Dutch State Treasury Agency
Ministry of Finance

Outlook 2018

Imagine being dropped in the middle of one of our cities, like Amsterdam, Rotterdam or The Hague. What would you experience? You would see hustle and bustle all around. You would have a choice of many fine restaurants and friendly pavement cafes where people meet up for business or pleasure. You would see workers renovating old buildings. You would visit innovative businesses that combine promising ideas with cutting-edge technology. And late at night you could catch an eco-friendly bus or tram to take you back to your comfortable hotel.

In other words, the Dutch economy is flourishing, and has been for several years now. That is why we have chosen 'vibrant cities' as the photo theme for the Outlook 2018. This theme has a direct link with the DSTA. Not only is the economy growing, but also, Dutch public finances are in excellent health. Debt levels are falling and the State's borrowing requirement is decreasing to pre-crisis levels. Overall it is fair to say that life in the Netherlands is full of optimism. And we invite you to take part.

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Preface

The Dutch economy has been on a strong recovery path and continues to prosper. Unemployment is falling to levels not seen in a decade. Turnover and investment are rising, and consumers have more money to spend. This is creating opportunities, renewal and prosperity. In short, the economy is back on track, which is why 'vibrant cities' has been chosen as the photo theme of this year's Outlook.

The new government expects small budget surpluses over its full term in office. This will enable it to further reduce government debt – something that was not possible during the crisis years. Consequently, the funding need of the Dutch State Treasury Agency (DSTA) is declining and returning to pre-crisis levels. For 2018 the funding need is currently estimated at € 53.5 bn. Looking forward, it is to be expected that this lower funding need will persist. The DSTA has to adapt to this new and challenging yet positive reality.

When drawing up the funding plan, different considerations come into play. Capital market issuance is at the heart of DSTA's funding. At the same time, the money market should be sizeable enough to act as a buffer. With a persistently lower and also relatively uncertain funding need, designing the funding plan is, now more than ever, a balancing act.

Next year, the DSTA will of course be issuing a new 10-year Dutch State Loan (DSL), as you have come to expect of us. Moreover, the DSTA will reopen last year's DSL 2024 issue and will be issuing longer dated bonds as well. To be able to offer bonds in different maturity segments now and in the future and to maintain a liquid money market, the DSTA decided to slightly lower the minimum issuance size of new DSL-lines. For newly issued DSLs with a maturity up to and including ten years, the outstanding volume will be brought to € 12 bn within twelve months of the launch. The DSTA still has the possibility to raise volumes further, towards the previous benchmark size of € 15 bn, but will do so only if the funding need permits.

Within the DSTA a new chapter will commence. Since Niek Nahuis departed, I have been the acting Agent. I am pleased to announce that Elvira Eurlings has been appointed the new Agent as of 1 February 2018. I wish her the best of luck.

I look forward to the challenges and opportunities of the new year!

Martin Heerma
Acting Agent of the DSTA

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1 The economy and the budget

1.1 Economic outlook

Sustained economic growth

The latest forecasts by the Netherlands Bureau for Economic Policy Analysis (CPB), which include policies planned by the newly installed government, reveal an overall positive outlook for the Dutch economy. GDP growth of 3.3.% in 2017 and 3.1% in 2018 is expected. This is supported by all spending components, including household and government consumption, investments and exports. For the remainder of the government period GDP growth is set to remain strong but take on slightly lower levels, averaging 2.0% between 2018 and 2021. The ongoing strengthening of the Dutch economy has a positive effect on the Dutch labour market: the unemployment rate declines further from 4.9% in 2017 to a predicted 3.9% in 2018. Inflation is expected to increase gradually from 1.3% in 2017 to 1.6% in 2018, after four consecutive years of low inflation.

It should be noted that the forecasts are subject to various uncertainties, mainly due to external factors such as the monetary policy stance, geopolitical risks and the outcome of Brexit negotiations. This may lead to a downward revision of the outlook. On the other hand, if economic conditions improve faster than expected, the overall picture may become even rosier.

Steady export growth

With growth levels of 4.9% in 2017 and 4.5% in 2018, Dutch exports continue to expand faster than relevant world trade and remain an important driver of Dutch GDP growth. Imports are projected to rise in 2017 and 2018 by 4.5% and 5.2% respectively. In 2018, import growth will slightly outpace export growth, whereas the opposite was true in 2016 and 2017. This can partly be explained by an increase in both household and government consumption next year.

Table 1.1 – Key economic figures for the Netherlands (% change y-o-y)

	2016	2017	2018	2018-2021 (average)
GDP (economic growth)	2.2	3.3	3.1	2.0
Household consumption	1.6	2.2	2.6	2.0
Government consumption	1.2	0.6	3.2	2.4
Investments (including inventories)	3.1	6.3	6.0	2.6
Exports	4.3	4.9	4.5	4.1
Imports	4.1	4.5	5.2	4.7
Employment (in hours)	2.0	2.0	2.0	1.0
Unemployment (% labour force)	6.0	4.9	3.9	4.1*
Inflation (HICP)	0.1	1.3	1.6	2.1

Source: CPB, 19 September 2017 (for 2016 and 2017); CPB, 27 October (for 2018 and beyond)
* End of period figure.

Government plans set to stimulate consumption

In the past few years, domestic drivers of growth – both household and government consumption as well as investment – have gained in importance. According to the CPB, household consumption is expected to increase from 2.2% in 2017 to 2.6% in 2018 as a result of employment growth and a new income tax reduction for households. These two drivers result in a 0.6%-point increase in consumption on average between 2018 and 2021. The government also plans to make considerable expenditures compared to the previous government, most notably in the areas of defence and education. This will lead to stronger growth in government consumption, from 0.6% in 2017 to 3.2% in 2018.

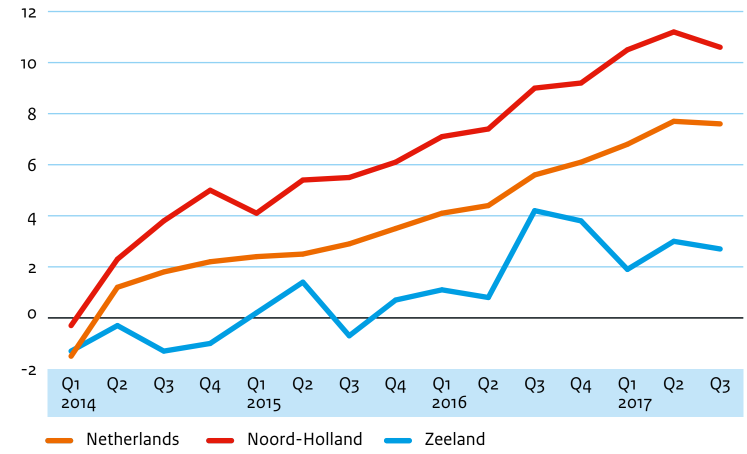
Investment growth continues

After a peak in growth levels in 2015, investments continue to show significant growth rates in 2017 (6.3%) and 2018 (6.0%), with substantial contributions coming from each of the two main components: business and housing investments. Business investments are picking up thanks to a rise in both domestic and external demand. Consequently, in 2018 the business investment quote will be above its long-term average. While the growth level of housing investments is set to slow down, investments in housing will continue to grow, rising close to 2008 peak levels in 2018. From 2018 onwards total investment growth will subdue to lower levels (2.6% on average).

Rising house prices, regional differences

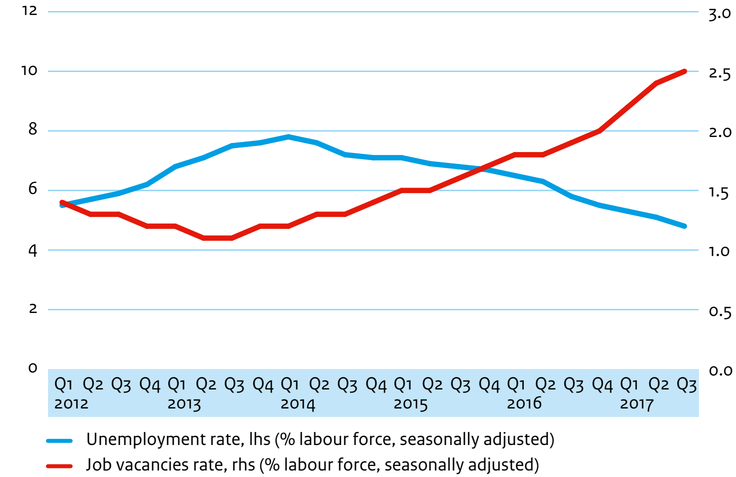
The pick-up in housing investments is insufficient to keep up with the increase in demand stemming from favourable financing conditions and a positive economic outlook. Consequently, a steady increase in house prices can be observed from 2014 onwards. This trend is expected to continue, steadily rising towards pre-crisis peak levels (in nominal terms). However, it should be noted that price increases display significant regional differences. For example, house prices are rising more rapidly than average in the province of Noord-Holland (where Amsterdam is located), whereas the southern province of Zeeland displays lower than average growth figures.

Figure 1.1 – Regional divergence in housing prices (% change y-o-y)



Source: Statistic Netherlands (CBS), November 2017

Figure 1.2 – Labour market tightens



Source: Statistic Netherlands (CBS), November 2017

Labour market tightens

Unemployment continues to decline significantly, from 4.9% of the labour force in 2017 to 3.9% in 2018. This can be attributed to strong labour demand in the market sector outpacing growth in labour supply. Employment (in hours) is set to grow by 2.0% in 2018. New government plans also contribute to employment demand due to the positive effect it has on domestic demand. Furthermore, public sector employment increases somewhat as a result of investments in defence and education. During the entire government term unemployment is set to remain at low levels. As a result of the tightening labour market, wages will gradually pick up in 2018 and subsequent years.

1.2 Budgetary outlook

Steady budget surpluses expected

On 26 October the new Dutch government took office, after which new budgetary forecasts were made. Small budget surpluses are projected for the entire government term (2018-2021). The positive budgetary outlook is driven by sustained economic growth, resulting in higher tax revenues and a decline in expenditure on unemployment benefits.

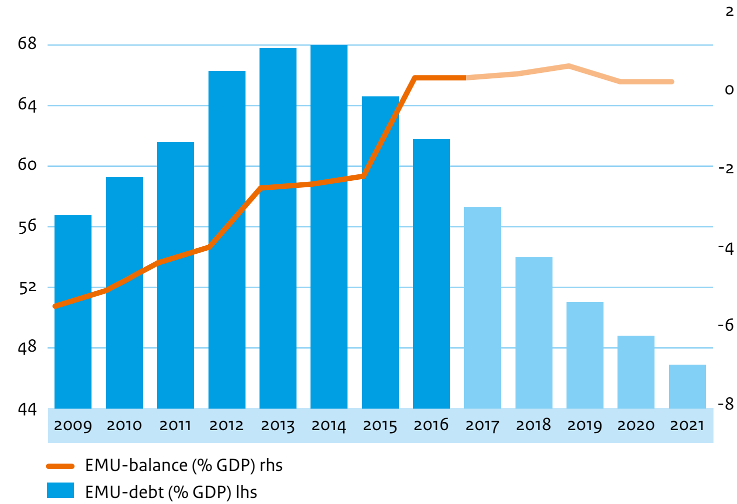
The Ministry of Finance published its most recent update of the budget for 2017 on 24 November. The EMU-balance is now expected to equal 0.4% of GDP in 2017. Next year, the budget surplus is predicted to be of a similar size, as the EMU-balance increases to 0.5% of GDP despite expansionary fiscal measures planned by the new government.

Debt levels to fall further

The debt ratio shows a continuing declining trend, from a peak of 68.0% of GDP in 2014 to expected levels of 57.3% in 2017 and 54.0% in 2018. Over the coming years it is forecast to fall even further, towards 46.9% in 2021. This is well below the 60%-threshold of the EU Stability and Growth Pact (SGP) and approaches pre-crisis levels.

The downward trend in the debt ratio is a result of expected cash surpluses in combination with strong GDP growth (the so-called 'denominator effect'). Moreover, the current low interest rate environment helps by keeping interest payments on Dutch government debt low.

Figure 1.3 – Postive outlook for public finances



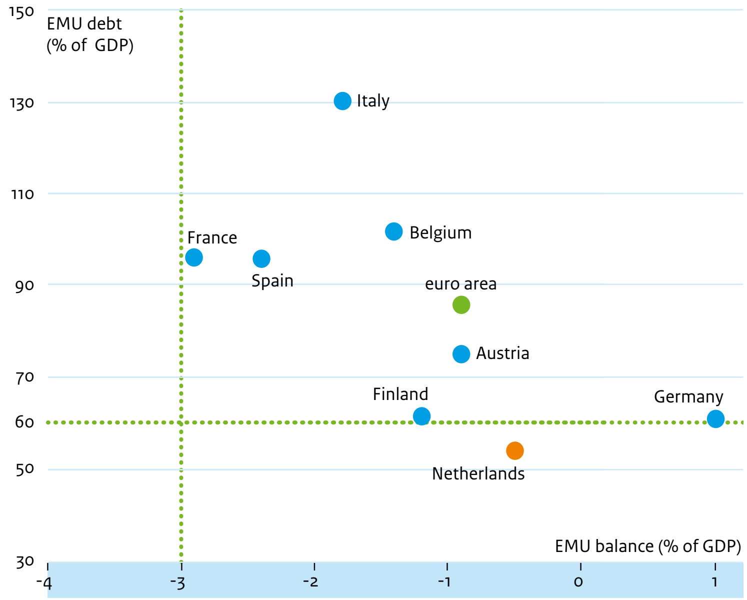
Source: CPB, 4 December 2017 (up to 2016); Ministry of finance, 24 November (2017 and beyond)

In recent years, the reduction of the government's stake in financial institutions has contributed to the declining trend in debt levels. In 2017 tranches of shares in ABN Amro Bank and insurer ASR were sold for a total of € 5.7 bn, leading to a reduction in government debt of approximately 0.8% of GDP. ASR is now entirely privitised, while the government's stake in ABN Amro still stands at 56%. The government has the intention to sell its remaining stake in ABN Amro over the coming years. The forecasts presented here do not include any potential revenue from future sales of state-owned enterprises .

Budgetary position favourable compared to euro area peers

According to the autumn economic forecast by the European Commission, budgetary positions in almost all euro area member states are set to improve, notably as a result of the pick-up in economic growth. Assuming no policy changes, the average deficit in the euro area is forecast at 1.1% of GDP at the end of 2017 and 0.9% in 2018. Moreover, the debt ratio has also shown a declining trend since 2014. In 2017, the average debt ratio in the euro area will be 89.3% of GDP and it is expected to drop further to 87.2% in 2018. Despite the overall improvement, differences between countries remain. Compared to other member states, the forecasts for Dutch public finances stand out positively.

Figure 1.4 – Dutch budgetary position for 2018 better than euro area average



Source: European Commission, Autumn 2017 Economic Forecast

Box 1.1 – New cabinet plans

The new government of prime minister Rutte, commonly referred to as Rutte III, took office on 26 October 2017 after having presented its coalition agreement to parliament. The coalition - which consists of the People's Party for Freedom and Democracy (VVD), the Christian Democratic Appeal (CDA), Democrats 66 (D66), and the Christian Union (CU) – will make specific investments in the field of elderly care, education, defence, security and infrastructure. Tax reforms include lower income taxes, a VAT increase, and an accelerated reduction in mortgage interest deductibility. It will result in an overall tax reduction of more than € 5 bn for households. Other reforms relate to the labour market and the pension system in order to adapt to the current environment of longer life expectancy and temporary contracts. Moreover, the housing market, especially in large cities, will be made more accessible to first-time buyers and average incomes by providing more affordable rental and owner-occupied housing.

The new cabinet continues the long-standing tradition of 'trend-based' budgetary policy in order to maintain fiscal discipline and enhance economic stability. This means government expenditure levels, which are determined at the beginning of the government term, are fixed and cannot be exceeded during the government term. Regarding government revenues, the principle of automatic stabilisation applies, i.e. revenue windfalls are used to build up budgetary buffers while revenue setbacks are allowed to increase debt levels.

2 Funding and issuance

2.1 Looking back on funding in 2017

When the previous Outlook was published in December 2016 the total borrowing requirement for 2017 was estimated at € 59.4 bn. The latest update predicts a borrowing requirement of € 52.5 bn.

Table 2.1 – Estimated borrowing requirement for 2017 (€ bn)

	Current estimate	End 2016 estimate
Capital market redemptions	42.5	42.5
Money market ultimo 2016	18.2	18.9
Cash surplus (- = surplus)	-15.0	-2.0
Change in cash collateral (+ = lower cash collateral)	3.0	
Buybacks of DSLs maturing in 2018 or 2019	3.8	
Total borrowing requirement 2017	**52.5**	**59.4**

The downward revision in the funding need reflects the sustained positive economic and budgetary developments in the Netherlands. These developments partly explain the considerable rise in the cash surplus, from € 2.0 bn to € 15.0 bn. Similar to last year, sales of shareholder stakes in insurer ASR and ABN Amro Bank also significantly increased the cash surplus. In 2017 it led to total proceeds of € 5.7 bn. The drop in the funding need was partly offset by buybacks of DSLs maturing in later years and by a decrease in the amount of cash collateral, related to DSTA's interest rate swap portfolio.

The lower borrowing requirement was mostly accommodated by reducing the call on the money market. Capital market issuance in 2017 in nominal terms was right in the middle of the target range.

Table 2.2 – Call on capital market and money market in 2017 (€ bn)

	Current estimate	End 2016 estimate
Capital market issuance (DSLs) in nominal terms	32.5	30-35
Cash proceeds from DSLs not issued at par	1.4	
Money market ultimo 2017	18.6	24.4-29.4
Total funding 2017	**52.5**	**59.4**

Capital market issuance

The DSTA decided to slightly increase its call on the capital market in 2017 compared to 2016. The higher target range for DSL funding was set at € 30-35 bn in nominal terms in 2017, versus € 25-30 bn in 2016. With all capital market auctions for 2017 completed, actual capital market issuance came out within that range at € 32.5 bn in nominal terms and at € 33.9 bn in cash terms (€ 1.4 bn additional net proceeds from issuances not done at par).

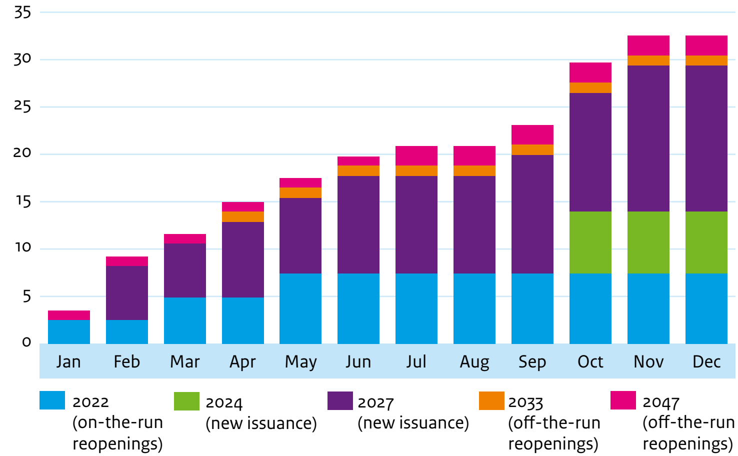
The first Dutch Direct Auction (DDA) of the year was held in February for the launch of a new 10-year bond, the DSL 0.75% 15 July 2027. An initial amount of € 5.7 bn was issued at a yield of 0.71%. The bid-to-cover ratio was 2.28, which was the highest since 2010 for a DDA of a 10-year bond. Of the total amount 58% was allocated to 'real money' accounts and 42% to 'other' (trading) accounts. The bond was reopened four times, bringing the outstanding amount to € 15.4 bn.

In 2017 the DSTA also reopened the 5-year on-the-run-bond, the DSL 0% 15 January 2022, that was launched via a DDA in June 2016. In the first half of 2017 at least € 7 bn needed to be raised in this bond to reach the committed outstanding volume of € 15 bn. Through reopenings in January, March and May € 7.4 bn was issued.

In October the DSTA launched the second DDA for a new 7-year bond, the DSL 0% 15 January 2024. An initial amount of € 6.6 bn was issued at a yield of 0.05%. A total of 55% went to 'real money' accounts and 45% to 'other' accounts. Through a number of reopenings, the outstanding amount will be raised to at least € 15 bn before October 2018.

In addition to the two new benchmark bonds, the DSTA raised around € 3.2 bn through reopenings of two longer dated off-the run bonds maturing in 2033 and 2047.

Figure 2.1 – Cumulative DSL issuance in 2017 by maturity (€ bn)



Buybacks of DSLs

A buyback programme of DSLs with a remaining maturity up to two years is in place to enhance DSTA's cash management. Until the end of November 2017 the DSTA bought back a total of € 4.3 bn. Of this amount, just over € 3.7 bn related to DSLs maturing after 2017, and thereby increased the funding requirement for 2017. The similar figure for 2016 stood at € 7.9 bn (of a total amount of buybacks of € 11.1 bn).

Buybacks are performed bilaterally with Primary Dealers (PDs). In contrast to the issuance of DSLs, the DSTA can determine buybacks of DSLs on a daily basis. When DSLs are bought back, they are cancelled immediately. Outstanding DSLs will, however, continue to be available to PDs in the repo facility.

Table 2.3 – DSLs bought back in 2017 (in € bn)

Instrument	Amount bought back (€ bn)	Remaining amount outstanding (€ bn)
DSL 0.50% 15 April 2017	0.2	-
DSL 4.50% 15 July 2017	0.4	-
DSL 1.25% 15 January 2018	0.9	12.7
DSL 0.00% 15 April 2018	1.5	12.2
DSL 4.00% 15 July 2018	1.3	13.4
Total	**4.3**	**39.3**

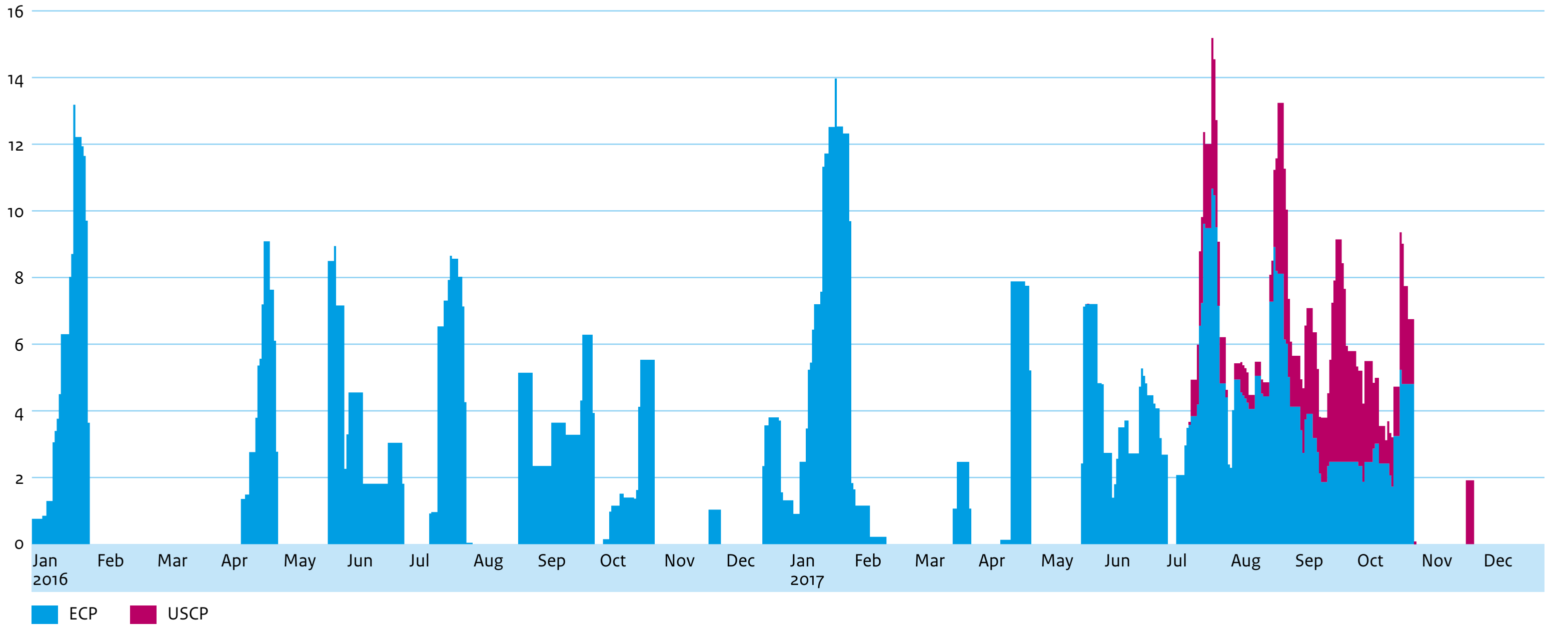
Money market

The money market has historically been used as a buffer when it comes to accommodating changes in the funding need. This year, with the large improvement in the cash position, the DSTA relied to a large extent on the flexibility of the money market. With an estimated € 18.6 bn, the money market at the end of 2017 is expected to be well below the indicative range given at the start of the year, which stood at € 24.4-29.4 bn.

Various instruments are deployed by the DSTA to optimise money market funding. Traditionally, Dutch Treasury Certificates (DTCs) have been the core of money market issuance for the DSTA, with regular biweekly issuances. The DSTA generally issues DTC-programmes for every month of the year (maturing at month end). After consulting with PDs, a December DTC-line was not issued in 2017 in order to accomodate the reduced call on the money market. All DTC auctions again resulted in negative yields in 2017. The weighted average yield for the auctions was -0.70% and the average bid-to-cover ratio was 1.76.

Deposits and Global Commercial Paper (GCP) continued to be an important supplement to DTCs in 2017. GCP adds flexibility over generally short-term deposits and fixed DTC-programmes since maturities, the currency of denomination and the timing of issuance can be tailored to specifically suit both the investors and the DSTA. In 2017 the DSTA started issuing United States Commercial Paper (USCP), in addition to Euro Commercial Paper (ECP). Please see box 3.1 for more information on USCP. In total the DSTA issued over € 98 bn in GCP, up from € 62 bn in 2016.

Figure 2.2 – Outstanding volumes of GCP in 2017 and 2016 (€ bn)



2.2 Funding plan 2018

Borrowing requirement

DSTA's borrowing requirement for the year to come depends first and foremost on redemptions of maturing debt instruments. In 2018 a nominal amount of DSLs of € 38.5 bn will mature on the capital market. Moreover, debt instruments outstanding on the money market at the end of 2017 will roll over to next year and will have to be refinanced. This is estimated to total € 18.6 bn (also see section 2.1). Finally, the funding need is partly reduced by an expected cash surplus of € 3.6 bn. All in all this results in a preliminary borrowing requirement for 2018 of € 53.5 bn.

Table 2.4 – Estimated borrowing requirement for 2018 (€ bn)

	Current estimate (Dec 2017)	Previous estimate (Sep 2017)
Capital market redemptions 2018	38.5	40.2
Money market ultimo 2017 (excluding cash collateral)	18.6	15.8
Cash surplus 2017 (- = surplus)	-3.6	-6.4
Total borrowing requirement 2018	**53.5**	**49.6**

Compared to the last estimate published by the DSTA (in its Outlook for Q4 2017), the borrowing requirement for 2018 is now predicted to be slightly higher. This is due to a downward revision of the cash surplus for 2018 and an upward revision of the money market volume ultimo 2017. The forecast of the cash surplus for 2018 has been updated following the new government that took office in October 2017. The expectation is that new policies, which include tax cuts and increased spending, will materialise into slightly less favourable public finances than previously expected. The higher predicted money market volume at the end of 2017 is partly the result of a somewhat lower expectation of the cash surplus for 2017. In addition, a slight increase in buybacks of DSLs maturing after 2017 has increased the call on the money market compared to the September estimate, as has a slight decrease in the amount of cash collateral the DSTA manages. Note that funding need estimates do not include potential future changes in cash collateral and DSL buybacks.

Distribution between capital and money market issuances

For 2018 the DSTA is committed to issue DSLs on the capital market within a range of € 23 bn to € 29 bn. Given an estimated borrowing requirement of € 53.5 bn this results in a money market at year end of similar proportions. As opposed to the range for capital market issuances, the range for outstanding money market instruments at year end is merely an indication. If the funding need turns out lower (higher) than has now been estimated the actual size of the money market at year end could end up below (above) this range. Especially a lower funding need than presented here is a realistic possibility considering the intention of the government to continue selling its stake in ABN Amro Bank, currently standing at 56%. Bearing this in mind, the DSTA has tried to find a good balance between capital and money market issuances in 2018.

Table 2.5 – Call on capital market and money market in 2018

	€ bn
Capital market issuance (DSLs)	23.0 – 29.0
Money market ultimo 2018	24.5 – 30.5
Total funding 2018	**53.5**

On the money market the DSTA has maximum flexibility to deal with changes in the funding need. On the capital market the DSTA is limited to the committed issuing range of € 23 bn to € 29 bn. Nevertheless, given the uncertainty in the funding need, some flexibility on the capital market can be very useful. Since the introduction in 2016, DSTA's experiences with using a range for capital market issuances (as opposed to a point estime) have been positive. Both in 2016 and 2017 the funding need turned out lower than first estimated due to a rapid recovery of the economy and additional income from the sale of state-owned enterprises. As a result, the DSTA limited its capital market issuances to the extent possible in order to not reduce the size of the money market further than necessary. For 2018, if the funding need turns out significantly lower than € 53.5 bn, capital market issuance near the lower limit of the range is most likely. However, if it does not deviate too much from € 53.5 bn or ends up significantly higher, capital market issuance is more likely to be near the upper end of the range (as this still allows for a sizeable enough money market).

Capital market issuance in 2018

Due to the healthy state of public finances, the DSTA is confronted with a structurally lower funding need than before. As mentioned earlier on in the Outlook, budget surpluses are expected for the entire four year term of the new government and debt levels are falling as a result. Whereas over the past few years the DSTA was still able to issue debt instruments annually for € 60 bn or more, the funding need now lies around € 50 bn or less.

Consequently, the DSTA has decided to slightly lower the minimum benchmark volume of new DSL-lines. For newly issued DSLs with a maturity up to and including ten years the outstanding volume will be brought to at least € 12 bn within twelve months of the launch. Moreover, in case the funding need permits, the DSTA has the possibility to increase volumes, towards the previous benchmark size of € 15 bn. Finally, for DSLs with a maturity longer than ten years the DSTA has been committed to bring the outstanding amount to at least € 10 bn (although not necessarily within twelve months). This will remain unchanged.

The DSTA has chosen to slightly reduce its benchmark size for DSLs with a maturity up to and including ten years in order to free up space for other issuances, both in 2018 and beyond. This has been consulted with primary dealers and other market participants. The expectation is that the liquidity of outstanding DSLs should remain relatively unaffected by the smaller benchmark size. If the ECB continues to reduce the scope of its Public Sector Purchase Programme, the liquidity of outstanding DSLs could even improve despite lower issuance volumes.

Through the aforementioned policy change and by committing to capital market issuances in 2018 within a range of € 23 bn to € 29 bn, the DSTA will be able to: 1) launch a new 10-year DSL, 2) reopen the DSL 2024 issue launched last October and 3) issue longer dated DSLs. Details of the 2018 DSL issues are:

1 A new 10-year benchmark bond, the DSL 15 July 2028, will be launched by means of a DDA in February or March (https://english.dsta.nl/subjects/d/dutch-direct-auction-dda). The DSTA is committed to bring the outstanding volume of this bond to a minimum of € 12 bn by the end of the year and has the option to raise it further, to a maximum of € 15 bn if the funding need permits.
2 As announced in the Outlook 2017 and before its launch last October, the 15 January DSL 2024 will be reopened in 2018 to reach an outstanding volume of at least € 15 bn before October 2018. With € 6.6 bn outstanding in this bond, a minimum of € 8.4 bn remains to be tapped in 2018. In practice this could likely turn out a little higher, and therefore for presentational purposes a figure of € 9 bn has been shown.
3 To respond to market demand and in line with DSTA's goal to lengthen the maturity of the debt portfolio, longer dated DSL(s) – in the 15- to 30-year segment – will be issued for a minimum of € 2 bn and a maximum of € 5 bn. As the uncertainty in the funding need remains relatively high, the option is left open as to whether this will be done through the reopening of off-the-run DSLs or through the launch of a new DSL.

Table 2.6 – DSL issuance in 2018

DSL issuance	Indicative amounts (€ bn)
New 10-year DSL (2028 maturity)	12 – 15
On-the-run DSL 2024	9
Issuance of longer dated DSL(s)*	2 – 5
Total DSL funding	**23 – 29**

* This could be done through the launch of a new longer dated bond (in the 15- to 30-year segment) or through the reopening of longer dated off-the-run DSLs.

Traditionally, DSL auctions will be held on the second and if needed on the fourth Tuesday of the month. Note that not every auction window will be used. The first quarter will start with the reopening of the DSL 15 January 2024 for a target volume of € 1.5 bn to € 2.5 bn. This is a slighly lower target volume than seen in past auctions and has been chosen in order to better deal with a lower funding need. The window for the DDA for the new 10-year DSL is February to March. The exact timing, target volume, and further details of the DDA will be announced at a later stage. Calendars for the remainder of the year will be published shortly before the start of a new quarter, together with DSTA's Quarterly outlooks (https://english.dsta.nl/news/publications/quarterly-outlook).

Table 2.7 – DSL calendar Q1 2018

Auction date	Details	Target volume (€ bn)
9 January	Reopening 0% DSL 15 January 2024	1.5 – 2.5
February/March*	DDA new 10-year bond: DSL 15 July 2028	To be announced

* DDA-date and target volume will be announced in due time.

Money market issuance in 2018

As usual the DSTA will have regular money market issuances through its DTCs. The schedule for 2018 follows the same general pattern as in 2017. On the first Monday of the month a new 6-month DTC-programme will be issued. This will again be tapped on the third Monday of the month, together with an earlier line that has become a 3-month programme. It is worth mentioning that, just like in 2017, there will likely be no December DTC-line in 2018 as this is a less attractive programme for many market participants. Instead, in all likelihood, the January 2019 DTC-line will be issued one month earlier than usual (making this effectively a 7-month programme at its launch).

Table 2.8 – DTC Calendar Q1 2018

Auction date	Settlement date	3-months programme	6-months programme
8 January*	10 January		29 June 2018
15 January	17 January	29 March 2018	29 June 2018
5 February	7 February		31 July 2018
19 February	21 February	30 April 2018	31 July 2018
5 March	7 March		31 August 2018
19 March	21 March	31 May 2018	31 August 2018

* Second instead of the first Monday of the month due to New Year's day on 1 January.
Note: shaded fields indicate new programmes; announcement of all auction details is on the Wednesday prior to the auction date (t-5).

2.3 Interest risk framework 2016-2019

Central to DSTA's interest risk framework is a multi-annual target of the average time to refixing of the combined debt and interest rate swap portfolio. The aim is to increase this average time to refixing to 6.4 years at the end of 2019. The following path was communicated to parliament, with a range of ±0.25 years for each of the end-of-year targets.

Table 2.9 – Committed average time to refixing path for the DSTA debt and swap portfolio (in years).

	Ultimo 2016	Ultimo 2017	Ultimo 2018	Ultimo 2019
Average time to refixing	5.5	6.0	6.3	6.4

The realised time to refixing ultimo 2016 was 5.6 years. For ultimo 2017 an average time to refixing between 6.0 and 6.1 years is expected. Hence, so far the DSTA managed to meet the targets. This has mainly been achieved through unwinding long dated receiver swaps (maturing in 2026 or later). In 2017 a total notional amount of € 4.1 billion was unwound.

The increase of the average time to refixing leads first and foremost to a reduction in long term interest rate risks. However, the composition of the existing debt and swap portfolio can still create undesirable short term interest rate risks. This potential risk is managed by a second indicator: the 12-month forward looking refixing amount. This indicator reflects the nominal amount of debt and swaps for which interest rates have to be refixed within the next twelve months. The expected value of the average refixing amount over 2017 is 15.4% of the State debt. This is below the ceiling of 18% that has been communicated to parliament.

Both the realised cash balance over 2017 and the expectations for the cash balance over the coming years are far more positive than expected at the beginning of the year. As a result, the unwinding of long dated receiver swaps will probably not remain the most appropriate tool to manage both risk indicators simultaneously. Continuing this strategy could result in an average time to refixing that is too far above the target if the 12-month refixing amount is to stay below the 18% ceiling. Therefore, starting in 2018, the DSTA will probably focus on shorter maturity swaps, either again through unwinding receiver swaps or through executing new payer swaps.

The DSTA announced in June 2017 that it has the intention to move towards a direct membership of Eurex CCP to clear interest rate swaps in the near future. Depending on contract negotiations as well as technical implementation and feasibility, it is expected that central clearing will be operational at the end of 2018 at the earliest. This means that any potential new swaps conducted in 2018 will still be through bilateral transactions.

3 Primary dealers and secondary markets

3.1 Primary dealers, Single Market Specialists and Commercial Paper Dealers in 2017 and 2018

Every year since 1999, the DSTA selects Primary Dealers (PDs) for the promotion and distribution of DSLs and DTCs, and to contribute to liquidity in the secondary market of Dutch government securities. Single Market Specialists (SMSs) fulfil this task solely for DTCs. New benchmark issuances of DSLs with a maturity of five years or more are sold directly to end-investors by means of a DDA, with the PDs acting as intermediaries. New benchmark issuances with a maturity of less than five years and reopenings of DSLs are sold to PDs through tap auctions, a multiple-price auction where the DSTA is price-setter. DTCs are distributed to both PDs and SMSs through a book building process resulting in a single-price auction. Please see our website for a more elaborate explanation on the various auction methods.

Additional short-term funding requirements are fulfilled by means of a Global Commercial Paper (GCP) programme, which is sold through selected Commercial Paper Dealers (CPDs). CPDs can be categorised into ECP dealers and USCP dealers. The CPDs are selected from the group of PDs and SMSs. In contrast to the regular debt instruments of the State, GCP is a standardised fixed income security with a flexible start and end date and with a short maturity up to a maximum of twelve months. GCP is also issued in foreign currencies. ECP is available for non-US investors and can be issued in euros, US dollars, British pounds, Swiss francs and Norwegian kroner. USCP is available for US investors and is only issued in US dollars. In 2017, the DSTA decided to issue USCP in addition to ECP (see Box 3.1 on the introduction of USCP).

Being a dealer of the DSTA entails both rights and obligations. PDs have the exclusive right to buy DSLs in tap auctions and have access to DSTA's repo and strip facility. An overview of the amount of stripped and reconstituted DSLs is available in the monthly report on DSTA's website. PDs and SMSs are obliged to provide continuous bid and offer prices for Dutch government securities, the so-called quotation obligation.

Ranking 2017

The dealers are selected based on their performance on the relevant market for Dutch State securities in the previous year, i.e. for PDs on the primary market for DSLs and DTCs, for SMSs on the primary market for DTCs and for CPDs on the markets for GCP (ECP and USCP). In addition, the DSTA analyses the business plans submitted by the (prospective) dealers. DSL rankings are based on a duration-weighted system. The weighting factors are assigned in relation to the DSL maturities and can be found in the primary dealer section of the DSTA website. In contrast, DTC and GCP rankings are based on unweighted purchase amounts in euro equivalent.

Table 3.1 – Top performers in the DSL, DTC and GCP market in 2017

Ranking	DSL	DTC	CP
1	Jefferies	ING Bank	Rabobank
2	ABN Amro Bank	Nordea	ING Bank
3	Nordea	ABN Amro Bank	Barclays
4	NatWest Markets	Commerzbank	
5	HSBC France	Citigroup	

Dealer selection 2018

The DSTA is proud to present the following PDs, SMSs and CPDs for 2018:

Table 3.2 – List of Dutch State debt dealers for 2018 in alphabetical order

Name bank	PD	SMS	ECP	USCP
ABN Amro Bank	x		x	
Barclays	x		x	x
Citigroup	x		x	x
Commerzbank		x	x	
Deutsche Bank	x			
Goldman Sachs	x			
HSBC France	x			
ING Bank	x		x	
Jefferies	x			
Natixis	x			
NatWest Markets	x		x	
Nomura	x			
Nordea	x			
Rabobank	x		x	x
Société Générale	x			

Box 3.1 – New: United States Commercial Paper

This year the DSTA introduced United States Commercial Paper (USCP). With flexible maturities, good liquidity and low funding levels this instrument complements the set of money market instruments the DSTA already had at its disposal. The DSTA now has two types of Global Commercial Paper (GCP) on offer, the other being Euro Commercial Paper (ECP), which it offers in several currencies.

The use of GCP makes cash management more flexible and therefore it aids in dealing with the short term funding need. Temporarily overfunding because of an inflexibility of longer dated funding instruments can be prevented, which reduces the need to lend deposits.

The idea to introduce USCP was consulted with market participants. The expectation was that the USCP market is a deeper and more liquid market in the ultra-short maturities than the ECP market. Other benefits of USCP distribution compared to ECP are investor diversification, with broader access to American investors, and being able to clear in Depository Trust & Clearing Corporation. Moreover, it is an alternative funding source in the event of ECP market interruptions or temporary illiquidity.

The DSTA issues its USCP to a group of three dealers, consisting of Barclays, Citigroup and Rabobank. In contrast to DTCs, USCP (and ECP) is not issued through regularly held auctions, but issuance depends on day-to-day cash needs.

Experience so far

The first USCP transaction was performed on 13 July 2017. At the end of November, a gross total of $ 34 bn was raised with USCP and an amount of $ 25 bn was issued with ECP in dollars. Almost 80% of all USCP transactions were funded in maturities shorter than a week, compared to about 20% with ECP in dollars. As expected, USCP appears to be a highly liquid instrument in the shorter maturities. At the same time funding levels are similar to ECP. Due to the current positive dollar basis, the DSTA was able to fund cash shortages at much lower yields with USCP than with euro cash deposits.

3.2 Liquidity and secondary markets

Liquidity

Liquidity, together with consistency and transparency, is at the heart of the funding strategy of the DSTA. Ensuring liquidity in DSLs and DTCs benefits both buy-and-hold and trading investors. To promote liquidity, the DSTA has a number of policies in place. First of all, the DSTA commits to raise the outstanding volume of new bonds with an initial maturity of up to ten years to a minimum of € 12 bn within the first twelve months of issuance, and for longer dated bonds to € 10 bn (although not necessarily within the first twelve months of issuance). Second, through the unique DDA auction method the DSTA ensures bonds are initially issued in sufficient size amongst a broad range of investors (both real money and other accounts), to accommodate secondary market trading of the bond. Third, in order to support its PDs in making markets in its bonds and bills, the DSTA has a repo facility in which it functions as a lender of last resort. The aim of this facility is to make sure there is a backstop for PDs ending up short in the market, so they can obtain the securities from the DSTA if they are not available in the market. In 2017 the DSTA facilitated € 6.5 bn worth of repo's (compared to € 5.1 bn in 2016). Approximately 17% was in DSLs and the remaining 83% was in DTCs.

Finally, in order to ensure liquidity in Dutch security markets, PDs quote DSLs and DTCs within a specified bid-ask spread and volume during a minimum of six hours per day: the so-called quotation obligations. This maximum bid-ask spread is set in terms of the highest of either a fixed range, or one standard deviation (sd) from the average bid-ask spread of all PDs. The fixed range is measured in basis points for DTCs and cents for DSLs, and depends on the remaining maturity of the bond. The required volume is either € 10 mn or € 5 mn, depending on the remaining maturity of the bond.

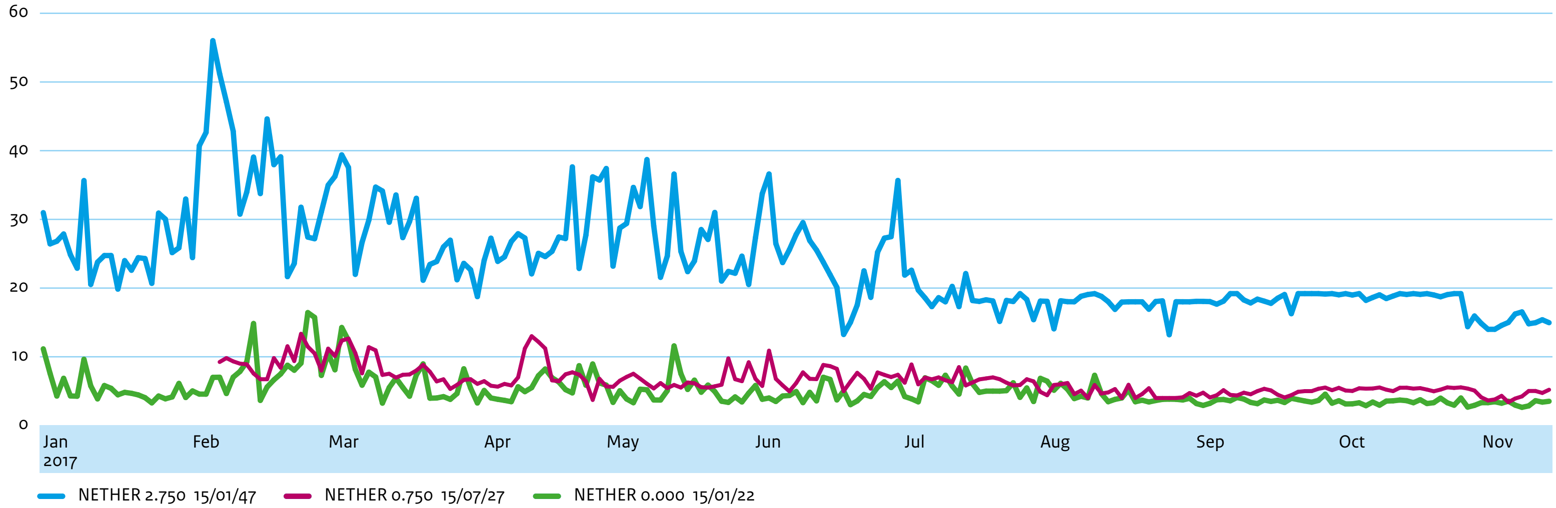
Table 3.3 – Quotation obligations

	Maximum b/o spread	Minimum quantity
DTCs	4 basis points or average b/a + 1 sd	€ 10 mn
DSLs 1¼ years to 3½ years	4 cents or average b/a + 1 sd	€ 10 mn
DSLs 3½ years to 6½ years	5 cents or average b/a + 1 sd	€ 10 mn
DSLs 6½ years to 13½ years	7 cents or average b/a + 1 sd	€ 10 mn
DSLs 13½ years to 17½ years	12 cents or average b/a + 1 sd	€ 5 mn
DSLs over 17½ years	20 cents or average b/a + 1 sd	€ 5 mn

The results of the quotation obligations outlined above lead to figure 3.1, showing the lowest quoted bid-ask spread in 2017 for the bond with the highest maturity (DSL 15 January 2047), the 10-year benchmark bond introduced this year (DSL 15 July 2027) and the 5-year bond introduced in 2016 and reopened in 2017 (DSL 15 January 2022). The figure shows the bid-ask spread of the best performing PD in terms of quotation in that bond on a particular day.

On average the tightest bid-ask spread during 2017 for the DSL 15 January 2022 was 5.12 cents, or just over 1 basis point. For the DSL 15 January 2047 the spread averaged 23.89 cents, about 0.8 basis points. In relative terms, the DSL 15 July 2027 was quoted the tightest of the three: it averaged at 6.48 cents, just over 0.7 basis points. Generally speaking, the quotation of the bonds became tighter towards the end of the year. This is in line with the declining bond volatility the market experienced in 2017.

Figure 3.1 – Lowest six hour bid-ask spread in 2017 for the DSL 2022, DSL 2027 and DSL 2047 (in € cents)



Secondary market transactions

A common reporting format for PDs is used in an effort to harmonise secondary market transaction data among debt managers in the euro area countries. The transaction data needs to be submitted according to the Euro Market Activity Report[1]. Consequently, PDs and SMSs are required to provide the DSTA with monthly data about their trades in Dutch securities in the secondary market. The transaction data contains information on DSL and DTC turnover volume, traded maturity, counterparty type, region and trading platform. This information does not cover all secondary market transactions in DSLs or DTCs because it only captures trades in which a PD is at one side (or both sides) of the trade. Moreover, transactions with the ECB in the context of its Public Sector Purchase Programme (PSPP) are excluded. Although the data does not provide a complete picture of the trade in Dutch securities, it does give an indication of trends in the secondary market.

Figure 3.2 shows the reported turnover of DSLs by our PDs in the secondary market, divided into remaining maturity categories. For each year, in order to preserve comparability, the turnover total of the first three quarters of the year is presented. The trend is that the total DSL turnover decreased

1 Information on the reporting format and client types can be found on the webpage of the European Commission: http://europa.eu/efc/euro-market-activity-report_en

from € 572 bn in 2015 to € 404 bn in 2017, partly due to lower DSL issuance. Several observations can be made in relation to the change in DSL turnover over these years:

- In June 2016 the DSTA started to issue the DSL 0% 15 January 2022 with an effective maturity of 5.5 years. This could partly explain the relatively high DSL turnover in the > 5-7 year segment in 2016. In 2017, this on-the-run bond was reopened several times, having an effective maturity of less than 5 years. This likely contributed to the relatively high DSL turnover in the > 3-5 year segment in 2017 compared to 2016.
- In the >3-5 year segment the decrease in DSL turnover from 2015 to 2016 could stem from the lack of issuance in both the 3-year and the 5-year segment in 2016.
- Turnover is highest in the 7- to 10-year segment, partly due to DSTA's commitment to issue a new 10-year bond annually. The decrease in DSL turnover from 2015 to 2016 has likely been affected by the decrease in free float in bonds due to the ECB's PSPP.

Figure 3.2 – Reported DSL turnover Q1-Q3 by remaining maturity (€ bn)

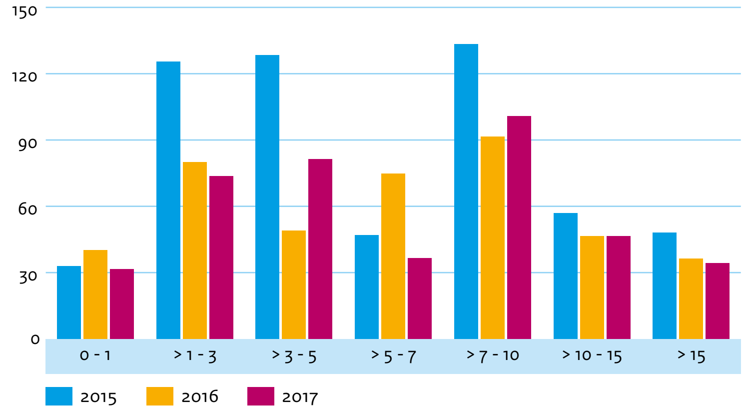
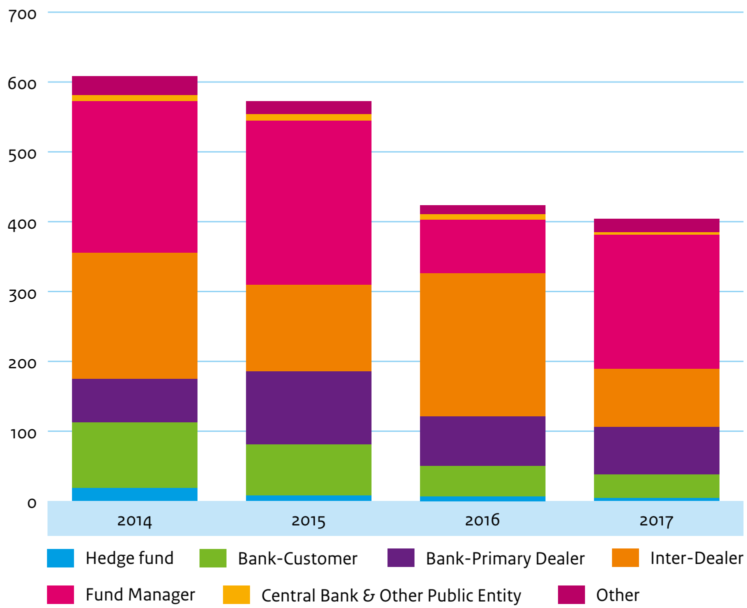


Figure 3.3 shows the reported DSL turnover in relative terms for Q1-Q3, by investor type. In 2017 most trades were directed towards fund managers and less towards inter-dealer compared to the year before. Also, the total amount sold directly to customers has decreased over time.

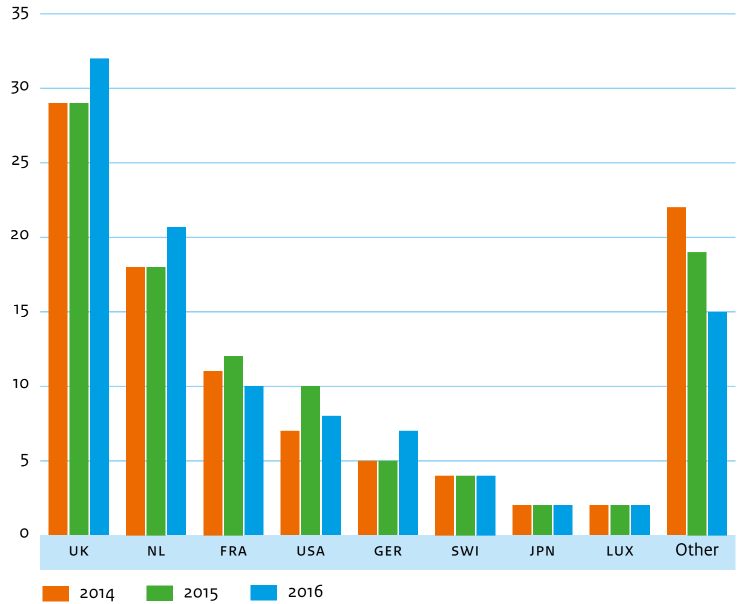
A geographical breakdown of activity of investors on the secondary market, excluding inter-dealer transactions, is shown in figure 3.4. The United Kingdom (UK) and the Netherlands (NL) had the largest shares of secondary market activity in Dutch securities, at respectively 27.1% and 20.3%. However, their shares have come down somewhat in 2017 compared to 2016 while most other countries showed a slight increase.

Figure 3.3 – Reported DSL turnover by investor type, 2014-2017 Q1-Q3 (in € bn)*



* Descriptions of the various investor types can be found in the Harmonised Reporting Format (2014) of the European Commission.

Figure 3.4 – Reported DSL turnover per country, 2014-2016 Q1-Q3 (% of total, excluding inter-dealer transactions)



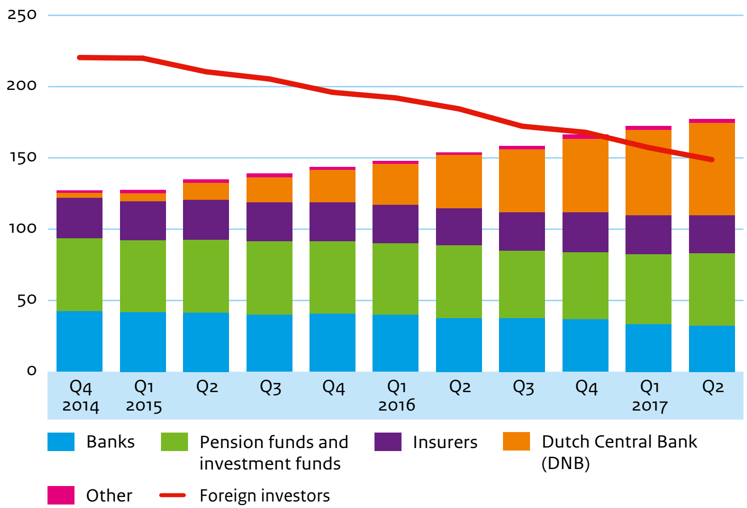
Box 3.2 – Dutch government securities holdings

The Dutch Central Bank (DNB) began publishing quarterly statistics on Dutch government securities holdings on their website this year. The data contains the total investor holdings, and a breakdown by residual maturity, going back to the last quarter of 2014.

Figure 3.5 shows the holdings of Dutch government securities since the last quarter of 2014, split between foreign and domestic investors. For domestic holdings a further breakdown is shown between various investor categories. The eligible securities are DSLs, DTCs and ECP. The table shows an increase in DNB holdings of DSLs from around € 3 bn in the last quarter of 2014 to almost € 65 bn in the second quarter of 2017. This significant increase is mainly driven by the ECB's Public Sector Purchase Programme (PSPP), which started in the first quarter of 2015, and came largely at the expense of foreign investor holdings. DNB holdings are held to maturity, which limits the availability of tradeable DSLs.

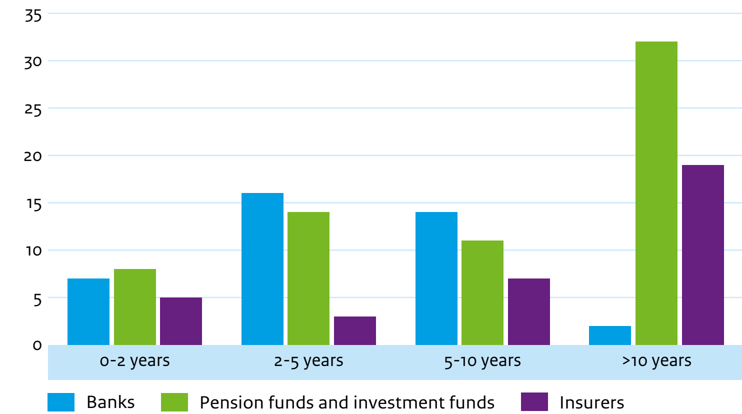
A breakdown by residual maturity reveals that Dutch government bonds with long residual maturities are especially popular among Dutch pension and investment funds, followed by insurers. This is not surprising given that these entities generally have liabilities with a relatively long duration. In the second quarter of 2017, pension and investment funds hold 32% and insurers hold 19% of DSLs with a residual maturity longer than ten years. In contrast, holdings of domestic banks are more concentrated in the maturity segments of two to ten years.

Figure 3.5 – Holdings of Dutch government securities (in € bn), Q2 2017



Source: Dutch Central Bank (DNB), November 2017

Figure 3.6 – Domestic sector holdings as a percentage of all outstanding Dutch government securities, Q2 2017



Source: Dutch Central Bank (DNB), November 2017

Statistical appendix

1 Changes in long-term debt in 2017

In thousands of euros

Positions as of 31 December 2016		325,288,879
New issues in 2017		
Public bonds	32,534,203	
Private placements	51	
Redemptions in 2017		
Regular redemptions		
Public bonds	36,674,529	
Private placements*	**2,076,703**	
Early redemptions		
Public bonds	4,340,357	
Private placements	**17,014**	
Position as of 30 November 2017		**314,714,530**

* Including exchange rate movements on debt of the Netherlands Antilles that has not yet been redeemed.

2 Interest rate swaps

Positions as of 30 November 2017, in millions of euros

Bucket (year of maturity)	Net nominal amount	Pay or receive* (net)
2017	2,439	Pay
2018	7,684	Pay
2019	14,232	Pay
2020	17,825	Pay
2021	27,834	Pay
2022	3,738	Pay
2023	18,166	Receive
2024	15,315	Receive
2026	1,328	Receive
2027	3,900	Receive
2028	3,377	Receive
2032	16	Receive
2033	1,708	Receive
2035	2,468	Receive
2036	400	Receive
2037	1,510	Receive
2042	4,104	Receive
2055	33	Receive
Net total	**21,427**	**Pay**

* Receiver swaps are swap contracts in which the Dutch State receives a fixed interest rate and pays a floating interest rate. Payer swaps are swap contracts in which the Dutch State pays a fixed interest rate and receives a floating interest rate.

3 Key figures of individual bonds in 2017

In thousands of euros

	Total	Issues	Redemptions	Total	ISIN-code
	31-12-2016			30-11-2017	
2.50 pct DSL 2011 due 15 January 2017	10,686,920		10,686,920		NL0009819671
1.00 pct DSL USD 2012 due 24 February 2017	2,511,619		2,511,619		XS0749484217
0.50 pct DSL 2014 due 15 April 2017	11,474,000		11,474,000		NL0010661930
4.50 pct DSL 2007 due 15 July 2017	12,571,990		12,571,990		NL0006007239
1.25 pct DSL 2012 due 15 January 2018	13,628,425		927,000	12,701,425	NL0010200606
0.00 pct DSL 2015 due 15 April 2018	13,724,000		1,535,000	12,189,000	NL0011005137
4.00 pct DSL 2008 due 15 July 2018	14,709,020		1,308,000	13,401,020	NL0006227316
1.25 pct DSL 2013 due 15 January 2019	15,321,224			15,321,224	NL0010514246
4.00 pct DSL 2009 due 15 July 2019	14,671,398			14,671,398	NL0009086115
0.25 pct DSL 2014 due 15 January 2020	15,318,184			15,318,184	NL0010881827
3.50 pct DSL 2010 due 15 July 2020	15,069,615			15,069,615	NL0009348242
3.25 pct DSL 2011 due 15 July 2021	16,493,985			16,493,985	NL0009712470
0.00 pct DSL 2016 due 15 January 2022	7,976,112	7,404,000		15,380,112	NL0011896857
2.25 pct DSL 2012 due 15 July 2022	15,252,147			15,252,147	NL0010060257
3.75 pct DSL 2006 due 15 January 2023	4,263,000			4,263,000	NL0000102275
7.50 pct DSL 1993 due 15 January 2023	8,241,489			8,241,489	NL0000102077
Principal 15 January 2023	1,565,000			1,565,000	NL0000103000
1.75 pct DSL 2013 due 15 July 2023	15,825,963			15,825,963	NL0010418810
0.00 pct DSL 2017 due 15 January 2024		6,572,277		6,572,277	NL0012650469
2.00 pct DSL 2014 due 15 July 2024	15,315,132			15,315,132	NL0010733424
0.25 pct DSL 2015 due 15 July 2025	15,220,159			15,220,159	NL0011220108
0.50 pct DSL 2016 due 15 July 2026	15,113,051			15,113,051	NL0011819040
0.75 pct DSL 2017 due 15 July 2027		15,380,926		15,380,926	NL0012171458

	Total	Issues	Redemptions	Total	ISIN-code
	31-12-2016			30-11-2017	
5.50 pct DSL 1998 due 15 January 2028	13,028,814			13,028,814	NL0000102317
2.50 pct DSL 2012 due 15 January 2033	12,463,900	1,092,000		13,555,900	NL0010071189
4.00 pct DSL 2005 due 15 January 2037	14,848,427			14,848,427	NL0000102234
3.75 pct DSL 2010 due 15 January 2042	15,331,910			15,331,910	NL0009446418
2.75 pct DSL 2014 due 15 January 2047	11,163,187	2,085,000		13,248,187	NL0010721999
2½ pct Grootboek	9,769		261	9,508	NL0000006286
3½ pct Grootboek	2,877		92	2,784	NL0000002707
3 pct Grootboek	174		3	171	NL0000004802
	321,801,491	**32,534,203**	**41,014,886**	**313,320,808**	

4 Short-term debt and eonia swaps in 2017

In millions of euros

Key figures of T-bills	Total	Issues	Expirations	Total	ISIN-code
	31-12-16			**30-11-17**	
DTC 2017-01-31	5,150		5,150		NL0011983366
DTC 2017-02-28	4,480		4,480		NL0011999628
DTC 2017-03-31		2,740	2,740		NL0012145825
DTC 2017-04-28	2,780	1,170	3,950		NL0012061139
DTC 2017-05-31	2,880	1,140	4,020		NL0012088496
DTC 2017-06-30		3,270	3,270		NL0012145833
DTC 2017-07-31		4,240	4,240		NL0012171409
DTC 2017-08-31		3,650	3,650		NL0012224786
DTC 2017-09-29		4,070	4,070		NL0012237622
DTC 2017-10-31		4,450	4,450		NL0012294524
DTC 2017-11-30		3,510	3,510		NL0012333876
DTC 2018-01-31		4,750		4,750	NL0012375364
DTC 2018-02-28		3,270		3,270	NL0012623987
DTC 2018-03-29		2,730		2,730	NL0012650303
DTC 2018-04-30		2,590		2,590	NL0012650733
	15,290	**41,580**	**43,530**	**13,340**	

Commercial Paper	Total	Issues	Expirations	Total
	31-12-16			**30-11-17**
CP EUR		6,793	6,793	
CP USD	1,315	90,059	91,374	
CP GBP		568	568	
CP CHF				
CP NOK		969	969	
	1,315	**98,388**	**99,703**	**0**

Other short-term debt	Total	Issues	Expirations	Total
	31-12-16			**30-11-17**
Deposit borrow	2,604	262,662	264,466	800
Deposit lend		-35,290	-35,290	
Deposit borrow USD		15,507	15,254	253
Eurex repo		-23,732	-23,732	
Buy Sell Back		-1,209	-1,209	
Sell Buy Back	44	6,613	6,641	16

Eonia swaps (position as of 30 November 2017)		
Bucket (year of maturity)	**Net nominal amount**	**Pay or receive (net)**
2017	0	Receive
2018	13,340	Receive

Photo captions


Munsterplein with Munster Church in Roermond. (p 24)


Frisian street festival in Leeuwarden. (p 20)


The well-known book market in Deventer. (p 28)


Vrijthof in Maastricht. (p 1)


Market square and abbey tower *'Lange Jan'* in Middelburg. (p 10)


SAIL Amsterdam (Europe's biggest free maritime event). (p 22)


Tram crosses Erasmus Bridge in Rotterdam while water taxi passes below. (p 31)


Construction of a new parking garage at Korte Voorhout in The Hague. (p 4)


Paddle boat in a city canal in Utrecht with Dom Tower in the background. (p 11)


'Vierdaagse' in Nijmegen (largest multiple day marching event in the world). (p 25)


Bicycle frenzy between Grote Markt and Vismarkt in Groningen. (p 5)


Het Plein in The Hague with various ministries in the background. (p 12)


Interior of railway station in Rotterdam with travellers on the move. (p 23)


Former industrial park Strijp-S in Eindhoven during Dutch Design Week. (p 34)


Relaxing in front of Hotel New York in Rotterdam. (p 7)


Busy terraces by the water of the Aalmarkt in Leiden. (p 13)


Hustle and bustle at the Damstraat in Amsterdam. (p 39)


Shopping street Fnidsen in the old city centre of Alkmaar. (p 15)

Highlights of the DSTA Outlook 2018

- Capital market funding in 2018: Target range between € 23 bn and € 29 bn.
- DSL auction date options on the second and fourth Tuesday of the month.
- Reopening of DSL 2024 for approximately € 9 bn starting in January.
- Launch of new 10-year DSL (maturity 2028) via DDA in February/March; minimum committed volume of € 12 bn before end of year.
- Issuance of long dated DSLs – through reopening off-the-runs or launching a new long dated DSL – for a total of € 2-5 bn; probably in second half of the year.
- Estimated money market volume end 2018 (excl. cash collateral) of € 24.4-30.4 bn.
- DTC auctions every first Monday of the month a 6-month programme and every third Monday a 3- and 6-month programme.
- Regular updates of borrowing requirement, funding plan and Dutch economy and budget through Quarterly outlooks. (https://english.dsta.nl/news/publications/quarterly-outlook)

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The cut-off date for data in the Outlook 2018 is 30 November 2017, unless otherwise specified.

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15 December 2018