

DANMARKS
NATIONALBANK

DANISH GOVERNMENT DEBT MANAGEMENT POLICY

Strategy for resumption of government-bond issuance



Published 26 August 2015 – Translation



DANMARKS
NATIONALBANK

MAIN POINTS

The issuance of government bonds is resumed as of 1 October 2015. The strategy can be summarised as follows:

- The first government bond auction will be held on 7 October.
- The target for the total issuance of domestic government bonds in the rest of 2015 and 2016 is kr. 100 billion.
- A new 2-year government bond with expiry in 2018 will be opened in 4th quarter 2015.

Please direct enquiries about this announcement to Lars Mayland Nielsen on tel. +45 3363 6102 or by email to governmentdebt@nationalbanken.dk.

ISSUANCES OF GOVERNMENT BONDS RESUME

TARGET FOR ISSUANCE IS KR. 100 BILLION IN THE REST OF 2015 AND 2016

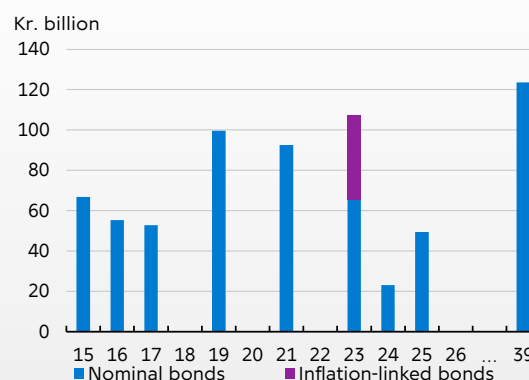
The target for the total sales of government bonds in the rest of 2015 and 2016 is kr. 100 billion. This corresponds to an average auction sale of around kr. 3.5 billion, which is in line with previous years.

BROAD LIST OF ON-THE-RUN ISSUES

The bond issuances will be in a broad list of on-the run issues, which consists of 2-, 5-, 10-, and 30-year nominal bonds and the 10-year inflation-linked bond, cf. Table 1. A new government bond with expiry in 2018 will be opened in 4th quarter 2015 and will replace the 2016 bond as

Maturity profile, domestic bonds

Chart 1



Note: Up to and including 26 August 2015.

2-year on-the-run issue. Furthermore, the 2019 bond will be replaced by the existing 2021 bond as on-the-run issue as well as benchmark bond in the 5-year segment as of 1 October 2015.

The issuance strategy focuses on the 10-year nominal on-the-run issue and on the build-up of the new 2-year on-the-run issue. This combination maintains a low refinancing risk and contributes to smoothening out the redemption profile, cf. Chart 1.

T-BILLS

The target for outstanding T-bills is maintained at kr. 30 billion at end-2015.

FOREIGN BORROWING

No foreign bonds will be issued in 2015.

On-the-run issues as of October 1 2015

Table 1

Maturity segment	Issuance series as of 1 October 2015	New on-the-run issue
Maturity < 1 year	T-bills	
2-year nominal	2.5 per cent bullet loan 2016	x per cent bullet loan 2018
5-year nominal	3 per cent bullet loan 2021	
10-year nominal	1.75 per cent bullet loan 2025	
30-year nominal	4.5 per cent bullet loan 2039	
10-year inflation-linked	0.1 per cent DGBi 2023	