



State Treasury
Republic of Finland

Quarterly Review Q1/2026

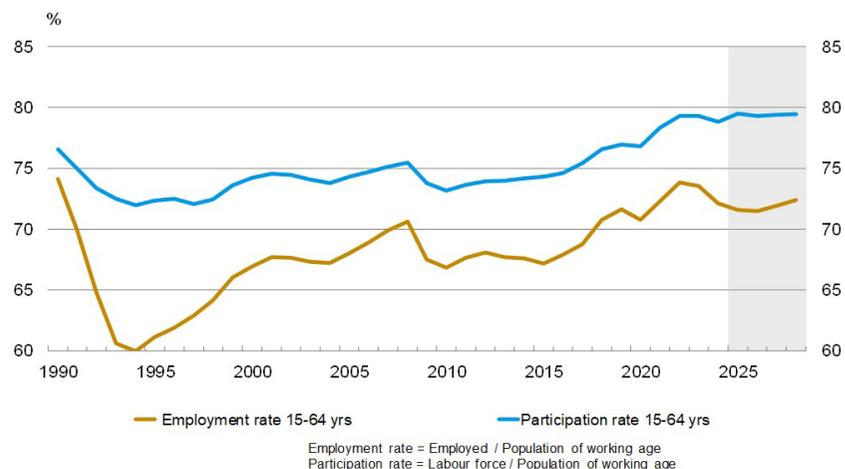
31 March 2026

- In Q2, the State Treasury is planning to issue a second new euro benchmark bond of the year, likely in a 10-year maturity.
- Auction dates for Q2 have been published
- 55% of the annual long-term funding is expected to be completed by the end of June.
- Finland's economy returned to positive growth at the end of 2025. Recent forecasts suggest that growth will continue through 2026–2027, although geopolitical uncertainty has led to downward revisions. The median estimate for GDP growth is 1% for 2026 (previously 1.3%) and 1.5% for 2027 (previously 1.5%).
- The Ministry of Finance will publish its next forecast on 30 April.

REPUBLIC OF FINLAND CREDIT RATING:

S&P Global Ratings: **AA+ (stable outlook)**

Employment and participation rate



Sources: Statistics Finland, MoF

OUTLOOK FOR THE FINNISH ECONOMY AND PUBLIC FINANCES

After a modest 2025, when Finland's GDP grew by only 0.2%, the economy has begun to strengthen, and recent forecasts indicate that this moderate improvement will continue through 2026–2027. Growth projections for this year range from 0.6% to 1.5%, and for next year from 1.4% to 1.9% ([Danske Bank](#), [Bank of Finland](#), [ETLA Economic Research](#)). In Bloomberg Survey conducted after mid-March, the median estimate for Finnish economic growth was 1% for 2026 (prior 1.3%) and 1.5% for 2027 (prior 1.5%). The outlook has become more cautious than in previous forecasts, as geopolitical uncertainty and rising energy prices have led to downward revisions.

Inflation is expected to pick up slightly due to higher energy costs but remain moderate by international comparison, at around 1.6–1.9% in 2026. Price pressures are expected to ease again if disruptions in energy markets prove temporary. The labour market remains weak, yet the trend is improving: unemployment is projected to stay high this year, at roughly 9.9–10.2%, before gradually declining as economic activity strengthens. The expanding

labour force has pushed the figure up more than the underlying employment situation would suggest.

Finland's economic growth is supported above all by a rebound in industrial activity, recovering investment, and strengthening household purchasing power. Industrial order books have grown, export prospects have improved, and Finland's cost competitiveness remains solid. Investment is increasing in areas such as data centres, green transition projects, and defence. Rising real wages and slowly improving employment are boosting household purchasing power, helping private consumption to recover.

Although the general government deficit narrowed to 3.4% in 2025 (from 4.4% in 2024), the outlook for public finances remains challenging. Public finances will continue to be weighed down by rising defence expenditure, higher interest costs, and moderate growth prospects. At the end of 2025, the general government debt to GDP ratio stood at 88.5%, while the central government debt ratio was 66.7%.

The Finnish government will negotiate the General Government Fiscal Plan for 2027–2030 during its mid term budget session on 21–22 April. The Ministry of Finance will publish its spring forecast for the Finnish

SERIAL BOND (RFGB) AND TREASURY BILL (RFTB) AUCTIONS IN Q1/2026

INSTRUMENT	AUCTION DATE	MATURITY	ISSUED AMOUNT	ISSUE YIELD	BID-TO-COVER
RFTB	7 Jan 2026	13 Aug 2026	875	2.030%	1.74
RFTB	7 Jan 2026	13 Nov 2026	1,125	2.050%	1.37
RFGB	5 Feb 2026	15 Sep 2030	25	2.543%	13.0
RFGB	5 Feb 2026	15 Apr 2045	66	3.716%	7.44
RFTB	10 Feb 2026	13 Aug 2026	793	1.995%	2.26
RFTB	10 Feb 2026	13 Nov 2026	1,205	2.020%	1.56
RFGB	17 Feb 2026	15 Sep 2035	956	2.990%	1.72
RFGB	17 Feb 2026	15 Apr 2041	545	3.425%	1.66
RFTB	10 Mar 2026	13 Nov 2026	725	2.160%	2.17
RFTB	10 Mar 2026	15 Feb 2027	1,260	2.250%	1.17
RFGB	17 Mar 2026	15 Sep 2031	867	2.840%	1.73
RFGB	17 Mar 2026	15 Sep 2034	600	3.104%	2.00
RFGB	26 Mar 2026	15 Apr 2029	385	2.860%	1.96
RFGB	26 Mar 2026	15 Apr 2036	-	-	-

economy on 30 April.

REVIEW OF TREASURY OPERATIONS, JANUARY TO MARCH 2026

Republic of Finland's first syndicated issue of the year on 21 January was a new EUR 3 billion benchmark bond maturing on 15 April 2041. The 15-year tenor attracted solid demand with an order book in excess of EUR 25 billion from 160 investors, marking the highest demand ever for Finland's issuance in this maturity. The bond was priced at 47 bps over the euro mid-swap curve with a re-offer yield of 3.586%. The bond pays an annual coupon of 3.55%.

On 5 February, the Republic of Finland returned to the SEK market for the first time in a decade, issuing a SEK 3.5 bn bond due 15 April 2036 under its EMTN programme. The bond was sold to a small group of investors at a price of 28.5 bps over mid-swaps, resulting in a re-offer yield of 3.23%.

In Q1, the Republic of Finland conducted auctions of serial bonds and euro-denominated Treasury bills. The results of these auctions are summarised above.

These include two optional reverse inquiry (ORI) serial bond auctions conducted on 5 February and 26 March.

In addition to auctions, the tap window for USD- and EUR denominated Treasury bill issuance was opened on a number of occasions in Q1. Tap issuance volumes amounted to USD 1,150 million and EUR 3,215 million, respectively.

NEAR-TERM OUTLOOK FOR THE PERIOD OF APRIL TO JUNE 2026 AND BEYOND

Following the first supplementary budget proposal for 2026, dated 5 February, the net borrowing requirement is estimated at EUR 13.062 billion, resulting in a gross borrowing amount of EUR 44.204 billion.

FURTHER INFORMATION:

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Approximately EUR 27.3 billion of this amount is expected to be covered with long-term debt, and the rest (16.9 billion) with short-term debt.

In Q2, the State Treasury is planning to issue a second new euro benchmark bond, likely in a 10-year maturity. The long-term funding operations are expected to include three euro benchmark bond tap auctions during the quarter. The State Treasury estimates to complete about 55% of the above annual long-term funding by the end of June.

The next bond auction is expected to take place on 21 April 2026. Further details on the auction and an updated auction calendar are published on: [Serial Bond Auctions](#). The auction calendar for Q2 includes one ORI auction date.

As in previous years, bonds may be issued under the EMTN programme to complement the funding in euro benchmark bonds during the year, market conditions permitting.

The next auction of euro-denominated Treasury bills will take place on 14 April 2026. The auction will be arranged in the Bloomberg Auction System and is open to the RFTB dealer group. Further information on Treasury bill auctions and a quarterly updated auction calendar will be published on: [Treasury bill auctions](#).

In addition to Treasury bill auctions, a tap issuance window may open during Q2. The timing of the Treasury bill issuance is subject to the liquidity position and refinancing needs of the central government. Treasury bills are issued in euros and US dollars.

The next Quarterly Review will be published on 26 June 2026.