

PRESS RELEASE

DATE: 7 November 2024
CONTACT: Press Office tel. +46 8 787 02 00

Riksbank decides on long-term holding of government bonds of SEK 20 billion

As part of normalising its balance sheet, the Riksbank has been selling Swedish government bonds since April 2023. The holding of Swedish nominal government bonds has thereby decreased from about SEK 350 billion to just below SEK 170 billion at present. The intention is to continue with the ongoing sales and allow bonds to mature. The Riksbank has now decided to maintain a holding of a nominal amount of SEK 20 billion by trading in Swedish nominal government bonds. The decision means that the ongoing sales of nominal government bonds are expected to be concluded at the end of 2025.

Experiences from both the financial crisis of 2008–2009 and the crisis following the pandemic outbreak of 2020 demonstrate how important it is for the Riksbank rapidly to be able to adopt appropriate monetary policy measures such as policy rate adjustments or government security purchases. To maintain a good capacity to quickly be able to trade bonds, the Riksbank needs to have a holding of Swedish nominal government bonds that enables regular trading. For the Riksbank to be able to trade with sufficient frequency and to a sufficient extent, an adequate holding is deemed to amount to a nominal figure of SEK 20 billion. To limit market impact, the holding should over time largely reflect the composition of outstanding nominal government bonds with a remaining maturity of around 1-15 years.

The Riksbank shall continue with the ongoing sales of Swedish nominal government bonds until the holdings, excluding government bond 1059 and Green bond, amounts to SEK 20 billion. This means that the sales are expected to be concluded at the end of 2025.