

# DANMARKS NATIONALBANK

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## GOVERNMENT DEBT MARKET

Nykredit Capital Markets Day, 14 November 2018



DANMARKS  
NATIONALBANK

November 2018

# Kingdom of Denmark: AAA, stable outlook

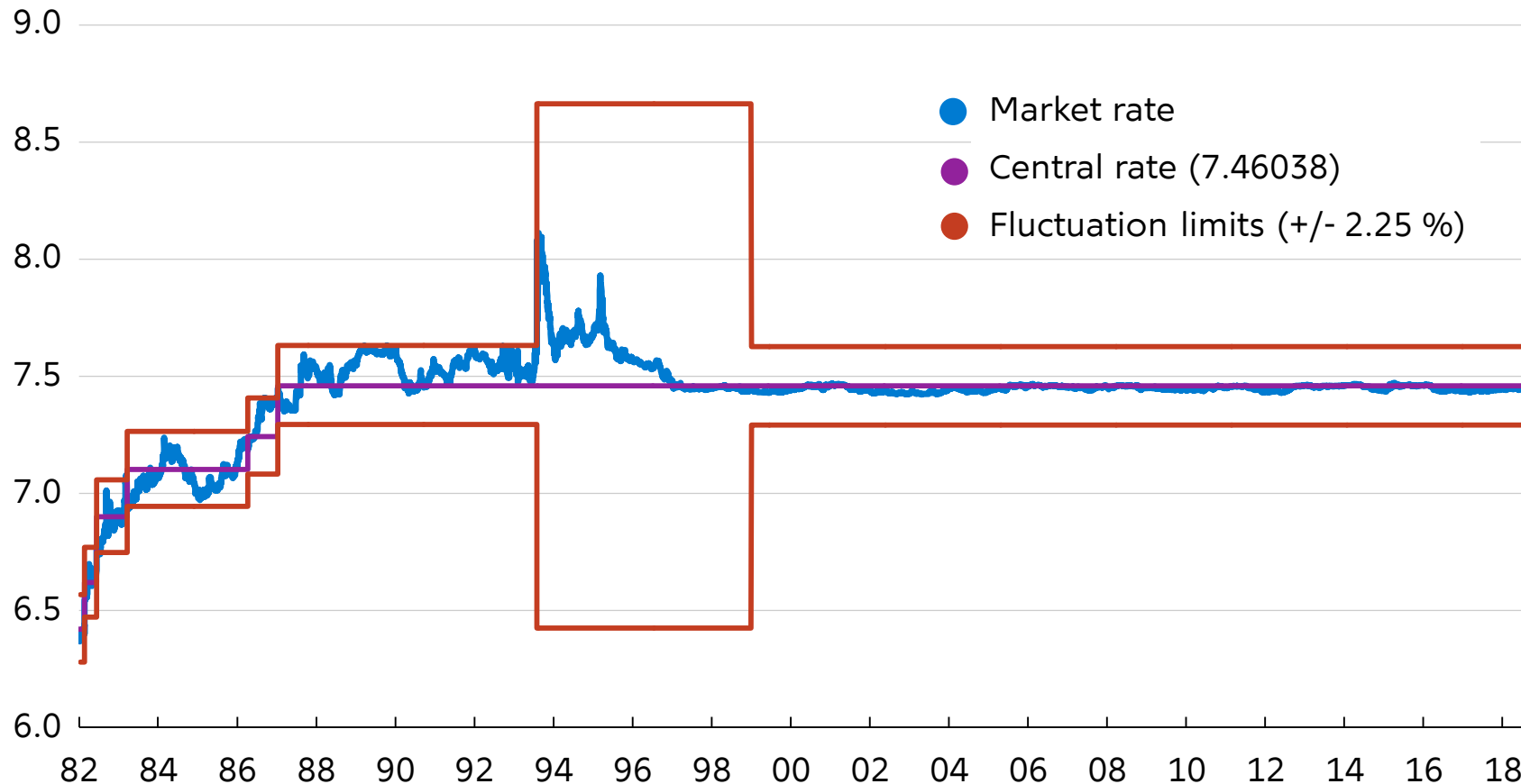
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- Low government debt
- Reform-oriented policies
- Competitive economy and flexible labour market
- Current account surplus and net external assets
- Strong and transparent institutional framework



# Exchange rate peg since 1982

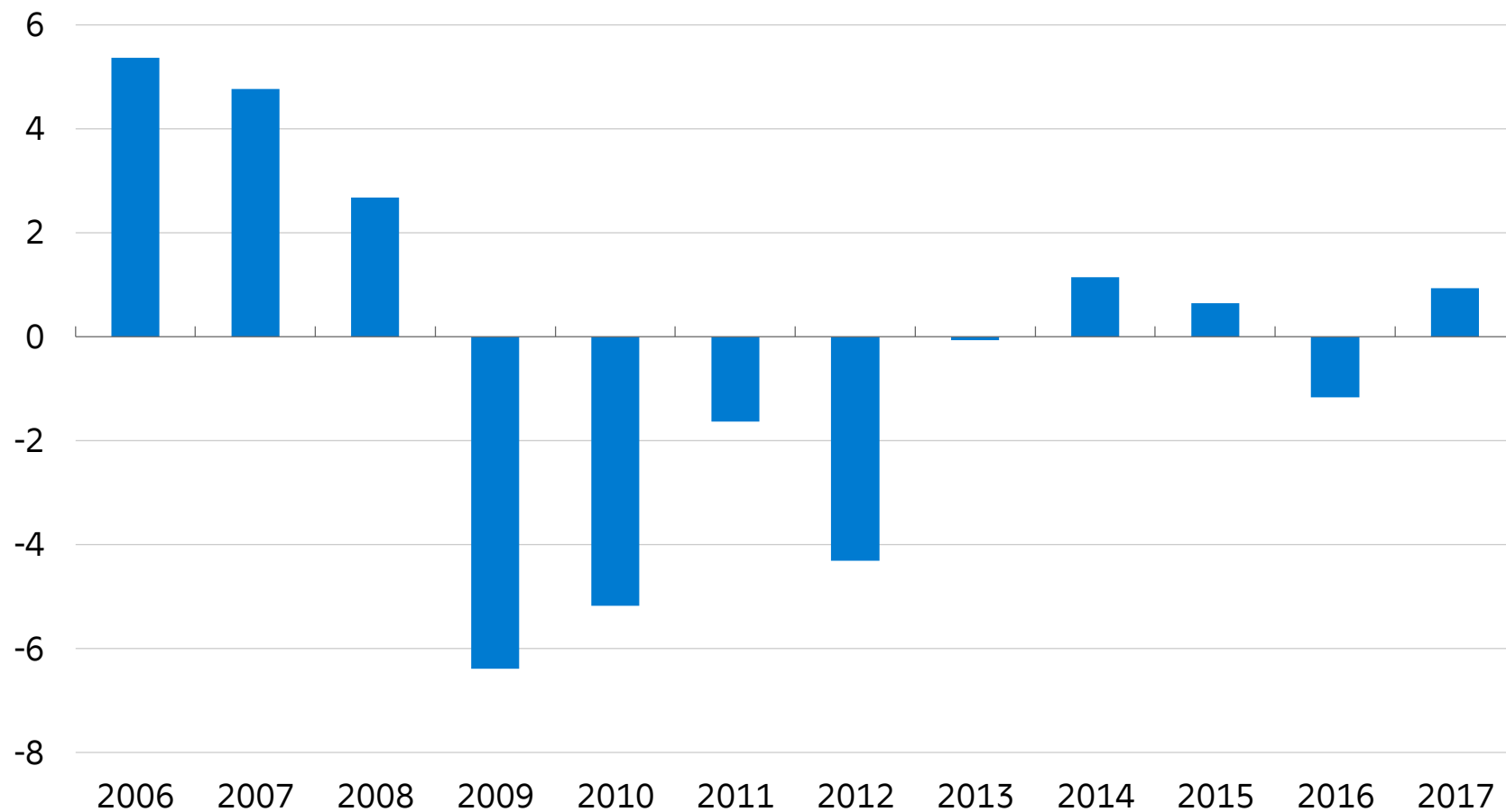
DKK/EUR





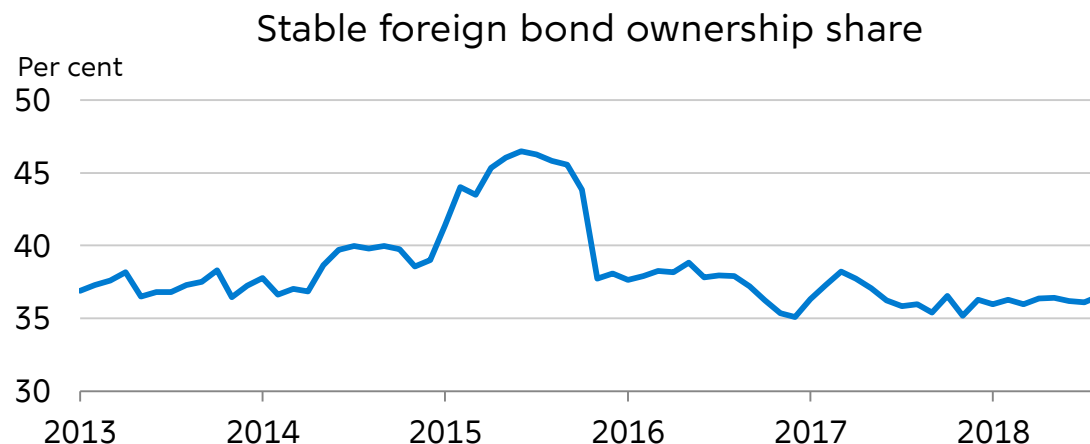
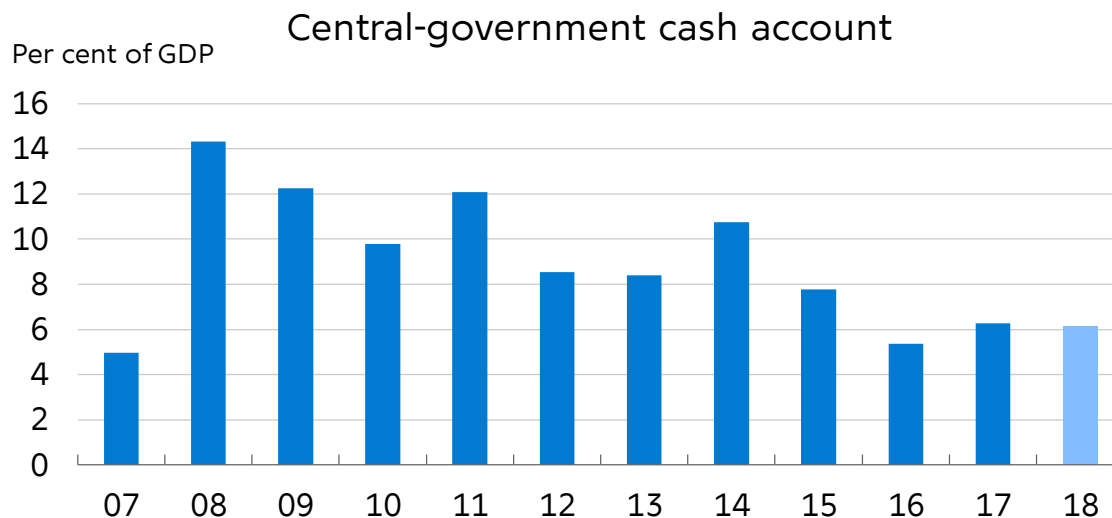
# Strong public finances

Per cent of GDP



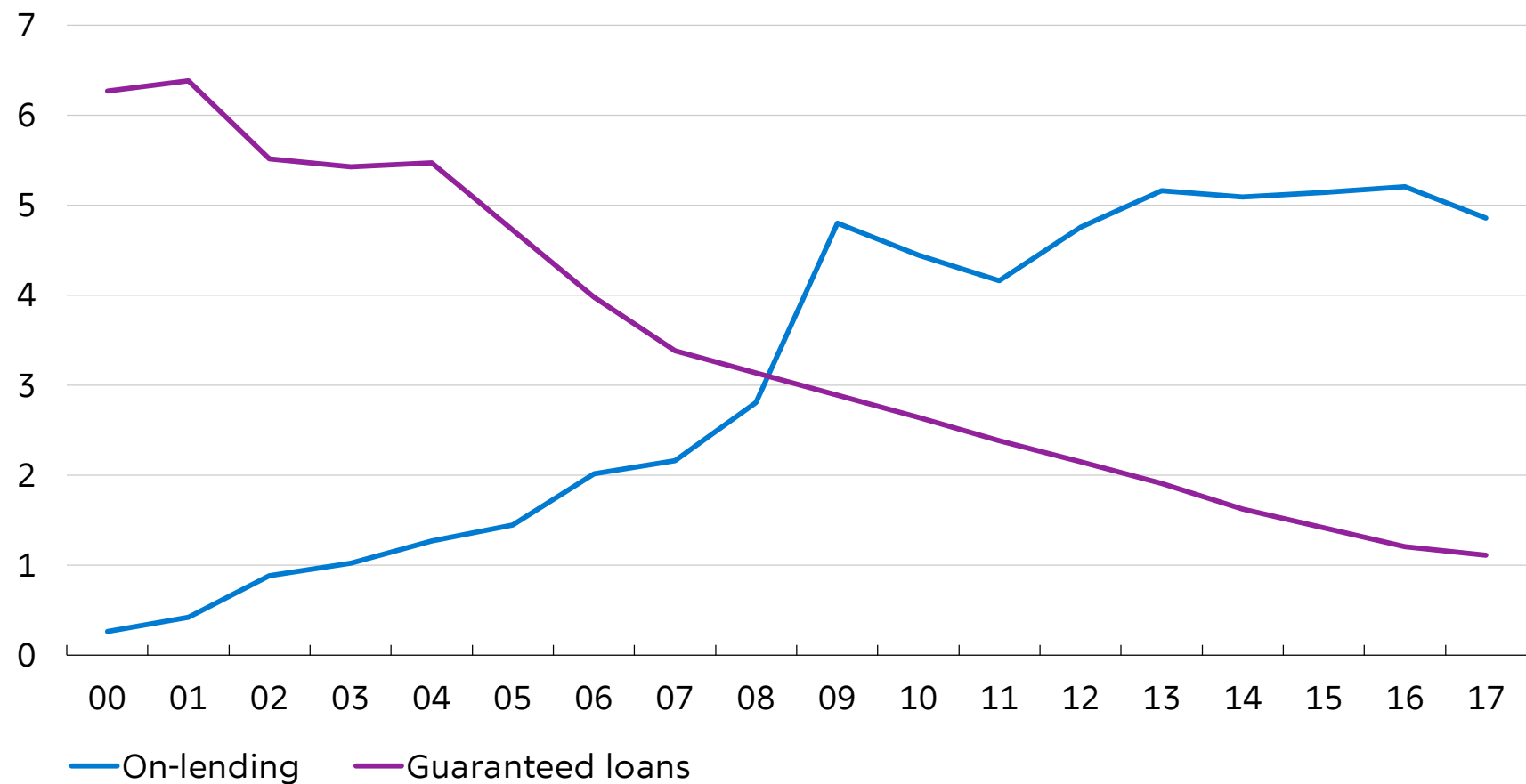
# Robust debt and diversified investor base

- High average time to maturity (duration)
- Significant cash buffer
- Stable foreign bond ownership share of 35-40 per cent



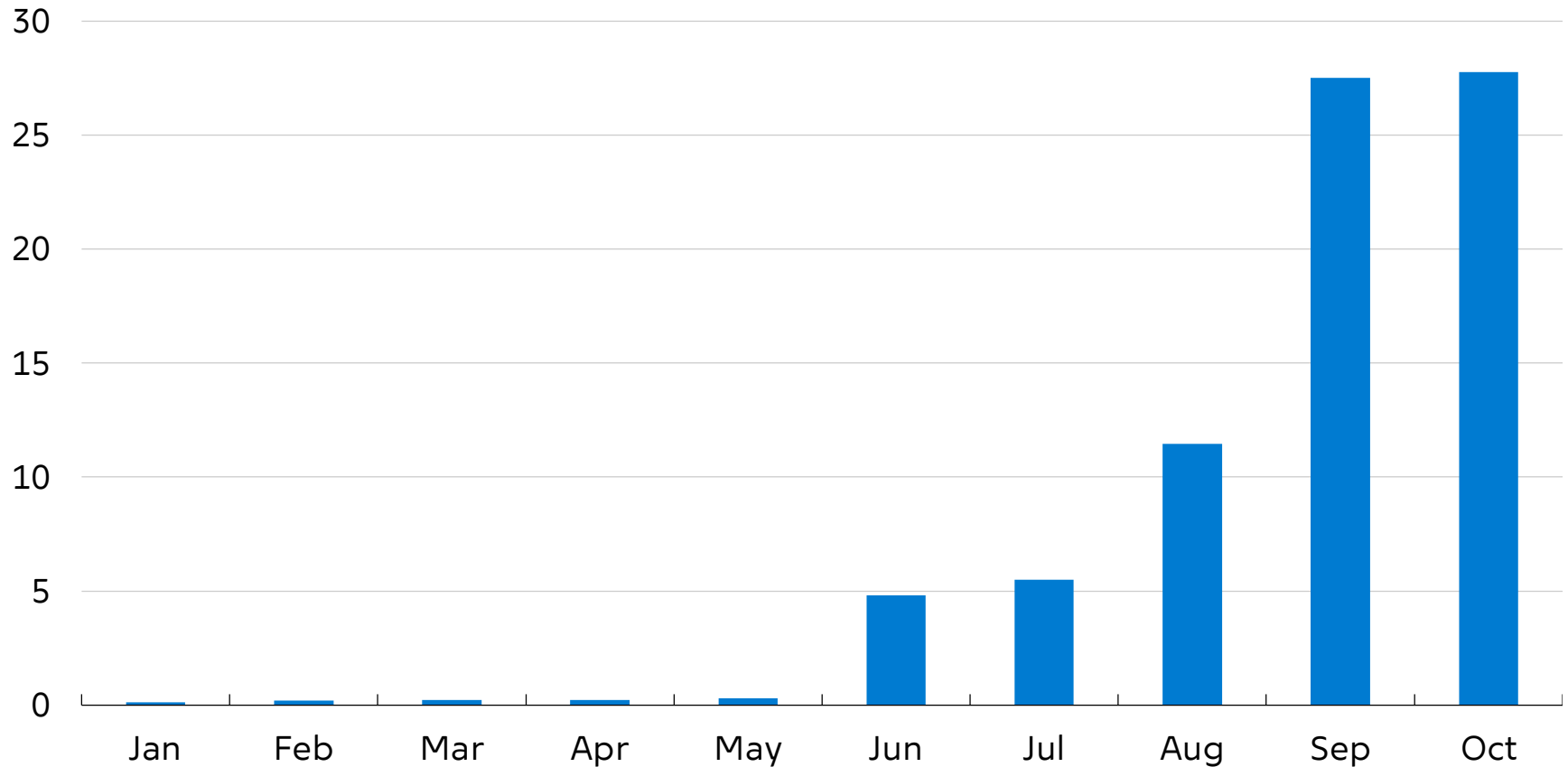
# Move from guarantees to on-lending

Per cent of GDP



# Buying of social housing mortgage bonds 2018

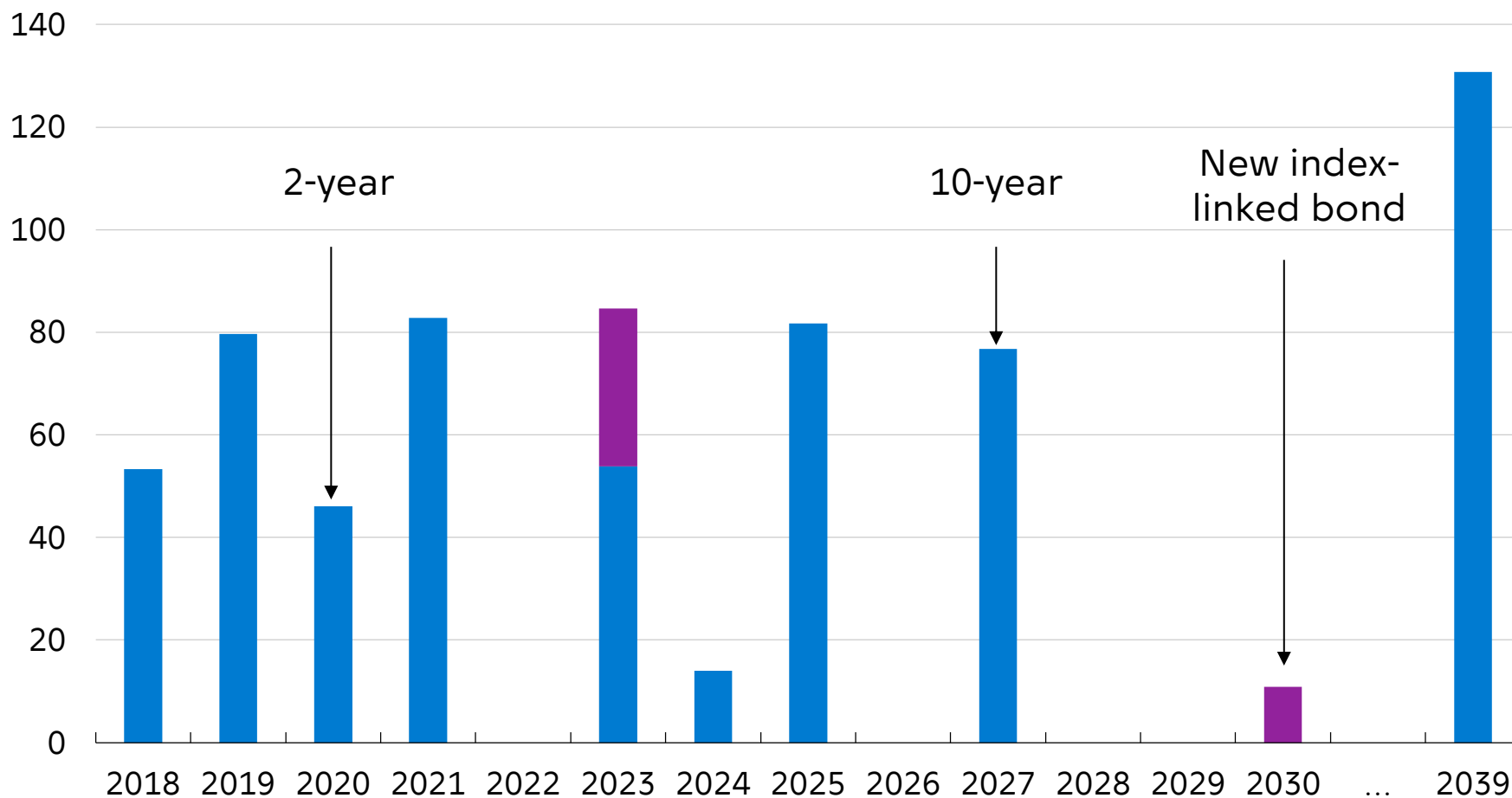
DKK billion





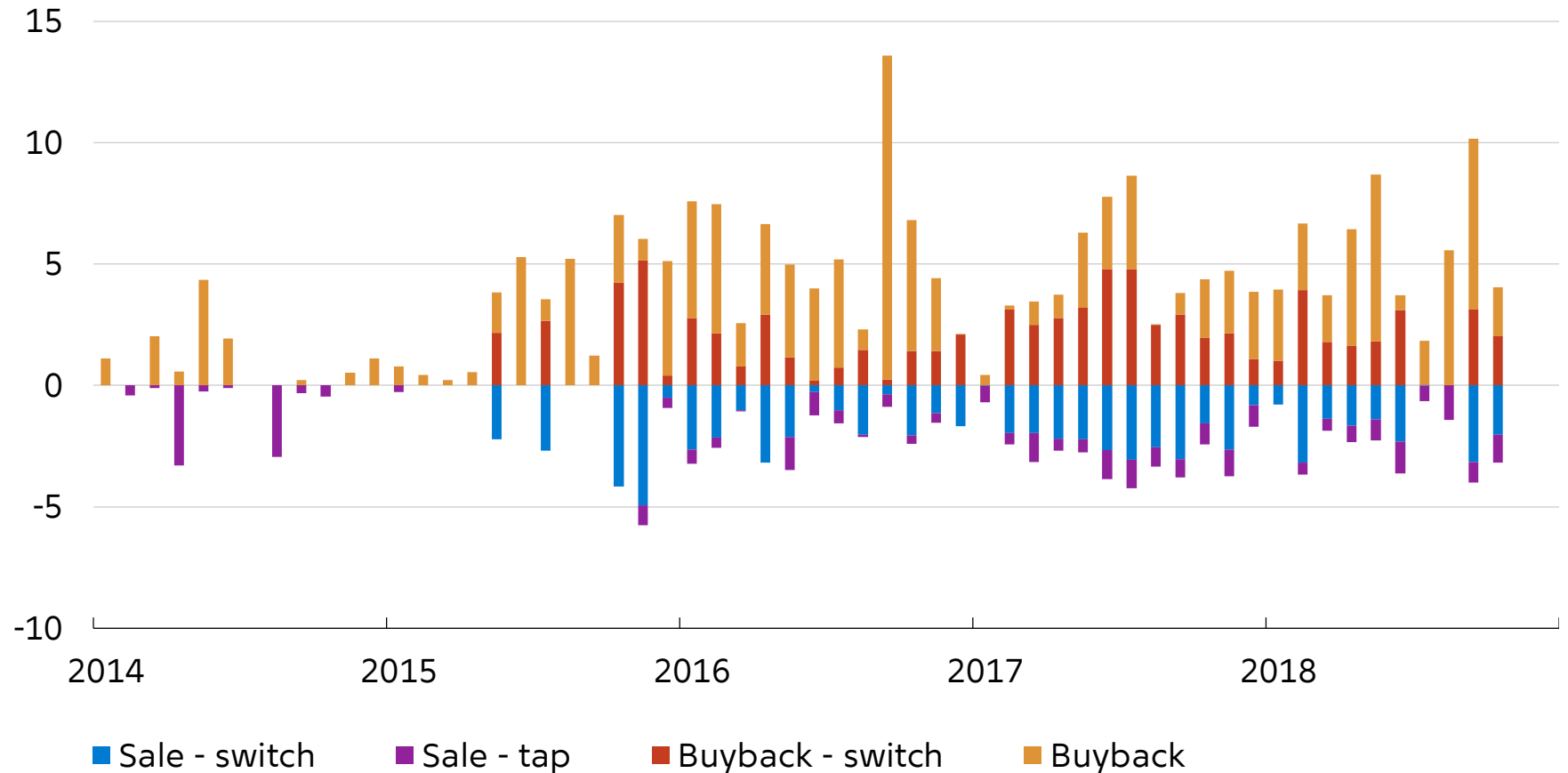
# Issuance profile: focus on 2- and 10-year bonds

Kr. billion



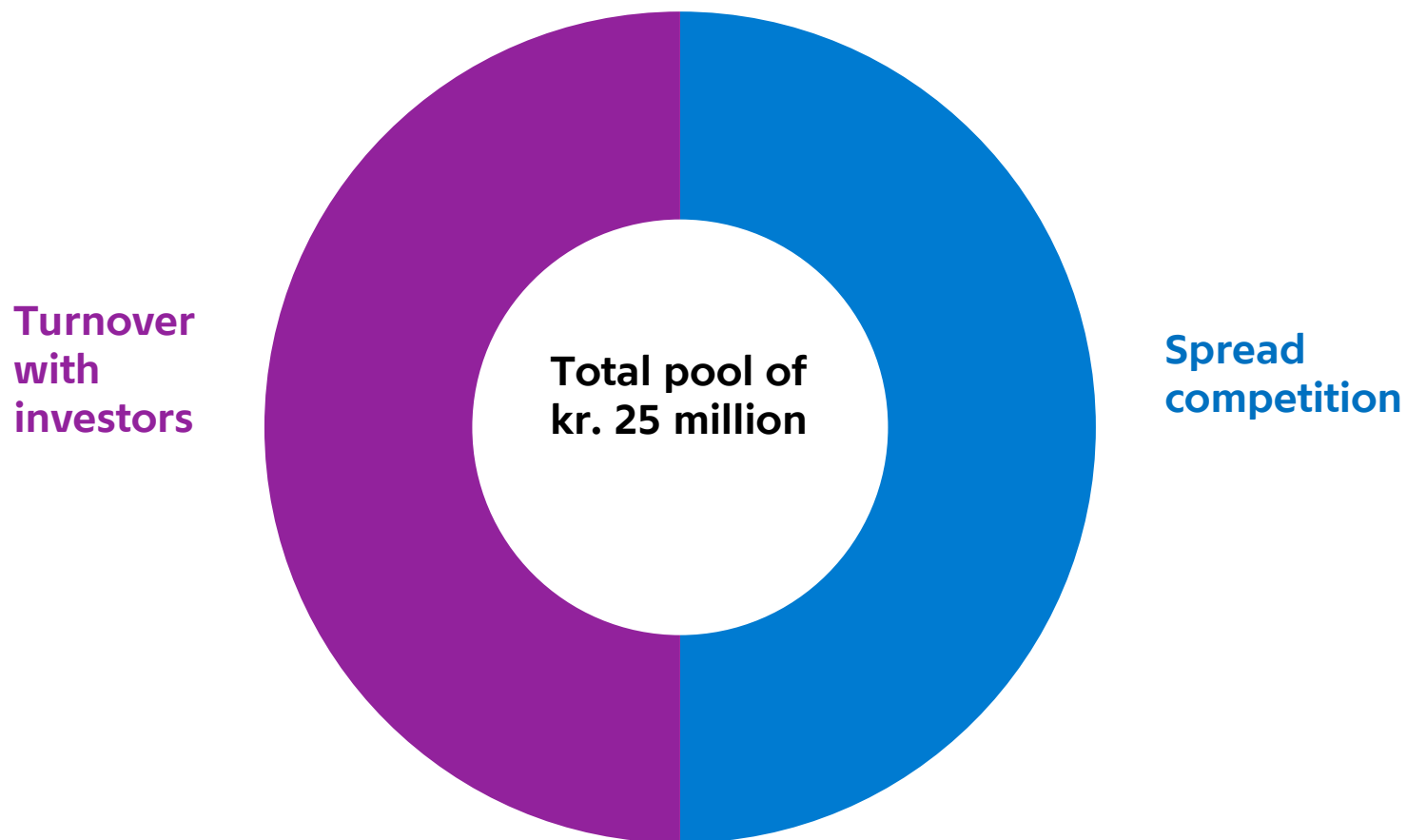
# DMO is active in the secondary market

Kr. billion



# New primary dealer model

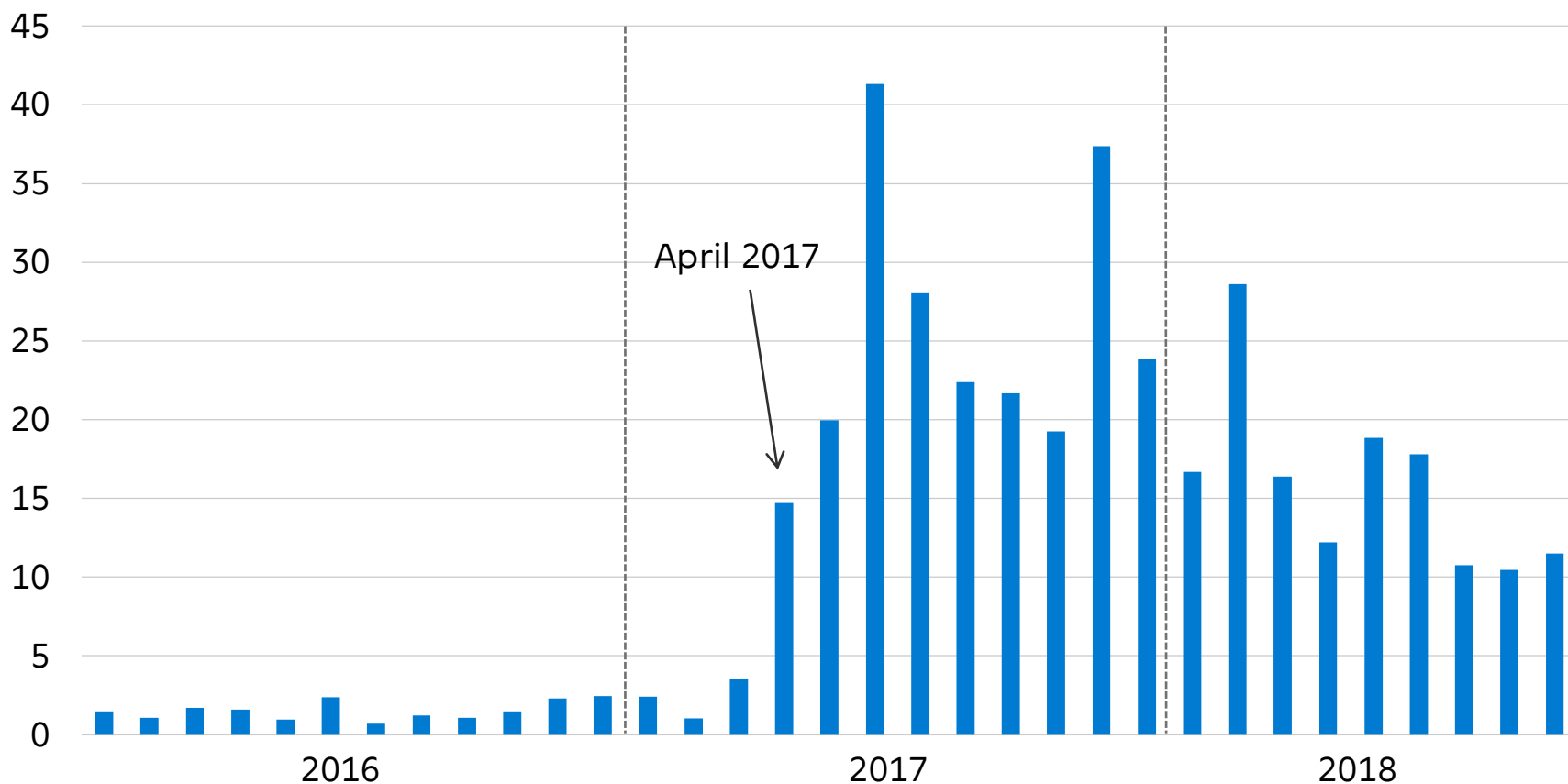
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# Higher turnover in Danish government bonds

Turnover on MTS (Inter-dealer)

Kr. billion



# Lower 10-year bid-ask spreads

