

The central government's borrowing requirement, 2006

The central government's borrowing requirement in 2006 is DKK 11.1 billion, cf. Table 1. Due to higher than expected government revenue, the excess sale in 2005 was DKK 23.5 billion. The excess sale reduces the domestic borrowing requirement in 2006. Buy-backs of securities in 2006 maturing after 2006 will increase the domestic borrowing requirement. Information on the domestic borrowing requirement is currently updated at www.nationalbanken.dk under government debt.

The strategy for financing of the domestic and foreign borrowing requirement is unchanged compared with the previous announcement *Danish Government Debt Management Strategy 2006*, released 19 December 2005.

| CENTRAL GOVERNMENT'S BORROWING REQUIREMENT, 2006 ¹ | | | Table 1 |
|--|----------|---------|---------|
| DKK Billion | Domestic | Foreign | Total |
| Gross financing requirement, <i>Budget Review 3, 2005</i> | 41.2 | 15.4 | 56.7 |
| Subsequent buy-backs in 2005 of securities with redemption in 2006, nominal value..... | -7.7 | 0.0 | -7.7 |
| Payments in currency swaps ² | -3.0 | -11.4 | -14.3 |
| Transfer of excess sale in 2005 to 2006 | -19.4 | -4.1 | -23.5 |
| Borrowing requirement | 11.1 | 0.0 | 11.1 |

¹ Ultimo 2005.

² DKK 3.0 billion is redemption of currency swaps, of which DKK 0.3 billion is related to relending for Danish Ship Finance. DKK 11.4 billion is included because the domestic financing of the foreign borrowing requirement is expected to be swapped into a final exposure in EUR.

Please direct enquiries related to this announcement to Danmarks Nationalbank, Financial Markets, Head of Government Debt Management, Ove Sten Jensen, on tel.: (+45) 3363 6102 or by e-mail to governmentdebt@nationalbanken.dk.