

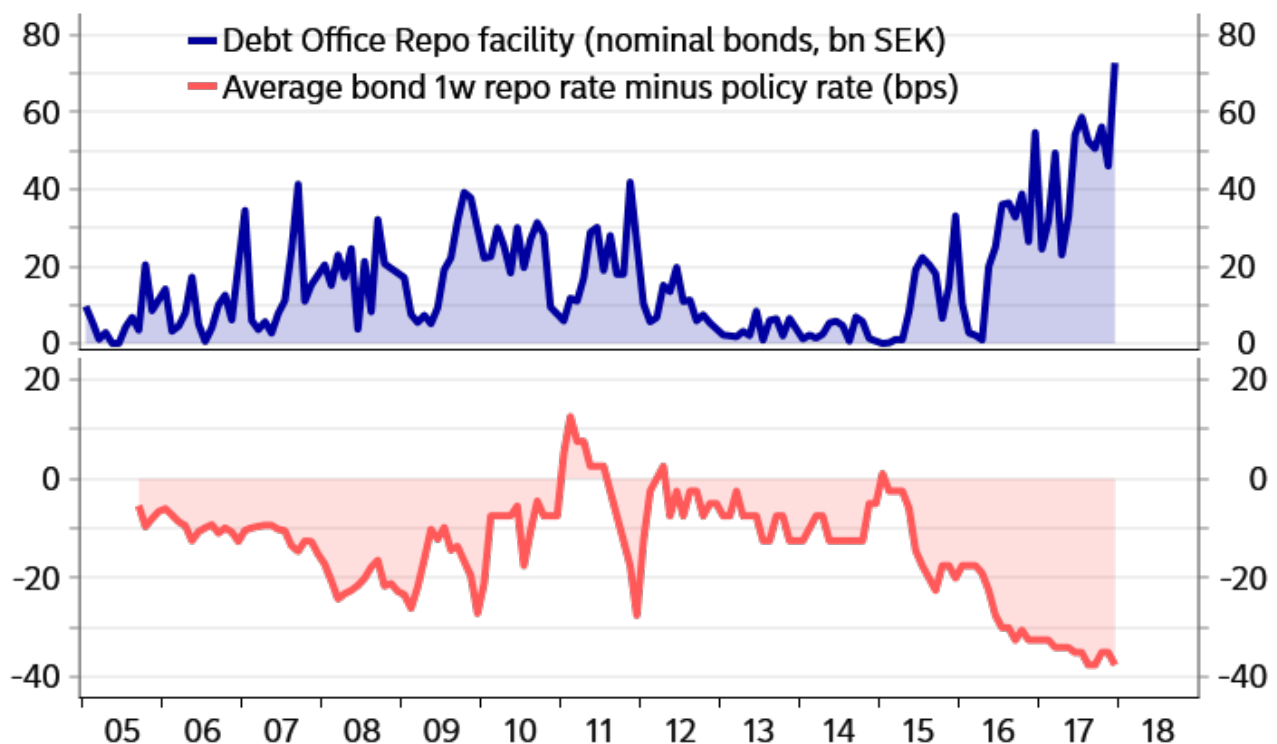
Market Pulse SEK: Govie bond issuance and 5y5y as hedge against housing

Mats Hydén

Government bond issuance may have to be further reduced. The buy-backs of the current 10y bmk when the new 10y is launched could be problematic. The horrible SEK 5y5y spread to EUR should still be a hedge against further cooling in housing sector.

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Chart: Volumes in Debt Office repo facility at all-time high and scarcity could get even worse this spring



Source: Nordea Markets and Macrobond

Themes in this edition:

1. Unsustainable mix of budget surplus & QE ... SGBs set for extinction (1 of 2)
2. Unsustainable mix of budget surplus & QE ... SGBs set for extinction (2 of 2)
3. "Oh... I'm afraid the QE-program will be quite operational when the SGB 1061 arrives."
4. SGB swap spreads ... what's high and what's low
5. High-speed railway: A long-term swing factor for government bonds
6. A glimpse into the SEK 5y5y chamber of horrors

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