



Press release

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Issuance calendar for Confederation bonds and money market debt register claims in 2018

The Federal Finance Administration (FFA) is planning to issue bonds with a face value of CHF 3.5 billion in 2018. Taking account of bonds maturing, the volume of bonds outstanding will be reduced by CHF 3.3 billion. In view of the high liquidity, the volume of outstanding money market debt register claims will be kept at a level of CHF 7–8 billion. Bond auctions take place on a monthly basis, except in August, while money market debt register claims are auctioned on a weekly basis.

Based on current planning, funds amounting to some CHF 4 billion have to be raised on the market in the year ahead. As a positive set of accounts is expected and liquidity is to be reduced, the funding requirement is quite small despite a bond of CHF 6.8 billion maturing.

Confederation bonds

The FFA is planning to cover the funding requirement with the issuance of bonds. The gross issuance of CHF 4.0 billion (2017: CHF 4.4 billion) includes not only the face value, but also premiums (cf. box). As market interest rates are again likely to be lower than most bond coupons in 2018, premiums of around CHF 0.5 billion are expected. Accordingly, the face value of the planned issuance will be CHF 3.5 billion. Taking account of maturities, the nominal value of outstanding capital market debt can be expected to be reduced by approximately CHF 3.3 billion (2017: CHF 1.7 billion).

Bond auctions always take place between 9.30 am and 11 am on the second Wednesday of the month. No auction is held in August. The dates in April and October are optional. The FFA will announce in good time whether or not the auction will take place. The bonds to be issued (maturities) and the payment date are announced the day before the auction.

The auction dates for Confederation bonds (cf. issuance calendar) are:

10.01.2018
14.02.2018
14.03.2018
11.04.2018 (optional date)
09.05.2018
13.06.2018
11.07.2018
12.09.2018
10.10.2018 (optional date)
14.11.2018
12.12.2018

Money market debt register claims

The federal budget's cash inflow was higher than expected in 2017. The FFA thus left the volume of outstanding money market debt register claims at the relatively low level of CHF 7–8 billion to avoid an excessive increase in liquidity. The Federal Treasury will also keep the volume at this level in 2018.

Money market debt register claims are issued weekly on Tuesdays; the payment date is two days later (Thursday). As with bonds, the subscription period runs from 9.30 am to 11 am. The auction details can be found in the issuance calendar.

Further information

Issuance calendars, issue results and further information on Confederation bonds and money market debt register claims can be found on the website of the FFA (www.efv.admin.ch) and of the Swiss National Bank (www.snb.ch).

Valuation of Confederation bonds at amortised cost

According to the International Public Sector Accounting Standards (IPSAS) applied by the Confederation, bonds are carried at amortised cost. Premiums are thus recognised under debt upon issuance and then amortised over the entire term. In this way, premiums are a component of the Confederation's financing activities and are taken into account by the Federal Treasury when covering the funding requirement. Up to 2016, Confederation bonds were recognised at face value, and the above par premiums earned upon issuance flowed into the federal financial statements of the corresponding year as a reduction in expenditure.

Further details:

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The following can be found as an enclosure to this press release at www.finance.admin.ch:

- Confederation bonds – 2018 issuance calendar
- Money market debt register claims – 2018 issuance calendar