



GOVERNMENT DEBT MANAGEMENT

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To newspapers, newsrooms,
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Press release
30 September 2015

Quarterly Government Debt Management Prospect

Fourth quarter 2015

- *In Q4, benchmark Treasury bonds will be offered for sale in the amount of 12 b.kr.¹*
- *It is planned to issue Treasury bonds in the following series: RIKB 17 0206, RIKB 20 0205, and RIKB 25 0612.*

Introduction

In the Government Debt Management *Prospect* for 2015, it was announced that Treasury bonds would be issued in the amount of 55 b.kr. during the year. Issuance in the first nine months of the year totalled 43.5 b.kr. market value, including 43.1 b.kr. in conventional auctions and 0.4 b.kr. in Central Bank of Iceland foreign currency auctions.

In Q3, the objective was to sell benchmark Treasury bonds for 5-15 b.kr. market value. Treasury bonds were sold in the amount of 14.3 b.kr., all through conventional auctions. A breakdown of the amounts sold can be seen in the table below.

Treasury bond issuance in Q3/2015, market value

Conventional auctions	Issuance in b.kr.	
	Maximum	Actual
Bond series		
RIKB 17 0206	7	3.5
RIKB 20 0205	7	5.8
RIKB 25 0612	5	5.0
Total:		14.3

¹ The sale price or market value refers to the “clean” price, net of accrued interest.



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Planned Treasury bond issuance

It has been decided that two-, five-, and ten-year benchmark bonds will be offered during the quarter. The decision on which series will be offered each time will be announced at least one business day before each auction. It is also possible that one or more auctions will be cancelled. This will depend on market conditions at the time in question.

Total Treasury bond issuance in the fourth quarter of the year is estimated at **12 b.kr.** Estimated maximum issuance in individual series, at market value, is set forth in the following table.

Treasury bond issuance in Q4/2015, market value

Amounts in b.kr.	Issuance
Bond series	Maximum
RIKB 17 0206	8
RIKB 20 0205	8
RIKB 25 0612	5

Planned Treasury bill issuance

Treasury bill issuance will be similar to that in recent years. According to the issuance calendar for the year, the targeted end-2015 Treasury bill balance is about 30 b.kr. The current balance is 29.0 b.kr. The balance of outstanding bills could fluctuate within the year, however.

Further information on issuance of individual series of Treasury bonds and bills will be published a few days prior to each auction.

Further information can be obtained from Björgvin Sighvatsson, Director of Government Debt Management, at tel +354 569 9600.