



**SVERIGES  
RIKSBANK** No 44

# Press Release

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**THE RIKSBANK IN ITS CAPACITY AS THE NATIONAL DEBT OFFICE'S  
FOREIGN EXCHANGE AGENT HAS DECIDED TO CONVERT GOVERNMENT  
INTEREST PAYMENTS INTO FOREIGN CURRENCIES IN THE BANKING  
SYSTEM**

In 1997 it is estimated that the National Debt Office will be paying out the equivalent of about SEK 20 billion in interest on foreign currency liabilities. In periods when the Office's net borrowing in foreign currency exceeded such interest payments, the loans could be used to make the foreign currency interest payments.

In November, however, the Government decided that for 1997 the National Debt Office is not to be a net borrower in foreign currency. As a consequence of that decision the Riksbank, acting as the Office's agent, will be converting the interest payments in the banking system.

In order to avoid unduly large exchange transactions, the equivalent of SEK 80 million will be exchanged on each trading day during 1997, which gives an annual total of about SEK 20 billion. The transactions will be made between 8.30 and 8.45 a.m. The Riksbank intends to begin these transactions in January 1997.

The transactions will be arranged with the institutions that have signed a Primary Dealer agreement with the Riksbank for the Swedish foreign exchange market. The Riksbank intends these transactions to be completely open.

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