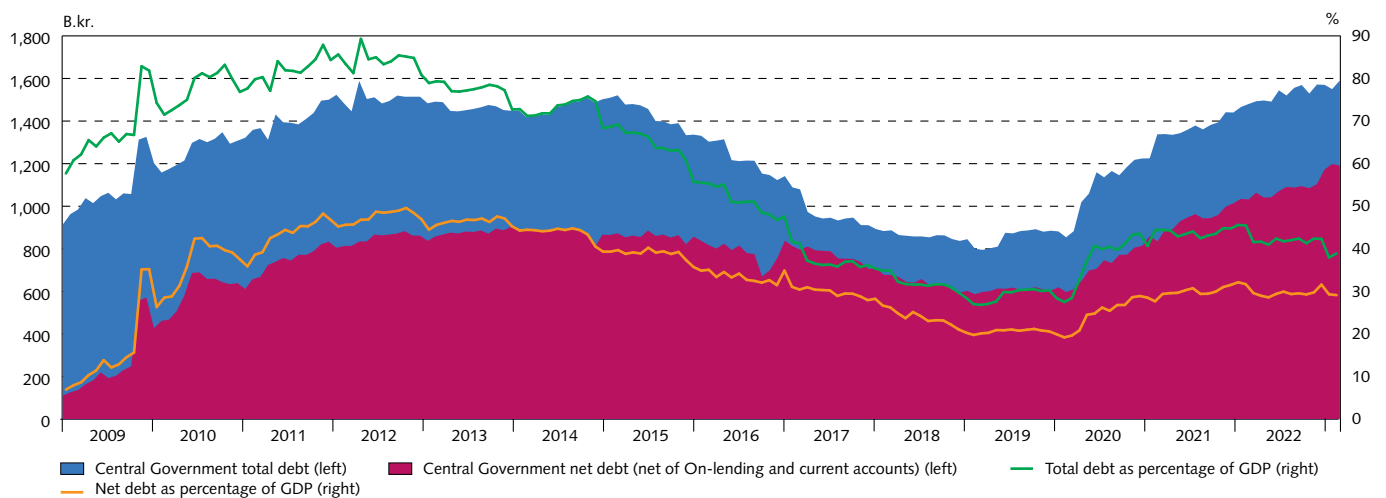
Net debt in m.kr.

<i>On-lending and cash at the Central bank</i>	<i>Nominal incl./ inflation compensation end of month</i>
Nominal on - lending	11,690
Inflation-linked on - lending	69,835
FX on - lending	7,303
Cash ISK	81,560
Cash FX	230,191
Total on-lending	400,579
Net debt	
Nominal debt	540,735
Inflation-linked debt	569,942
Foreign currency debt	78,8
Net central government debt	1,189,503
Total net debt as percentage of GDP	29.1

Average Time to Maturity of government debt including swaps



Changes in central government debt



Swaps

28 February 2023

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	558,389	35	542,389	34
Icelandic indexed interest rates	639,777	40	637,284	40
Icelandic floating interest rates	75,596	5	93,596	6
Foreign fixed interest rates	316,321	20	316,321	20
Foreign floating interest rates	0	0	0	0
Total	1,590,082	100	1,589,589	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	633,985	607,486	40	3.29
Inflation-linked debt	639,777	644,270	40	6.83
Foreign currency debt	316,321	295,082	20	3.27
Total	1,590,082	1,546,838	100	4.76
<i>Government debt with swaps</i>				
Nominal debt	635,985	611,153	40	3.22
Inflation-linked debt	637,284	641,753	40	6.84
Foreign currency debt	316,321	295,082	20	3.27
Total	1,589,589	1,547,988	100	4.73

Investors*

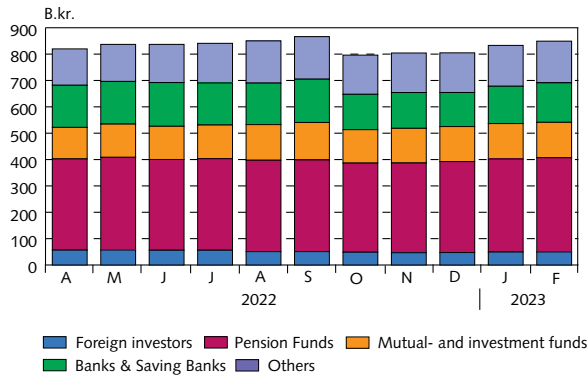
Owners of T-bonds and bills 28 February 2023

	RIKB							RIKS				Total	Bills total
	23 0515	24 0415	25 0612	26 1015	28 1115	31 0124	42 0217	26 0216	30 0701	33 0321	37 0115		
<i>Nominal value in m.kr.</i>													
Domestic investors													
Banks & Saving Banks	49,017	44,320	14,326	10,828	3,100	5,586	967	19,159	469	1,712	495	149,979	55,596
Miscellaneous credit undertakings	1,447	2,392	552	120	47	58	40	9,241	12,247	12,802	363	39,309	7,200
Mutual and inv. funds	10,965	17,214	18,225	6,611	17,016	11,618	2,762	25,074	11,833	8,675	4,153	134,145	8,980
Pension Funds	11,775	10,805	48,342	1,458	49,776	73,688	19,466	8,617	50,656	50,010	32,917	357,509	0
Firms	3,243	4,394	5,132	541	2,636	1,855	237	5,174	906	916	244	25,278	200
Insurance companies	1,558	6,922	8,973	485	7,826	9,877	3,290	13,801	2,462	3,883	1,660	60,737	3,250
Households	1,056	707	1,894	284	262	666	8	2,817	640	1,722	103	10,158	25
Others	290	52	5,519	100	8,233	7,260	388	159	135	207	150	22,493	344
Foreign investors	791	351	3,382	34	11,259	12,544	20,871	276	1	58	0	49,567	0
Total	80,140	87,158	106,346	20,461	100,155	123,153	48,028	84,317	79,348	79,984	40,086	849,176	75,595
<i>Dirty price (T-bills nominal value) in m.kr.</i>													
Domestic investors													
Banks & Saving Banks	49,024	42,626	15,040	10,636	2,770	5,320	742	24,519	782	2,775	478	154,711	55,596
Miscellaneous credit undertakings	1,447	2,301	580	118	42	56	31	11,826	20,425	20,758	351	57,934	7,200
Mutual and inv. funds	10,966	16,556	19,133	6,494	15,203	11,064	2,119	32,089	19,735	14,067	4,012	151,437	8,980
Pension Funds	11,776	10,392	50,748	1,432	44,472	70,177	14,935	11,028	84,482	81,092	31,800	412,336	0
Firms	3,243	4,226	5,388	532	2,355	1,766	182	6,622	1,511	1,486	236	27,546	200
Insurance companies	1,558	6,658	9,420	476	6,992	9,407	2,524	17,662	4,106	6,296	1,604	66,702	3,250
Households	1,056	680	1,989	279	234	634	6	3,605	1,068	2,791	100	12,441	25
Others	290	50	5,793	98	7,356	6,914	298	203	225	336	145	21,709	344
Foreign investors	791	337	3,550	33	10,060	11,947	16,013	353	2	93	0	43,180	0
Total	80,151	83,827	111,640	20,098	89,483	117,285	36,849	107,908	132,335	129,694	38,726	947,996	75,595

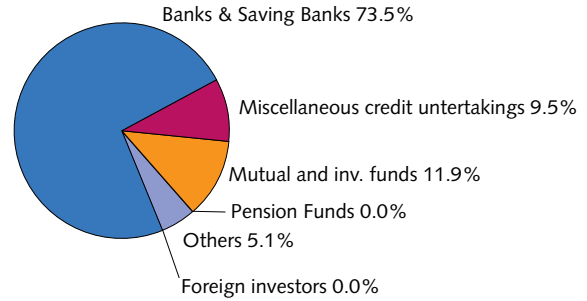
* Included outstanding repo with the primary dealers. From November 2020, owners are categorized according to the international statistical standard for national accounts (SNA08), adopted by the United Nations Statistical Commission.

	RIKB							RIKS				Alls	Vixlar alls
	23 0515	24 0415	25 0612	26 1015	28 1115	31 0124	42 0217	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	-496	4,195	1,229	5,808	285	-136	127	-1,538	-471	-299	-280	8,423	25,100
Miscellaneous credit undertakings	-626	99	311	0	-150	-80	-250	-111	40	0	52	-715	-507
Mutual and inv. funds	-1,722	-5,076	-1,672	2,871	-420	89	-1,070	5,581	560	263	442	-154	-5,000
Pension Funds	-350	250	120	250	500	-1	470	-512	-31	15	3,868	4,579	0
Firms	59	658	-123	261	835	-90	58	-462	229	9	-98	1,337	200
Insurance companies	-83	-284	-325	-90	-662	-202	600	2,734	150	204	100	2,143	-250
Households	0	99	30	121	2	80	0	-152	8	-33	-2	152	25
Others	0	0	0	0	30	0	0	25	0	0	0	55	0
Foreign investors	66	60	80	34	0	0	0	-1	0	32	0	272	0
Total	-3,150	0	-350	9,255	420	-340	-65	5,564	485	190	4,082	16,091	19,568

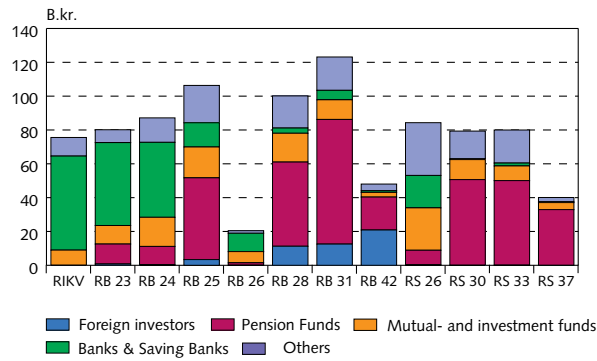
Owners of T-bonds 28 February 2023



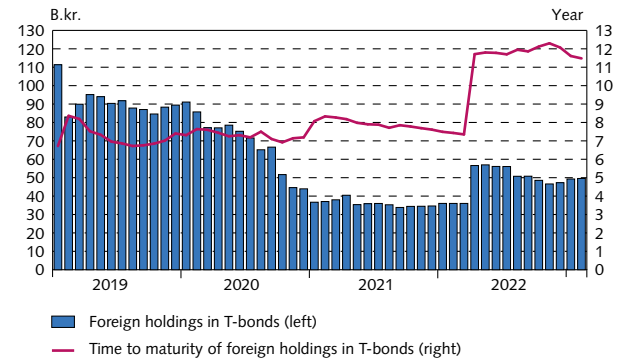
Owners of T-bills 28 February 2023



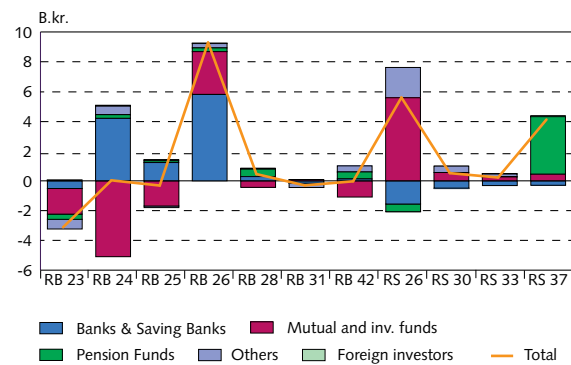
Owners of marketable T-bonds and bills 28 February 2023



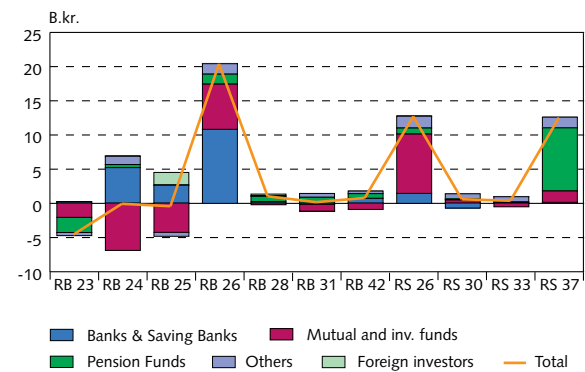
Time to maturity of non-residents' holdings in T-bonds and T-bills 28 February 2023



Net purchases by market participants between months



Net purchases by market participants from 31 December 2022

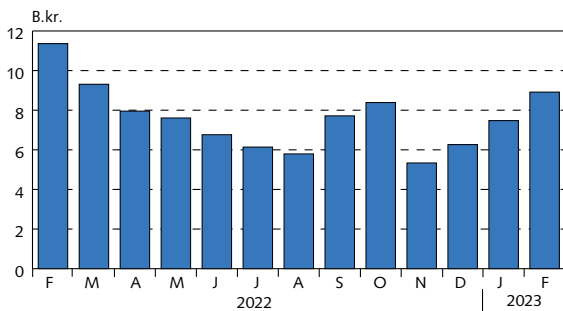




Market Information

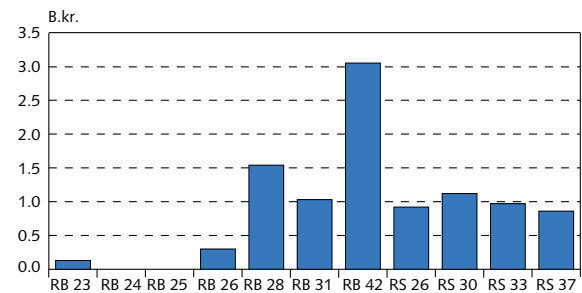
Securities lending facility, redemption profile, yield curves and turnover

Average amount in the security lending facility*

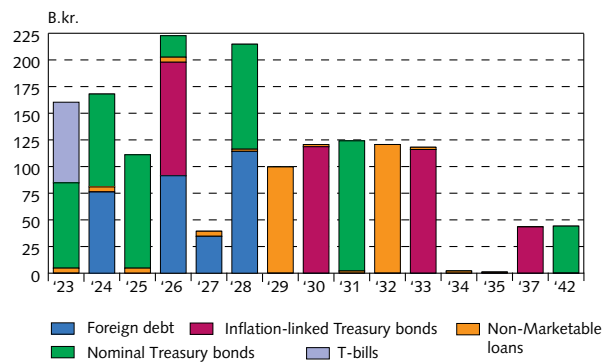


* Calculated at market price.

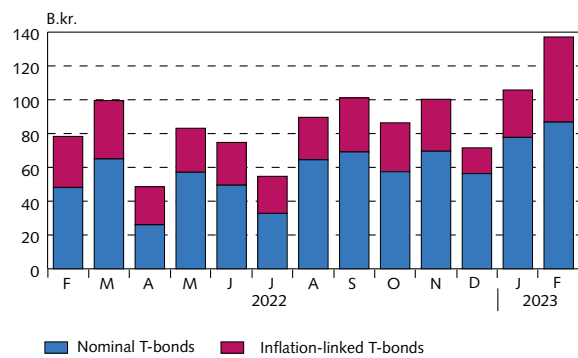
Outstanding amount in the securities lending facility at the end of last month*



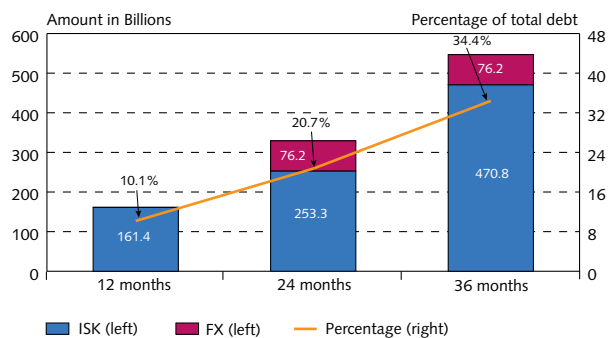
Redemption profile of government debt



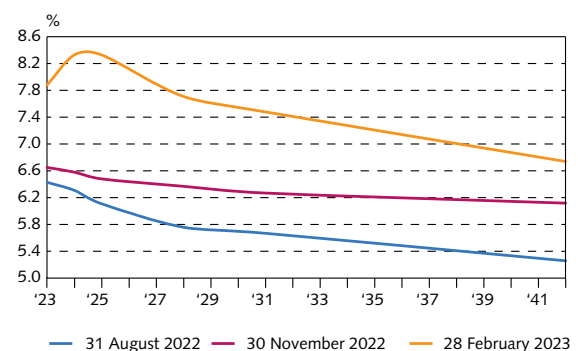
Monthly trading volume in T-Bonds on NASDAQ Iceland Exchange



Accumulated Maturities



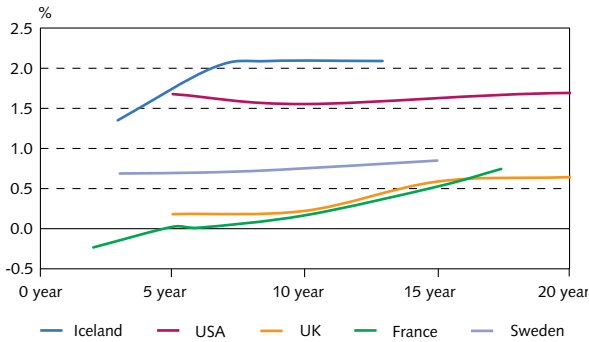
Nominal yield curves



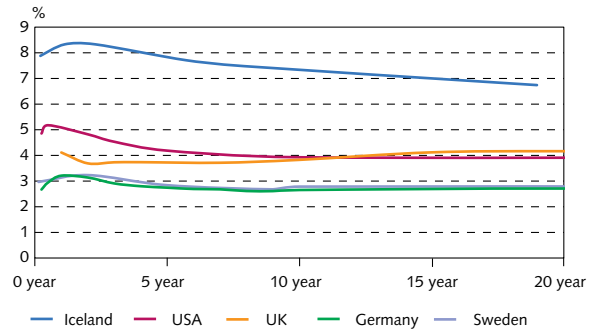


Market Information

Yield curve inflation-linked T-bonds

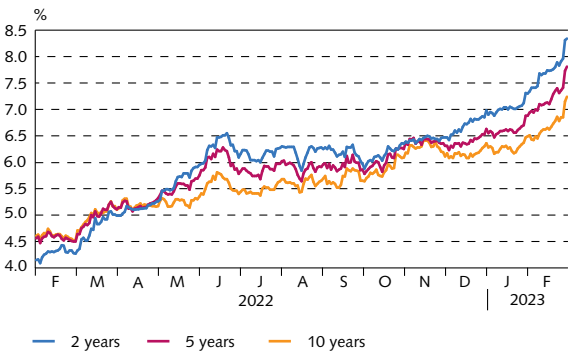


Yield curve Treasury bills and nominal T-bonds



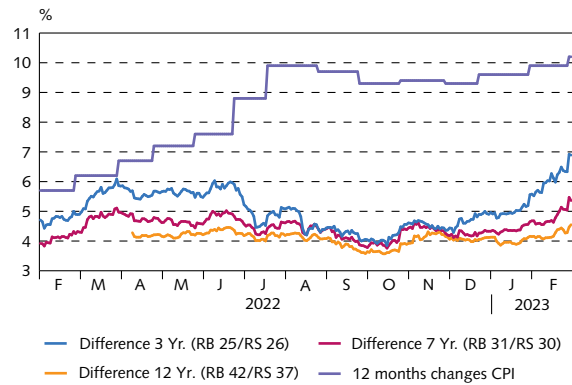
Yield for Treasury bonds

Zero-coupon



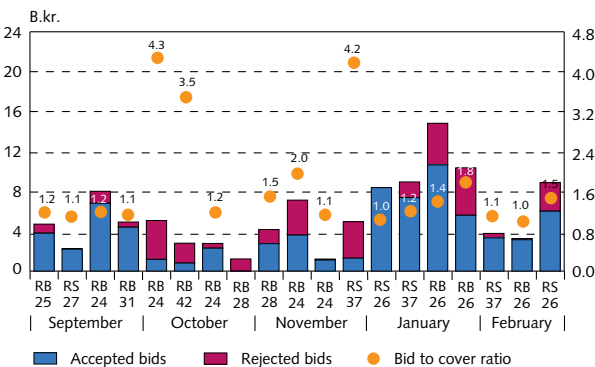
Inflation premium

Inflation premium nominal T-bonds



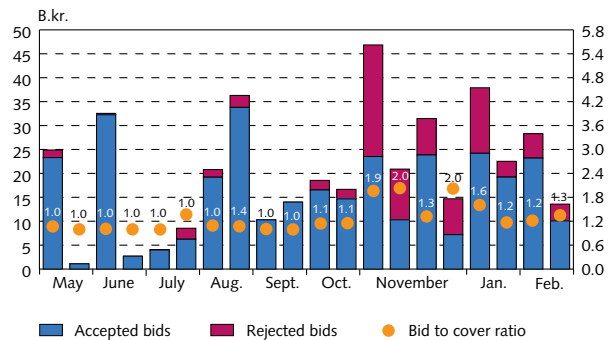
Auctions of Treasury bonds

Treasury bonds at market value



Auctions of Treasury bills

Treasury bills at market value



Auctions of Treasury bonds and bills

Auctions in 2023, 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										
20.01.23	RIKB 26 1015	14,824	14,926	57	48	6.95	10,653	10,726	480	11,130
03.02.23	RIKB 26 1015	10,361	10,556	28	17	7.32	5,600	5,706	0	5,600
17.02.23	RIKB 26 1015	3,266	3,370	10	8	7.73	3,147	3,247	0	3,147
Total		28,451	28,852				19,400	19,679	480	19,877
Indexed T-Bonds										
06.01.23	RIKS 26 0216	8,268	8,394	26	15	2.00	8,371	6,758	650	9,176
06.01.23	RIKS 37 0115	8,941	10,173	36	28	2.00	7,374	7,673	680	8,027
03.02.23	RIKS 37 0115	3,781	4,272	20	14	1.95	3,333	3,422	0	3,333
17.02.23	RIKS 26 0216	8,872	8,900	40	17	1.61	6,013	4,745	475	6,614
Total		29,861	31,739				25,091	22,598	1,805	27,151
										Indexed value
										Total value
										47,028
T-Bills										
30.01.23	RIKV 23 0315	37,606	37,900	16	8	6.70	24,012	24,200		
30.01.23	RIKV 23 0621	21,930	22,525	14	11	6.98	18,717	19,225		
27.02.23	RIKV 23 0419	28,017	28,300	21	10	7.43	22,968	23,200		
27.02.23	RIKV 23 0719	13,184	13,580	10	5	7.73	9,786	10,080		
Total		100,736	102,305				75,483	76,705		



Primary dealers

<i>Primary dealers in government securities</i>	<i>Telephone</i>	<i>Bloomberg</i>
Arion Bank hf.	+354 444 6000	ARIO
Fossar Investment Bank hf.	+354 522 4000	
Islandsbanki hf.	+354 440 4000	ISLA
Kvika banki hf.	+354 540 3200	KVIK
Landsbankinn hf.	+354 410 4000	LAIS

Events

22 March, 2023	Central Bank Policy Rate
24 March, 2023	Auction of Treasury bonds
27 March, 2023	Auction of Treasury bills
28 March, 2023	CPI announcement

Iceland Sovereign Credit Rating

	<i>Last change</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	November 2019	A2		A2		Stable
S&P	March 2017	A	A-1	A	A-1	Stable
Fitch	March 2022	A	F-1+	A	F-1+	Stable

State guarantees

State guarantees

	January 2023	End of year 2022
M.kr.		
Lending agencies	787,263	800,622
ÍL - Fund	717,908	731,561
Regional Development Fund	10,291	10,533
Icelandic Student Loan Fund	59,063	58,528
Co-operative and Limited Partnerships	27,631	27,394
National Power Company sf.	22,965	22,725
RARIK ohf. (Iceland State Electricity)	291	287
Isavia ohf.	857	895
RUV ohf. (National Broadcasting Service)	3,519	3,486
Industries/ Municipalities	8,796	9,064
Business Supplemental and Support loans	8,796	9,064
State Guarantees total	823,690	837,080

Currency ratio

ISK	97.2%
USD	0.0%
EUR	2.8%

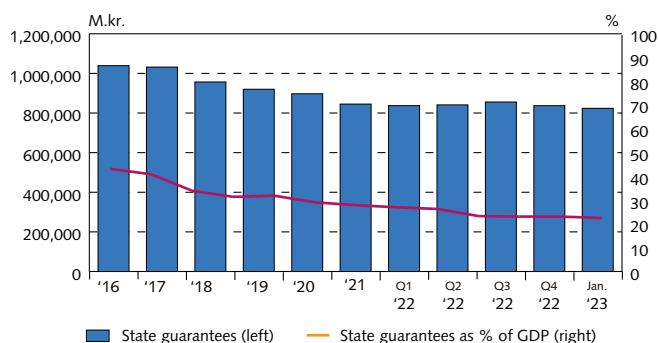
Type of lenders

Domestic marketable securities	88.4%
Domestic banks	1.1%
Foreign banks	2.8%
Other domestic entities	7.7%

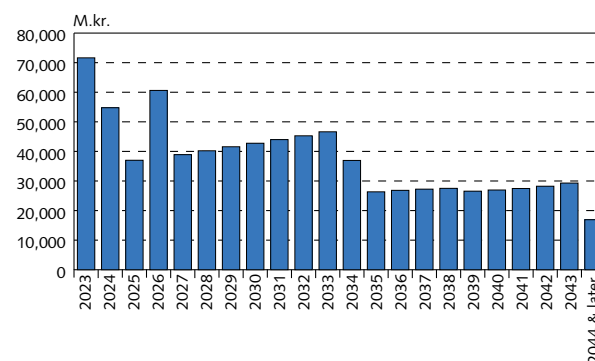
Interest rate type

Fixed	96.1%
Floating	3.9%

State guarantees and % of GDP 2016 - 2022



State guarantees - Maturity profile



On-lending

January 20223	Amount m.kr.	Weighted time to maturity
Nominal on-lending	11,485	9.42
Inflation-linked on-lending	69,049	27.45
FX on-lending	7,393	10.61
Total	87,927	23.68

On-lending, Redemption profile

