

Strategy and borrowing programme for 2025

Government Debt

13 December 2024

Strategy 2025 – in brief

Government bonds amounting to between NOK 95bn and NOK 105bn will be issued in 2025. At least half will be in maturities of over seven years.



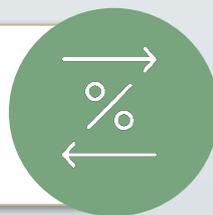
A new 10-year government bond will be issued in February by syndication. In addition, one of the existing bonds will be reopened in May or June by syndication.

Twenty-five auction days are planned for 2025, and most of these will be simultaneous auctions of two bonds with different maturities.



A new 12-month Treasury bill will be issued on each IMM date. At the end of 2025, the aim is a volume of Treasury bills outstanding in the market of NOK 34bn, ie NOK 1bn more than at the beginning of 2025.

Government Debt Management will not enter into interest rate swaps in 2025 unless circumstances warrant a reassessment. The minimum requirement for the average time to refixing is 2.5 years.



1 Government debt management

The Ministry of Finance is responsible for managing government debt but has delegated all operational tasks to Norges Bank. Under the mandate laid down by the Ministry, Norges Bank shall meet the government's borrowing requirement and manage government debt outstanding. The overall objective is to meet the government's borrowing requirement at the lowest possible cost within given risk limits. Government borrowing is also intended to promote well-functioning and efficient financial markets. To shed light on trade-offs and priorities in debt management, specific indicators and targets have been set for the year ahead.

For most countries, the main purpose of government borrowing is to finance a budget deficit. In Norway, however, the non-oil budget deficit is financed by transfers from the Government Pension Fund Global (GPF). This means that the central government budget is balanced. The non-oil budget deficit does not trigger a borrowing requirement. The government borrows in the market to finance net lending from and capital injections to state lending institutions. The government also borrows to cover redemptions of debt outstanding and to ensure that the government has sufficient cash reserves to meet current obligations. Until end-2024, the government borrowed an amount equivalent to the profits and interest income transferred from Norges Bank to counter the effect of the transfers on structural liquidity in the banking system. This amount is excluded from the borrowing requirements as of 2025 (see Section 2).

In accordance with the mandate laid down by the Ministry of Finance, Norges Bank shall issue government debt in the name of the Ministry. The mandate authorises Norges Bank to enter into financial contracts for the account and risk of the Ministry of Finance as part of government debt management. The objective of government debt management is to meet the government's borrowing requirement at the lowest possible cost within given risk limits. Government borrowing is also intended to promote well-functioning and efficient financial markets in Norway. Borrowing shall seek to maintain a yield curve for government securities with maturities of up to 10 years that can serve as a reference for pricing in the bond market. The mandate permits the issuance of bonds with longer maturities.

Government Debt Management works to achieve the mandate's targets by maintaining a transparent and predictable borrowing strategy and by adjusting its operating framework in a way that creates the best possible conditions for ensuring high liquidity for Norwegian government securities. The strategy and borrowing programme is published annually in December of the preceding year. Information is published prior to a new quarter about the interval for the planned borrowing volume in the coming quarter.

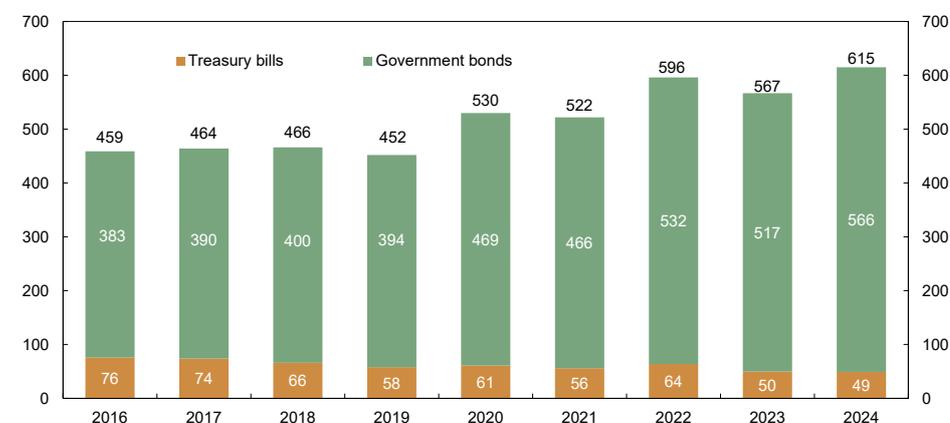
Government Debt Management sets specific targets for operational debt management. Quantitative indicators are used to assess and understand developments in the Norwegian government securities market (see box below for a more detailed description of these targets and indicators).

The government's annual borrowing requirement is primarily financed through long-term borrowing (government bonds) with fixed coupons. The government also engages in short-term borrowing by selling Treasury bills, which are zero-coupon securities with maturities of a year or less. A well-functioning Treasury bill market serves as a contingency arrangement for the government in situations where the borrowing requirement increases sharply in a short period of time. Since there is both long and short-term borrowing, government securities are offered to the market at different maturities. The government only borrows in NOK. The debt portfolio comprises Treasury bills, government bonds and, if entered into, interest rate swaps.

At year-end 2024, market-based government debt, including the government's own stock will be NOK 615bn, with NOK 566bn in government bonds and NOK 49bn in Treasury bills.

Chart 1.1 Government debt outstanding

In billions of NOK. At year-end*



*Assuming that NOK 10bn will be issued in a Treasury bill auction on 16 December 2024

Source: Norges Bank

Each year, the Ministry sets an upper limit for gross borrowing volume and a minimum requirement for the average time to refixing of the debt portfolio. For 2025, the upper limit for long-term borrowing is set at NOK 150bn, and the maximum volume of Treasury bills outstanding is NOK 75bn. The average time to refixing must exceed 2.5 years. The minimum balance on the government's account at Norges Bank must always be at least NOK 35bn.

To promote demand for Norwegian government debt in the primary market and trading in the secondary market, Norges Bank enters into agreements with primary dealers in Norwegian government bonds and Treasury bills. Primary dealers have the sole right and an obligation to bid at auctions. They must continually quote firm bid and offer prices in the interdealer market¹ for a given minimum volume for each government security. Under a repurchase agreement (repo) facility with Norges Bank, primary dealers can borrow government securities from the government's own stock with a simultaneous agreement to

¹ The interdealer market refers here to the market for trade in Norwegian government securities between primary dealers. They quote prices and trade on an electronic marketplace, which is now the Bloomberg E-Bond System.

sell them back. From 2025, there will be changes to this facility (see box on page 4). Primary dealers receive differentiated remuneration according to their performance in the primary and secondary markets for Treasury bills and bonds.

Changes to Norges Bank's repo facility for primary dealers

Primary dealers can borrow a limited volume of government securities from the government's own stock against cash collateral, with a simultaneous agreement to repurchase them. This repo facility is intended to enable primary dealers to quote firm prices and be active in the secondary market.

The current repo arrangement has two tiers. The first tier enables primary dealers to borrow NOK 2bn of each government security against cash collateral at a rate of 10 basis points below the policy rate. In the second tier, primary dealers can borrow against cash collateral a further NOK 2bn of each government security at a rate of 100 basis points below the policy rate.

These terms will be changed, effective from 2025. Primary dealers will still be able to borrow a maximum of NOK 4bn of each government security, but volume limits per tier will be changed to NOK 3bn for tier 1 and NOK 1bn for tier 2. The rates for cash collateral in each of the tiers will remain unchanged.

The purpose of the change is to increase primary dealers' activity in the secondary market, which in turn may improve the efficiency of the Norwegian government securities market.

Indicators and targets for government debt management in 2025

Indicators for the implementation of debt management

Government Debt Management shall meet the government's borrowing requirement within the limits set by the Ministry of Finance¹. The government's borrowing requirement is primarily financed by long-term borrowing. The first indicator is therefore specified as the deviation between actual and planned borrowing in bonds as stated in the *Strategy and Borrowing Programme* and subsequent updates. The objective is to borrow the amount that has been communicated to the market.

The second indicator is defined as the number of breaches of risk limits in the mandate and annual letters from the Ministry of Finance². The target is to comply with the risk limits as specified by the Ministry at all times.

The government must be a reliable and predictable issuer. The third indicator is therefore formulated as the number of times Norges Bank does not conduct auctions and/or publish information as expected. The target is to always carry out what has been planned. Government Debt Management will evaluate whether auctions have been conducted in accordance with the auction calendar that is published in the quarterly information.

Government Debt Management aims to maintain a yield curve for Norwegian government securities up to 10 years. The choice of bond for a particular auction may depend on market demand and which bond would be advantageous for the government to issue. Government Debt Management builds up the volume outstanding of new bonds to improve liquidity. At the same time, it is important that borrowing is well distributed along the entire yield curve for the year as a whole. The fourth and final indicator should reflect these trade-offs and is defined as the share of debt issues in different maturity segments. The minimum target is to cover 10% of borrowing through short-term bonds (with a maturity of up to four years), a minimum of 10% through medium-term bonds (four to seven years) and a minimum of 50% through long-term bonds (over seven years).

Indicators for the Norwegian government securities market

Government Debt Management has highlighted two indicators that provide some indication about market conditions for Norwegian government securities. These indicators are assessed in relation to developments over time. The evaluation can be used to adjust government debt management ahead.

The first indicator is a measure of the cost of issuing government bond. This is the spread between the issue yield at each auction and the interdealer market yields at the time of the auction. In a well-functioning market, the new issue yield at the time of auction should not be significantly higher than the market

yield. Government Debt Management therefore examines the spread between the new issue yield and the mid-yield³ in the interdealer market at the time of auction.

Government Debt Management seeks to obtain optimal liquidity in the Norwegian government securities market. This makes government securities more attractive and popular for investors. In a liquid market, investors can transact in the market within a short period of time without markedly affecting prices. A broader investor base may increase participation in the primary market and turnover in the secondary market, which will in turn improve liquidity. The second indicator is therefore developments in Government Debt Management's composite index that monitors liquidity in the secondary market for government bonds⁴.

Indicators for the implementation of debt management

	Indicators for the implementation of debt management	Target
1	Deviation between planned and actual borrowing as specified in the borrowing programme and subsequent updates	Zero
2	Breaches of risk limits	None
3	Auction/publication delays	None
4	Issuance in maturity segment	- Up to 4 years: >10% - 4-7 years: >10% - Over 7 years: >50%
	Indicators for the Norwegian government securities market	
	Auction yield relative to mid-yield in the interdealer market	
	Liquidity index	

¹ Following the Storting's (Norwegian parliament) consideration of the budget, Norges Bank receives a letter from the Ministry of Finance specifying the annual limits for gross issuance of government bonds and the maximum volume outstanding of Treasury bills.

² Each year, the Ministry of Finance sets the minimum requirement for the average time to refixing of the debt portfolio (Section 3-1 of the mandate). Section 3-3 (on refinancing risk) states that the borrowing strategy shall be formulated so that no more than 25% of government bonds outstanding will mature each year. Section 3-4 on interest rate swap contracts contains a limit whereby the outstanding volume of interest rate swap contracts shall not exceed the volume of government bonds outstanding.

³ The mid-yield in the interdealer market is the yield midway between the bid and ask yields.

⁴ The index is composed of four price-based liquidity indicators. See Opheim, V.Ø., "Liquidity indicators for the Norwegian government bond market", *Staff Memo 8/2019*, Norges Bank, for a further description of the liquidity index.

2 The government's borrowing requirement and market borrowing in 2025

The government borrows to finance government lending schemes, redemption of existing debt and ensure that the government has sufficient cash holdings to meet current obligations. The non-oil budget deficit is financed by transfers from the Government Pension Fund Global and therefore does not trigger any borrowing requirement.

Government Debt Management decides annual borrowing based on the borrowing requirement estimated in the central government budget. Borrowing may deviate from the borrowing requirement as Government Debt Management seeks to ensure a smooth bond issuance process. High volatility in borrowing may result in unnecessary costs for the government.

If the borrowing requirement changes substantially from one year to the next, Government Debt Management can adjust borrowing by drawing on or adding to the government's cash holdings provided that the liquidity effect is neutral over time. Planned borrowing usually remains unchanged through the year, even if the actual borrowing requirement deviates from what has been estimated in the central government budget. If the actual borrowing requirement over time is higher (lower) than borrowing, this will entail drawing on (building up) the government's cash holdings. Government Debt Management may therefore over time adjust borrowing to correct previous deviations between the borrowing and the actual borrowing requirement as stated in the central government budget.

The 2025 central government budget estimates a borrowing requirement of NOK 92bn², of which net new lending from state lending institutions and government lending schemes accounted for NOK 34.2bn, while redemption of the government bond which matures in March 2025 (NGB 03/2025) amounts to NOK 57.8bn.

Planned borrowing for 2025 has been set at between NOK 95bn and NOK 105bn. For 2025, Government Debt Management plans to borrow between NOK 3bn and NOK 13bn more than indicated by the borrowing requirement, thus adding to the government's cash holdings. This is done to both smooth borrowing and to correct for having drawn on the government's cash holdings over several years to cover the borrowing requirement.

The composition of the borrowing requirement and adjustments for 2025 are shown in Table 2.1.

² Estimated borrowing requirement based on the central government budget "Gul bok – Prop 1 S (2024–2025)" [Yellow book – Prop. 1 S (2024–2025)]" (in Norwegian only).

Table 2.1 The government's borrowing requirement and borrowing in the market 2024 and 2025. In billions of NOK

		2024	2025
	Net new lending by state lending institutions etc:		
	Norwegian State Educational Loan Fund	16.6	19.8
	Norwegian State Housing Bank	8.3	12.3
	Norwegian Public Service Pension Fund residential mortgage programme	10.0	(7.9)
	Innovation Norway	1.4	1.2
	Export credit schemes	(1.7)	8.6
	Other	1.2	0.2
1	Total net new lending by state lending institutions etc	35.7	34.2
2	Redemption of bond debt outstanding¹	52.0	57.8
3	Borrowing to ensure the liquidity effect of the budgeted transfer from Norges Bank to the government is neutral²	33.6	-
4	Borrowing requirement according to the central government budget (1+2+3)³	121.4	92.0
5	Adjustments⁴	(11.4-21.4)	3.0-13.0
6	Borrowing in the market (4+5)	100-110	95-105

¹ For 2024, this was the second part of the refinancing of NGB 03/2024. For 2025, this is the refinancing of NGB 03/2025.

² The scheme has been discontinued, effective from the 2025 fiscal year (see also box on page 9).

³ Estimate based on the central government budget "Gul bok – Prop. 1 S (2024 - 2025)" (in Norwegian only). The actual borrowing requirement may be somewhat higher due to the establishment of "Statens fond i Tromsø" [the government's investment fund in Tromsø]. The fund's investments will be financed through borrowing (see discussion in the Revised National Budget 2024 (in Norwegian only)).

⁴ Planned change in the government's cash holdings to reduce fluctuations in borrowing in the event of changes in the borrowing requirement from year to year, and to correct for deviations between borrowing and the actual borrowing requirement in previous years.

Sources: Ministry of Finance and Norges Bank

Changes to the composition of the borrowing requirement from 2025

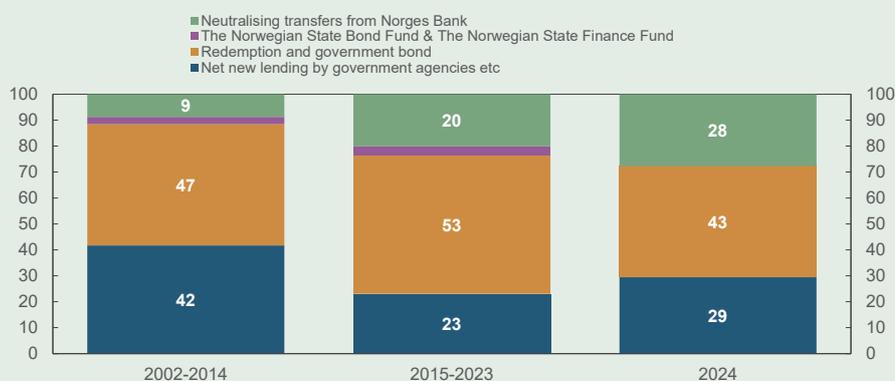
In April 2024, the *Working Group on the Government's Transactions and the Money Market*¹ published a report recommending that the government cease neutralising the liquidity effect of transfers from Norges Bank to the government by issuing government debt². In its report, the working group pointed out that this practice is not sustainable over time. The working group wrote that higher government debt and a higher borrowing requirement may lead to higher government borrowing costs.

Based on the working group's recommendation, the Ministry of Finance decided to discontinue the additional borrowing to neutralise the liquidity effect effective from the 2025 fiscal year. In isolation, the change will reduce the estimated borrowing requirement.

Borrowing to neutralise the liquidity supply accounted for 20 percent of the borrowing requirement between 2015 and 2023, and 28 percent of the government's total borrowing requirement in 2024 as presented in the central government budget (Chart A.1).

Chart A.1 Composition of the estimated borrowing requirement. Data from the central government budget

Average for the period 2002–2014 and 2015–2023. Percentage of total borrowing requirement



Source: Norges Bank

¹ See [Arbeidsgrupperapport Statens transaksjoner og pengemarkedet \[Recommendations from the working group on government's transactions and the money market\] \(regjeringen.no\)](#) and [Letter to Norges Bank – Likviditetsvirkningen av statsbudsjettet \[The liquidity effect of the central government budget\] \(regjeringen.no\)](#) (in Norwegian only).

² See [Strategy and borrowing programme for 2024, Section 2, Transfers from Norges Bank and the effect on liquidity in the banking system](#)

3 Borrowing programme for 2025

In 2025, borrowing in government bonds will amount to between NOK 95bn and NOK 105bn. As usual, a new 10-year bond will be issued by syndication. One of the existing bonds will be reopened by syndication in May or June. The issuance of Treasury bills will be conducted as in 2024.

3.1 Issuance of government bonds

The borrowing programme for government bonds is based on the estimates of the government's borrowing requirement in the central government budget for 2025 and on the limits set by the Ministry of Finance. The aim is to borrow between NOK 95bn and NOK 105bn. At least half of the issuances will be in the maturity segment over seven years. More than half of the issuances are scheduled to be conducted during the first half of 2025.

Market conditions permitting, a new 10-year bond will be launched in February by syndication. The aim is an issuance volume of between NOK 20bn and NOK 25bn. In addition, NOK 4bn will be issued to the government's own stock. The new bond will be reopened at auction.

One of the existing bonds will be reopened by syndication in May or June, market conditions permitting. In this syndication, the aim is an issuance volume of between NOK 10bn and NOK 15bn.

Other bond reopenings will be conducted through uniform price auctions. Twenty-five auction days are planned for 2025. In connection with the syndication of one of the existing bonds in May or June, one of the announced auctions will be cancelled.

The borrowing requirement indicates that the volume per auction day will be between NOK 2bn and NOK 4bn in 2025.

Starting in 2023, auctions of two different bonds were carried out simultaneously. This selling method was continued in 2024 and was used 21 out of 25 auction days. In 2025, Government Debt Management plans to offer two bonds on most auction days.

With this strategy, Government Debt Management seeks to meet the government's borrowing requirement at the lowest possible cost and contribute to establishing a yield curve that can serve as a basis for the pricing of other debt securities. In this way, the issuance of government securities contributes to a more efficient financial market in Norway.

3.2 Government bond buybacks

Government Debt Management offers to buy back bonds with less than one year to maturity and regards it as proper market making to enable investors to sell back to the government bonds approaching maturity. This permits a more gradual adjustment of investors' portfolios. In addition, buybacks may contribute to higher demand for other government securities that are issued.

In 2025, Government Debt Management will offer to buy back two bonds: NGB 03/2025 and NGB 02/2026. Buyback auctions are held as multiple-price auctions. Government Debt Management uses internal pricing models to evaluate all incoming bids. The announced buyback auctions may be cancelled if the observed market prices of the bonds to be bought back deviate substantially from the pricing models.

Government bond NGB 03/2025 matures on 13 March 2025. At year-end 2024, the outstanding market volume for this bond is NOK 55.8bn³. Government Debt Management will offer two buyback auctions of this bond during January 2025.

Government bond NGB 02/2026 matures on 19 February 2026. At year-end 2024, the outstanding market volume for this bond is NOK 55.1bn. Government Debt Management will offer three buyback auctions of NGB 02/2026 during 2025. The first auction is scheduled for 25 June, when the residual maturity of the bond is approximately eight months.

Primary dealers can also notify interest for ad hoc auctions when the residual maturity of the bond is less than 12 months. It will be assessed whether to offer buybacks through ad hoc auctions, market conditions permitting. In such instances, Government Debt Management may announce and conduct buyback auctions at short notice, even on the same day. The same pricing models and evaluations apply to ad hoc auctions as to announced auctions.

Buybacks will not be undertaken during the eight banking days prior to an announced Norges Bank monetary policy meeting and up until the interest rate decision is announced.

3.3 Issuance of Treasury bills

Government Debt Management will issue a new 12-month bill with settlement on the third Wednesday in March, June, September and December (IMM dates). For all first-time issuances, planned issuance volume to the market is NOK 6bn. NOK 4bn will be issued to the government's own stock.

The 2025 auction calendar for Treasury bills contains information on which bills will be issued and issuance volume. Eighteen auctions are planned. Apart from the issuance of new 12-month bills (four auctions), bills with an average residual maturity of approximately five months will be issued at the remaining auctions. Market issuance volume at reopenings will be NOK 2bn, but a higher volume

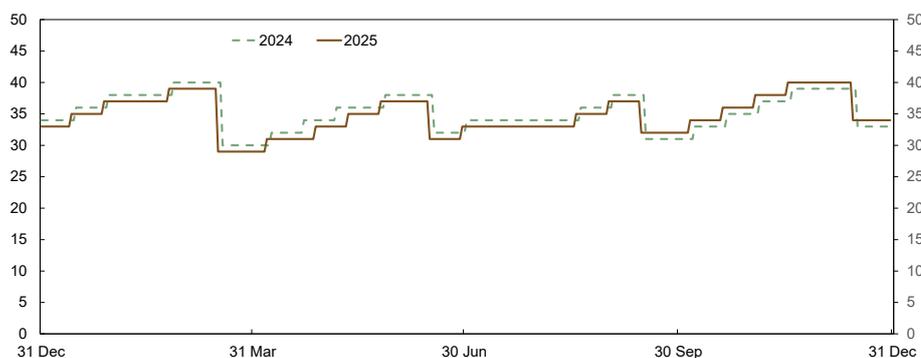
³ Under the assumption that no buybacks will be conducted in December 2024.

can be considered if market demand is very high. Both the announced bills and the auction volume may be subject to change through the year.

During 2024, the outstanding volume of bills in the market varied between NOK 29bn and NOK 40bn (Chart 3.1). In 2025, the aim is to maintain the volume outstanding in the market at between NOK 30bn and NOK 40bn. At the end of 2025, the aim is for the volume outstanding in the market to be NOK 34bn, NOK 1bn higher than at the beginning of 2025.

Chart 3.1 Volume of Treasury bills outstanding in the market

In billions of NOK. Actual for 2024* and planned issuance for 2025



* Under the assumption that NOK 6bn is issued to the market at the bill auction on 16 December 2024.

Source: Norges Bank

3.4 Average time to refixing and use of interest rate swaps

The minimum average time to refixing of the debt portfolio has been set by the Ministry of Finance at 2.5 years. This minimum requirement has remained unchanged since Norges Bank assumed operational responsibility for the management of government debt in 2015.

The average time to refixing expresses the interest rate exposure of government debt and summarises the entire maturity profile of the debt portfolio in a single number. Very different portfolios may have the same average time to refixing.

Norwegian government bonds have a fixed coupon and pay no principal until maturity, so the average time to refixing is approximately equal to the average term to maturity. The average time to refixing of government debt is primarily determined by the average time to refixing of government bonds and the relationship between the volume of bills and bonds outstanding. In addition, the government can enter into interest rate swaps to change the average time to refixing from what actual borrowing would directly imply.

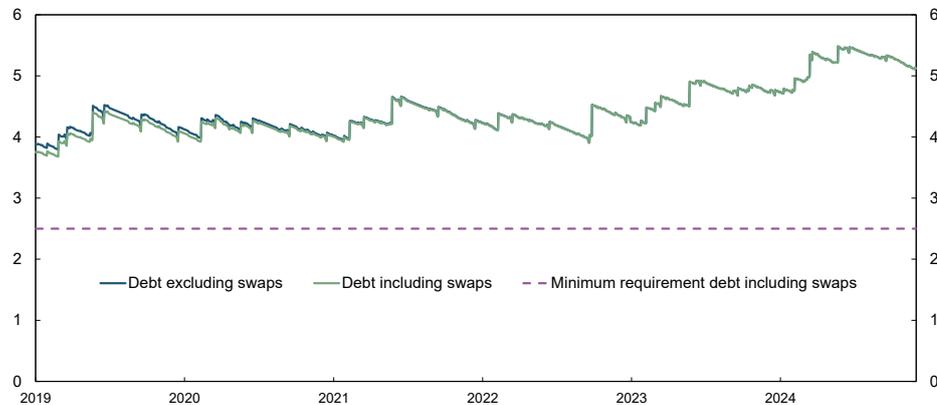
The expected cost of borrowing long-term rather than short-term is expressed by the term premium (see box on page 14). A positive term premium means that there is an expected cost saving from reducing the average time to refixing. Differences between lenders' and borrowers' risk preferences can contribute to positive term premiums, but term premiums will vary over time and cannot be observed.

No new interest rate swaps have been entered into since November 2014 as our analyses indicated that term premiums were low and in periods negative. As

the interest rate swaps have matured, the average time to refixing including interest rate swaps has gradually risen and is now identical to the average time to refixing of government debt.

At end-November 2024, the average time to refixing of government debt was about 5.12 years (Chart 3.2).

Chart 3.2 Average time to refixing
Years. 2 January 2019 – 30 November 2024

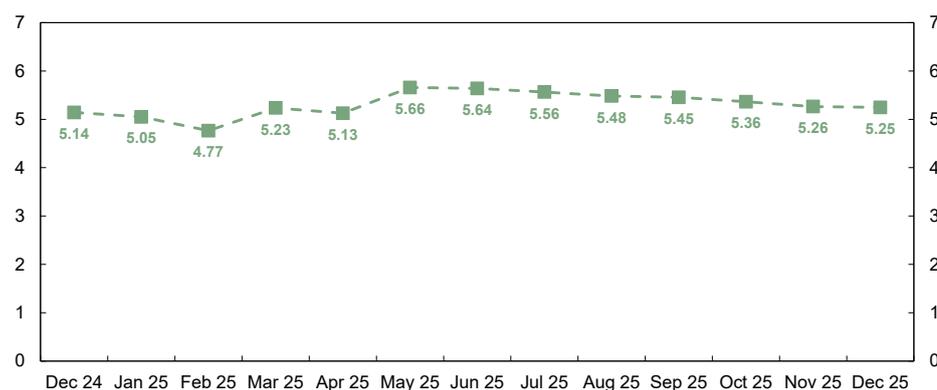


Source: Norges Bank

Chart 3.3 shows projections for the average time to refixing of government debt through 2025 based on assumptions for the distribution of borrowing across different maturities.

The actual path will depend on the maturities issued and the buyback volume. The average time to refixing will rise when NGB 03/2025 matures. With the assumptions applied here, the average time to refixing of the government debt, which comprises government bonds and Treasury bills, will increase from 5.14 to 5.25 years in the course of 2025.

Chart 3.3 Projections of the average time to refixing
Years. December 2024 – December 2025



Source: Norges Bank

Our analyses indicate that term premiums have risen in recent years and are probably positive. However, the estimates are uncertain (more details in the box below). When assessing whether to use interest rate swaps, Government Debt Management weighs the expected return against the risk of using the swaps.

Based on the current assessment of prevailing market conditions, Government Debt Management is not planning to enter into interest rate swaps in 2025. This can be reassessed should conditions so warrant.

Uncertainty in the estimation of term premiums

The term premium is the excess return an investor can expect to receive from investing in long-term bonds, compared with investing and then reinvesting in shorter-term bonds. By investing in a long-term bond, an investor's current yield could be more influenced by interest rate changes, and the term premium can be regarded as compensation for taking on interest rate risk. For a borrower, the term premium is the additional cost of fixing interest rates for a longer period.

Normally, a positive term premium indicates that, over time, a debt portfolio with a short fixed-rate period will have lower expected costs than a debt portfolio with a long fixed-rate period.

*Government Debt Management Memo 3/2023 "Estimations of the term premium on Norwegian government bonds"*¹ describes the method used by Government Debt Management to estimate the level of the term premium. The model suggests that the term premium for Norwegian government bonds has risen in recent years and is now positive (Chart B.1). The same applies to German and US government bonds (Chart B.2).

Chart B.1: Term premiums on Norwegian government bonds with different maturities

Percent. March 2001- October 2024



Source: Norges Bank

¹ See Benum, A., Opheim, V.Ø. and Wasberg, E.S. (2023) *Estimations of the term premium on Norwegian government bonds*. *Government Debt Management Memo 3/2023*. Norges Bank.

Chart B.2: Term premiums on ten-year German, US and Norwegian government bonds

Percent. March 2001-October 2024



Source: Norges Bank

However, there is significant uncertainty related to the estimate, partly because the choice of estimation period affects the results.

Chart B.3 illustrates this by showing a calculation of the term premium for 10-year US government bond yields where the same model is used², but with different estimation periods. The Federal Reserve (Fed) publishes term premium estimates³ using data starting in 1961, while Government Debt Management has chosen 2001 as the starting point when estimating term premiums for US yields.

The two estimated term premiums move in the same direction, but in periods the level of each differs substantially. Which estimation period is the most accurate is not certain and will depend on a number of factors.

Chart B.3: Ten-year US term premium estimated using two different estimation periods

Percent. March 2001-October 2024



Sources: Federal Reserve and Norges Bank

² The model used is the ACM model (see Adrian, Crump and Moench (2013) *Pricing the Term Structure with Linear Regressions*. Journal of Financial Economics. 110, no.1. This is the same model as used in Benum, Opheim and Wasberg (2023)).

³ See the Federal Reserve's website: https://www.newyorkfed.org/research/data_indicators/term-premia-tabs#/overview

The term premium is a measure of the expected difference between long-term and short-term bond yield in the same period. Long-term bond yield is known, so what the actual difference will be depends on realised short-term bond yield. Chart B.4 shows modelled outcomes for the realised difference together with the term premium estimate. The model estimates, with a probability of 95 percent, that the realised difference will be in an interval of around four percentage points around the term premium. The chart illustrates actual outcome uncertainty, given that the model's term premium estimate is correct.

Chart B.4: Modelled term premium estimates and outcomes for realised deviation between long-term and short-term yield
Percent. March 2001-October 2024



Source: Norges Bank

4 Auction calendars for 2025

Publication of information for the coming quarter

Q1: Friday, 13 December 2024, 8:30 am

Q2: Friday, 28 March 2025, 8:30 am

Q3: Friday, 27 June 2025, 8:30 am

Q4: Monday, 29 September 2025, 8:30 am

Treasury bills auction calendar

The issuance of Treasury bills issues is announced at 12:00 noon two banking days prior to the auction. Treasury bill auctions are held at 10:15-11:00 am on the auction date.

Treasury bills auction calendar

Auction date	Bill	Maturity date	Planned volume of Treasury bill sales (NOK bn)
Monday 13 January	NTB 03/2025	19 Mar 2025	2
Monday 27 January	NTB 06/2025	18 Jun 2025	2
Monday 24 February	NTB 09/2025	17 Sep 2025	2
Monday 17 March ¹	NTB 03/2026	18 Mar 2026	6
Monday 7 April	NTB 06/2025	18 Jun 2025	2
Monday 28 April	NTB 12/2025	17 Dec 2025	2
Monday 12 May	NTB 09/2025	17 Sep 2025	2
Monday 26 May	NTB 12/2025	17 Dec 2025	2
Monday 16 June ¹	NTB 06/2026	17 Jun 2026	6
Monday 30 June	NTB 09/2025	17 Sep 2025	2
Monday 18 August	NTB 03/2026	18 Mar 2026	2
Monday 1 September	NTB 03/2026	18 Mar 2026	2
Monday 15 September ¹	NTB 09/2026	16 Sep 2026	6
Monday 6 October	NTB 12/2025	17 Dec 2025	2
Monday 20 October	NTB 03/2026	18 Mar 2026	2
Monday 3 November	NTB 06/2026	17 Jun 2026	2
Monday 17 November	NTB 03/2026	18 Mar 2026	2
Monday 15 December ¹	NTB 12/2026	16 Dec 2026	6

¹ New 12-month bill, where an additional NOK 4bn will be issued to the government's own stock.

The announced auctions may be cancelled or supplemented with ad hoc issues.

Government bonds and buybacks auction calendar

The issuance of bonds is announced at 12:00 noon two banking days prior to the auction. Bond auctions are held at 10:15-11:00 am on the auction date.

Buyback auctions are held at 9:15-10:00 am on the auction date.

Government bonds auction calendar

Government bonds	Buyback NGB 03/2025	Buyback NGB 02/2026
Wednesday 8 January	Wednesday 8 January	
Wednesday 15 January		
Wednesday 29 January	Wednesday 29 January	
Wednesday 26 February		
Wednesday 5 March		
Wednesday 19 March		
Wednesday 9 April		
Wednesday 30 April		
Wednesday 14 May		
Wednesday 21 May		
Wednesday 28 May		
Wednesday 11 June		
Wednesday 25 June		Wednesday 25 June
Wednesday 2 July		
Wednesday 6 August		
Wednesday 20 August		
Wednesday 3 September		
Wednesday 10 September		
Wednesday 24 September		Wednesday 24 September
Wednesday 8 October		
Wednesday 15 October		
Wednesday 29 October		
Wednesday 12 November		
Wednesday 26 November		Wednesday 26 November
Wednesday 3 December		

Government Debt Management also plans the syndication of a new 10-year bond in February. In May or June, Government Debt Management plans to reopen an existing bond through syndication. This will entail that one of the announced bond auctions in May or June will be cancelled.

The announced auctions and syndications may be cancelled or supplemented with ad hoc issues.

Mandate

The Ministry of Finance has laid down a mandate for the management of government debt. Under the mandate, Norges Bank shall issue government debt and enter into financial contracts as part of its management of government debt in the name of the Ministry of Finance. The objective of government debt management is to meet the government's borrowing requirement at the lowest possible cost, taking into account the government's interest rate risk and that there should be a liquid yield curve for government securities with a maturity of up to ten years. Each year, the Ministry shall set an upper limit for gross borrowing and a minimum requirement for the average time to refixing. Within these limits, Norges Bank shall set an annual borrowing programme broken down into bills and bonds, with an issuance calendar. Norges Bank shall lay down principles for measuring and managing counterparty exposure and operational risk. Moreover, Norges Bank shall regularly submit to the Ministry of Finance analyses of profitability and risk relating to government debt management and assessments of the attainment of objectives. Both the analyses and the assessment shall be published.

Limits for 2025 laid down by the Ministry of Finance

	Description	Limit	Mandate
Long-term borrowing	Maximum issue volume for new long-term borrowing (government bonds) ¹	NOK 150bn	Section 3-1
Short-term borrowing	Maximum short-term marketable debt outstanding (Treasury bills)	NOK 75bn	Section 3-1
Average time to refixing	Minimum average time to refixing of government debt including interest rate swaps	> 2.5 years	Section 3-1
Government's cash holdings	Minimum level of the government's account at Norges Bank	NOK 35bn	Section 2-2 (3)

¹ Issue volume of new long-term borrowing includes borrowing for the government's own stock.

Mandate for government debt management

	Description	Limit	Mandate
Refinancing risk	The borrowing strategy shall be formulated so that no more than 25% of government bonds outstanding will mature each year.	< 25%	Section 3-3
Interest rate swaps	The outstanding volume of interest rate swaps shall not exceed the outstanding volume of government bonds, including the government's own stock.	< 100%	Section 3-4 (3)

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Oslo 2024

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