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Riksbank continues purchases of government and mortgage bonds

Next week, the Riksbank intends to purchase covered bonds (largely so-called mortgage bonds) for SEK 20 billion. In addition, the Executive Board has decided that further purchases of government and mortgage bonds totalling SEK 35 billion will be made up to and including 30 April.

The Executive Board has decided that on a total of five occasions between 30 March and 30 April, the Riksbank will purchase both nominal Swedish government bonds for a nominal amount totalling SEK 5 billion, and covered bonds issued in Swedish krona by Swedish institutions for a nominal amount of SEK 50 billion. The purchases are part of the bond programme adopted by the Executive Board on 16 March, and the government bond purchases are over and above the purchases during the period July 2019-December 2020 that the Executive Board decided on in April 2019.

The Riksbank intends to hold a bid procedure for covered bonds on Wednesday, 1 April, for a nominal total of SEK 20 billion.

Information on the exact times of coming bid procedures and the amounts offered on these occasions, as well as information on the bid procedure for covered bonds on 1 April will be published on the Riksbank's website, <u>www.riksbank.se</u>.

Background

The purchases are part of the Riksbank's bond purchase programme totalling up to SEK 300 billion, as a measure against the effects of the coronavirus pandemic on the Swedish economy. Its purpose is to maintain the expansionary monetary policy, support the supply of credit and thereby support the Swedish economy. Within the scope of the programme, the Riksbank will purchase government bonds, bonds issued by municipalities and Kommuninvest i Sverige AB, covered



bonds issued by Swedish institutions, and bonds and commercial paper issued by Swedish non-financial companies.

The government bond purchases were initiated on 18 March and purchases of covered bonds on 25 March. The purchases of commercial paper will begin on 2 April.

Here you can find all of the measures taken by the Riksbank as a result of the coronavirus pandemic: <u>https://www.riksbank.se/en-gb/press-and-published/updates-on-the-riksbank-and-the-coronavirus-pandemic/the-riksbanks-measures-in-connection-with-the-corona-pandemic/</u>