

Auction results in July 2023

Date	Type	Bond	Amount of bids m.kr.	Amount allocated m.kr.	Yield/ simple interest
7.7.2023	Auction	RIKB 26 1015	3,415	2,915	7.85
7.7.2023	Auction	RIKB 42 0217	7,285	5,135	6.11
24.7.2023	Auction	RIKV 23 1018	20,561	19,061	9.20
24.7.2023	Auction	RIKV 23 1220	12,913	10,713	9.25
28.7.2023	Auction	RIKB 26 1015	1,580	0	0.00
28.7.2023	Auction	RIKB 42 0217	1,960	500	6.09

Treasury bond issuance in Q3/2023

Amounts in b.kr.	Actual
RIKB 26 1015	2.8
RIKB 42 0217	4.6
Total issued in the quarter	7.5

Treasury bond issuance as of 31 July 2023

Regular auctions
Bond series

Amounts in b.kr.	Sales value
RIKB 24 0415	11.5
RIKB 26 1015	37.7
RIKB 28 1115	4.4
RIKB 31 0124	2.5
RIKB 42 0217	8.0
RIKS 26 0216	15.8
RIKS 37 0115	16.6
Total issued this year	96.6

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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

Issues	ISIN	Date of issue (d.m.y)	Maturity date	Interest, %	Type of bond	Duration*	Years to maturity
<i>T - bills</i>							
RIKV 23 0816	IS0000035038	29.3.2023	16.8.2023	0.00	Bullet	0.04	0.04
RIKV 23 0920	IS0000035129	10.5.2023	20.9.2023	0.00	Bullet	0.14	0.14
RIKV 23 1018	IS0000035145	24.5.2023	18.10.2023	0.00	Bullet	0.22	0.22
RIKV 23 1129	IS0000035301	28.6.2023	29.11.2023	0.00	Bullet	0.34	0.33
RIKV 23 1220	IS0000035400	26.7.2023	20.12.2023	0.00	Bullet	0.39	0.39
<i>Nominal T-bonds</i>							
RIKB 24 0415	IS0000033009	15.4.2021	15.4.2024	2.50	Bullet	0.71	0.71
RIKB 25 0612	IS0000019321	12.6.2009	12.6.2025	8.00	Bullet	1.79	1.87
RIKB 26 1015	IS0000034874	15.10.2022	15.10.2026	6.75	Bullet	2.84	3.21
RIKB 28 1115	IS0000028249	15.11.2016	15.11.2028	5.00	Bullet	4.58	5.29
RIKB 31 0124	IS0000020386	24.1.2011	24.1.2031	6.50	Bullet	5.96	7.49
RIKB 42 0217	IS0000033884	17.2.2022	17.2.2042	4.50	Bullet	12.04	18.55
<i>Inflation-linked T-bonds</i>							
RIKS 26 0216	IS0000030732	16.2.2018	16.2.2026	1.50	Bullet	2.50	2.55
RIKS 30 0701	IS0000020576	1.7.2011	1.7.2030	3.25	Bullet	6.31	6.92
RIKS 33 0321	IS0000021251	21.3.2012	21.3.2033	3.00	Bullet	8.48	9.64
RIKS 37 0115	IS0000033793	15.1.2022	15.1.2037	1.00	Bullet	12.52	13.46
Average of benchmark series						4.5	5.3

* Macaulay.

Foreign marketable debt

Issues	ISIN	Date of issue	Maturity date	Interest, %	Type of bond	Duration*	Years to maturity
EUR 0.1% 20 Jun 2024	XS2015295814	20.6.2019	20.6.2024	0.10	Bullet	0.89	0.89
EUR 0.625% 3 Jun 2026	XS2182399274	3.6.2020	3.6.2026	0.63	Bullet	2.82	2.84
EUR 0.0% 15 Apr 2028	XS2293755125	4.2.2021	15.4.2028	0.00	Bullet	4.71	4.71
Average of benchmark series						3.5	3.5

* Macaulay.

Government debt

Domestic central government debt 31 July 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 0719	47,831		-47,831	0	0.00	0	0.0
RIKV 23 0816	54,550		0	54,550	0.04	54,365	4.0
RIKV 23 0920	47,570		0	47,570	0.14	46,985	3.5
RIKV 23 1018	16,853		19,061	35,914	0.22	35,214	2.6
RIKV 23 1129	10,350		0	10,350	0.33	10,040	0.8
RIKV 23 1220	0		10,713	10,713	0.39	10,336	0.8
Samtals	177,154			159,097	0.15	156,938	11.7
<i>Nominal T-bonds</i>							
RIKB 24 0415	99,335		0	99,335	0.71	94,875	7.3
RIKB 25 0612	106,346		0	106,346	1.87	106,006	7.8
RIKB 26 1015	35,686		2,915	38,601	3.21	37,594	2.8
RIKB 28 1115	103,351		0	103,351	5.29	94,411	7.6
RIKB 31 0124	124,632		0	124,632	7.48	123,149	9.2
RIKB 42 0217	48,187		5,135	53,322	18.55	43,943	3.9
Samtals	517,537			525,587	5.44	499,977	38.7
<i>Inflation-linked T-bonds</i>							
RIKS 26 0216	83,593	27,763	0	111,356	2.55	107,458	8.2
RIKS 30 0701	78,683	45,392	0	124,076	6.92	131,433	9.1
RIKS 33 0321	79,394	41,941	0	121,335	9.64	129,877	8.9
RIKS 37 0115	44,407	7,032	0	51,439	13.46	45,338	3.8
Samtals	286,077	122,128		408,205	7.36	414,107	30.1
<i>Other central government debt *</i>							
Inflation-linked debt				263,512	6.15		19.4
Nominal debt				1	0.04		0.0
Total domestic debt				1.356.402	5.54		100.00

* 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	241	34,796	0.89
EUR 0.625% 3 Jun 2026	500	500	72,150	2.84
EUR 0.0% 15 Apr 2028	750	750	108,225	4.71
Other foreign central government debt**			42,825	3.83
Total foreign debt			257,996	3.53
Central government debt, total			1,614,398	

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

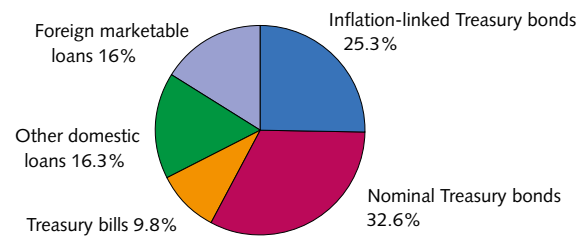
** Loan due to the government's purchase of Landsnet hf.

Central government debt. total in m.kr.

	<i>Nominal incl./ inflation compensation</i>	<i>Weighted time to maturity</i>
Nominal debt	684,685	4.22
Inflation-linked debt	671,717	6.88
Foreign currency debt	257,996	3.53
Total	1,614,398	5.21
Total debt as percentage of GDP *		38.8

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

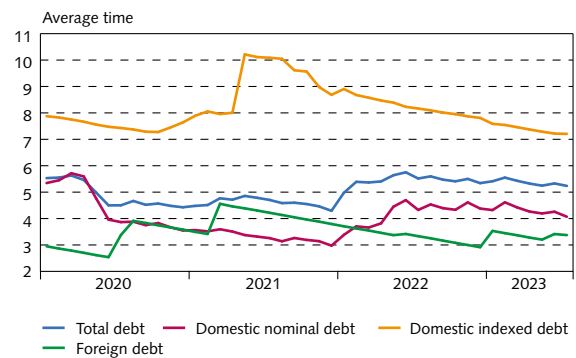
Central government debt, breakdown by type



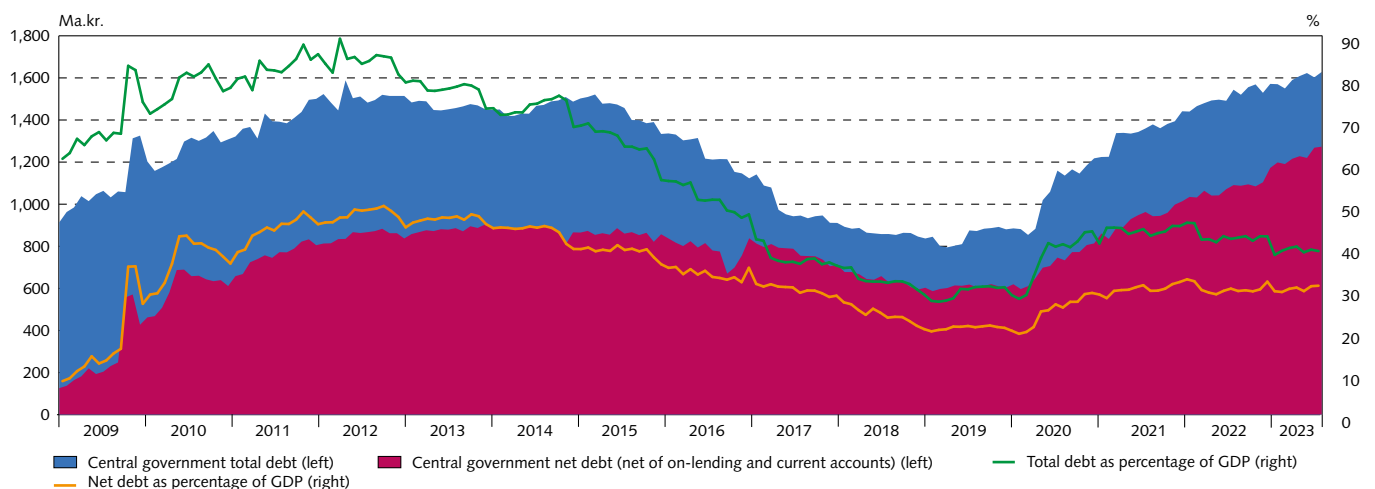
Net debt in m.kr.

<i>On-lending and cash at the Central bank</i>	<i>Nominal incl./ inflation compensation end of month</i>
Nominal on-lending	15,464
Inflation-linked on-lending	76,983
FX on-lending	6,677
Cash ISK	49,626
Cash FX	193,474
Total on-lending	342,224
Net debt	
Nominal debt	619,594
Inflation-linked debt	594,735
Foreign currency debt	57,845
Net central government debt	1,272,174
Total net debt as percentage of GDP	30.6

Average time to maturity of government debt including swaps



Changes in central government debt



Swaps

31 July 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	525,587	33	509,587	32
Icelandic indexed interest rates	671,717	42	669,109	41
Icelandic floating interest rates	159,098	10	177,154	11
Foreign fixed interest rates	257,996	16	257,996	16
Foreign floating interest rates	0	0	0	0
Total	1,614,398	100	1,613,846	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	684,685	666,884	42	3.20
Inflation-linked debt	671,717	657,702	42	6.61
Foreign currency debt	257,996	241,750	16	3.21
Total	1,614,398	1,566,336	100	4.63
<i>Government debt with swaps</i>				
Nominal debt	686,741	670,312	43	3.15
Inflation-linked debt	669,109	655,173	41	6.63
Foreign currency debt	257,996	241,750	16	3.21
Total	1,613,846	1,567,235	100	4.61

Investors*

Owners of T-bonds and bills 31 July 2023

	RIKB						RIKS				Total	Bills total
	24 0415	25 0612	26 1015	28 1115	31 0124	42 0217	26 0216	30 0701	33 0321	37 0115		
Nominal value in m.kr.												
Domestic investors												
Banks & saving banks	55,210	16,640	10,953	3,008	4,953	873	28,678	2,017	2,539	905	125,778	123,109
Miscellaneous credit undertakings	3,780	379	253	588	320	1	8,721	12,220	13,055	573	39,890	4,050
Mutual and inv. funds	15,831	13,233	15,592	19,805	17,366	11,284	12,930	10,907	8,296	5,048	130,292	23,675
Pension funds	11,390	48,943	4,831	50,407	71,010	18,372	11,076	49,677	48,900	37,327	351,933	0
Firms	5,037	5,385	2,921	2,435	1,925	99	4,972	958	746	171	24,649	1,703
Insurance companies	5,543	9,269	3,136	8,038	8,898	2,977	14,475	3,037	4,236	1,528	61,136	5,800
Households	1,352	1,922	580	310	828	7	2,864	733	1,699	114	10,410	23
Others	364	5,482	250	8,233	7,170	293	159	135	177	50	22,313	737
Foreign investors	828	5,093	84	11,167	12,450	21,368	299	0	66	0	51,355	0
Total	99,335	106,346	38,601	103,991	124,922	55,273	84,173	79,683	79,714	45,717	817,755	159,097

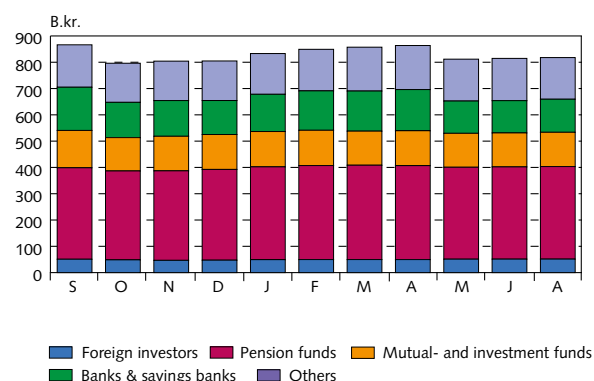
Dirty price (T-bills nominal value) in m.kr.

Domestic investors												
Banks & saving banks	53,103	16,751	11,240	2,849	5,048	733	37,067	3,370	4,189	928	135,280	123,109
Miscellaneous credit undertakings	3,636	382	260	557	327	0	11,272	20,421	21,536	588	58,977	4,050
Mutual and inv. funds	15,226	13,321	16,000	18,759	17,700	9,475	16,712	18,226	13,686	5,173	144,279	23,675
Pension funds	10,955	49,271	4,957	47,746	72,374	15,426	14,316	83,011	80,669	38,250	416,976	0
Firms	4,844	5,421	2,997	2,307	1,962	83	6,426	1,600	1,230	175	27,047	1,703
Insurance companies	5,332	9,331	3,218	7,614	9,069	2,499	18,709	5,075	6,988	1,565	69,400	5,800
Households	1,301	1,935	596	293	844	6	3,701	1,224	2,803	117	12,821	23
Others	350	5,518	257	7,798	7,308	246	205	226	292	51	22,251	737
Foreign investors	797	5,127	86	10,577	12,689	17,943	386	0	108	0	47,713	0
Total	95,544	107,058	39,611	98,501	127,321	46,413	108,795	133,153	131,503	46,847	934,746	159,097

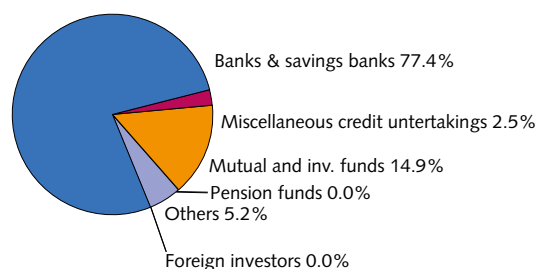
* Included outstanding repo with the primary dealers. From November 2020, owners are categorized according to the international statistical standard for national accounts (SNA08), adopted by the United Nations Statistical Commission.

	RIKB						RIKS					Bills
	24 0415	25 0612	26 1015	28 1115	31 0124	42 0217	26 0216	30 0701	33 0321	37 0115	Total	total
Changes between months												
Nominal value in m.k.												
Domestic investors												
Banks & saving banks	1,142	213	1,862	-20	-385	-1,367	208	1,088	527	-258	3,011	-19,278
Miscellaneous credit undertakings	-940	-69	200	306	147	-102	-53	-266	184	-95	-688	-2,701
Mutual and inv. funds	631	230	-579	-591	730	1,256	470	-920	-352	250	1,124	3,750
Pension funds	0	133	100	-360	-505	1,632	627	0	-500	0	1,126	0
Firms	-390	-212	378	-62	3	0	-324	0	0	0	-607	170
Insurance companies	-501	-263	162	12	-241	561	-728	-8	7	29	-972	0
Households	-16	-23	47	-1	-27	6	-32	-24	-6	0	-76	2
Others	0	-37	0	0	-30	140	0	0	0	0	73	0
Foreign investors	75	29	-5	5	-2	0	13	0	0	0	115	0
Total	0	0	2,165	-710	-310	2,126	180	-130	-140	-75	3,106	-18,057

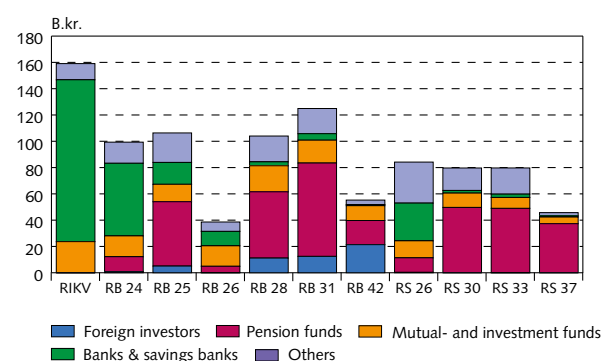
Owners of T-bonds 31 July 2023



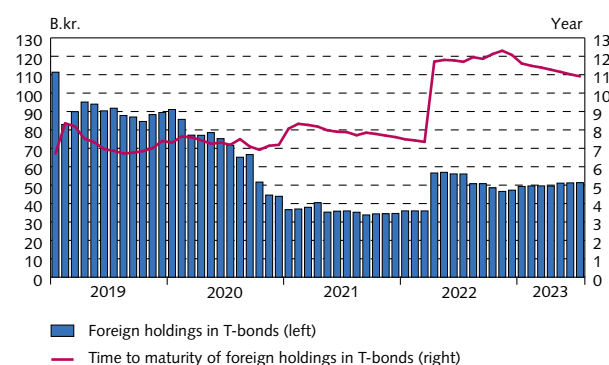
Owners of T-bills 31 July 2023



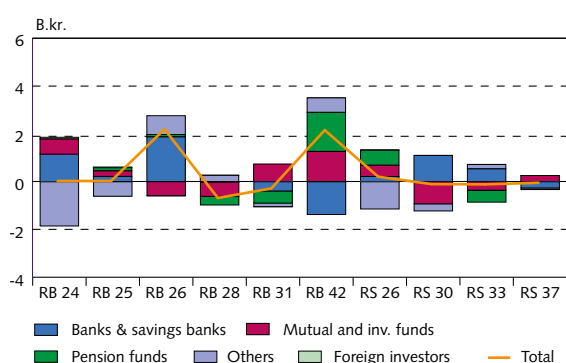
Owners of marketable T-bonds and bills 31 July 2023



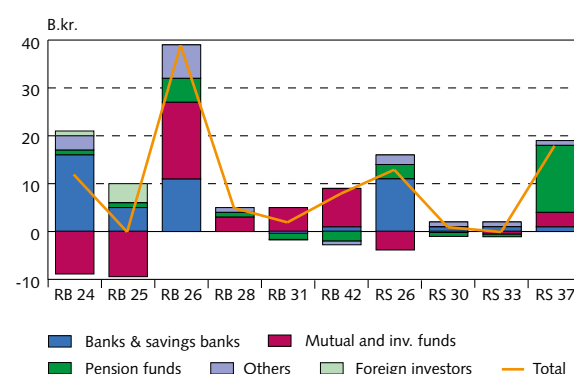
Time to maturity of non-residents' holdings in T-bonds and T-bills 31 July 2023



Net purchases by market participants between months

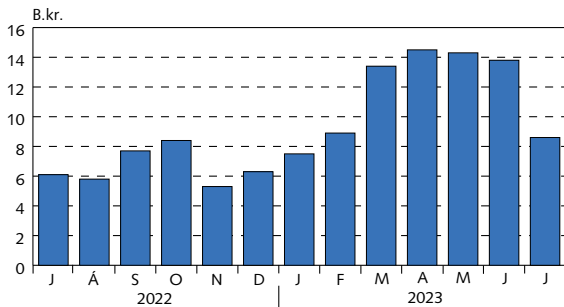


Net purchases by market participants from 31 December 2022



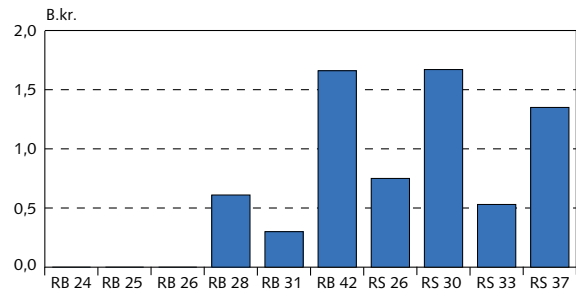
Securities lending facility, redemption profile, yield curves and turnover

Average outstanding amount of the securities lending facility*

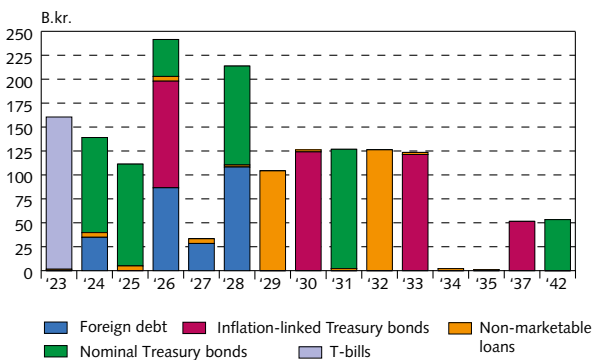


* Calculated at market price.

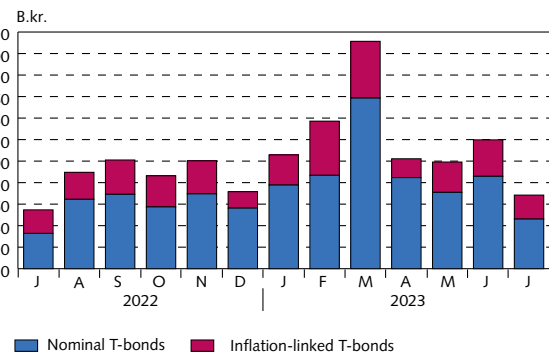
Outstanding amount of the securities lending facility at the end of last month*



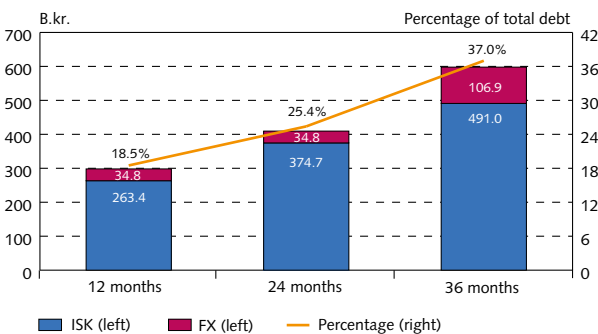
Redemption profile of government debt



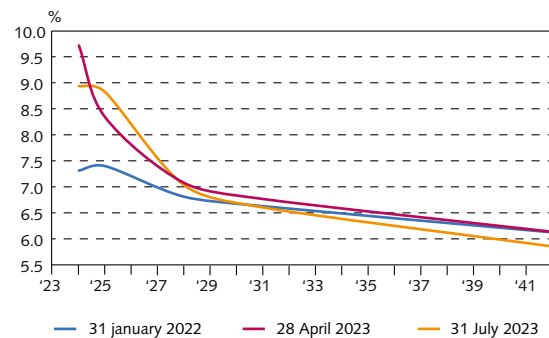
Monthly trading volume in T-bonds on NASDAQ Iceland Exchange



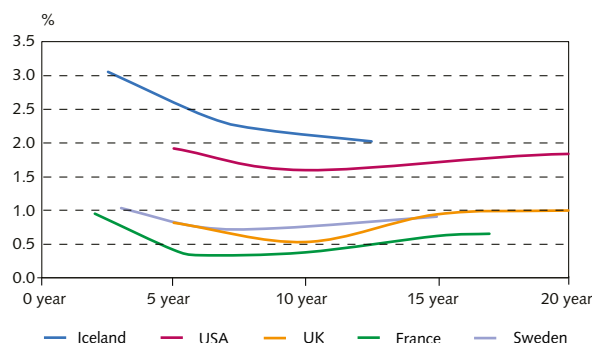
Accumulated maturities



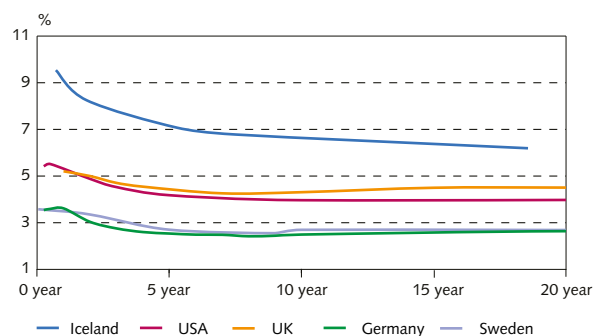
Nominal yield curves



Yield curve inflation-linked T-bonds

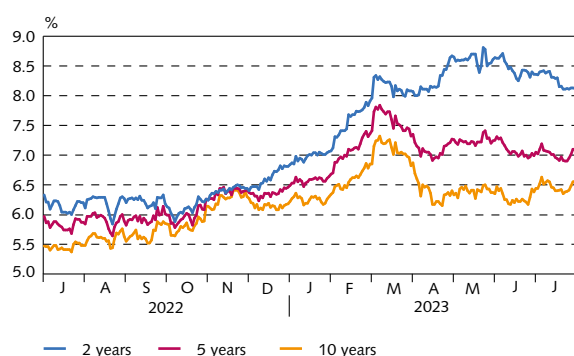


Yield curve Treasury bills and nominal T-bonds



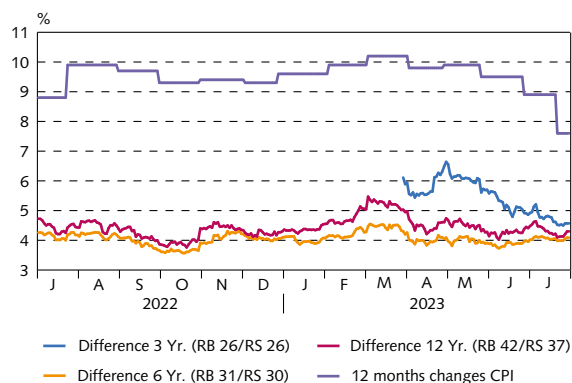
Yield for Treasury bonds

Zero-coupon



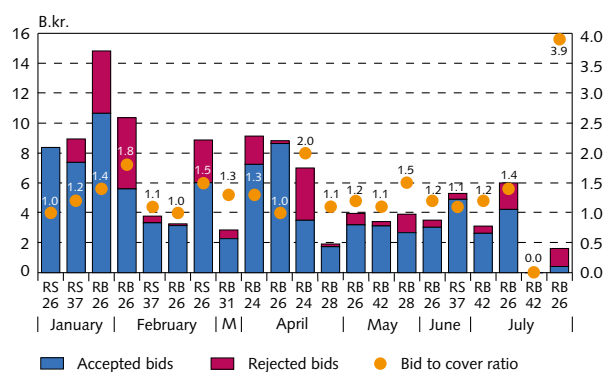
Inflation premium

Inflation premium nominal T-bonds



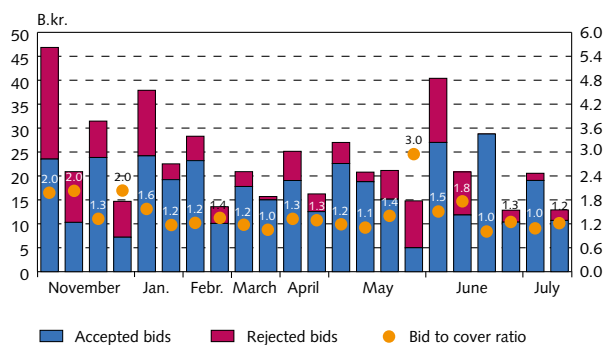
Treasury bond auctions

Treasury bonds at market value



Treasury bill auctions

Treasury bills at market value



Treasury auctions

Auctions in 2023, in m.kr.

		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		
Date										
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
24.03.23	RIKB 31 0124	2,855	2,945	20	16	7.01	2,274	2,345	195	2,462
14.04.23	RIKB 24 0415	9,132	9,651	11	10	8.39	7,240	7,651	600	7,807
14.04.23	RIKB 26 1015	8,819	9,056	35	33	7.61	8,624	8,856	0	8,624
28.04.23	RIKB 24 0415	7,000	7,406	19	14	8.77	3,503	3,706	0	3,503
28.04.23	RIKB 28 1115	1,918	2,100	11	10	6.93	1,735	1,900	0	1,735
10.05.23	RIKB 26 1015	3,964	4,130	19	16	8.12	3,196	3,330	178	3,367
10.05.23	RIKB 42 0217	3,416	4,090	26	24	5.98	3,123	3,740	289	3,365
26.05.23	RIKB 28 1115	3,909	4,322	27	16	7.16	2,675	2,957	29	2,701
02.06.23	RIKB 26 1015	3,513	3,663	20	15	8.17	3,033	3,163	0	3,033
07.07.23	RIKB 26 1015	3,115	3,215	16	13	7.85	2,631	2,715	200	2,824
07.07.23	RIKB 42 0217	6,000	7,285	28	15	6.11	4,229	5,135	0	4,229
28.07.23	RIKB 26 1015	0	1,580	12	0	0.00	0	0	0	0
28.07.23	RIKB 42 0217	1,619	1,960	10	1	6.09	413	500	0	413
Total		83,710	90,255				62,075	65,677	2,191	64,149
										Indexed value
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
02.06.23	RIKS 37 0115	5,300	5,985	20	12	1.97	4,904	4,835	367	5,275
Total		35,161	37,724				29,994	27,433	2,171	32,426
									Total value	96,575
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		
27.03.23	RIKV 23 0621	20,512	20,900	16	12	8.10	17,470	17,800		
27.03.23	RIKV 23 0816	15,209	15,700	10	9	8.31	14,531	15,000		
24.04.23	RIKV 23 0621	24,832	25,150	19	16	8.22	18,809	19,050		
24.04.23	RIKV 23 0816	15,835	16,250	12	8	8.42	12,229	12,550		
08.05.23	RIKV 23 0719	26,557	27,000	20	13	8.58	22,229	22,600		
08.05.23	RIKV 23 0920	20,149	20,800	12	10	8.75	18,211	18,800		
22.05.23	RIKV 23 0719	20,872	21,151	16	10	8.60	14,951	15,151		
22.05.23	RIKV 23 1018	14,292	14,803	9	4	8.75	4,830	5,003		
19.06.23	RIKV 23 0816	39,843	40,401	24	19	9.00	26,627	27,000		
19.06.23	RIKV 23 1018	20,235	20,850	12	9	9.20	11,500	11,850		
26.06.23	RIKV 23 0920	28,166	28,770	13	13	9.20	28,166	28,770		
26.06.23	RIKV 23 1129	12,361	12,850	8	7	9.25	9,956	10,350		
24.07.23	RIKV 23 1018	20,129	20,561	18	17	9.20	18,661	19,061		
24.07.23	RIKV 23 1220	12,443	12,913	13	11	9.25	10,323	10,713		
Total		392,171	400,404				303,977	310,403		



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

11 August, 2023	Auction of Treasury bonds
23 August, 2023	Central Bank Policy Rate
25 August, 2023	Auction of Treasury bonds
28 August, 2023	Auction of Treasury bills
30 August, 2023	CPI announcement

Iceland's sovereign credit ratings

	<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	July 2023	A2		A2		Positive
S&P	May 2023	A	A-1	A	A-1	Positive
Fitch	March 2022	A	F-1+	A	F-1+	Stable

State guarantees

State guarantees

	May 2023	End of year 2022
M.kr.		
Lending agencies	790,508	800,622
HF fund	720,749	731,561
Icelandic regional development institute	10,066	10,533
Icelandic student loan fund	59,693	58,528
Co-operative and limited partnerships	27,016	27,394
National power company sf.	22,305	22,725
RARIK ohf. (Iceland state electricity)	153	287
Isavia ohf.	915	895
RUV ohf. (National broadcasting service)	3,643	3,486
Industries/ municipalities	7,222	9,064
Business supplemental and support loans	7,222	9,064
State guarantees total	824,746	837,080

Currency ratio

ISK	97.3%
EUR	2.7%

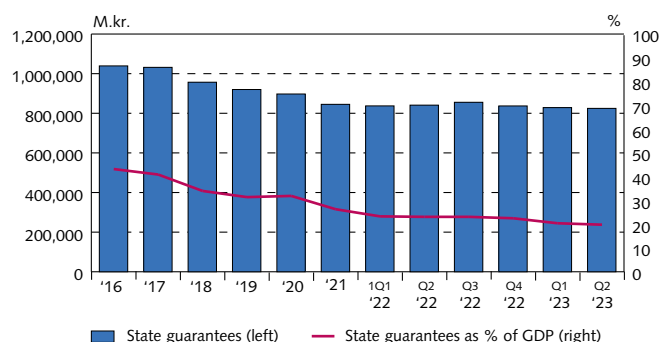
Type of lenders

Domestic marketable securities	88.6%
Domestic banks	0.9%
Foreign banks	2.7%
Other domestic entities	7.8%

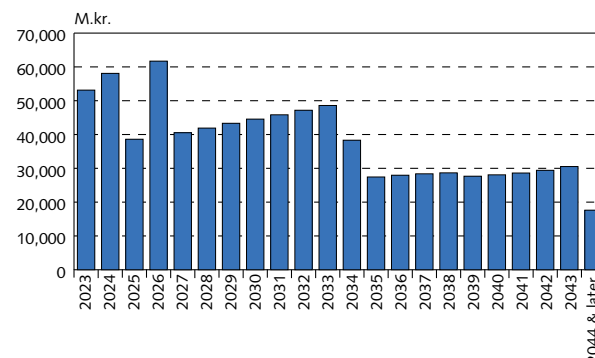
Interest rate type

Fixed	96.4%
Floating	3.6%

State guarantees and % of GDP 2016 - 2023



State guarantees - maturity profile



On-lending

Q2 2023	Amount m.kr.	Weighted time to maturity
Nominal on-lending	11,855	7.32
Inflation-linked on-lending	76,468	14.37
FX on-lending	6,887	5.29
Total	95,210	14.80

On-lending, redemption profile

