NOMURA

Connecting Markets East & West

Market Outlook

Debt management agencies in the current market environment

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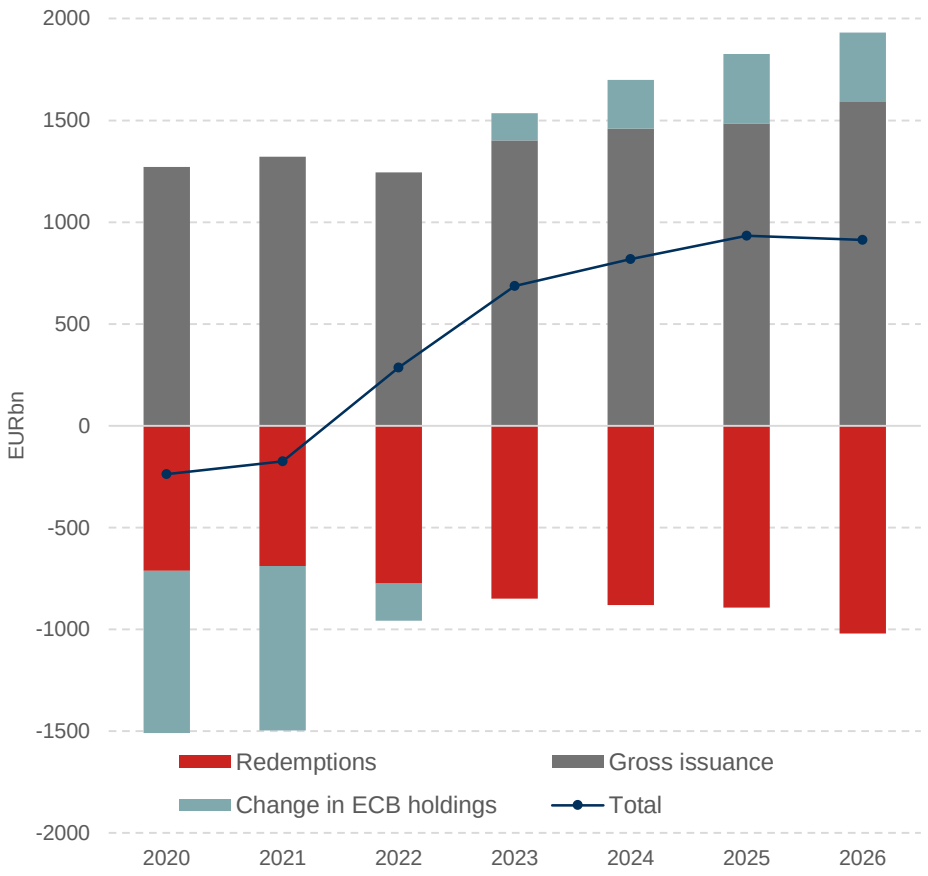
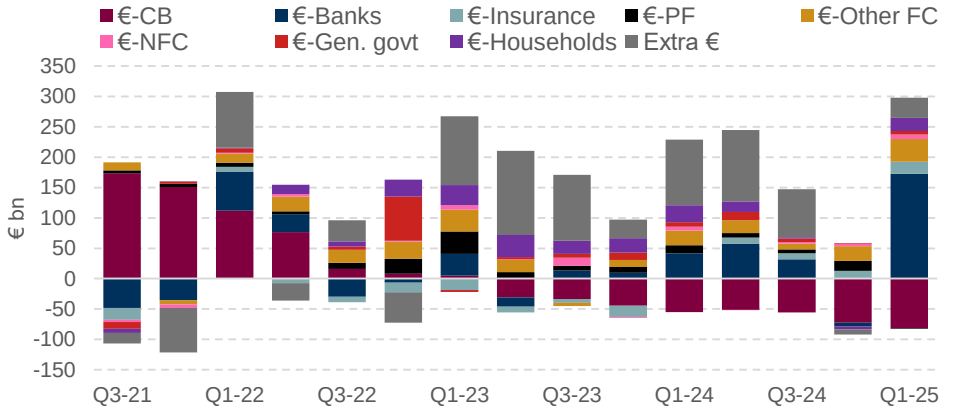
25 September 2025

Supply and Demand

EUR sovereign issuance over the years

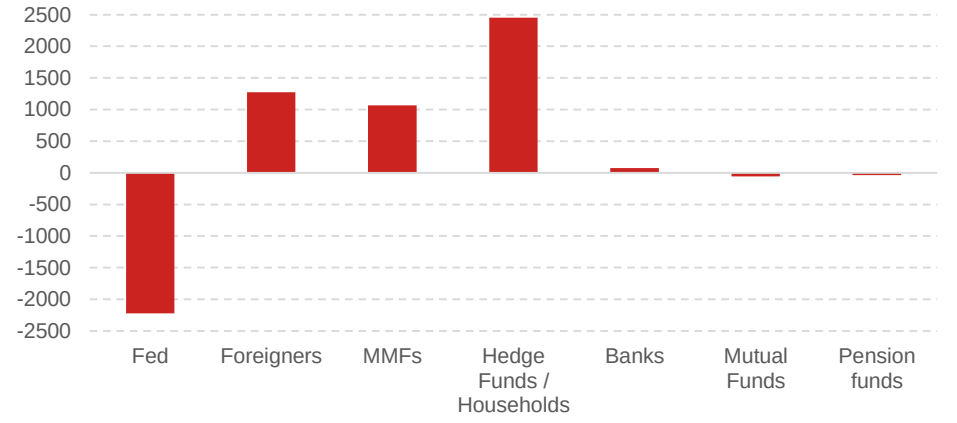


Who has been buying EUR sovereign bonds?



Who has been buying US Treasuries?

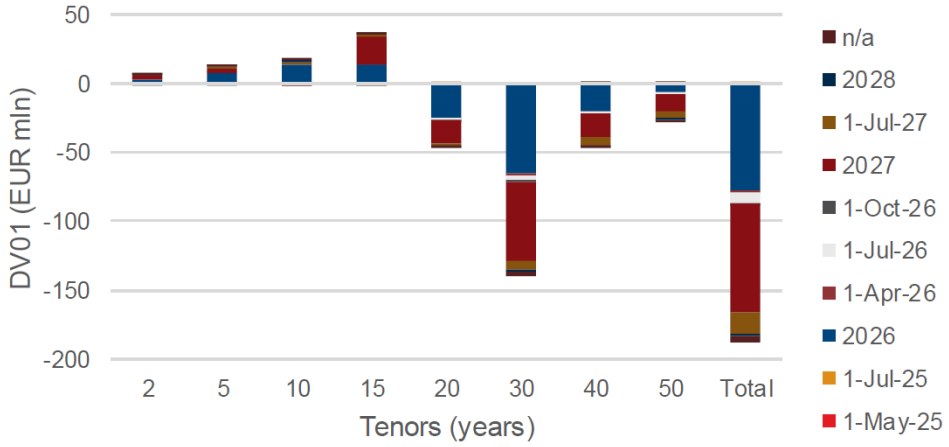
(2021 to 2025)



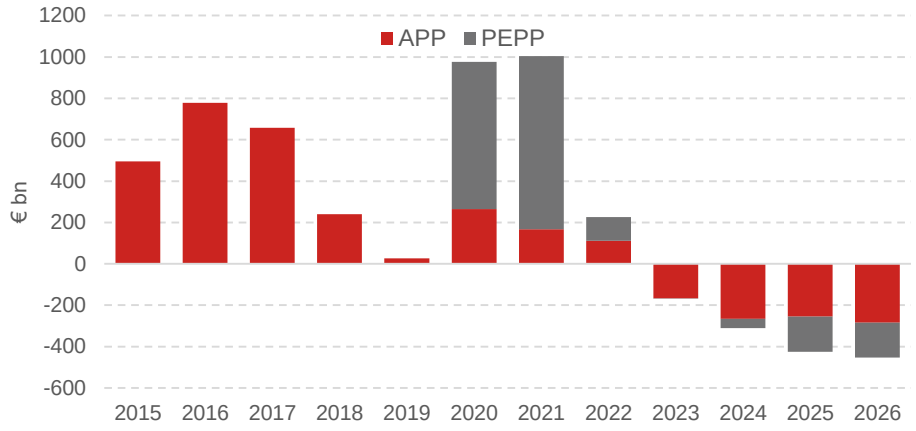
Source: Debt Management Offices, ECB, Nomura

Structural Changes in the Long-end

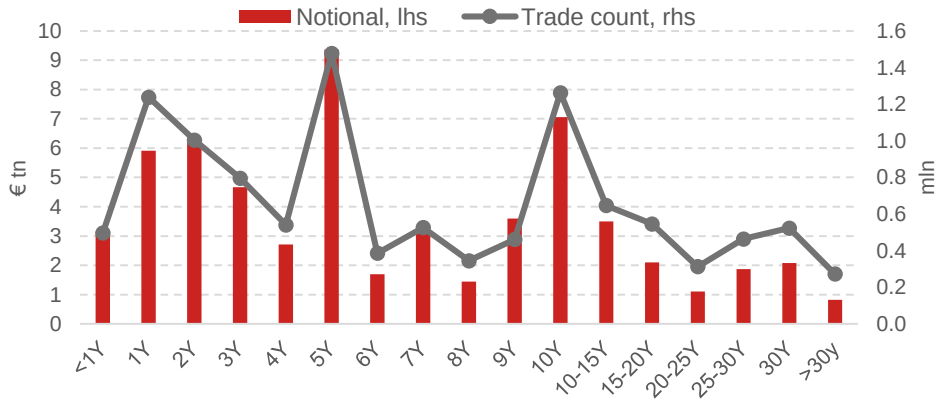
Expected rebalancing from the Dutch pension reform transition



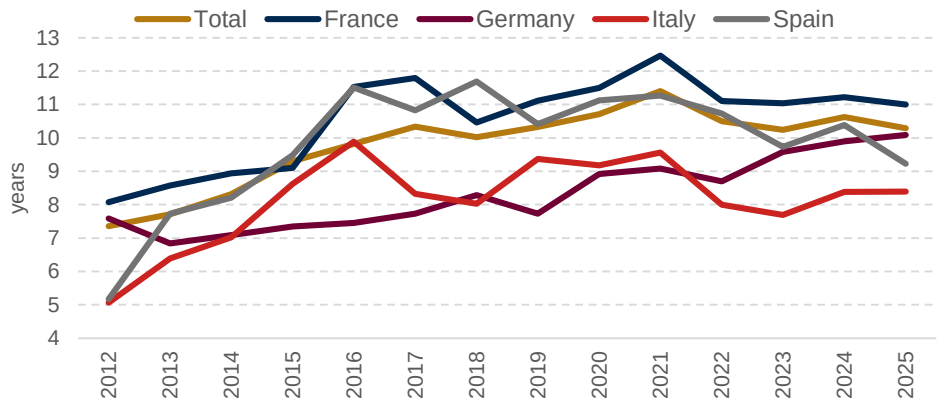
ECB QE



Sovereign bonds traded in 2024



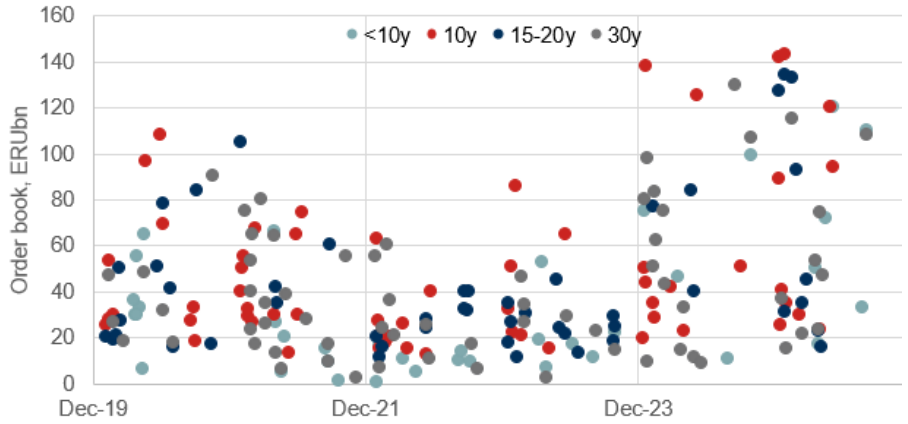
Weighted Average Maturity of Sovereign Issuance



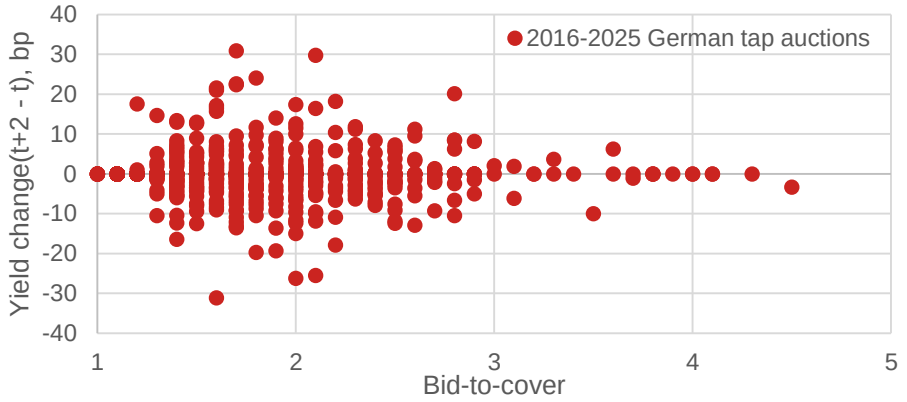
Source: Bloomberg, ECB, ICMA, Nomura NL Sales

Issuance Metrics

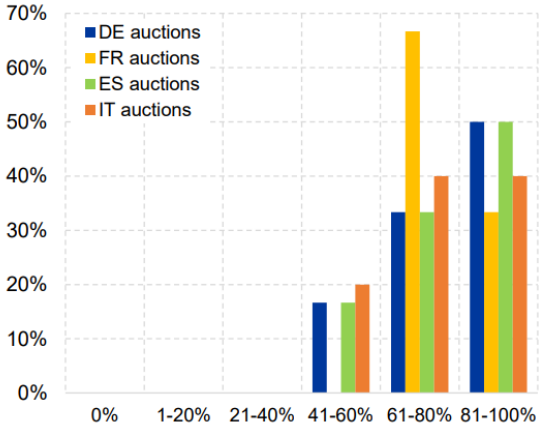
Syndication Books



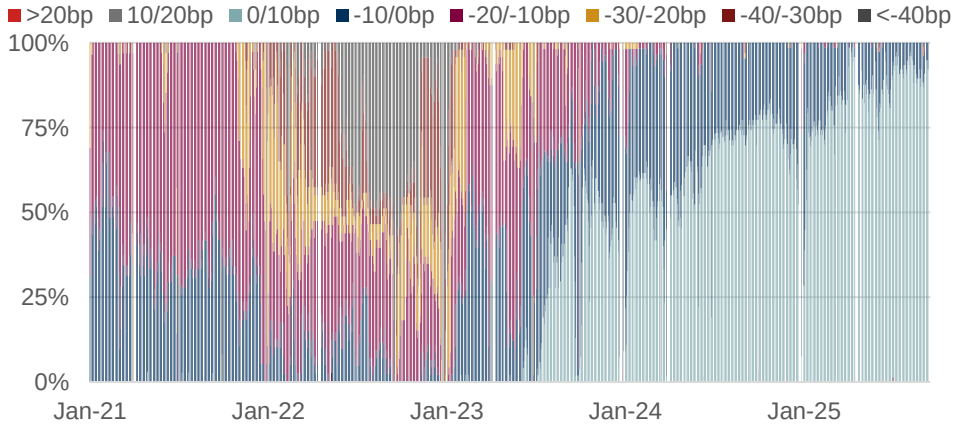
Price-based indicators (Tail)



Average demand from hedge funds in auctions



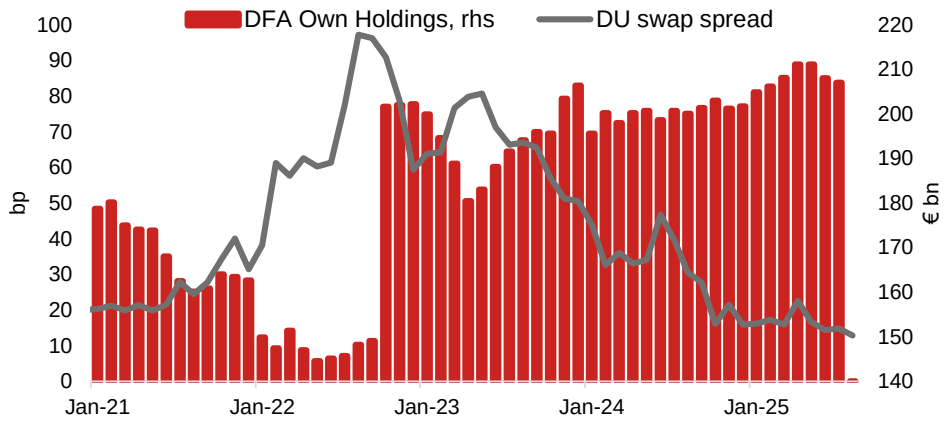
Share of German bonds trading below €STR



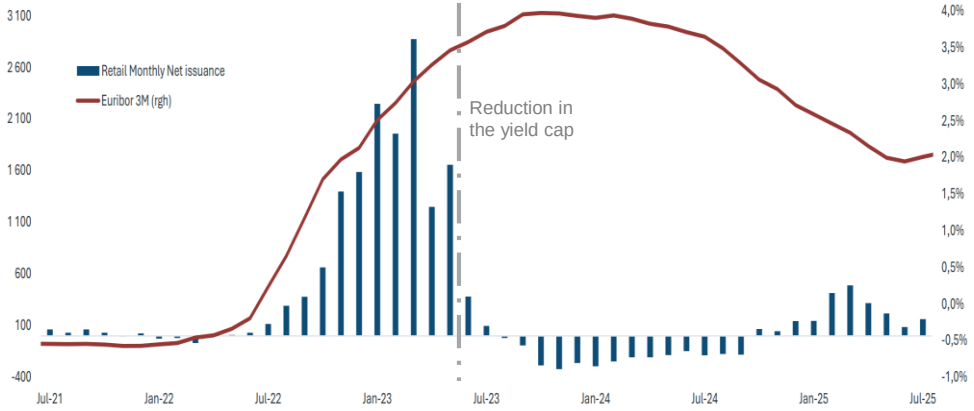
Source: Bloomberg, Debt Management Offices, BMCG, Nomura

Proactive Strategies

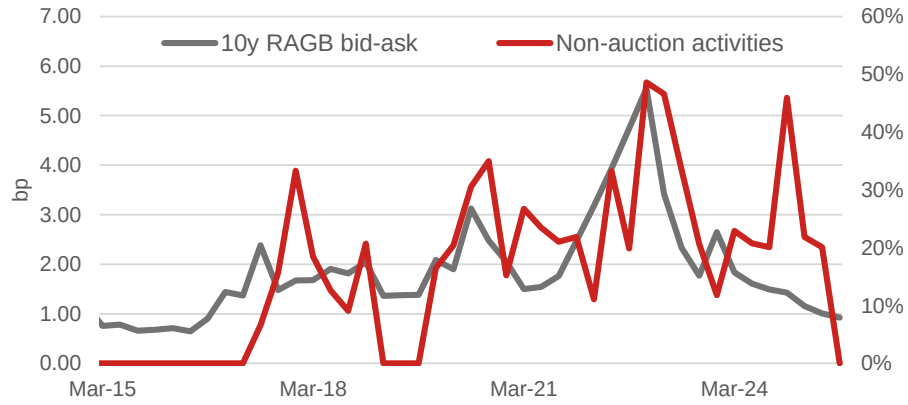
Germany: repo lending and scarcity



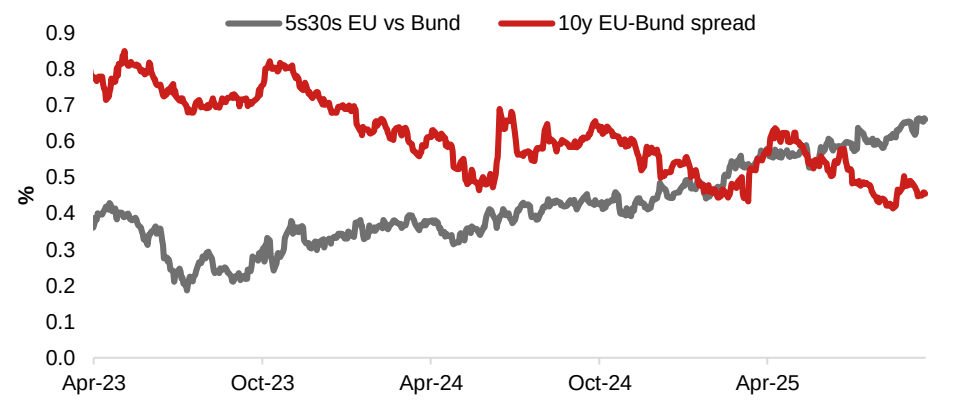
Portugal: retail funding on tap



Austria: secondary sales and liquidity



EU: Long end pressure



Source: Bloomberg, DFA, OeBFA, IGCP, EU, Nomura

Discussion Points

- How would you assess the overall success of issuance practices by euro area DMOs? What metrics do you consider and what role do issuance strategies play for this assessment?

- What measures or strategies could help bring the anticipated increase in supply to the market smoothly and efficiently?

- How do you evaluate the role of DMOs in the secondary market, and what impact do their activities have on market functioning? What is the toolkit available to DOMs to address market disruption?

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