

Auction result in March

	Type	Bond	Amount of bids m.kr.	Amount allocated m.kr.	Yield/Price/ Simple interest
9 March	Auction	RIKB 28 1115	4,140	3,040	5.29
22 March	Auction	RIKV 18 0807	2,888	2,688	4.19
23 March	Auction	RIKB 22 1026	3,250	2,500	4.99
23 March	Auction	RIKB 28 1115	3,830	3,080	5.25
23 March	Auction	RIKH 18 1009	4,000	4,000	99.980 - 99.990

Treasury bond issuance in Q1/2018

Bond series Amounts in b.kr.	Maximum	Actual	Sales value
RIKB 22 1026	8	5.2	5.2
RIKB 28 1115	12	6.0	6.0
Total			11.2

Switch auction this year

Amounts in b.kr.	Sold*	Bought*
RIKB 22 1026	1.1	
RIKB 28 1115	1.3	
RIKB 19 0226		2.3

* Nominal amount

Events in April

13 April	Auction of Treasury bonds
26 April	Auction of Treasury bills
27 April	CPI announcement

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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.

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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 18 0416	IS0000029312	15.10.2017	16.4.2018	0.00	Bullet	0.05	0.05
RIKV 18 0515	IS0000029395	15.11.2017	15.5.2018	0.00	Bullet	0.13	0.13
RIKV 18 0615	IS0000029486	15.12.2017	15.6.2018	0.00	Bullet	0.22	0.22
RIKV 18 0807	IS0000029718	26.2.2018	7.8.2018	0.00	Bullet	0.37	0.36
<i>Nominal T-bonds</i>							
RIKB 19 0226	IS0000017077	26.2.2008	26.2.2019	8.75	Bullet	0.92	0.92
RIKB 20 0205	IS0000024453	5.2.2014	5.2.2020	6.25	Bullet	1.80	1.86
RIKB 22 1026	IS0000020717	26.10.2011	26.10.2022	7.25	Bullet	3.98	4.58
RIKB 25 0612	IS0000019321	12.6.2009	12.6.2025	8.00	Bullet	5.58	7.21
RIKB 28 1115	IS0000028249	15.11.2016	15.11.2028	5.00	Bullet	8.33	10.64
RIKB 31 0124	IS0000020386	24.1.2011	24.1.2031	6.50	Bullet	9.20	12.83
RIKH 18 1009	IS0000019453	2.9.2009	9.10.2018	Fl. rate	Bullet	0.08**	0.53
<i>Inflation-linked T-bonds</i>							
RIKS 21 0414	IS0000020014	14.4.2010	14.4.2021	3.80	Bullet	2.84	3.05
RIKS 30 0701	IS0000020576	1.7.2011	1.7.2030	3.25	Bullet	10.25	12.26
RIKS 33 0321	IS0000021251	21.3.2012	21.3.2033	3.00	Bullet	12.47	14.98
Average of benchmark series						6.1	7.7

* Macaulay.

** If coupon for this bond were fixed at current rates until maturity duration would be: 0.54.

Foreign marketable debt

Issues	ISIN	Date of issue	Maturity date	Interest, %	Type of bond	Duration*	Years to maturity
	US451029AE22						
USD 5.875% 11 May 2022	USX34650AA31	11.5.2012	11.5.2022	5.875	Bullet	3.63	4.12
EUR 2.5% 15 Jul 2020	XS1086879167	15.7.2014	15.7.2020	2.500	Bullet	2.23	2.30
EUR 0.5% 20 Dec 2022	XS1738511978	13.12.2017	20.12.2022	0.500	Bullet	4.68	4.73
Average of benchmark series						3.7	3.8

* Macaulay.

Interest rate swaps

Maturity	Treasury pays	Treasury receives, %	Nominal amount (m. EUR)
15.7.2020	6M Euribor	0.791 p.a.	250



Government debt

Domestic central government debt 31 March 2018 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 18 0315	2,700		-2,700	0	0.00	0	0.0
RIKV 18 0416	7,245			7,245	0.05	7,232	0.9
RIKV 18 0515	2,390			2,390	0.13	2,378	0.3
RIKV 18 0615	1,910			1,910	0.22	1,893	0.2
RIKV 18 0807	4,128		2,688	6,816	0.36	6,712	0.9
Total	18,373			18,361	0.19	18,214	2.4
<i>Nominal T-bonds</i>							
RIKB 19 0226	80,833			80,833	0.92	83,771	10.4
RIKB 20 0205	74,724			74,724	1.86	76,480	9.7
RIKB 22 1026	71,523		2,500	74,023	4.58	80,581	9.6
RIKB 25 0612	96,703			96,703	7.21	113,298	12.5
RIKB 28 1115	43,850		6,120	49,970	10.64	48,808	6.5
RIKB 31 0124	95,420			95,420	12.83	105,726	12.3
RIKH 18 1009 *	39,785		-4,000	35,785	0.53	35,701	4.6
Total	502,839			507,459	5.96	544,365	65.5
<i>Inflation-linked T-bonds</i>							
RIKS 21 0414	60,934	14,732		75,666	3.05	80,251	9.8
RIKS 30 0701	73,727	13,986		87,713	12.26	100,344	11.3
RIKS 33 0321	34,172	5,229		39,401	14.98	44,725	5.1
Total	168,833	33,946		202,780	9.35	225,319	26.2
Other central government debt**				45,666	6.34		5.9
Total domestic debt				774,266	6.73		100.0

* Capital contribution from the state to financial institutions.

** Mostly government indexed debt due to the National Power Company, (Landsvirkjun) and assumed gov. Guarantees.

Foreign central government debt

Issues	Issued nominal amount (millions)	Remaining nominal amount	Nominal amount ISK (m.kr.)	Years to maturity
<i>Foreign bonds</i>				
USD 5,875% 11 May 2022	1,000	92	9,043	4.12
EUR 2,5% 15 Jul 2020	750	352	42,939	2.30
EUR 0,5% 20 Dec 2022	500	500	60,920	4.73
Total			112,902	3.76
Total foreign debt			112,902	3.76



Central government debt, total in m.kr.

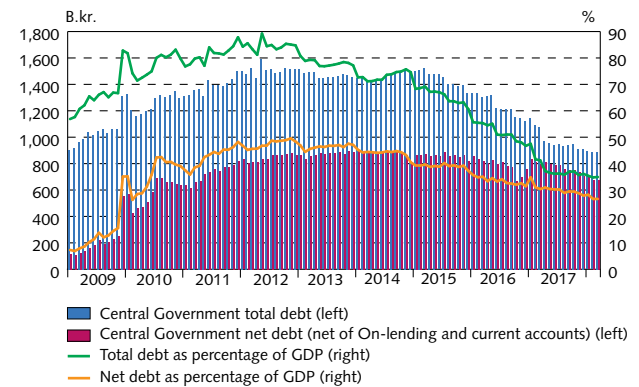
	Nominal incl./ inflation compensation	Weighted time to maturity
Nominal debt	525,820	5.76
Inflation-linked debt	248,446	8.80
Foreign currency debt	112,902	3.76
Total	887,167	6.35
Total debt as percentage of GDP*		34.9

* GDP is from the latest edition of *Monetary Bulletin* published by Central bank of Iceland.

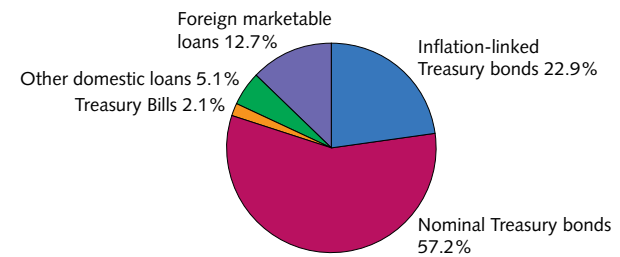
Net debt in m.kr.

On-lending and cash at the Central bank	Nominal incl./ inflation compensation end of month
Nominal on - lending	11,476
Inflation-linked on - lending	40,852
Cash ISK	91,110
Cash FX	78,881
Total	222,320
Net debt	
Nominal debt	423,233
Inflation-linked debt	207,594
Foreign currency debt	34,020
Net central government debt	664,847
Total net debt as percentage of GDP	26.2

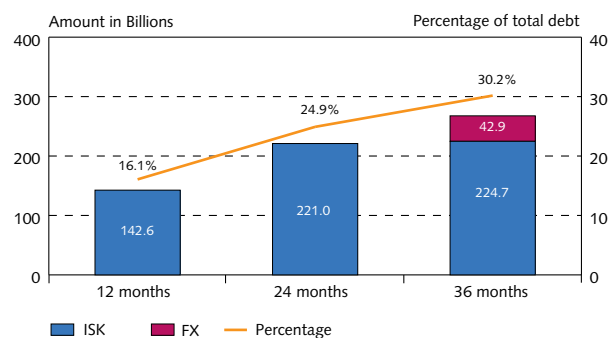
Changes in central government debt



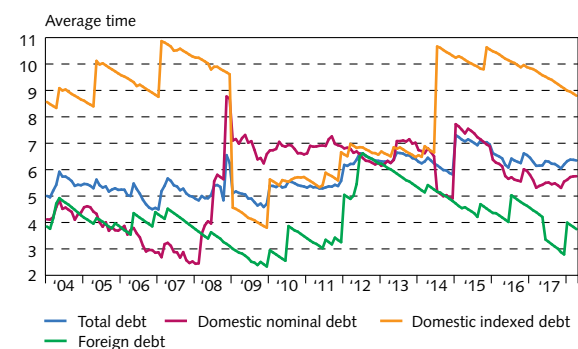
Total market value of benchmark issues



Percentage of debt maturing after;



Average Time to Maturity



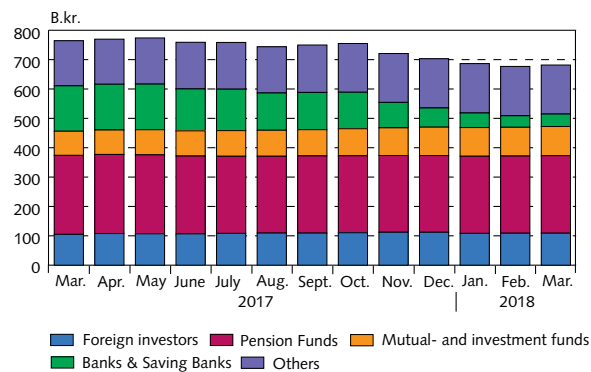
Investors

Owners of T-bonds and bills 31 March 2018*

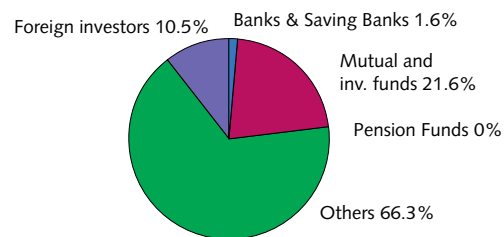
Nominal value in m.kr.	RIKB 19	RIKB 20	RIKB 22	RIKB 25	RIKB 28	RIKB 31	RIKH 18	RIKS 21	RIKS 30	RIKS 33	Total	Total bills
Domestic investors												
Banks & Saving Banks	1,501	5,311	2,915	1,283	5,293	1,694	22,603	1,002	774	0	42,375	300
Miscellaneous credit undertakings	5,096	1,500	500	0	0	0	88	11,782	11,900	12,590	43,456	10,320
Mutual and inv. funds	12,512	17,948	13,559	7,357	9,923	4,864	450	17,177	13,741	1,756	99,287	3,960
Pension Funds	7,114	24,793	26,707	48,873	22,497	52,918	7,865	21,762	46,323	5,253	264,103	0
Firms	2,429	8,073	6,227	5,382	4,114	6,267	0	3,570	469	1,402	37,931	700
Households	2,677	1,367	1,444	787	330	213	0	4,690	377	2,025	13,910	920
Others	23,257	10,646	10,572	12,045	2,497	2,700	4,705	2,639	914	1,724	71,680	238
Foreign investors	26,247	5,506	12,569	21,347	5,543	27,774	75	383	0	9,423	108,867	1,923
Total	80,833	75,144	74,493	97,074	50,197	96,430	35,785	63,004	74,497	34,172	681,610	18,361

* Included securities lending from the issuer to the primary dealers.

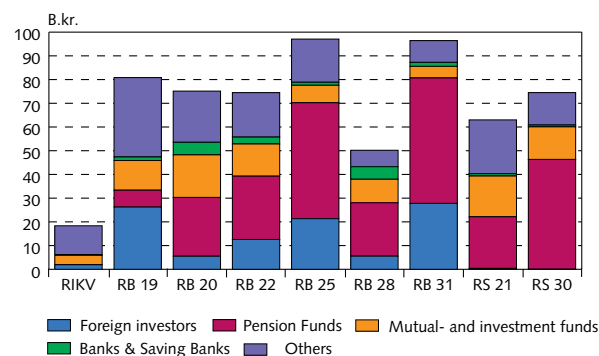
Owners of T-bonds 31 March 2018*



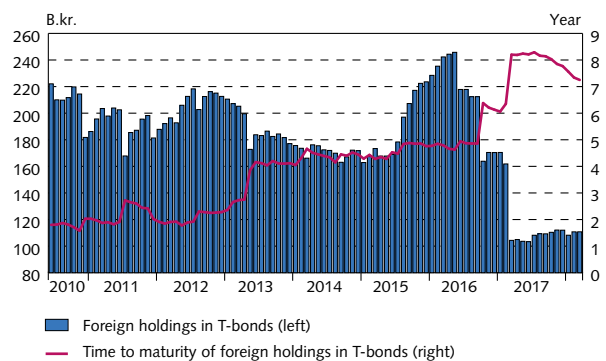
Owners of T-bills 31 March 2018*



Owners of marketable T-bonds and bills 31 March 2018*



Time to maturity of non-residents' holdings in T-bond and -bills 31 March 2018*



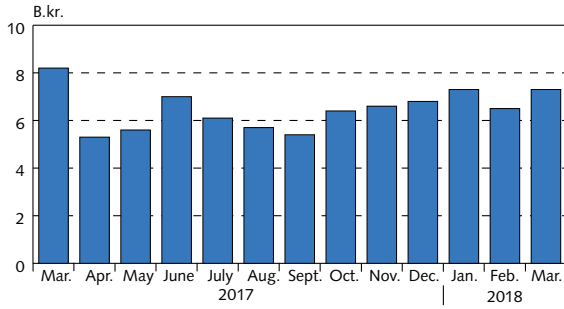
* Information on this page is based on the most recent data from the Icelandic Securities Depository and banks.



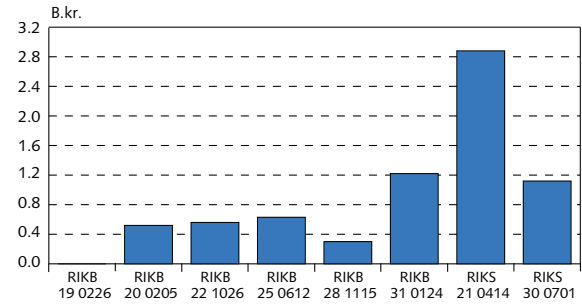
Market Information

Securities lending facility, redemption profile and turnover

Average amount in the security lending facility* of GDM at market value

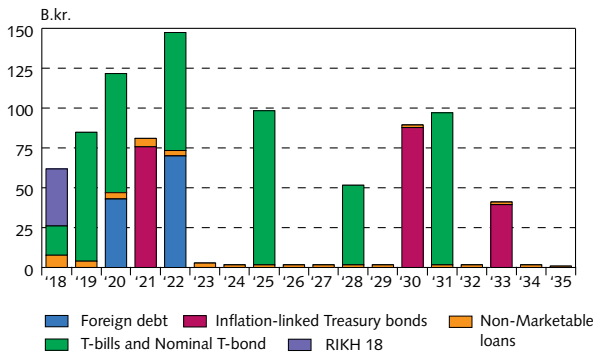


Outstanding amount in the securities lending facility* by series at the end of last month

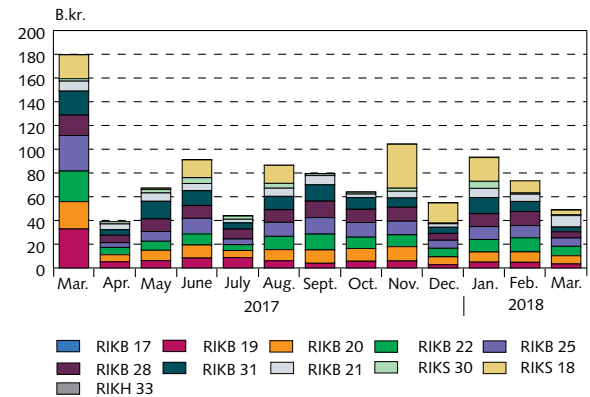


* Calculated at market price.

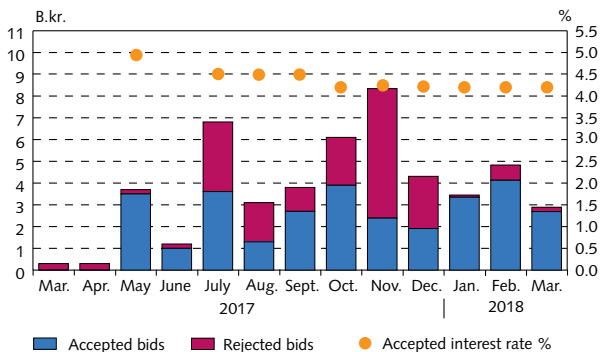
Redemption profile of government debt



Monthly trading volume in T-Bonds on NASDAQ Iceland Exchange

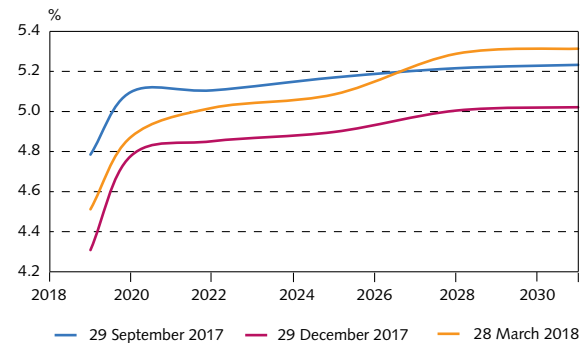


Auction of Treasury bills



Yield curves

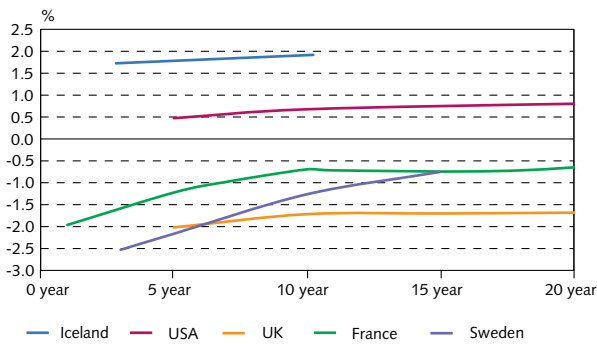
Nominal yield curves



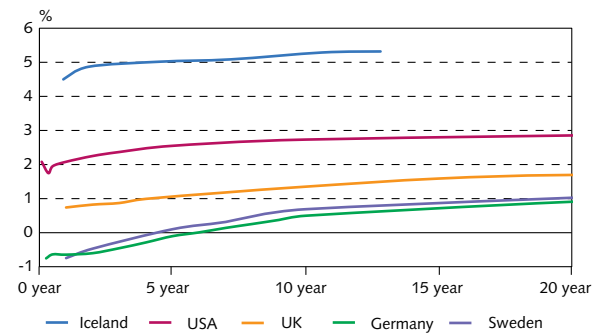


Market Information

Yield curve inflation-linked T-bonds

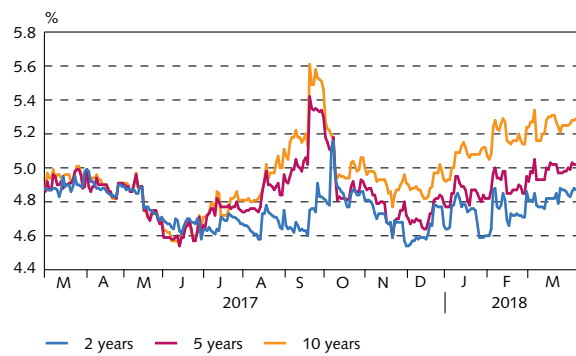


Yield curve Treasury bills and nominal T-bonds

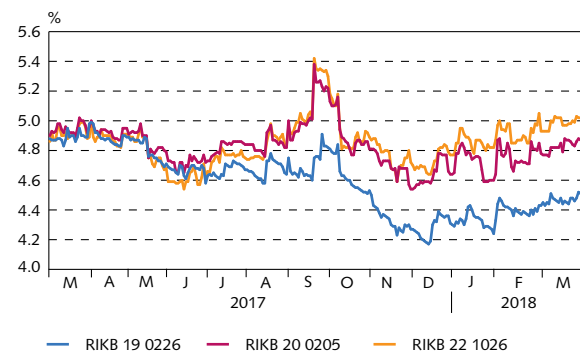


Yield for Treasury bonds

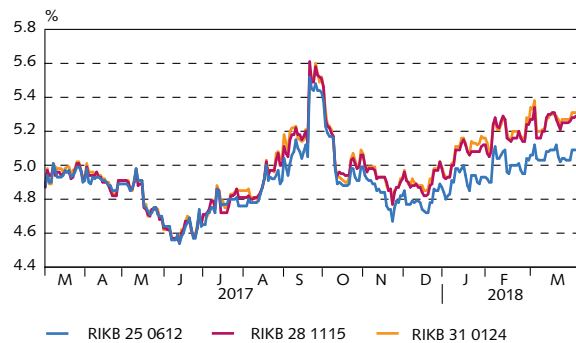
Generic Yield



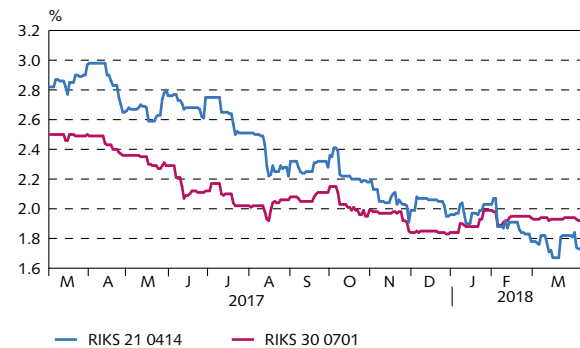
Yield for short and medium term nominal T-bonds



Yield for long term nominal T-bonds



Yield for inflation linked T-bonds





Auctions of Treasury bonds and bills

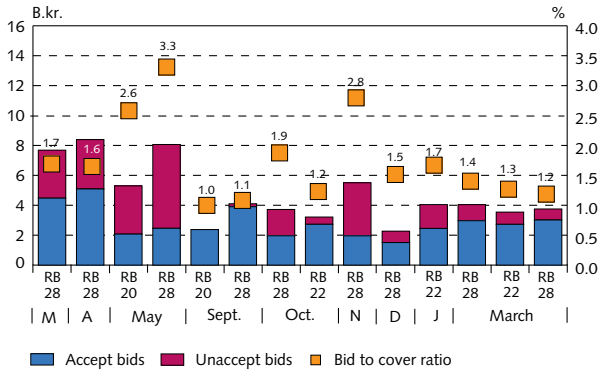
Auction in 2018, in m.kr.

Date		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			
Nominal T-Bonds											
26.01.18	RIKB 22 1026	4,046	3,680	31	17	4.84	2,452	2,230	0	2,452	
09.03.18	RIKB 28 1115	4,043	4,140	26	20	5.29	2,969	3,040	0	2,969	
23.03.18	RIKB 22 1026	3,543	3,250	20	15	4.99	2,726	2,500	0	2,726	
23.03.18	RIKB 28 1115	3,752	3,830	23	18	5.25	3,018	3,080	0	3,018	
Total		15,384	14,900				11,163	10,850	0	11,163	
										Total value	11,163
Switch auction											
23.02.18	RIKB 22 1026	1,171	1,070	0	0	0	1,171	1,070	0	1,171	
23.02.18	RIKB 28 1115	1,226	1,250	0	0	0	1,226	1,250	0	1,226	
Total		2,397	2,320				2,397	2,320	0	2,397	
T-Bills											
25.01.18	RIKV 18 0416	3,414	3,445	12	11	4.20	3,315	3,345			
22.02.18	RIKV 18 0807	4,739	4,828	13	8	4.19	4,052	4,128			
22.03.18	RIKV 18 0807	2,844	2,888	9	7	4.19	2,647	2,688			
Total		10,997	11,161				10,013	10,161			



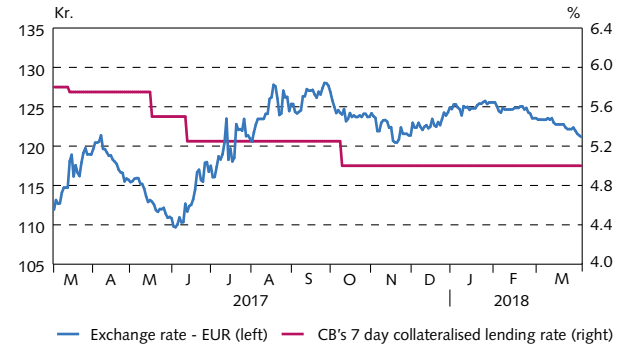
Auctions of Treasury bonds

Latest auction results of Treasury bonds at market value



Exchange rate developement

Euro exchange rate versus 7 days collateralised lending rate



Primary dealers

Primary dealers in

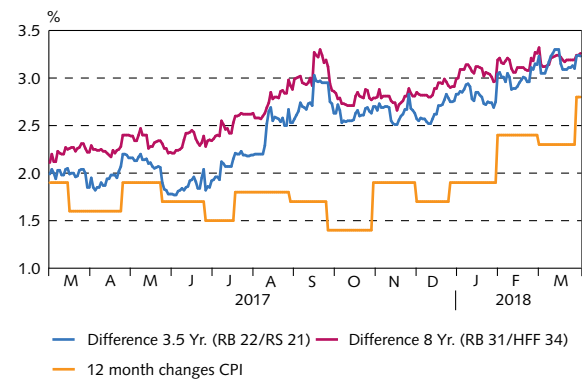
government securities

Telephone

Bloomberg

Íslandsbanki	+354 440 4000	ISLA
Arion banki	+354 444 6000	ARIO
Kvika banki hf.	+354 540 3200	KVIK
Landsbankinn	+354 410 4000	LAIS

Inflation premium nominal T-bonds



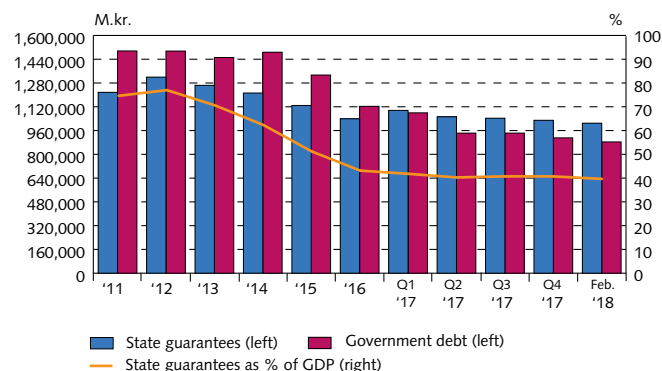


State guarantees

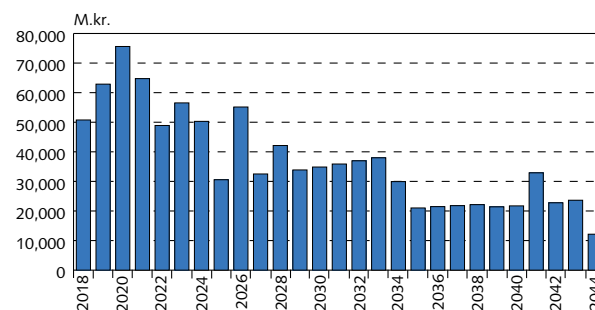
State guarantees 2013–2018

M.kr.	February	Outstanding end of year				
	2018	2017	2016	2015	2014	2013
Lending agencies	854,022	862,909	830,231	855,054	892,205	935,645
Housing Financing Fund	786,868	794,068	821,180	844,130	881,045	923,492
Regional Development Fund	9,969	9,970	9,051	10,923	11,160	12,153
Icelandic Student Loan Fund	57,186	58,871	0	0	0	0
Co-operative and Limited Partnerships	153,025	164,178	207,073	271,548	317,940	324,844
National Power Company sf.	141,862	152,646	195,048	257,155	302,586	309,531
RARIK ohf. (Iceland State Electricity)	1,253	1,363	1,483	1,786	2,075	2,343
Farice ehf.	5,622	5,547	5,652	7,214	7,588	6,446
Isavia ohf.	1,187	1,213	1,401	1,749	2,130	2,507
RUV ohf. (National Broadcasting Service)	2,599	2,796	2,886	3,011	2,760	3,224
Other	502	612	603	633	801	793
Industries/Municipalities	2,424	1,947	1,872	2,229	2,440	3,760
NIB - Nordic Investment Bank	2,424	1,947	1,862	2,209	2,411	2,956
Other	0	0	10	20	29	804
State Guarantees total	1,009,470	1,029,033	1,039,177	1,128,831	1,212,585	1,264,249

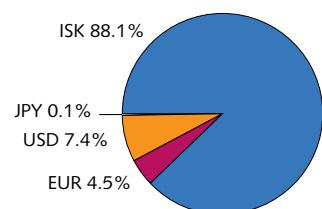
State guarantees - government debt and GDP 2011-2018



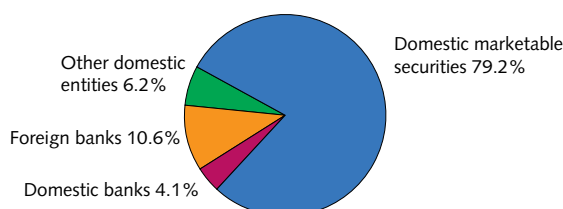
State guarantees - Maturity profile



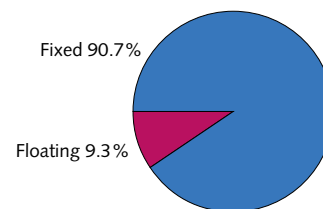
Currency ratio



Type of lenders



Interest rate type



Notes:

- Guarantees shown include accrued interest and indexation at the end of each period. Guarantees in foreign currency are shown at ask exchange rate. Numbers for 2017 and 2018 are preliminary.
- Numbers for the Housing Financing Fund are at nominal value and include accrued interest and indexation on securities issued. Included in the position of HFF-bonds are bonds reserved for security lending contracts.
- The Treasury paid down its accrued pension obligation to the Pension Fund for State Employees by handing over bonds issued by the Icelandic Student Loan Fund, totalling 60. b. ISK in estimated value by the end of 2016. Figures on State Guarantees for each quarter of 2017 have been corrected accordingly.