Market Information

GOVERNMENT DEBT MANAGEMENT

GDM – Central Bank of Iceland – Kalkofnsvegi 1 – 101 Reykjavík – Web: lanamal.is – E-mail: lanamal@lanamal.is

Vol. 26 - No. 6 June 2025

Auction results in May 2025

Date	*Type*	*Bond*	*Amount of bids m.kr.*	*Amount allocated m.kr.*	*Yield/ simple interest*
9.5.2025	Auction	RIKB 27 0415	7,800	7,100	7.52
9.5.2025	Auction	RIKB 38 0215	7,250	4,950	6.75
19.5.2025	Auction	RIKV 25 0820	10,130	2,680	7.80
19.5.2025	Auction	RIKV 25 1119	18,300	8,200	7.78
23.5.2025	Auction	RIKB 27 0415	8,850	5,850	7.51
23.5.2025	Auction	RIKB 42 0217	2,660	1,610	6.56

Treasury bond issuance in Q2/2025

Amounts in b.kr.	*Sales value**
RIKB 26 1015	10.4
RIKB 27 0415	18.7
RIKB 35 0917	3.4
RIKB 38 0215	9.7
RIKB 42 0217	1.3
Total issued in the quarter	43.4

* Amounts are in indexed market value.

Treasury bond issuance as of 31 May 2025

Regular auctions
Bond series

Amounts in b.kr.	*Sales value**
RIKB 26 1015	17.2
RIKB 27 0415	37.8
RIKB 35 0917	13.9
RIKB 38 0215	29.4
RIKB 42 0217	4.8
Total issued this year	103.0

* Amounts are in indexed market value.

Buybacks this year

Amounts in b.kr.	*Bought**
RIKB 25 0612	21.1
Total	21.1

* Nominal amount

Contents

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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*
T - bills							
RIKV 25 0521	IS0000036986	20.11.2024	21.5.2025	0.00	Bullet	0.00	0.03
RIKV 25 0716	IS0000037117	18.12.2024	16.7.2025	0.00	Bullet	0.13	0.13
RIKV 25 0820	IS0000037216	15.1.2025	20.8.2025	0.00	Bullet	0.23	0.22
RIKV 25 0917	IS0000037349	19.3.2025	17.9.2025	0.00	Bullet	0.30	0.30
RIKV 25 1015	IS0000037448	16.4.2025	15.10.2025	0.00	Bullet	0.38	0.38
RIKV 25 1119	IS0000037547	21.5.2025	19.11.2025	0.00	Bullet	0.48	0.47
Nominal T-bonds							
RIKB 25 0612	IS0000019321	12.6.2009	12.6.2025	8.00	Bullet	0.03	0.03
RIKB 26 1015	IS0000034874	15.10.2022	15.10.2026	6.75	Bullet	1.31	1.38
RIKB 27 0415	IS0000036291	15.4.2024	15.4.2027	8.00	Bullet	1.80	1.87
RIKB 28 1115	IS0000028249	15.11.2016	15.11.2028	5.00	Bullet	3.17	3.46
RIKB 31 0124	IS0000020386	24.1.2011	24.1.2031	6.50	Bullet	4.80	5.65
RIKB 35 0917	IS0000035574	17.9.2023	17.9.2035	7.00	Bullet	7.35	10.30
RIKB 38 0215	IS0000037265	15.2.2025	15.2.2038	6.50	Bullet	8.83	12.71
RIKB 42 0217	IS0000033884	17.2.2022	17.2.2042	4.50	Bullet	11.27	16.72
Inflation-linked T-bonds							
RIKS 26 0216	IS0000030732	16.2.2018	16.2.2026	1.50	Bullet	0.72	0.72
RIKS 30 0701	IS0000020576	1.7.2011	1.7.2030	3.25	Bullet	4.63	5.09
RIKS 33 0321	IS0000021251	21.3.2012	21.3.2033	3.00	Bullet	7.04	7.81
RIKS 37 0115	IS0000033793	15.1.2022	15.1.2037	1.00	Bullet	10.91	11.63
Average of benchmark series						4.2	5.1

* Macaulay.

Foreign marketable debt

Issues	*ISIN*	*Date of issue*	*Maturity date*	*Interest, %*	*Type of bond*	*Duration**	*Years to maturity*
EUR 0,625% 3 Jun 2026	XS2182399274	3.6.2020	3.6.2026	0.63	Bullet	1.00	1.01
EUR 3,4% 28 Jun 2027	XS2852055651	28.6.2024	28.6.2027	3.40	Bullet	1.98	2.08
EUR 0,0% 15 Apr 2028	XS2293755125	4.2.2021	15.4.2028	0.00	Bullet	2.87	2.87
EUR 2,625% 27 May 2030	XS3081371554	27.5.2025	27.5.2030	2.63	Bullet	3.26	4.99
EUR 3,5% 21 Mar 2034	XS2788435050	21.3.2024	21.3.2034	3.50	Bullet	7.70	8.81
Average of benchmark series						4.2	5.0

* Macaulay.

Government debt

Domestic central government debt 31 May 2025 in m.kr.

Issues	Nominal amount. beg, of month	Inflation compensation	Issued/ redeemed (nominal)	Inc. inflation compensation. end of month	Years to maturity	Market value	% of domestic debt
T-bills							
RIKV 25 0521	32,666		-32,666	0	0.00	0	0.0
RIKV 25 0716	30,630		0	30,630	0.13	30,351	2.0
RIKV 25 0820	33,250		2,680	35,930	0.22	35,341	2.3
RIKV 25 0917	21,342		0	21,342	0.30	20,870	1.4
RIKV 25 1015	27,230		0	27,230	0.38	26,470	1.7
RIKV 25 1119	0		8,200	8,200	0.47	7,913	0.5
Total	145,118			123,332	0.26	120,946	7.9
Nominal T-bonds							
RIKB 25 0612	67,776		0	67,776	0.03	67,783	4.3
RIKB 26 1015	90,334		0	90,334	1.38	89,548	5.8
RIKB 27 0415	95,326		13,312	108,638	1.87	109,681	6.9
RIKB 28 1115	118,882		0	118,882	3.46	111,024	7.6
RIKB 31 0124	124,632		0	124,632	5.65	122,115	8.0
RIKB 35 0917	80,797		0	80,797	10.30	82,017	5.2
RIKB 38 0215	24,641		5,250	29,891	12.71	29,362	1.9
RIKB 42 0217	70,466		1,610	72,076	16.72	56,839	4.6
Total	672,855			693,027	5.57	668,369	44.2
Inflation-linked T-bonds							
RIKS 26 0216	83,593	37,874	0	121,467	0.72	118,588	7.8
RIKS 30 0701	78,683	56,659	0	135,342	5.08	136,357	8.6
RIKS 33 0321	79,394	52,959	0	132,353	7.81	133,279	8.4
RIKS 37 0115	69,473	18,309	0	87,781	11.63	72,859	5.6
Total	311,142	165,801		476,943	5.93	461,083	30.4
*Other central government debt **							
Inflation-linked debt				273,623	4.68		17.5
Nominal debt				1	0.04		0.0
Total domestic debt				1,566,925	5.11		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).

Foreign central government debt

Issues	Issued nominal amount (millions)	Remaining nominal amount	Nominal amount ISK*	Years to maturity
Foreign bonds				
EUR 0,625% 3 Jun 2026	500	296	42,725	1.01
EUR 3,4% 28 Jun 2027	50	50	7,210	2.08
EUR 0,0% 15 Apr 2028	750	750	108,150	2.87
EUR 2,625% 27 May 2030	750	750	108,150	4.99
EUR 3,5% 21 Mar 2034	750	750	108,150	8.81
Other foreign central government debt**			32,809	1.84
Total foreign debt			407,194	4.72
Central government debt, total			1,974,119	

* Mid rate, official exchange rate of The Central Bank of Iceland.
** Loan due to the government's purchase of Landsnet hf.

Market Information

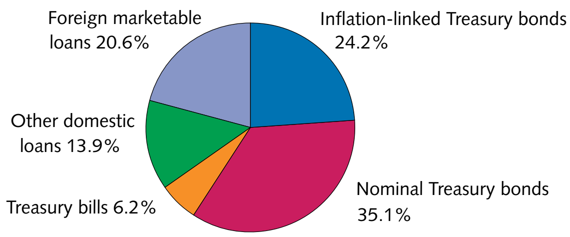
GOVERNMENT
DEBT MANAGEMENT

Central government debt. total in m.kr.

	Nominal inc./ inflation compensation	*Weighted time to maturity*
Nominal debt	816,359	4.77
Inflation-linked debt	750,566	5.47
Foreign currency debt	407,194	4.72
Total	1,974,119	5.03
Total debt as percentage of GDP *		40.4

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

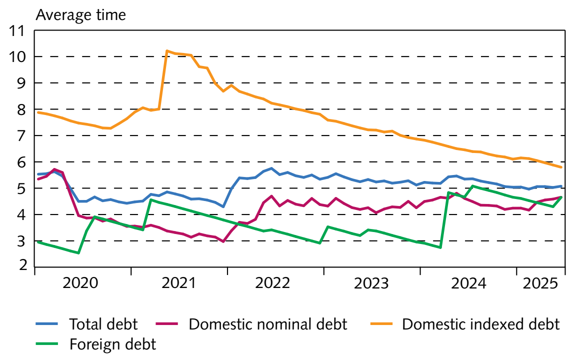
Central government debt, breakdown by type



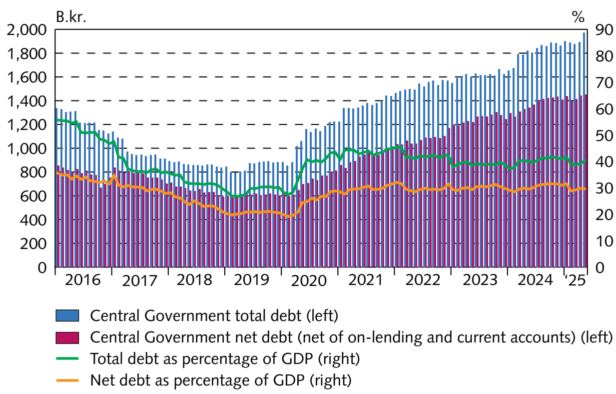
Net debt in m.kr.

On-lending and cash at the Central bank	*Nominal incl./ inflation compensation end of month*
Nominal on-lending	12,143
Inflation-linked on-lending	118,039
FX on-lending	6,347
Cash ISK	36,256
Cash FX	352,020
Total on-lending	524,805
Net debt	
Nominal debt	767,960
Inflation-linked debt	632,527
Foreign currency debt	48,827
Net central government debt	1,449,315
Total net debt as percentage of GDP	29.6

Average time to maturity of government debt



Changes in central government debt



Swaps
31 May 2025

Inflation and interest rate swaps in ISK (m.kr.)

Year	*New* Number of contracts	*New* Nominal amount	*Expired* Number of contracts	*Expired* Nominal amount	*Outstanding at year-end* Number of contracts	*Outstanding at year-end* Nominal amount
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	6	14,000	0	0	11	29,000
2025	3	7,000	9	23,000	5	13,000
2026	0	0	4	12,000	1	1,000
2027	0	0	1	1,000	0	0
2028	0	0	0	0	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 inerest rates	693,027	35	685,027	35
Icelandic indexed interest rates	750,566	38	726,232	37
Icelandic floating interest rates	123,333	6	154,429	8
Foreign fixed interest rates	407,195	21	407,195	21
Foreign floating interest rates	0	0	0	0
Total	1,974,120	100%	1,972,882	10

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

	Nominal amount with accrued indexation (ISK)	*Market value (ISK)*	*Proportion, %*	*Duration*
Government debt				
Nominal debt	816,359	809,225	41	3.53
Inflation-linked debt	750,566	713,432	38	5.17
Foreign currency debt	407,195	416,708	21	4.39
Total	1,974,120	1,939,365	100	4.32
Government debt with swaps				
Nominal debt	839,455	832,783	43	3.44
Inflation-linked debt	726,232	688,941	37	5.33
Foreign currency debt	407,195	416,708	21	4.39
Total	1,972,882	1,938,432	100	4.32

GOVERNMENT
DEBT MANAGEMENT

Investors*

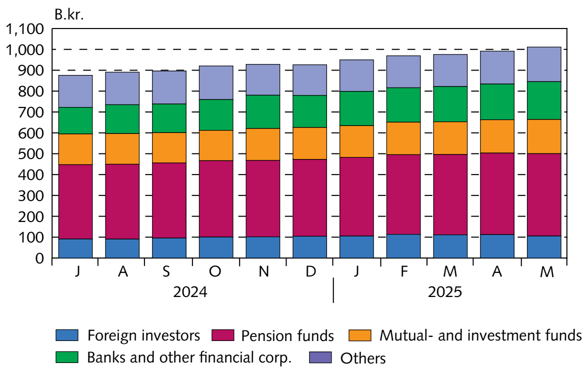
Owners of T-bonds and bills 31 May 2025

	RIKB								*RIKS*					*Bills*
	25	26	27	28	31	35	38	42	26	30	33	37	Total	total
Nominal value in m.kr.														
Domestic investors														
Banks and other financial corp.	30,268	40,633	49,623	18,785	4,538	2,791	3,506	1,367	24,087	1,863	2,356	1,292	181,107	68,094
Mutual and inv. funds	2,031	15,326	26,726	26,846	16,342	15,873	9,576	5,191	15,519	12,141	11,193	7,058	163,822	38,085
Pension funds	10,866	11,517	13,205	41,798	65,558	26,889	7,500	27,817	16,780	55,164	57,005	60,805	394,904	1,530
Firms	5,668	5,945	11,048	7,116	3,812	1,150	412	971	12,037	1,202	1,005	527	50,894	9,600
Insurance companies	77	1,989	5,825	11,546	10,509	7,550	4,044	8,170	9,686	7,119	3,841	1,856	72,212	2,830
Households	1,345	1,201	1,517	2,176	1,337	307	105	72	4,807	1,494	2,023	135	16,519	0
Others	5,522	2	315	8,645	6,450	786	450	526	520	458	2,348	244	26,267	425
Foreign investors	11,999	14,521	580	1,971	16,286	26,090	4,298	29,417	196	3	84	5	105,450	2,768
Total	67,776	91,134	108,838	118,882	124,832	81,437	29,891	73,531	83,633	79,443	79,854	71,923	1,011,174	123,332
Dirty price (T-bills nominal value) in m.kr.														
Domestic investors														
Banks and other financial corp.	32,606	41,968	50,565	18,033	4,543	2,964	3,489	1,090	34,297	3,320	3,971	1,357	198,203	68,094
Mutual and inv. funds	2,188	15,830	27,233	25,772	16,361	16,855	9,530	4,142	22,096	21,640	18,870	7,416	187,932	38,085
Pension funds	11,706	11,896	13,456	40,125	65,632	28,553	7,464	22,192	23,892	98,325	96,097	63,886	483,223	1,530
Firms	6,106	6,141	11,257	6,831	3,816	1,222	410	775	17,139	2,142	1,695	554	58,088	9,600
Insurance companies	83	2,054	5,936	11,084	10,521	8,018	4,025	6,518	13,791	12,689	6,474	1,950	83,142	2,830
Households	1,449	1,240	1,546	2,089	1,339	326	104	57	6,844	2,663	3,410	142	21,210	0
Others	5,949	2	321	8,299	6,457	835	448	420	741	817	3,958	256	28,502	425
Foreign investors	12,926	14,998	591	1,892	16,304	27,705	4,278	23,469	280	5	141	5	102,594	2,768
Total	73,013	94,129	110,904	114,125	124,972	86,477	29,747	58,663	119,079	141,602	134,615	75,567	1,162,894	123,332

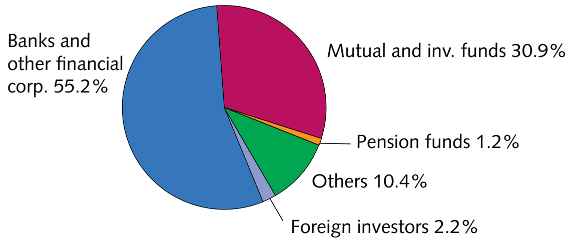
* Included outstanding repo with the primary dealers. From November 2020, owners are categorized according to the international statistical standard for national accounts (SNA08), adopted by the United Nations Statistical Commission.

	RIKB								*RIKS*					*Bills*
	25	26	27	28	31	35	38	42	26	30	33	37	Total	total
Changes between months														
Nominal value in m.kr.														
Domestic investors														
Banks and other financial corp.	3,605	177	4,960	-832	374	-89	500	-185	-270	435	392	670	9,736	-8,107
Mutual and inv. funds	-1,669	65	5,243	3,119	2,491	-665	1,165	-395	-3,218	-591	-405	-775	4,365	-10,203
Pension funds	-1,628	-30	1,525	-743	467	400	2,265	400	40	590	550	100	3,936	-545
Firms	-20	1,160	2,162	76	313	-49	305	0	3,727	25	0	0	7,698	-1,500
Insurance companies	-206	-416	-163	-883	1,285	862	710	1,300	-360	-645	-450	150	1,184	-900
Households	-83	-70	-123	-328	-241	0	0	0	124	-49	-4	0	-773	0
Others	0	-85	-92	-150	365	338	105	0	0	-85	-170	50	276	-150
Foreign investors	0	0	0	-260	-6,374	-157	0	0	-2	0	-6	0	-6,798	-381
Total	0	800	13,512	0	-1,320	640	5,050	1,120	40	-320	-92	195	19,625	-21,786

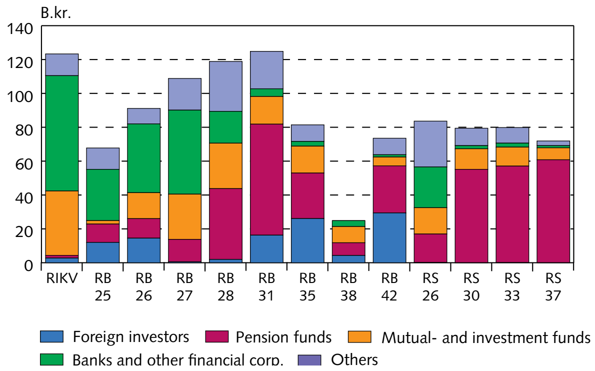
Owners of T-bonds 31 May 2025



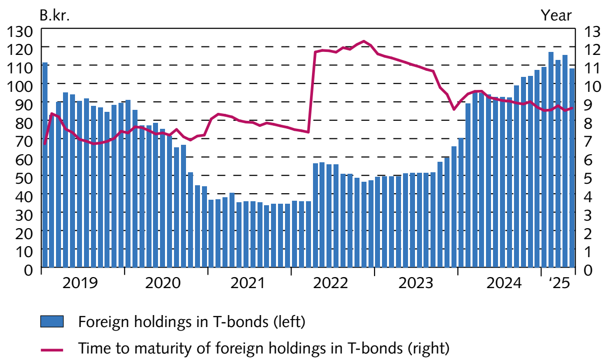
Owners of T-bills 31 May 2025



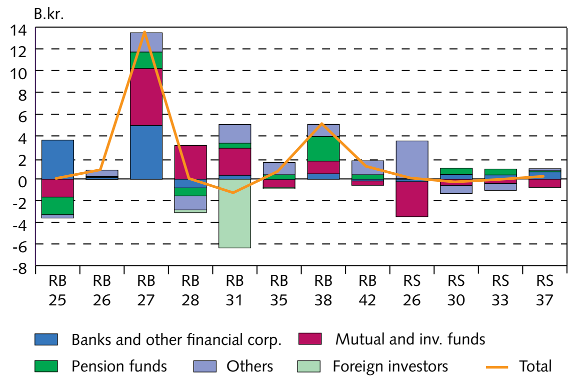
Owners of marketable T-bonds and bills 31 May 2025



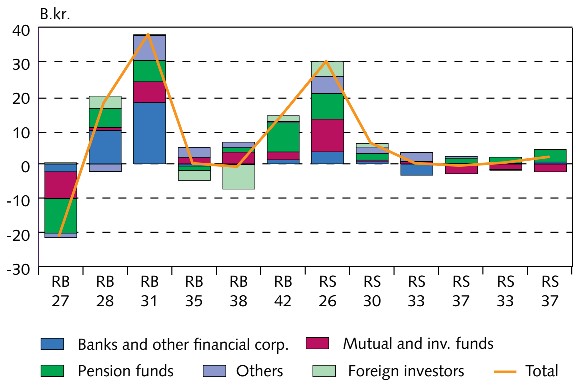
Time to maturity of non-residents' holdings in T-bonds and T-bills 31 May 2025



Net purchases by market participants between months

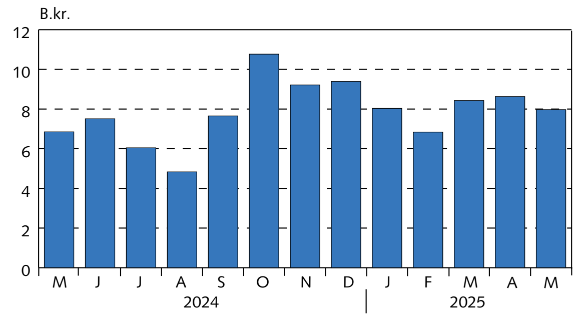


Net purchases by market participants from 31 December 2024



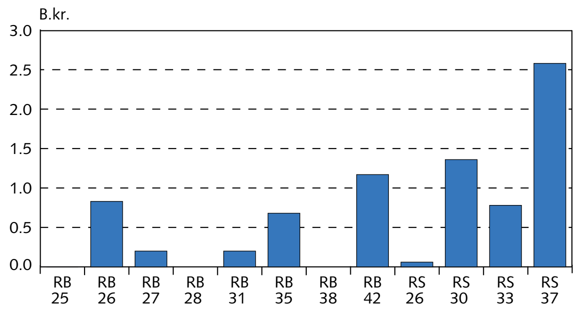
Repo agreement facility, redemption profile, turnover and yield curves

Average amount in repo agreements*

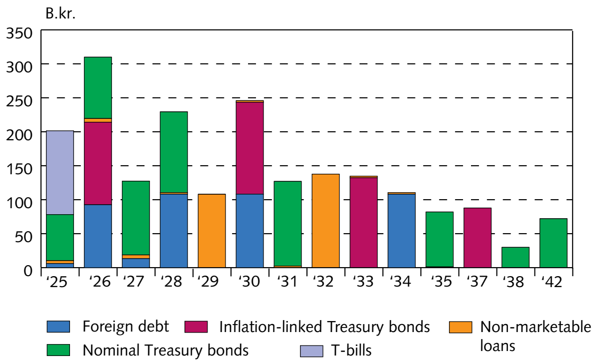


* Calculated at market price.

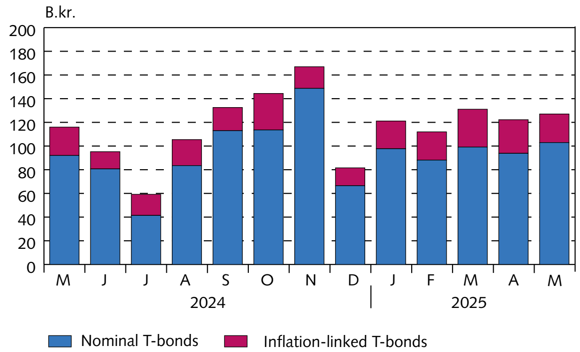
Outstanding amounts in repo agreements by series at the end of last month*



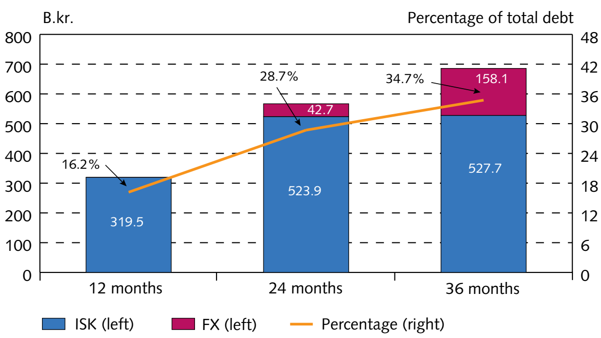
Redemption profile of government debt



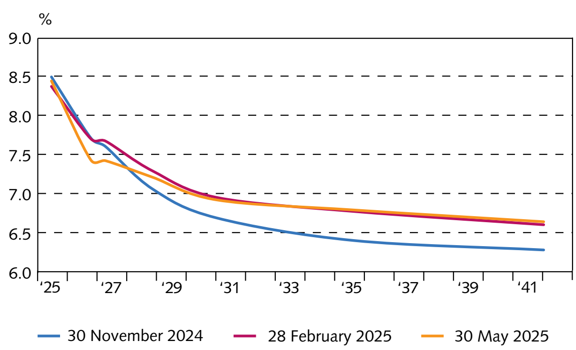
Monthly trading volume in T-bonds on NASDAQ Iceland Exchange



Accumulated maturities



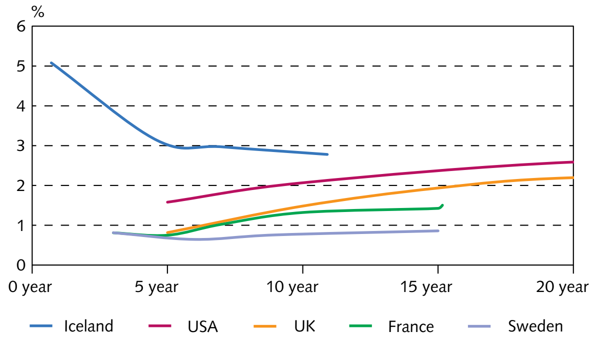
Nominal yield curves



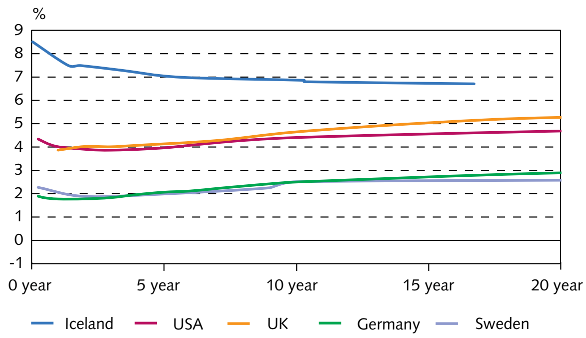
Market Information

GOVERNMENT DEBT MANAGEMENT

Yield curve inflation-linked Treasury bonds

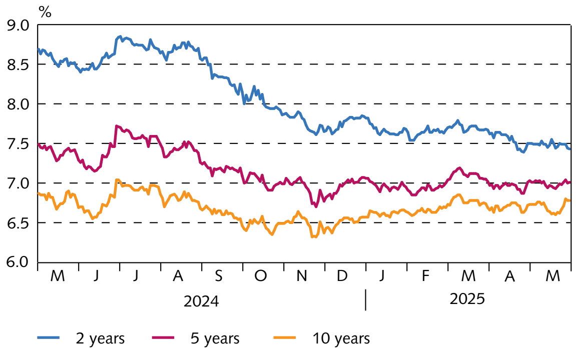


Yield curve Treasury bills and nominal Treasury bonds



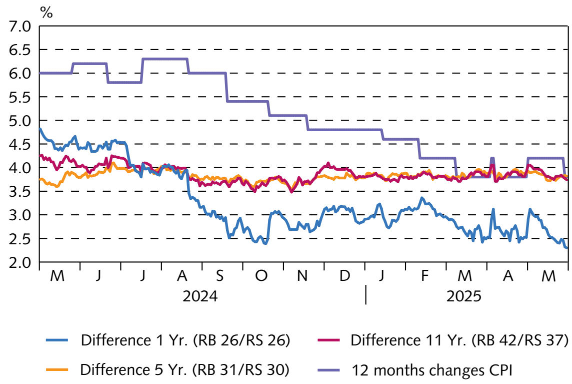
Yield for Treasury bonds

Zero-coupon



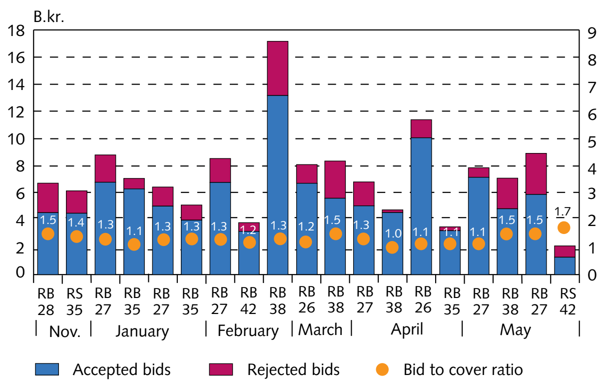
Inflation premium

Inflation premium nominal Treasury bonds



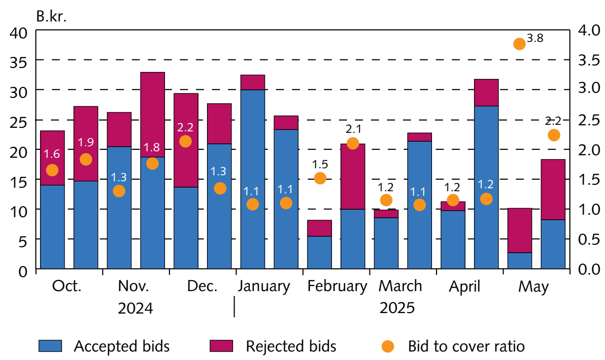
Treasury bond auctions

Treasury bonds at market value



Treasury bill auctions

Treasury bills at market value



Treasury auctions

Auctions in 2025, in m.kr.

Date		Offers: Market value	Offers: Nominal value	No. of bids	No. of acc. bids	Yield %	Acc. bids: Market value	Acc. bids: Nominal value	Non comp. auction nominal v.	Total value
Nominal T-bonds										
10.01.25	RIKB 27 0415	8,806	8,748	37	31	7.64	6,793	6,748	0	6,793
10.01.25	RIKB 35 0917	7,076	6,872	32	27	6.60	6,304	6,122	0	6,304
24.01.25	RIKB 27 0415	6,443	6,405	31	27	7.67	5,035	5,005	189	5,225
24.01.25	RIKB 35 0917	5,120	5,005	22	17	6.68	4,005	3,915	161	4,170
07.02.25	RIKB 27 0415	8,541	8,486	31	26	7.64	6,780	6,736	391	7,173
07.02.25	RIKB 42 0217	3,819	4,795	18	14	6.51	3,182	3,995	389	3,492
21.02.25	RIKB 38 0215	17,163	17,431	63	45	6.68	13,175	13,381	600	13,766
07.03.25	RIKB 26 1015	8,085	8,215	16	11	7.80	6,707	6,815	80	6,786
07.03.25	RIKB 38 0215	8,356	8,540	30	19	6.75	5,616	5,740	290	5,900
04.04.25	RIKB 27 0415	6,819	6,781	23	16	7.68	5,060	5,031	175	5,236
04.04.25	RIKB 38 0215	4,762	4,830	21	20	6.66	4,565	4,630	0	4,565
11.04.25	RIKB 26 1015	11,396	11,550	20	17	7.68	10,064	10,200	315	10,375
11.04.25	RIKB 35 0917	3,514	3,462	17	15	6.79	3,230	3,182	160	3,392
09.05.25	RIKB 27 0415	7,863	7,800	27	24	7.52	7,157	7,100	362	7,522
09.05.25	RIKB 38 0215	7,095	7,250	29	20	6.75	4,844	4,950	300	5,138
23.05.25	RIKB 27 0415	8,920	8,850	24	16	7.51	5,897	5,850	0	5,897
23.05.25	RIKB 42 0217	2,112	2,660	13	7	6.56	1,278	1,610	0	1,278
Total		125,892	127,680				99,692	101,010	3,412	103,011
									Total value	103,011

Date		Offers: Market value	Offers: Nominal value	No. of bids	No. of acc. bids	Yield %	Acc. bids: Market value	Acc. bids: Nominal value
T-bills								
13.01.25	RIKV 25 0416	31,760	32,435	18	15	8.41	29,312	29,935
13.01.25	RIKV 25 0820	24,387	25,600	27	24	8.25	22,196	23,300
17.02.25	RIKV 25 0521	7,967	8,130	9	7	8.10	5,321	5,430
17.02.25	RIKV 25 0820	20,078	20,900	17	12	8.10	9,559	9,950
17.03.25	RIKV 25 0521	9,699	9,836	14	12	8.05	8,417	8,536
17.03.25	RIKV 25 0917	21,853	22,742	23	21	8.05	20,507	21,342
14.04.25	RIKV 25 0716	11,009	11,230	12	9	7.95	9,538	9,730
14.04.25	RIKV 25 1015	30,504	31,730	23	20	7.95	26,178	27,230
19.05.25	RIKV 25 0820	9,934	10,130	9	2	7.80	2,628	2,680
19.05.25	RIKV 25 1119	17,607	18,300	23	10	7.78	7,890	8,200
Total		184,798	191,033				141,546	146,333

Market Information

Government
Debt Management

Primary dealers

Primary dealers in government securities	*Telephone*	*Bloomberg*
Arion bank hf.	+354 444 6000	ARIO
Fossar investment bank hf.	+354 522 4000	
Islandsbanki hf.	+354 440 4000	ISLA
Kvika bank hf.	+354 540 3200	KVIK
Landsbankinn hf.	+354 410 4000	LAIS

Events

20 June 2025	Auction of Treasury bonds
27 June 2025	CPI announcement
4 July 2025	Auction of Treasury bonds

Iceland‘s sovereign credit ratings

		Foreign currency		*Domestic currency*		
	Last change	*Long-term*	*Short-term*	*Long-term*	*Short-term*	*Outlook*
Moody’s	September 2024	A1		A1		Stable
S&P	November 2023	A+	A-1	A+	A-1	Stable
Fitch	March 2022	A	F-1+	A	F-1+	Stable

State guarantees

State guarantees

M.kr.	*April 2025*	*End of year 2024*
Lending agencies	711,435	708,740
HF fund*	646,591	642,080
Icelandic regional development institute	8,625	8,988
Icelandic student loan fund	56,220	57,671
Co-operative and limited partnerships	26,572	26,300
National power company sf.	21,885	21,585
Isavia ohf.	862	890
RUV ohf. (National broadcasting service)	3,825	3,825
Industries/ municipalities	890	1,201
Business supplemental and support loans	890	1,201
State guarantees total	738,897	736,241

* The HF fund bought back part of its own bonds in the years 2023 and 2024, and the debt principal in the table above has been reduced as a result of the buybacks.

Currency ratio

ISK	97.0%
EUR	3.0%

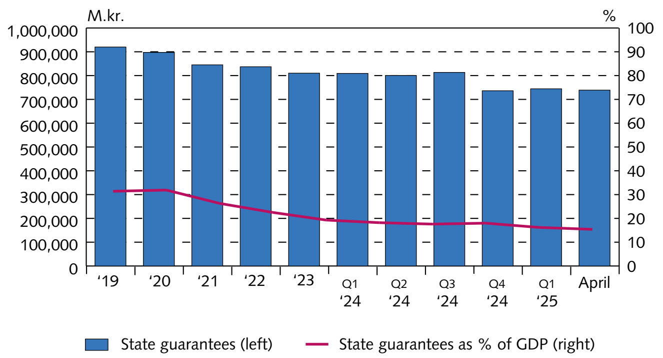
Type of lenders

Domestic marketable securities	88.7%
Domestic banks	0.1%
Foreign banks	3.0%
Other domestic entities	8.2%

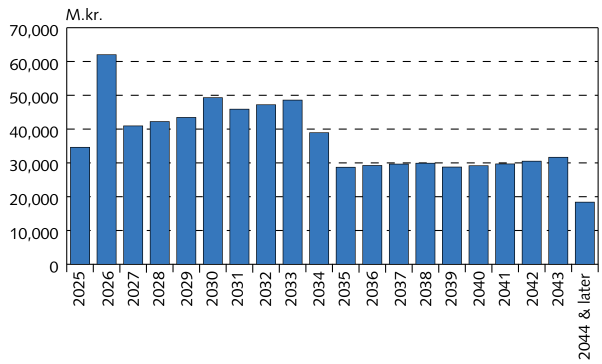
Interest rate type

Fixed	96.9%
Floating	3.1%

State guarantees and % of GDP 2019–2025



State guarantees - maturity profile



On-lending

April 2025	*Amount m.kr.*	*Weighted time to maturity*
Nominal on-lending	12,253	6.54
Inflation-linked on-lending	118,738	20.21
FX on-lending	6,470	5.25
Total	137,461	16.88

On-lending, redemption profile