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Medium-Term Debt Management Strategy 2024-2028

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Table of Contents

Summary	5
1. Debt management objectives and criteria	6
1.1 Debt management objectives	6
1.2 Debt management criteria.....	6
1.3 Quantifiable targets.....	7
2. Structure of Treasury securities	8
2.1 Treasury bond issuance	8
2.2 Foreign bond issuance.....	8
2.3 Green/Sustainable financing.....	9
3. Treasury debt	10
3.1 Treasury debt.....	10
3.1.1 Domestic liabilities.....	11
3.1.2 Foreign liabilities.....	13
3.1.3 Structure of Treasury debt.....	13
3.1.4 Average time to maturity.....	13
4. Treasury deposits	15
4.1 Domestic deposits	15
4.2 Foreign-denominated Treasury deposits.....	15
5. Risk management	16
5.1 Market risk	16
5.1.1 Interest rate risk.....	16
5.1.2 Inflation risk.....	17
5.1.3 Exchange rate risk.....	17
5.2 Refinancing risk.....	17

5.3	Counterparty risk.....	18
5.4	State guarantees	18
6.	Institutional structure.....	19
6.1	Ministry of Finance and Economic Affairs	19
6.2	Central Bank of Iceland	19
6.3	Consultative Committee on Debt Management.....	20
7.	Disclosure of information to market participants.....	21
7.1	Medium-Term Debt Management Strategy.....	21
7.2	Annual Government Debt Management Prospect.....	21
7.3	Quarterly Government Debt Management Prospect.....	22
7.4	Auction announcements.....	22
7.5	Planned auction dates.....	22
7.6	Market Information.....	22
7.7	Government Debt Management website.....	22
7.8	Primary dealers in Treasury securities.....	23
7.9	Investors.....	23

Summary

This Medium-Term Debt Management Strategy for the period 2024-2028 is presented on the basis of the fiscal strategy plan,¹ in accordance with Article 38 of the Act on Public Finances, no. 123/2015. The strategy is to be presented annually. The Medium-Term Debt Management Strategy is presented over a horizon of five years and is based on the previous strategy, issued in December 2022.

The Medium-Term Debt Management Strategy 2024-2028 (MTDS) lays down the Government's plans for financing its activities during this period. The aim is to map out a clear debt management policy. The strategy thereby creates a framework for debt management measures, with the key objective of ensuring that the Government's financing needs and payment obligations are met at the lowest possible cost that is consistent with a prudent degree of risk. It is also intended to encourage further development of efficient primary and secondary markets for domestic Government bonds.

The MTDS describes the objectives and criteria for Treasury debt management, the current debt structure, and the key risk factors associated with the management of the debt.

The Ministry of Finance and Economic Affairs is responsible for the central government's debt management, formulates its debt management strategy, and makes decisions regarding securities issuance. Government Debt Management, a special department within the Central Bank of Iceland, is responsible for executing the Treasury's debt management strategy in accordance with an agreement between the two parties.

Benchmark issues of Treasury bonds are structured so that each series is large enough to ensure effective price formation in the secondary market. It will always be ensured that there is effective price formation with two-, five-, and ten-year benchmark Treasury bonds. To reduce refinancing risk, the Treasury aims to keep the redemption profile of Government securities as smooth as possible over time. The average time to maturity should be at least five years and no longer than seven years.

The Treasury's foreign borrowing strategy is aimed at securing regular access to international capital markets and appealing to a diversified investor base. Attempts shall be made to maintain benchmarks in market issues at any given time so as to facilitate domestic firms' access to foreign credit if market conditions and the Treasury debt position permit.

¹ Based on the fiscal strategy plan for 2024-2028, adjusted for the 2024 National Budget.

1. Debt management objectives and criteria

1.1 Debt management objectives

The Treasury debt portfolio is managed with an eye to the following key objectives:

1. To ensure that the Treasury's financing need and payment obligations are met at the lowest possible long-term cost that is consistent with a prudent risk policy;
2. To establish a sustainable debt service profile that is consistent with the Government's medium-term debt service capacity and minimises refinancing risk;
3. To maintain and encourage further development of efficient primary and secondary markets for domestic Government securities;
4. To broaden the Government's investor base and diversify funding sources.

1.2 Debt management criteria

The debt portfolio is structured so as to minimise overall risk and encourage the development of a well-functioning market that can attract a diverse group of investors and set pricing benchmarks for other financial products.

The Treasury emphasises the issuance of nominal debt, as nominal Treasury bonds form the basis of an effective domestic bond market. Issuance of indexed Treasury bonds is irregular and is determined by the financing need and the circumstances prevailing at any given time. Changes in arrangements for financing Government loan funds will call for increased issuance of indexed securities, all else being equal. There is still considerable uncertainty about developments in Government lending to new loan funds, which could affect the reference ratio of indexed debt in the future and could require that it be reviewed. In this context, it should be noted, however, that all else being equal, such lending does not affect the Treasury indexation balance. The processing of the HF-Fund is also uncertain, and it too could call for a review of the reference ratio of indexed Treasury debt.

New Treasury loans taken in foreign currencies have been used primarily to expand the Central Bank's foreign exchange reserves or to refinance outstanding market issues. Increased borrowing needs could require that the Treasury finance a portion of operations and investment with foreign borrowings, with particular consideration given to sustainable bond issues.

The guidelines for the structure of the Treasury loan portfolio are as follows:

Non-indexed debt	50-70%
Indexed debt	20-30%
Foreign debt	15-25%

Benchmark issues will be structured so that each series is large enough to ensure effective price formation in the secondary market. The number and size of the series shall take account of Treasury debt. The objective is for the final size of each issued series to be at least ISK 40bn, although with the exception that when a bond is issued for only two years, the target size shall be at least ISK 15bn. Attempts will be made to expedite the build-up of the series until they reach a size sufficient to ensure effective price formation in the secondary market. There is no maximum size for any of the series, but their final size shall take account of the objectives of keeping the redemption profile consistent with the Treasury's long-term debt service capacity and minimising refinancing risk.

The average time to maturity of total Treasury debt shall be at least five years and no longer than seven years.

The Government's domestic deposits with the Central Bank of Iceland shall average about ISK 40bn.

1.3 Quantifiable targets

Clear, quantitative targets for debt management demonstrate the long-run sustainability of Treasury debt. The targets are based on the fiscal plan for 2024-2028, the outlook for the Treasury outcome, the economic outlook, and the state of the domestic economy. The fiscal plan for 2024-2028 presents projections of total Treasury debt relative to GDP and of total public sector debt according to the debt rule in the Act on Public Finances.

- The ratio of Treasury debt to GDP shall be about 34% by 2028.
- Total general government debt according to the debt rule shall be 36% by year-end 2028.

These targets are subject to revision of macroeconomic and fiscal assumptions. They will be updated as necessary.

2. Structure of Treasury securities

The Treasury's borrowing need will be met for the most part with domestic borrowing. Other financing options include foreign borrowing and tapping Treasury balances with the Central Bank of Iceland. This section focuses on the structure and set-up for issuance of Government securities in the domestic and foreign markets.

2.1 Treasury bond issuance

Benchmark series will be structured so that each series is large enough to ensure effective price formation in the secondary market. The number and size of the series will be determined based on overall debt, financing need, and refinancing risk at any given time.

Effective price formation will be ensured for two-, five-, and ten-year benchmark series each year, but each year's issuance will be determined by the borrowing need at the time and the size of the bond series in question. Other nominal bonds or Government-guaranteed bonds will be issued irregularly, depending on the Treasury's financing need and the conditions prevailing at the time.

Monthly issuance of Treasury bills will vary, depending on investor demand and the Treasury's financing need at any given time. Treasury bills are used in part for Treasury liquidity management and may be issued for up to 12 months.

2.2 Foreign bond issuance

New Treasury loans taken in foreign currencies have been used primarily to expand the Central Bank's foreign reserves or to refinance outstanding market issues. The Treasury has the possibility, however, of tapping its foreign-denominated deposits with the Central Bank or issuing foreign bonds to finance its operations or investments. The need for foreign borrowing is assessed in each instance, and in determining that need, it is important to consider exchange rate risk and the Treasury's role in ensuring that Iceland has access to foreign capital markets.

The strategy for foreign debt financing aims, among other things, at maintaining regular access to international capital markets and facilitating access to a diverse investor group. To this end, the aim is to issue Treasury bonds in foreign markets on a regular basis. Government issuance in foreign markets facilitates domestic firms' access to foreign credit and provides an important benchmark for borrowing terms. The aim is to maintain at least one such foreign benchmark issue if market conditions and the Treasury debt position permit. Regular issuance of marketable bonds in the international capital markets is

also intended to enhance name recognition of the Republic of Iceland as an issuer.

2.3 Green/Sustainable financing

Clearly defined green and sustainable projects in Iceland could be financed through issuance of so-called green (sustainable) Treasury bonds. Such issues would be designed not least with the aim of sending a clear message to investors about the importance of climate issues and how the financial market can be used to address them. In most respects, green bond issues are like other bond issues, but the proceeds are used to finance environment-friendly projects. Financing that supports sustainability objectives has grown rapidly all over the world in the past decade. There has been a widespread awakening among investors and the general public to climate, environmental, and social challenges. This has been reflected in rapidly growing interest in sustainable financing and investments. In 2021, the Ministry of Finance and Economic Affairs issued a sustainable financing framework for the Treasury. An updated framework was published in April 2023. A sustainable framework enables the Treasury to issue green bonds or other sustainable bonds, either in Iceland or abroad. Iceland's framework got a second party opinion by *Cicero – shades of green*, and the Treasury received a dark green score for the green and blue projects to be financed.

3. Treasury debt

This section describes the composition of total Treasury debt. It also reviews the average time to maturity and the redemption profile, as well as providing information on the Treasury’s investor base.

3.1 Treasury debt

Prospects for Treasury debt over the next several years have changed since the last fiscal strategy plan was issued. The debt ratio, instead of growing over most of the horizon, now appears to have peaked at the end of 2022 and looks set to decline somewhat if the premises of the fiscal strategy plan are borne out. Furthermore, the debt level as a share of GDP would be considerably lower than previously assumed. Considerable uncertainty remains about various premises underlying these developments, but even if all of them do not materialise, the objective should be well within reach. Nevertheless, the Treasury needs to obtain credit during the horizon of the fiscal strategy plan in order to cover negative cash basis balance, investment activity, and refinancing of maturing debt. The borrowing need is estimated at ISK 26bn above amortisations in 2024 and ISK 75bn in 2025, but will decline with improved performance, to ISK 35bn by 2028.

Figure 1 shows developments in the Treasury’s debt and debt ratio, net of pension liabilities, from 2012-2022, together with the estimated balance as year-end 2023 and the National Budget for 2024. Developments in debt in 2025-2028 as depicted in the chart are taken from the 2024-2028 fiscal strategy plan, which was issued in spring 2023.

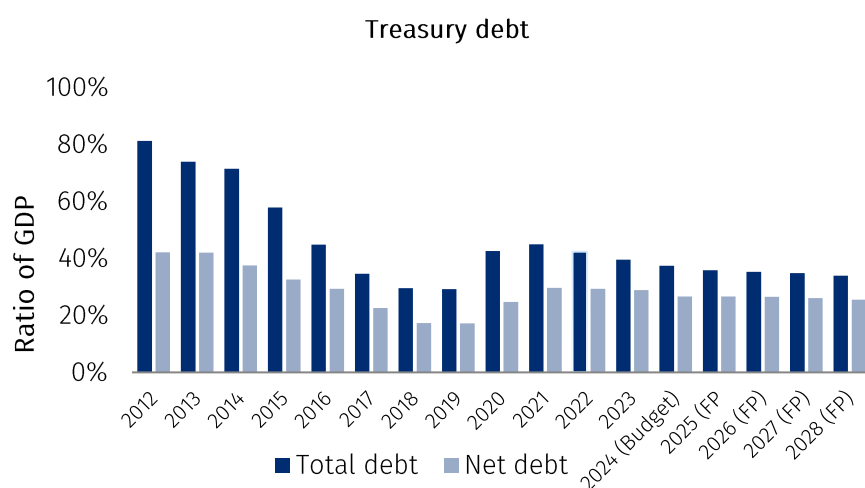


Figure 1

Gross Treasury debt totalled ISK 1,692bn at the end of November 2023. This is equivalent to 37.5% of GDP. Table 1 shows a breakdown of Treasury Part A1 debt, net of pension obligations and accounts payable, as of end-November 2023².

Treasury debt	
Amounts in ISK m	
Domestic liabilities	
<i>Marketable bonds</i>	
Treasury bills ³	141,583
Treasury bonds, index-linked	421,226
Treasury bonds, nominal	565,941
Accrued unpaid interest	26,419
<i>Non-marketable debt</i>	
Other liabilities	267,014
Domestic liabilities, total	1,422,183
Total liabilities in foreign currency	
EMTN issues	224,714
Loan for acquisition of Landsnet	44,973
Foreign liabilities, total	269,687
Total liabilities	1,691,870

Table 1

3.1.1 Domestic liabilities

Marketable securities include Treasury bills and nominal and index-linked Treasury bonds.

Non-marketable Treasury debt includes the Treasury's loan from the HF-Fund, an index-linked bond issued in connection with the Treasury's acquisition of the City of Reykjavík and the City of Akureyri's holdings in the national power company, Landsvirkjun, and assumed Government-guaranteed loans.

3.1.1.1 Investors in domestic Treasury securities

The Treasury issues Government securities with various maturities. The objective is to appeal to a broad base of investors and minimise financing

² Market Information, December 2023. (<http://www.lanamal.is/en/news/market-information>)

³ At the end of 2023, outstanding Treasury bills will total ISK 104bn.

costs. Figures 2 and 3 give a breakdown of the holders of domestic Treasury bonds and bills as of end-November 2023.⁴

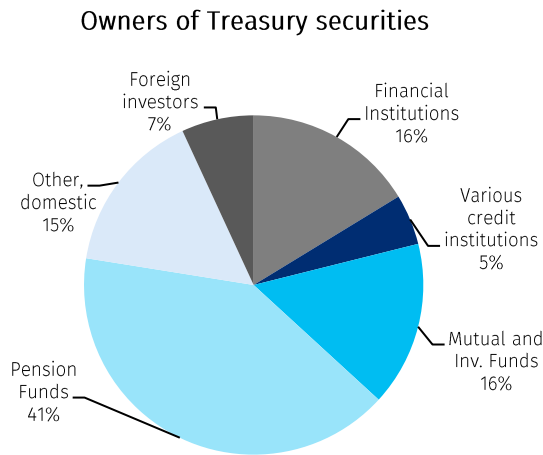


Figure 2

Pension funds' holdings accounted for 41% of the market value of outstanding Treasury bonds at the end of November 2023, mostly bonds with long maturities. Financial institutions held 16% of outstanding Treasury bonds in terms of market value, mostly nominal bonds with short maturities. Mutual funds and investment funds owned about 16% of domestic Government securities. Foreign investors held 7%, mostly long-term non-indexed Treasury bonds. Miscellaneous credit institutions owned about 5% of domestic Treasury bonds, and other investors held additional 16%.

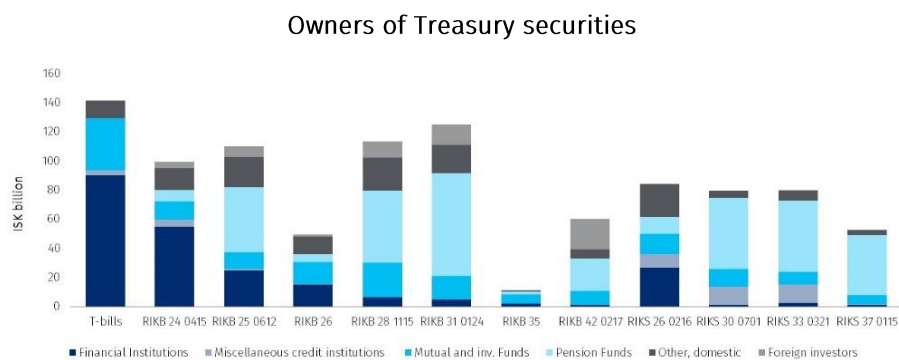


Figure 3

⁴ The breakdown of Treasury bond owners includes securities loans.

3.1.2 Foreign liabilities

At the end of November 2023, Treasury foreign loans consisted of three marketable issues in euros.

In June 2019, the Treasury issued a bond for EUR 500m, which matures in 2024. During the year, the Treasury repurchased part of that issue. In 2020 and 2021, the Treasury issued two eurobonds in order to give itself the scope to address the repercussions of the pandemic. The former, issued in June 2020, was a six-year bond with a nominal value of EUR 500m, and the latter, issued at the end of January 2021, had a nominal value of EUR 750m and matures in 2028. At the end of November 2023, the outstanding amount totalled EUR 1.5bn. In addition to these market issues are foreign bonds issued by the Treasury to finance the acquisition of Landsnet hf. for ISK 45bn.

3.1.3 Structure of Treasury debt

Figure 4 shows marketable and non-marketable domestic and foreign Treasury debt as of end-November 2023. The debt classifies as follows: nominal Treasury bonds, 34%; indexed Treasury bonds, 25%; Treasury bills, 9%; foreign debt, 16%; and other non-marketable debt, 16%.

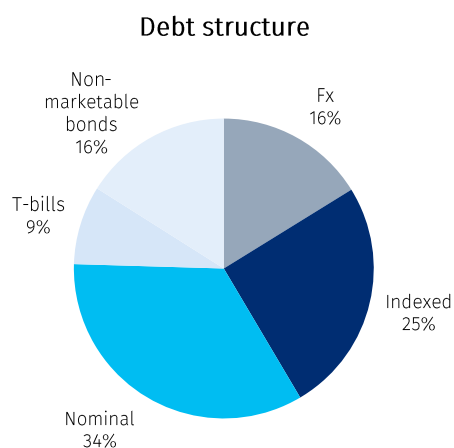


Figure 4

3.1.4 Average time to maturity

The aim is to keep the weighted average time to maturity of Treasury bonds between five and seven years. The average time to maturity of the debt portfolio is managed through issuance of Treasury securities with various maturities. At the end of November 2023, the average time to maturity was 5.02 years.

One of the objectives of Treasury debt management is to ensure that the redemption profile of Treasury debt is as even as possible. Figure 5 shows the redemption profile of domestic and foreign Treasury debt, based on the balance at the end of November 2023.

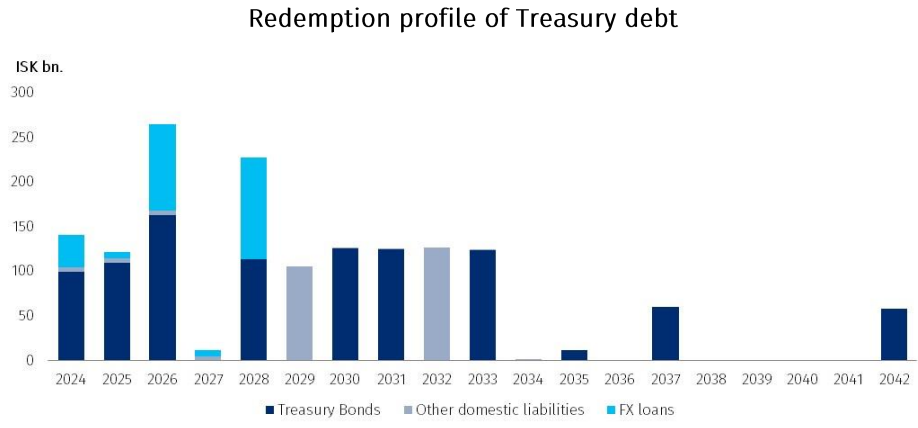


Figure 5

4. Treasury deposits

As is discussed in Section 2, the Treasury’s financing need will be met through borrowing in the domestic and foreign markets and by utilising Treasury’s deposits with the Central Bank of Iceland. This section focuses on Treasury deposits.

4.1 Domestic deposits

The Treasury’s króna-denominated deposits with the Central Bank of Iceland shall average about ISK 40bn, according to a target based on fluctuations in the cash balance within an average month. This target has been in place in recent years, with the exception of the period of uncertainty about the Treasury outcome during the COVID-19 pandemic. It is also necessary to deviate temporarily from the target while the cash balance is being built up in order to meet large bond maturities. When appropriate, the Treasury has the option of lending out its deposits via short-term money market loans during such build-up periods. The Treasury may also take the same type of loan if the outlook is for a low cash balance over a short period of time. At the end of November 2023, the balance on the Treasury’s króna-denominated accounts was ISK 87bn. Figure 6 shows developments in the Treasury’s domestic deposits with the Central Bank.

Króna-denominated Treasury deposits

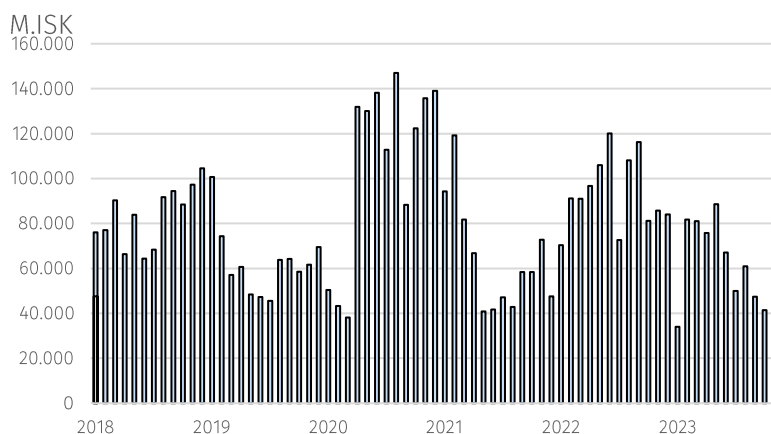


Figure 6

4.2 Foreign-denominated Treasury deposits

The Treasury’s foreign-denominated deposits, which constitute a part of the Central Bank of Iceland’s foreign reserves, amounted to the equivalent of ISK 197bn at the end of November 2023. The exchange rate of the króna affects the ISK value of foreign debt.

5. Risk management

The aim of Treasury debt management is to minimise long-term expense while observing a prudent risk policy. The balance between expected cost and risk should be managed primarily through selection of the structure and average duration of Treasury debt. This section discusses the management of various risks relating to Treasury debt, as well as contingent liabilities in the form of Government guarantees.

5.1 Market risk

Financial market volatility, whether due to fluctuations in interest rates, exchange rate movements, or changes in inflation, results in fluctuations in the market value of the debt portfolio and is therefore the main measure of risk. These types of risk, generally referred to collectively as market risk, are discussed in greater detail in the following sections.

Effective risk management aims to reduce risk while simultaneously minimising the expense associated with the portfolio. The main measure of expense is the average return on the issue, which shall account for duration, accrued inflation, and exchange rate movements. It is possible to achieve these objectives through effective Treasury debt management and systematic use of derivatives.

5.1.1 Interest rate risk

Interest rate risk is the risk that the Treasury's financing costs will rise due to changes in interest rate terms. Interest rate risk also depends on the structure of the debt. If interest rates on long-term loans are fixed, there is the risk that the Treasury will relinquish savings in the event that market interest rates should fall. Conversely, if the loans bear variable interest, there is the risk that rates will rise, thereby increasing the Treasury's interest expense.

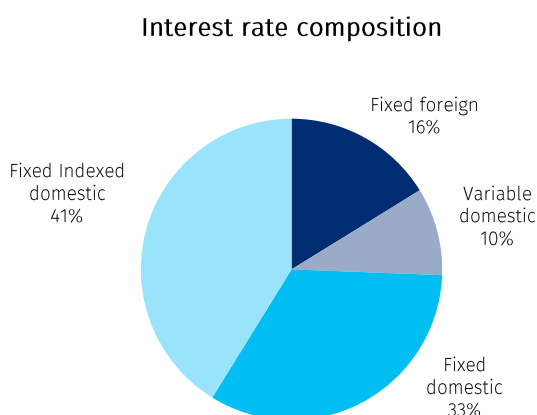


Figure 7

Figure 7 shows the composition of interest on debt in terms of outstanding loan balance as of end-November 2023, adjusted for swap agreements. The majority of the Treasury's domestic and foreign debt, or 90%, bears fixed interest, and the associated payment flows are therefore known for the duration of the debt, with the exception of indexation on index-linked loan payments. Approximately 10% of the debt either bears variable interest – so that payment flows will change in line with changes in the base interest rate on the loans concerned – or is short-term debt. This category includes Treasury bills. In order to manage interest rate risk and increase the weight of variable interest, the Treasury has entered into swap agreements in which long-term fixed interest has been exchanged for short-term variable interest.

5.1.2 Inflation risk

Inflation risk is the risk that indexation on index-linked Treasury bonds will raise the Treasury's financing costs as a result of increased inflation. At the end of November 2023, the Treasury's indexed debt, adjusted for inflation swaps, totalled ISK 686bn, or about 41% of total debt.

The Treasury owns indexed assets that offset indexed liabilities, thereby reducing inflation risk. These assets include loans granted to credit funds. In spite of these assets, the Treasury's indexation balance is still negative. Efforts to reduce the imbalance will continue over the next few years.

In order to manage inflation risk and reduce the weight of index-linked interest, the Treasury has entered into inflation swap agreements in which indexed interest is exchanged for nominal interest.

5.1.3 Exchange rate risk

Exchange rate risk is the risk that the Treasury's debt position will deteriorate due to changes in the exchange rate of the Icelandic króna versus other currencies. The Treasury's direct exchange rate risk is limited because the foreign currency assets it owns offset the majority of its foreign debt. The Treasury's foreign-denominated assets are a part of the Central Bank's international reserves. In order to mitigate exchange rate risk, it is possible, for instance, to swap long-term interest for short-term interest, or to convert exchange rate risk to Icelandic krónur if such agreements are considered likely to lower risk-adjusted financing costs.

5.2 Refinancing risk

One of the greatest risks in the debt portfolio is the refinancing of the debt. To reduce refinancing risk, efforts are made to keep the redemption profile of Government securities as smooth as possible over the long term.

Large maturities of Treasury bills and bonds are scheduled for the next few years. Efforts will be made to reduce refinancing risk through buybacks and switch auctions (in which securities are exchanged for long-term Treasury instruments) prior to maturity.

5.3 Counterparty risk

The Treasury's counterparty risk develops primarily from loans granted, whether directly from the Treasury or through credit fund lending financed with funds borrowed from the Treasury. The main loan funds in this category are the Housing Fund, the Icelandic Student Loan Fund, and the Icelandic Regional Development Institute, which are governed by special legislation. In the case of loan funds, both the credit risk and the management of that risk lie with the fund in question. It is assumed that the funds' interest rate spreads will reflect this risk and that losses generated will be covered by equity. It is important that this risk be managed by the funds, even though the credit risk ultimately lies with the Treasury; i.e., the Treasury is responsible for ensuring that the funds' equity is in accordance with objectives. If the funds suffer shocks, the Treasury must contribute equity to them.

5.4 State guarantees

State guarantees represent the Treasury's greatest contingent liabilities. State guarantees are governed by Act no. 121/1997. The Treasury may not grant State guarantees without statutory authorisation from Parliament.

State guarantees and related matters are administered by the State Guarantee Fund, which compiles information on the position of the undertakings benefiting from guarantees and assesses the risk attached to the guarantees. The Central Bank oversees State guarantees according to an agreement with the Ministry of Finance and Economic Affairs. The State Guarantee Fund notifies the Ministry of Finance and Economic Affairs if a guarantee is likely to fall on the Treasury. Table 2 shows the status of State guarantees at the end of October 2023.⁵

State guarantees		
	Amounts in ISK millions	Percentage
HF-Fund	715,172	88%
Icelandic Student Loan Fund	58,638	7%
Other institutions/companies	41,760	5%
Total	815,570	100%

Table 2

⁵ Market Information, November 2023. (<http://www.lanamal.is/en/news/market-information>)

6. Institutional structure

In each year's National Budget, Parliament authorises the Ministry of Finance and Economic Affairs to borrow funds and issue State guarantees. The Act on Government Debt Management stipulates that the Ministry is responsible for and implements debt management and State guarantees. The Ministry has also concluded an agreement with the Central Bank of Iceland, providing for specified advisory services and execution in connection with Treasury debt management. The agreement contains explicit provisions on division of tasks and responsibilities so as to ensure that debt management decisions are taken independent of the Central Bank's monetary policy.

6.1 Ministry of Finance and Economic Affairs

The Ministry of Finance and Economic Affairs oversees Treasury debt management. It takes decisions on issuance volume, planned bond auctions, and liquidity management. It also determines yields and amounts of accepted bids in Treasury auctions. Moreover, the Ministry determines the structure, maturity, and characteristics of new issues, as well as deciding on buybacks and/or swap agreements.

6.2 Central Bank of Iceland

The Ministry of Finance and Economic Affairs and the Central Bank of Iceland have concluded an agreement providing for specified advisory services and execution in connection with Treasury debt management.⁶ The purpose of the agreement is to promote more economical, efficient, and effective debt management based on the Ministry's debt management strategy.

A special department within the Central Bank of Iceland, Government Debt Management, is mandated by the Ministry of Finance and Economic Affairs to handle Treasury debt management in accordance with guidelines adopted by the Ministry. Government Debt Management is responsible for ensuring that borrowing and debt management are in compliance with the strategy set out by the Ministry.

Government Debt Management also administers State guarantees and assesses the Treasury's risk due to such guarantees. It provides the Ministry with opinions on State guarantees and grants them if authorised by Parliament.

On behalf of the Ministry of Finance and Economic Affairs, Government Debt Management handles the regular disclosure of information on the Treasury's domestic and foreign liabilities to market agents, and publishes information on

auction dates and planned issuance volume for the year, based on the Treasury's estimated financing need. It also issues press releases on debt management on behalf of the Ministry of Finance and Economic Affairs.

6.3 Consultative Committee on Debt Management

The Ministry of Finance and Economic Affairs appoints a Consultative Committee on Debt Management whose members represent the Ministry and the Central Bank.

The Consultative Committee serves as a forum for the exchange of views on the situation and outlook for capital markets, and on the Treasury's domestic and foreign borrowing and borrowing plans. It is intended to encourage improvements in the domestic bond market as it deems appropriate.

The Committee makes proposals to the Ministry of Finance and Economic Affairs on the structure of individual bond series and their maturity and volume, as well as arrangements for market making and auctions. It also proposes risk management guidelines for the Treasury's domestic and foreign debt portfolios. The Committee discusses and adopts proposals for the Treasury's issuance schedule in domestic and foreign markets. The schedule specifies the issuance volume, issuance dates, and planned borrowing actions for the year. It must be approved by the Ministry of Finance and Economic Affairs and is then announced to market agents. The Committee meets on a regular basis, usually monthly or as often as is deemed necessary.

7. Disclosure of information to market participants

The Ministry of Finance and Economic Affairs and Government Debt Management attempt to maintain effective communication with market participants through regular publications and meetings with primary dealers and investors. All news releases are published on the Nasdaq Iceland Exchange and Bloomberg and are distributed to the media and market agents. The Treasury uses the data vendor GlobeNewsWire to broadcast press releases to foreign media and market participants.

Publications on debt management issued by the Ministry of Finance and Economic Affairs and Government Debt Management include the following:

- Medium-Term Debt Management Strategy
- Annual Government Debt Management Prospect
- Quarterly Government Debt Management Prospect
- Auction announcements
- Planned auction dates
- Market Information

7.1 Medium-Term Debt Management Strategy

The Ministry of Finance and Economic Affairs prepares the Medium-Term Debt Management Strategy (MTDS), which is revised and published annually. It includes the following topics:

- Debt management objectives
- Debt management guidelines
- Issuance policy
- Structure of Treasury debt
- Risk management
- Contingent liabilities

7.2 Annual Government Debt Management Prospect

The Annual Government Debt Management Prospect is designed to provide market participants with general information on Treasury issuance for the upcoming year. It is published following Parliamentary approval of the National Budget and includes the following information:

- Total issuance volume for the coming year
- Issuance policy for the year
- Buybacks
- Switch auctions

7.3 Quarterly Government Debt Management Prospect

At the end of each quarter, Government Debt Management issues an issuance plan for the upcoming quarter. The Quarterly Prospect includes the following information:

- Planned Treasury bond issuance for the quarter
- Planned Treasury bill issuance
- Summary of issuance in the previous quarter
- Actions to be taken in the upcoming quarter

7.4 Auction announcements

Press releases on individual auctions are published on the NASDAQ Iceland Exchange at least one business day in advance. The press release states which series are to be auctioned each time. The results are published after each auction, on that same day.

7.5 Planned auction dates

The planned dates for Treasury bill and Treasury bond auctions are published on the Government Debt Management website each December. The information is also distributed directly to market participants.

7.6 Market Information

Government Debt Management publishes a monthly newsletter entitled Market Information. The newsletter contains important information on Treasury debt and State guarantees. Market Information is distributed to the media and to market participants and is published on the Government Debt Management website. It includes the following information:

- Highlights from the previous month
- Results of Treasury auctions
- Treasury debt statistics
- Position of Treasury benchmark securities
- Structure of Treasury debt
- Redemption profile for Treasury debt
- Owners of Treasury securities
- Securities loans
- State guarantees

7.7 Government Debt Management website

Government Debt Management maintains a website, www.lanamal.is, which includes information on Treasury debt management, market prices, yields, and historical statistics on Treasury securities, as well as prospectuses for the securities. The following information can also be found there:

- Medium-Term Debt Management Strategy
- Annual Government Debt Management Prospect
- Quarterly Government Debt Management Prospect

- Auction announcements
- Market Information
- Press releases
- The Republic of Iceland's sovereign credit ratings

Information on Government debt can also be found on the Ministry of Finance and Economic Affairs website: www.fjr.is.

7.8 Primary dealers in Treasury securities

Government Debt Management monitors primary dealers on a daily basis to ensure that they fulfil their market-making obligations in the secondary market. Meetings are held with them at least quarterly, and more often if necessary.

7.9 Investors

Representatives from Government Debt Management and the Ministry of Finance and Economic Affairs meet regularly with investors to acquaint them with points of emphasis in Treasury debt management.

