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UPDATE TO THE CENTRAL GOVERNMENT BORROWING STRATEGY 2020

Target for government bond issuance is increased to kr. 125 billion in 2020

In light of the recent initiatives taken by the Danish Government to mitigate the consequences of COVID-19, the domestic government bond issuance target for 2020 is increased from kr. 75 to 125 billion.

Opening of new 30-year nominal bond is brought forward

The opening of the new 30-year nominal bond, 0.25 per cent 2052 is brought forward to 1 April, from the previously announced 5 May 2020. The new bond will replace 4.50 per cent bullet loan 2039 as key on-the-run issue, cf. table 1.

Expanded T-bill programme

Two new T-bills will be added to the programme on 30 March 2020 with redemption 1 December 2020 and 1 March 2021. The outstanding amount in the T-bill programme is expected to increase in order to accommodate a temporary increase in liquidity requirements.

Reduction in the fee on the securities lending facility as of 1 April 2020

In light of the extraordinary market conditions, the fee on the central government's securities lending facility for the primary dealers is temporarily lowered to 0.1 per cent per year for settlement the following day. In case of same day settlement, the fee is lowered to 0.2 per cent per year.

All other aspects of the strategy announced on 17 December 2019 remain unchanged.

On-the-run issues in 2020

Table 1

Maturity segment	On-the-run issues
Maturity < 1 year	T-bills
2-year nominal	0.25 per cent 2022
5-year nominal	1.75 per cent 2025
10-year nominal	0.5 per cent 2029
20-year nominal (off-the-run as of 31 March 2020)	4.5 per cent 2039
30-year nominal (opens 1 April 2020)	0.25 per cent 2052
10-year inflation-linked	0.1 per cent 2030i

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