Markets

Foreign exchange reserves

Management of the foreign exchange reserves

2025 Q4

27 February 2026

Contents

Main points

2025 Q4

NOK 748.8bn

Market value of the foreign exchange reserves

Foreign exchange equivalent to

NOK 6.7bn

was sold in the market to fund dividends to the government

1.4%

Return on the foreign exchange reserves in international currency terms

2.1%

Return on the foreign exchange reserves in NOK terms

3.5%

Return on equity investments in international currency terms

0.8%

Return on fixed income investments in international currency terms

Management of the foreign exchange reserves

The foreign exchange reserves are to be sufficiently liquid to be available for use in foreign exchange market transactions or as part of the conduct of monetary policy or with a view to promoting financial stability and to meet Norges Bank’s international commitments. The aim of the management of the foreign exchange reserves is the highest possible return within the applicable management risk limits.

Composition

The reserves are divided into an equity portfolio, a fixed income portfolio and a petroleum buffer portfolio. The foreign exchange reserves may be invested in cash deposits, Treasury bills, government bonds and equities listed on a regulated and recognised exchange.

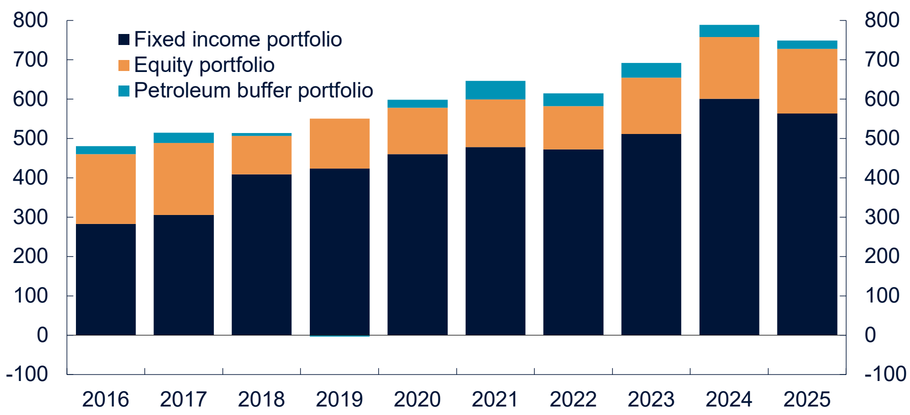
The fixed income portfolio's benchmark index is a market-weighted index of all nominal government bonds with a residual maturity of between one month and 10 years issued in local currency by China, France, Germany Japan, the UK and the US.

The equity portfolio's benchmark index is a market-weighted, tax-adjusted global equity index for medium and large-sized companies limited to nine currencies. The strategic equity allocation of the total equity and fixed income portfolio is 20%.

The petroleum buffer portfolio is intended to receive foreign currency from the State's Direct Financial Interest (SDFI) in petroleum activities and transfers from the Government Pension Fund Global (GPFG), as well as to smooth the government's need for converting foreign currency and NOK. The petroleum buffer portfolio is invested in short-term fixed income instruments. No benchmark index has been set for the petroleum buffer portfolio.

CHART 1 Composition of the foreign exchange reserves

Market value of each portfolio at the end of the year. 2016—2025. In billions of NOK



Foreign exchange reserves

The market value of the foreign exchange reserves was NOK 748.8bn at the end of 2025 Q4, a decline of NOK 8.7bn in Q4. The return in international currency terms increased the value of the equity and fixed income portfolio by NOK 9.9bn, while a weaker krone increased the value by NOK 5.1bn. Net transfers to the equity and fixed income portfolio amounted to NOK -6.4bn.

The value of the petroleum buffer portfolio was reduced by NOK 17.3bn. In NOK terms, the return amounted to 0.7bn, while net transfers totalled NOK -18.0bn.

Norges Bank's Executive Board has decided to sell foreign exchange to fund the transfer of dividends to the government for the 2024 financial year.[1] In October, November and the first two weeks of December, foreign exchange equivalent to NOK 126m was sold daily to fund this transfer, which amounted to NOK 6.7bn. Of this, 80% of funding was from the fixed income portfolio and 20% from the equity portfolio.

CHART 2 Change in market value

In billions of NOK. 2025 Q4. Positive values indicate purchase/inflow of foreign exchange while negative values indicate sale/outflow.

NOK 748.8bn

in market value

International currency

The foreign exchange reserves are held for the purpose of crisis management. Movements in the krone exchange rate will affect Norges Bank's equity but not the Bank's ability to meet commitments in foreign currency. The petroleum buffer portfolio, which is not held for the purpose of crisis management, is excluded from the measurement of return in international currency terms.

[1]For more information, visit Norges Bank's website. https://www.norges-bank.no/en/news-events/news/Press-releases/2024/2024-12-16-transfers-to-government/

TABLE 1 Market value of the foreign exchange reserves

In billions of NOK. 2025 Q4

	2025 Q4				2025			
	Fixed income investments	Equity investments	Petroleum buffer portfolio	Foreign exchange reserves	Fixed income investments	Equity investments	Petroleum buffer portfolio	Foreign exchange reserves
Market value (opening)	560.3	158.7	38.5	757.5	601.1	157.1	30.8	789.0
Market value (closing)	563.4	164.1	21.2	748.8	563.4	164.1	21.2	748.8
Change in market value	**3.1**	**5.5**	**-17.3**	**-8.7**	**-37.7**	**7.1**	**-9.6**	**-40.2**
Return in NOK terms	8.1	6.8	0.7	15.7	-18.2	12.1	-3.2	-9.4
Net transfers and foreign exchange trades*	-5.0	-1.4	-18.0	-24.4	-19.5	-5.0	-6.4	-30.9

*Positive values indicate net purchase/inflow of foreign exchange, while negative values indicate net sale/outflow

TABLE 2 Details of fixed income and equity investments

2025 Q4

	2025 Q4			2025		
	Fixed income investments	Equity investments	Total	Fixed income investments	Equity investments	Total
In billions of NOK						
Return in NOK terms	**8.1**	**6.8**	**15.0**	**-18.2**	**12.1**	**-6.1**
Return in international currency terms	4.3	5.6	9.9	22.0	26.4	48.4
Movements in the NOK exchange rate	3.9	1.2	5.1	-40.2	-14.3	-54.5
Percent						
Return in international currency terms	0.8	3.5	1.4	3.9	18.8	6.9
Return in NOK terms	1.5	4.3	2.1	-3.0	8.0	-0.7
Basis points						
Return in NOK terms (bps)	0.4	-0.2		0.7	6.3	
Expected relative volatility in NOK terms (annualised)	1.6	2.6				

Fixed income investments

The market value of the fixed income investments was NOK 563.4bn at the end of 2025 Q4, up NOK 3.1bn from the previous quarter. The return in international currency terms increased the value by NOK 4.3bn, equivalent to 0.8%. A weaker krone increased the value by NOK 3.9bn. Net inflows to the fixed income portfolio amounted to NOK -5.0bn, reflecting transactions with the IMF and foreign exchange trades to fund the transfer of dividends to the government.

NOK 563.4bn

in market value

As mentioned, Norges Bank's Executive Board has decided to sell foreign exchange to fund the transfer of dividends to the government for the 2024 financial year. Eighty percent of the funding was from the fixed income portfolio, equivalent to NOK 5.3bn in 2025 Q4.

0.8%

Return in international currency terms

CHART 3 Return on fixed income investments

Percent. In international currency terms

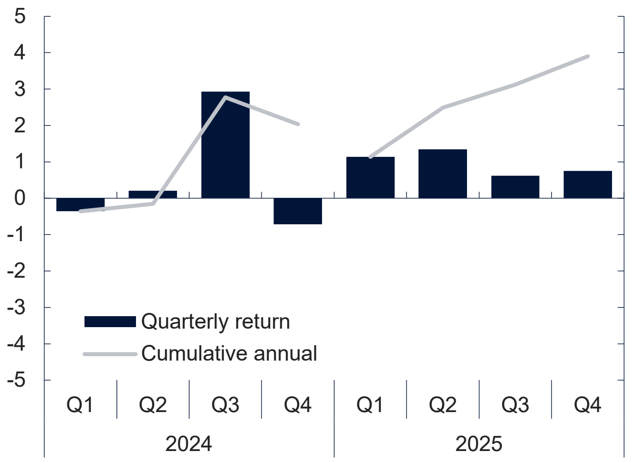


CHART 4 Relative return on fixed income investments

Basis points. In NOK terms

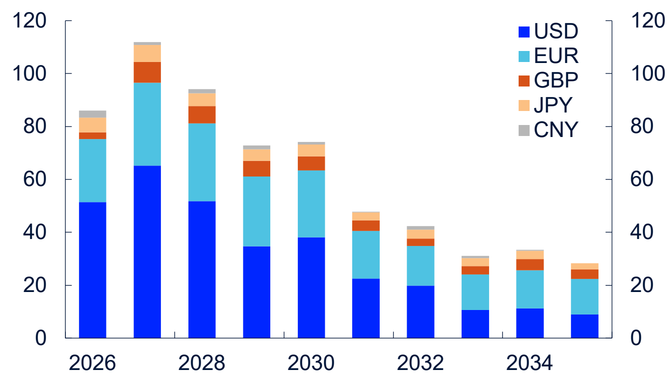
TABLE 3 Fixed income investments by currency

Market value in billions of NOK. 31 December 2025

	Market value	Share	Duration	Yield
Total	**563.4**	**100.0**	**3.5**	**3.1**
CNY	11.3	2.0	3.7	1.5
EUR	191.7	34.0	3.9	2.5
GBP	39.5	7.0	4.0	3.9
JPY	39.5	7.0	3.9	1.3
USD	281.5	50.0	3.0	3.7

CHART 5 Principal and coupon due per year

In billions of NOK



USA The two-year US government bond yield fell by approximately 15 basis points and the 10-year yield was broadly unchanged. The Federal Reserve cut its policy rate by 0.25 percentage point on two occasions and signalled further possible rate cuts in 2026. Investments denominated in USD earned a return of 1.1% in 2025 Q4.

1.1%

Return on USD investments in 2025 Q4

Europe European government bond yields rose between 10 and 20 basis points in 2025 Q4. The ECB kept its policy rate unchanged at 2.0% and signalled that the rate was likely to remain at this level for a period ahead. At the same time, the ECB emphasised the heightened level of uncertainty and that it has not committed to a specific policy rate path. Investments denominated in EUR earned a return of 0.3% in 2025 Q4.

0.3%

Return on EUR investments in 2025 Q4

UK UK government bond yields fell by approximately 20 basis points in 2025 Q4. The Bank of England lowered its policy rate to 3.75% in December. The UK government presented the central government budget for the coming years, which included plans for a larger buffer in accordance with applicable fiscal policy rules. Investments denominated in GBP earned a return of 1.9% in Q4.

1.9%

Return on GBP investments in 2025 Q4

Japan Short-term Japanese government bond yields rose by approximately 20 basis points, while long-term yields rose by about 40 basis points. The Bank of Japan raised its policy rate to 0.75% in December. Investments denominated in JPY earned a return of 0.8% in 2025 Q4.

-0.8%

Return on JPY investments in 2025 Q4

China Chinese government Bond yields were little changed in 2025 Q4. The relatively stable yields reflect the fact that the economic outlook changed little in Q4. Investments denominated in CPY earned a return of 0.6% in Q4.

0.6%

Return on CNY investments in 2025 Q4

Equity investments

The market value of the equity portfolio was NOK 164.1bn at the end of 2025 Q4, an increase of NOK 5.5bn since the end of Q3. The return in international currency terms increased the value by NOK 5.6bn, while a weaker krone increased the value by NOK 1.2bn.

NOK 164.1bn

in market value

As mentioned, Norges Bank's Executive Board has decided to sell foreign exchange to fund the transfer of dividends to the government for the 2024 financial year. Twenty percent of the funding was from the equity portfolio, equivalent to NOK 1.4bn in 2025 Q4.

3.5%

Return in international currency terms

The return on the equity portfolio in international currency terms was 3.5%. North American equities posted a return of 3.7%, European equities posted 7.8% and Asian equities 4.0%.

Equities in the healthcare sector posted the strongest return in 2025 Q4 at 11.1%, but the technology sector accounted for the largest contribution to the return on the portfolio at 1.1 percentage points. In telecommunications, equities posted the weakest return in Q4 at -2.9%.

TABLE 4 Equity investments by sector and currency

Market value in billions of NOK. 31 December 2025

Sector	Market value	Share		Currency	Market value	Share
Basic materials	4	3 %		AUD	3	2 %
Durable goods	23	14 %		CAD	5	3 %
Consumer goods	6	4 %		CHF	4	3 %
Energy	5	3 %		DKK	1	0 %
Financials	25	15 %		EUR	15	9 %
Healthcare	16	10 %		GBP	6	3 %
Industrials	20	12 %		JPY	11	7 %
Real estate	3	2 %		SEK	2	1 %
Technology	55	33 %		USD	118	72 %
Telecommunications	4	2 %				
Utilities	4	2 %				

CHART 6 Return on equity investments

Percent. In international currency terms

CHART 7 Relative return on equity investments

Basis points. In NOK terms

Petroleum buffer portfolio

The market value of the petroleum buffer portfolio was NOK 21.2bn at the end of 2025 Q4, a decrease of NOK 17.3bn from Q3. During Q4, NOK 64.9bn worth of foreign exchange reserves was purchased from the State's Direct Financial Interest (SDFI), and NOK 84.0bn worth of foreign exchange was transferred to the GPFG. At the same time, the petroleum buffer portfolio purchased NOK 1.1bn worth of foreign exchange.[2, 3] The return on the portfolio amounted to NOK 0.7bn, reflecting interest income and a weaker krone.

Transferred foreign exchange to the GPFG equivalent to

NOK 84.0bn

TABLE 5 Cash flow and return on the petroleum buffer portfolio

In billions of NOK. 2025 Q4. Positive values indicate purchase/inflow of foreign exchange while negative values indicate sale/outflow

	2025 Q4	2025 Q3	2025 Q2	2025 Q1	2025
Net transfers	-18.0	-23.6	-6.0	41.2	11.6
Foreign exchange purchases from the SDFI	*64.9*	*69.3*	*71.2*	*99.1*	*239.6*
Foreign exchange trades / transfers from other portfolios	*1.1*	*-9.9*	*4.8*	*19.9*	*14.8*
Transfers GPFG	*-84.0*	*-83.0*	*-82.0*	*-77.8*	*-242.8*
Return in NOK	0.7	0.0	-1.1	-2.9	-4.0

Purchased foreign exchange from the SDFI equivalent to

NOK 64.9bn

Purchased foreign exchange equivalent to

NOK 1.1bn

[2] These cash flows are part of the petroleum fund mechanism. More information on the mechanism can be found on Norges Bank's website: https://www.norges-bank.no/en/topics/liquidity-and-markets/Foreign-exchange-purchases-for-GPFG/

[3] Norges Bank carries out foreign exchange transactions on behalf of the government and to fund the transfer of dividends to the government. The transactions are executed in the market as a daily net amount. Remaining amounts are transferred daily between the portfolios in the foreign exchange reserves.

Financial risk

The foreign exchange reserves are invested in foreign currency, while Norges Bank's liabilities are mainly denominated in NOK. This means that movements in the krone exchange rate will have a considerable impact on Norges Bank's earnings in NOK terms. A stronger krone will reduce the krone value of the foreign exchange reserves, while a weaker krone will increase the krone value. For the purpose of crisis management, however, the krone value of the foreign exchange reserves will be of secondary importance. Excluding changes in the krone value, the financial risk associated with the foreign exchange reserves comprises market, credit and counterparty risk.

The foreign exchange reserves' market risk is determined by the composition of investments and movements in equity prices, interest rates and credit spreads. For equity and fixed income investments, expected absolute volatility at the end of 2025 Q4, excluding exchange rate movements, was 13.6% and 1.3%, respectively. Both equity and fixed income portfolios are managed to track the benchmark closely. At the end of Q4, expected relative volatility for equity and fixed income investments was 0.03 and 0.01 percentage point, respectively.

Credit and counterparty risk is defined as the risk of losses if issuers or counterparties default on payment obligations. The credit risk on bond and Treasury bill investments in the foreign exchange reserves is low. The lowest credit ratings from the three largest rating agencies, Fitch, Moody's and Standard & Poor's, are equivalent to AAA for Germany, AA+ for the US, AA- for the UK, A+ for France and A for China and Japan.

Expected relative volatility

In accordance with the Executive Board's principles for the foreign exchange reserves, the maximum expected relative volatility is set at 50 basis points for the fixed income and equity portfolios, respectively. This implies that the return of the portfolio relative to the benchmark index is expected to lie within the range of ±50 basis points in two out of three years.

CHART 8 Expected absolute volatility

Percent. Excluding exchange rate movements. At month-end between December 2023 and December 2025

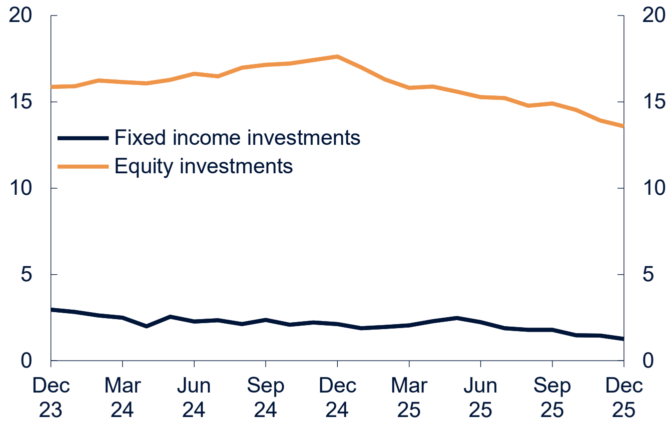
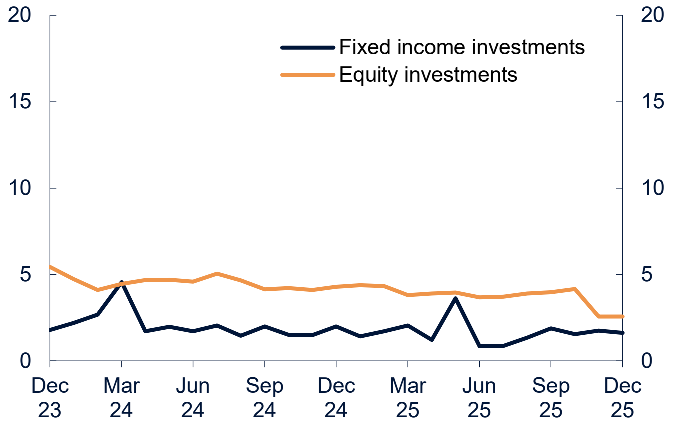


CHART 9 Expected relative volatility

Basis points. Including exchange rate movements. At month-end between December 2023 and December 2025



Commitments to the IMF

Pursuant to the Central Bank Act, Norges Bank shall administer the rights and obligations incumbent on Norway as a consequence of its membership in the International Monetary Fund (IMF). This membership entails a standing commitment to furnish foreign exchange for IMF loans to member countries.

Loan resource commitments under the quota, the New Arrangements to Borrow (NAB), bilateral agreements and the Poverty Reduction and Growth Trust (PRGT) totalled SDR 10 823m at 31 December 2025. At the end of 2025 Q4, the IMF had drawn SDR 1 551m and the total remaining amount that can be drawn under these arrangements is SDR 9 527m. The quota subscription, which determines a country's standing in the IMF, applies to all member countries, but participation in the funding of the IMF's borrowing arrangements is voluntary. The size and liquidity of the foreign exchange reserves are assessed to be sufficient to meet Norges Bank's international commitments.

SDR 10.8bn

Total commitments

SDR 1.6bn

Amount drawn

Special Drawing Rights

The IMF's special drawing rights (SDR) are an instrument the IMF can use to allocate international liquidity. The value of the SDR is based on a basket of five currencies: USD, EUR, JPY, GBP and CNY.

At 31 December 2025, 1 SDR = NOK 13.80

TABLE 6 Details of IMF's lending programmes. In thousands of SDRs

	Amount agreed	Amount drawn	Amount remaining	Change in amount drawn in 2025 Q3	Change in amount drawn in 2025
Total	**10 823 080**	**1 550 676**	**9 526 688**	**-15 934**	**-3 153**
Quota	3 754 700	992 562	2 762 138	6 745	27 205
NAB	3 933 380	0	3 933 380	0	0
Bilateral agreements	2 585 000	0	2 585 000	0	0
PRGT*	550 000	558 113	246 171	-22 679	-30 358

* The agreed amounts under the PRGT only include the 2020 and 2022 arrangements. The 2016 arrangement can no longer be drawn on. The same applies for the total remaining amount that can be drawn. Amount drawn includes all arrangements.

TABLE 7 Details of SDR holdings. In thousands of SDRs

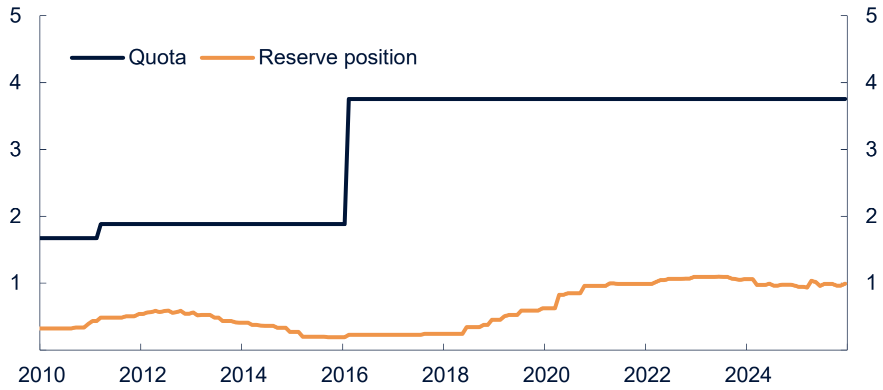
	SDR allocations	SDR holdings	Remaining voluntary purchases	Change in holdings in 2025 Q3	Change in holdings in 2025
SDR holdings	**5 161 781**	**5 491 825**	**2 250 846**	**7 178**	**24 392**

Commitments to the IMF

Quota subscriptions are the IMF's primary source of funding and primarily reflect the member country's relative size in the global economy. Norway's quota subscription is SDR 3 755m. The amount drawn (reserve position) was increased by SDR 7m in 2025 Q4.

CHART 10 Quota

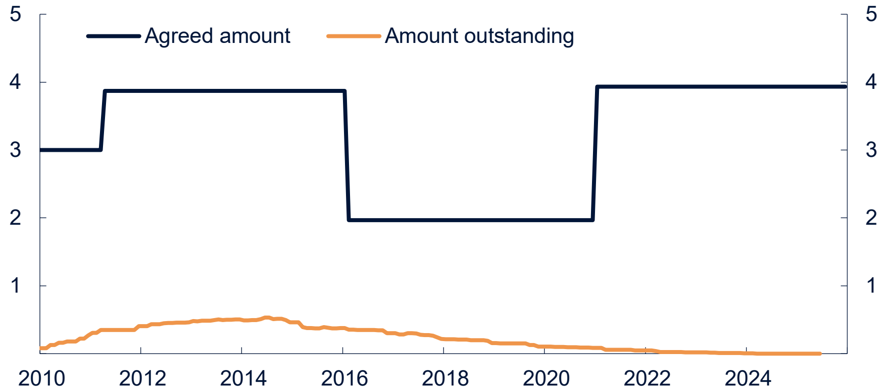
In billions of SDRs



The NAB represents the IMF's second line of defence. Under the NAB, a number of member countries and institutions are committed to lending additional resources to the IMF. The IMF Executive Board must specifically decide to activate the NAB to fund new lending by drawing on the NAB. The government, represented by the Ministry of Finance, is the IMF's contractual counterparty. Commitments under the NAB amount to SDR 3 933m. No amounts were drawn from the NAB in Q4.

CHART 11 NAB

In billions of SDRs



Bilateral agreements serve as the IMF's third line of defence after quota subscriptions and the NAB. The current agreement entered into force on 1 January 2021 and has a borrowing facility of SDR 2 585m. In December 2024, the agreement was extended further until the quota increase under the IMF's 16th General Review of Quotas becomes effective or, at the latest, 31 December 2027. At the end of 2025 Q4, no amounts had been drawn on this agreement. Norges Bank is the IMF's contractual counterparty under the bilateral agreement. Norges Bank's borrowing agreements with the IMF are subject to the approval of the Ministry of Finance (cf Section 3-10, Subsection 2, of the Central Bank Act).

Reserve position

The reserve position is equal to the amount drawn on Norway's quota and corresponds to the difference between the quota and the IMF's krone deposit with Norges Bank.

Interest rate on the arrangements

Norges Bank receives SDR interest payments on the reserve position, the NAB, the PRGT and SDR holdings, and pays the SDR interest rate on SDR allocations. The SDR interest rate is a weighted average of the yields on three-month government securities in the countries/currency areas included in the SDR basket. The floor for the SDR interest rate is 0.05%. For the reserve position, an interest deduction is applied for any burden sharing.

Burden sharing mechanism

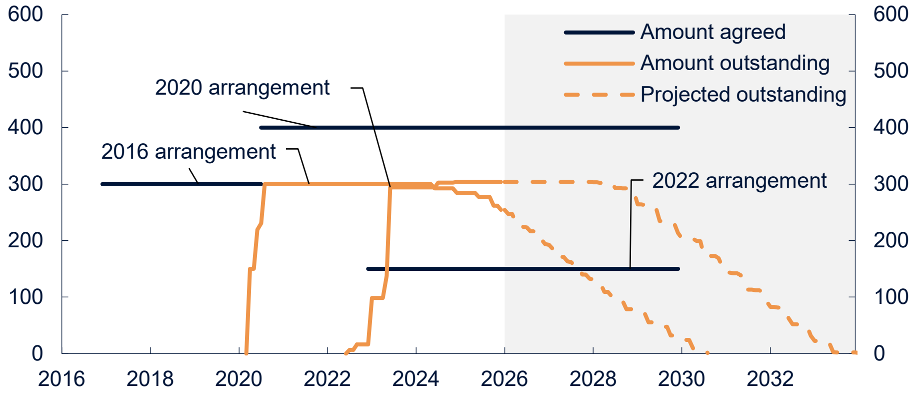
Under the burden sharing mechanism, member debtors and lenders share the cost of settling overdue obligations on outstanding credit to the IMF through an interest rate adjustment.

The basis for the calculation is the reserve position less SDR 60m. The reason for the deduction is that, prior to 1978, only 75% of the quota was included in the calculation.

The PRGT is the IMF's main vehicle for concessional financing for low-income member countries. The Ministry of Finance has signed borrowing arrangements with the PRGT. In 2016, Norway entered a borrowing arrangement for SDR 300m. The facility is fully drawn and under the arrangement, only repayments will be made. In 2020, a borrowing arrangement for SDR 400m was entered into. In December 2022, an additional borrowing arrangement for SDR 150m was entered into. No amount was drawn under any of the agreements in 2025 Q4. Norges Bank is the agent for PRGT loans and administers the commitments.

CHART 16 PRGT agreements

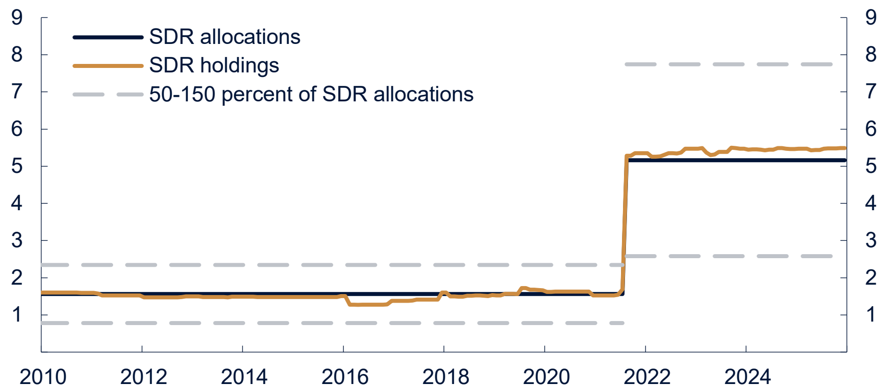
In billions of SDRs



SDR holdings are allocated by the IMF to member countries. Member countries, the IMF and prescribed holders may change their SDR holdings by purchasing from or selling to each other. Some member countries and prescribed holders have entered into agreements with the IMF on participating in SDR trading arrangements intended to support SDR liquidity. In 2009, Norges Bank entered into such an agreement with the IMF on the voluntary purchase and sale of SDRs, as long as holdings remain within 50%–150% of SDR allocations. Thus, Norges Bank's holdings shall be between SDR 2 581m and SDR 7 743m. Purchases of SDRs are charged to the foreign exchange reserves. The agreement also gives Norges Bank the right to sell SDRs. As a result of interest income from claims on the IMF, SDR holdings were increased by SDR 7m in 2025 Q4. At the end of Q4, Norway's SDR holdings amounted to SDR 5 492m.

CHART 17 SDR holdings

In billions of SDRs



Prescribed holders of SDRs

Prescribed holders of SDRs are 20 official entities authorised by the IMF Executive Board to hold SDRs, although they do not receive SDR allocations:

Four currency union central banks

- European Central Bank
- Bank of Central African States
- Central Bank of West African States
- Eastern Caribbean Central Bank

Twelve development institutions

- African Development Bank
- African Development Fund
- Asian Development Bank
- Caribbean Development Bank
- Development Bank of Latin America
- European Bank for Reconstruction and Development
- Inter-American Development Bank
- International Bank for Reconstruction and Development
- International Development Association
- Islamic Development Bank
- Nordic Investment Bank
- International Fund for Agricultural Development

Four intergovernmental monetary institutions

- Arab Monetary Fund
- Bank of International Settlements
- European Investment Bank
- Latin American Reserve Fund

Annex

TABLE I Return on the foreign exchange reserves

Percent. Annualised values in international currency terms. Relative return in NOK terms. 31 December 2025

		Past year	Past three years	Past five years	Past 10 years
Foreign exchange reserves		**6.9**	**7.1**	**2.9**	**3.9**
Fixed income investments	Portfolio	3.9	3.4	0.2	0.9
	Benchmark index	3.9	3.4	0.1	0.9
	Relative return (bps)	0.7	2.3	2.8	1.3
Equity investments	Portfolio	18.8	22.0	13.6	13.0
	Benchmark index	18.8	21.9	13.5	12.9
	Relative return (bps)	7.0	5.0	9.9	10.1

TABLE II Duration and yield on fixed income investments

Past five quarters

	2025 Q4	2025 Q3	2025 Q2	2025 Q1	2024 Q4
Duration	**3.5**	**3.5**	**3.5**	**3.5**	**3.5**
CNY	3.7	3.7	3.7	3.8	3.6
EUR	3.9	4.0	3.9	3.9	3.9
GBP	4.0	4.1	3.8	3.9	3.7
JPY	3.9	4.0	4.1	3.9	3.9
USD	3.0	3.1	3.1	3.1	3.1
Yield	**3.1**	**3.1**	**3.1**	**3.2**	**3.4**
CNY	1.5	1.6	1.5	1.7	1.3
EUR	2.5	2.5	2.3	2.5	2.4
GBP	3.9	4.1	3.9	4.1	4.3
JPY	1.3	1.1	0.9	0.9	0.6
USD	3.7	3.8	3.9	4.0	4.4