

Q1 2026

# Government Bond Data Report

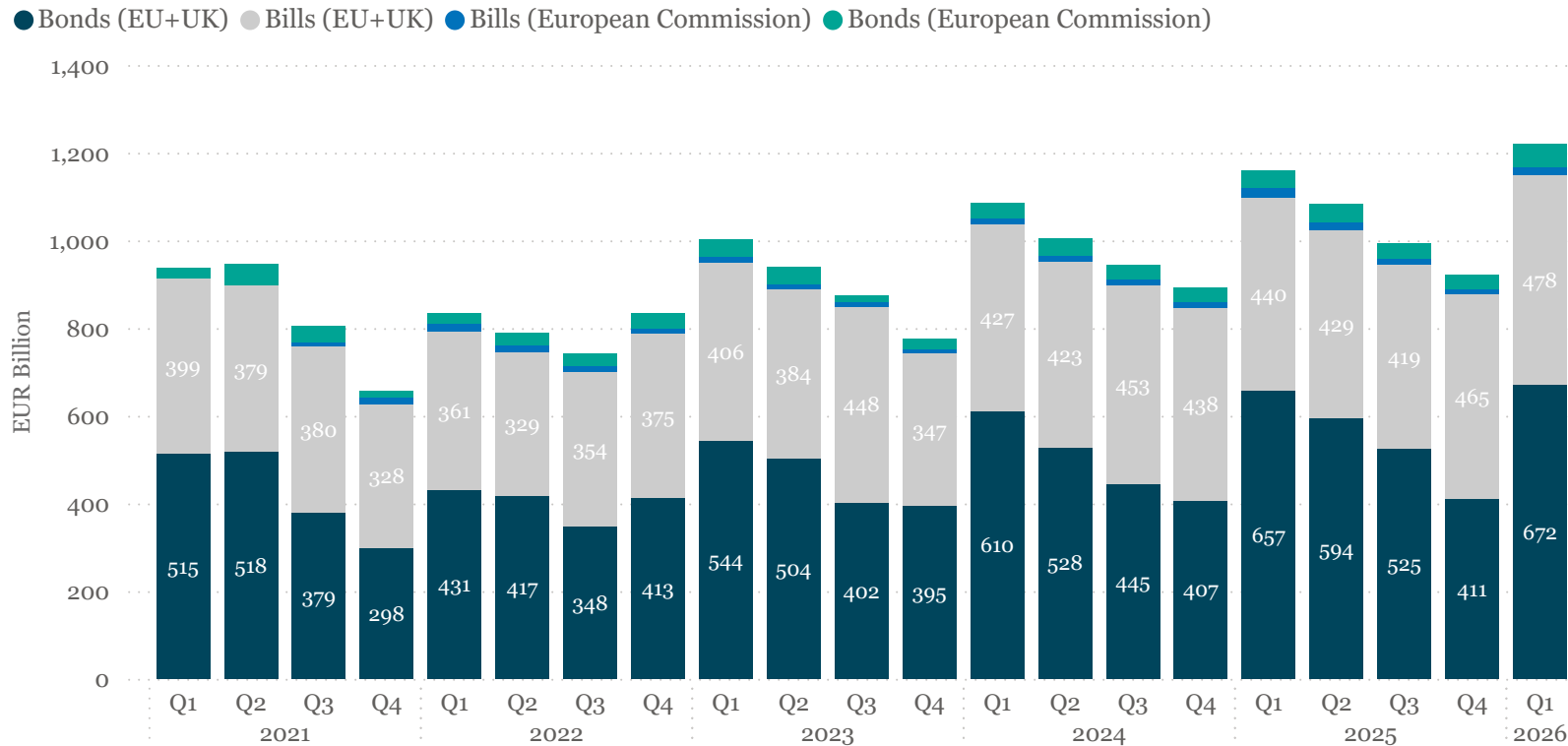
*European market data update*

# afme / Contents

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# afme / Highlights and Market Environment

## 1. European (EU+UK) government bond and bill issuance (2021-2026)



Source: ECB, National Debt Management Offices and UK Debt Management Office.

<sup>1</sup>Total EU+UK bond and bill issuance and percentage changes may show minor variations, including to that shown in Chart 1, due to rounding.

## Record European sovereign debt issuance in Q1 2026

Total quarterly gross issuance in Europe (EU Member States, UK and EU Commission) was EUR 1,220 bn during 1Q26, up 5.2% compared to 1Q25 (YoY) and up 32.4% from 4Q25 (QoQ). Total (bond and bill) issuance in 1Q26 continued at historically high levels with volumes (including EU Commission issuance) representing the highest first-quarter total on record (*see Chart 1*) and the second-highest quarterly total overall, surpassed only by Q2 2020 (EUR 1,343 bn).

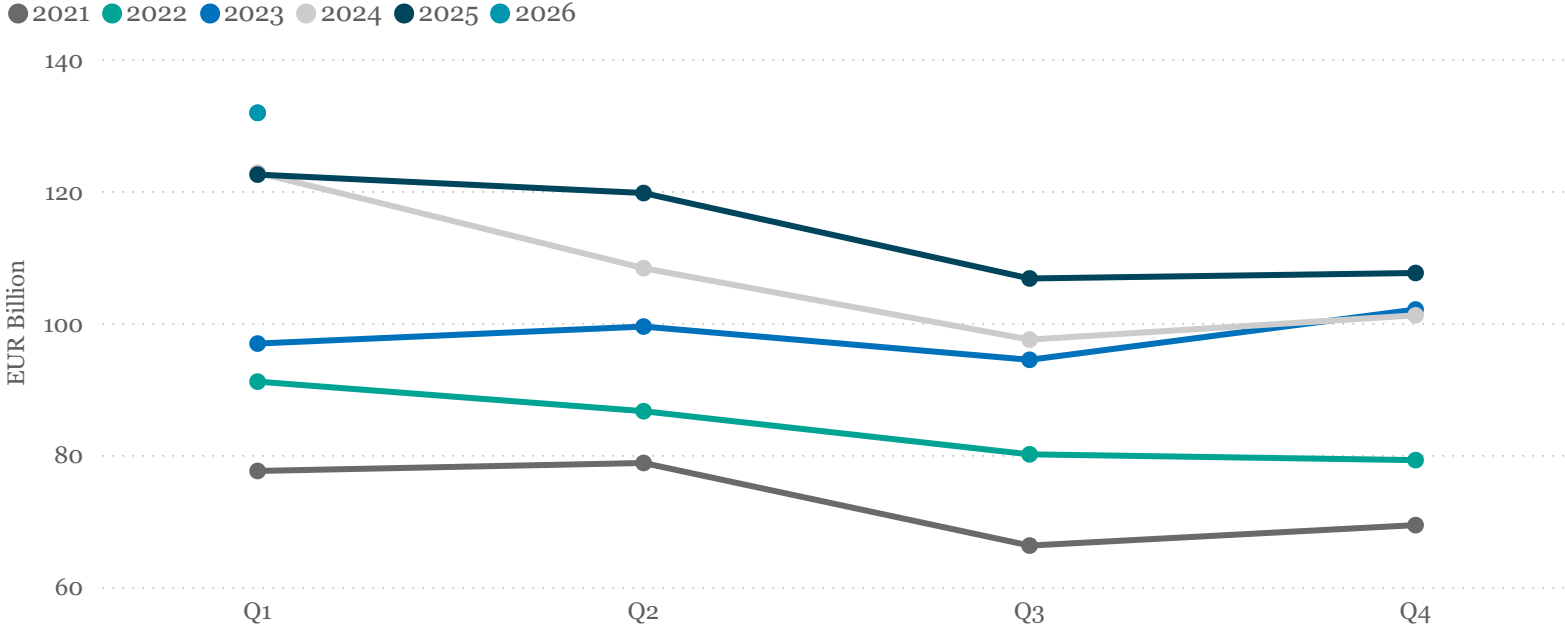
Excluding institutional issuance from the EU Commission, EU Member States and the UK issued EUR 1,149 bn in bonds and bills during 1Q26<sup>1</sup>, representing an increase of 4.8% (YoY) and an increase of 31.1% (QoQ).

The year-on-year increase in European sovereign debt issuance in 1Q26 was driven primarily by euro area bill issuance, which increased by 17.2% compared to 1Q25, alongside euro area bond issuance, which rose by 9.5%. In contrast, non-euro area bond and bill issuance declined by 17.1% and 16.1%, respectively.

The EU Commission issued EUR 52 bn in EU-bonds and EUR 18 bn in EU-bills during 1Q26, representing 5.8% of total European sovereign issuance, up from 4.9% in 4Q25, and from 5.4% in 1Q25.

# afme / Highlights and Market Environment

## 2. European Government bond average daily trading volumes



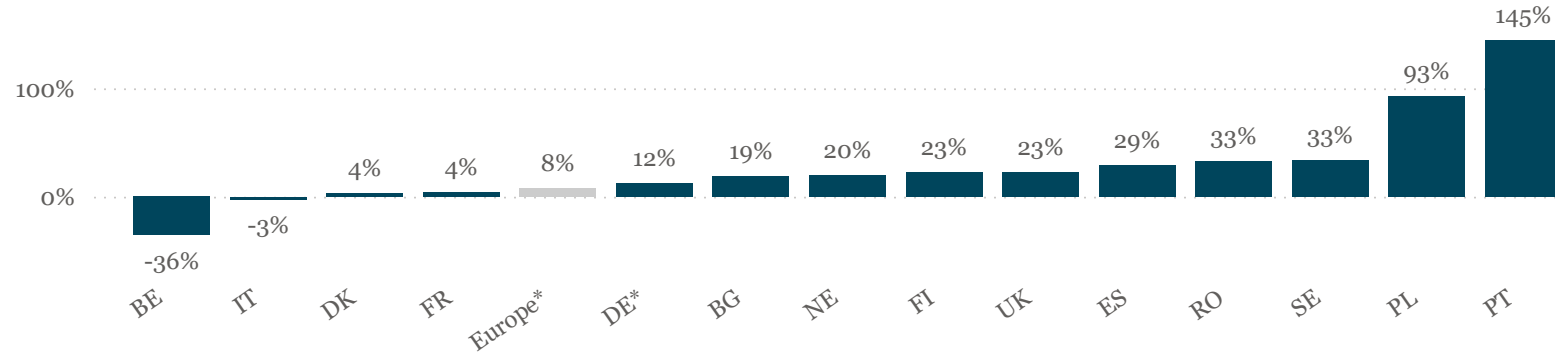
Source: MarketAxess TraX

### Record European sovereign debt trading volume in Q1 2026

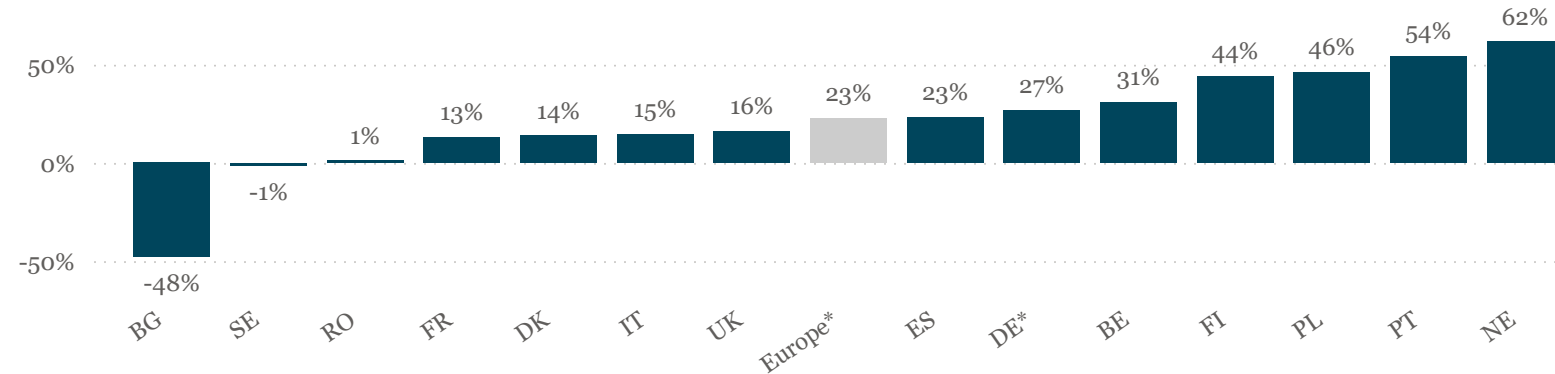
Highest average daily trading volume in European (EU+UK) government bonds recorded during Q1 2026 according to TraX data from MarketAxess, with average traded volumes increasing by 8% YoY and 23% QoQ. This represents the highest average quarterly daily traded volume on record (since 2014).

# afme / Highlights and Market Environment

## 3. Annual changes in Government Bond average daily trading volumes (1Q26 vs 1Q25) Selected European jurisdictions



## 4. Quarterly changes in Government Bond average daily trading volumes (1Q26 vs 4Q25) Selected European jurisdictions



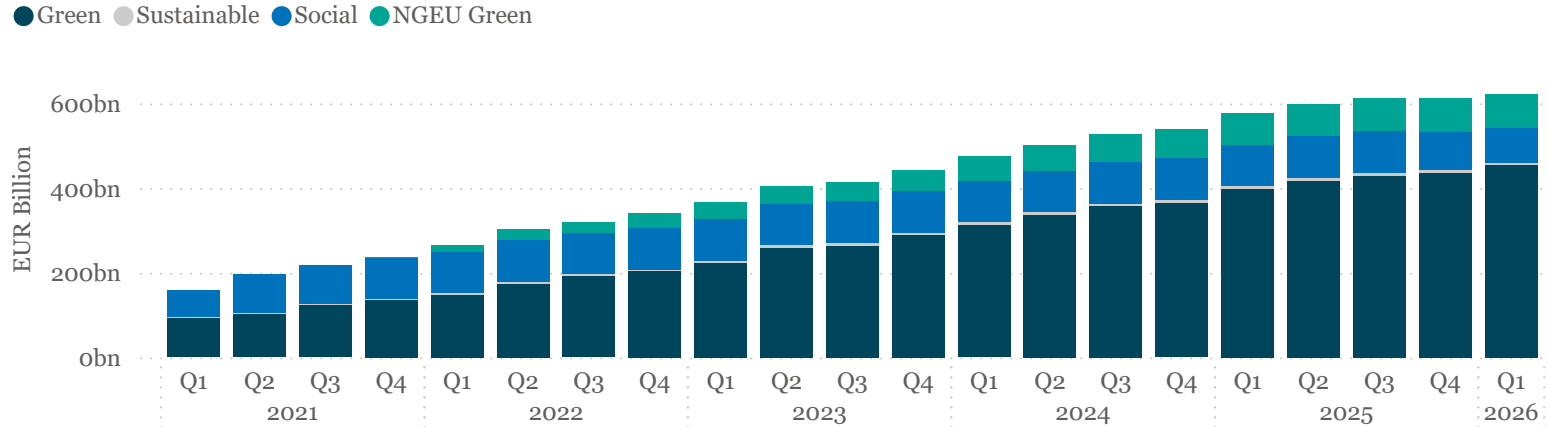
**European government bond trading increased 8% YoY and 23% QoQ in Q1 2026**

**Average daily trading volumes** of European government bonds were driven by an increase in trading in Portugal (145% YoY), Poland (93% YoY), Sweden (33% YoY), Romania (33% YoY), Spain (29% YoY), the UK (23% YoY), Finland (23% YoY), the Netherlands (20% YoY), Bulgaria (19% YoY), Germany (12% YoY) and France (4% YoY). There was a decrease in trading in Belgium (-36% YoY) and Italy (-3% YoY) (see Chart 3).

Source: AFME with information from European DMOs and other agency sources and MarketAxess TraX.  
\*Europe (EU+UK) total and German turnover is sourced from MarketAxess TraX as the quarterly variation of average daily volumes of government and sovereign bonds.

# afme / Highlights and Market Environment

## 5. European outstanding ESG sovereign bonds (2021-2025)

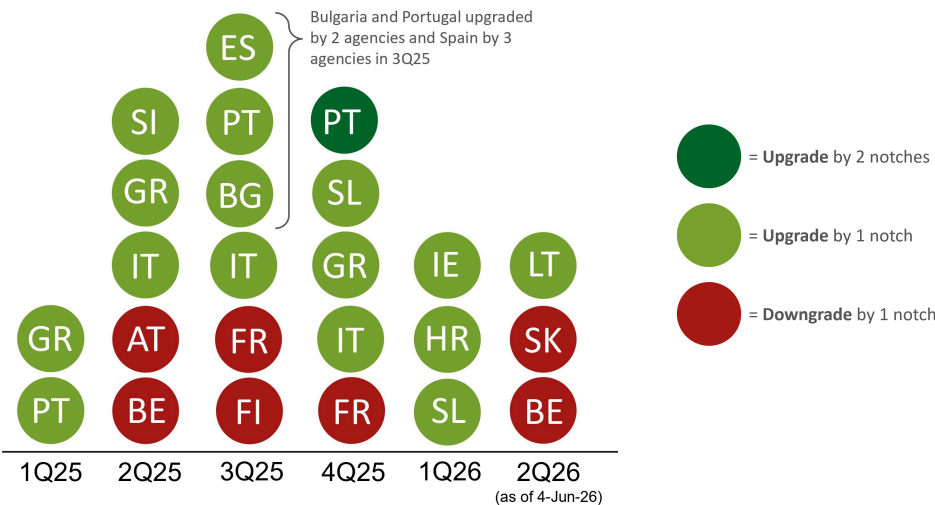


## Outstanding amount of European government ESG bonds reached EUR 622.1 bn in Q1 2026

The outstanding amount of ESG government bonds reached EUR 622.1 bn during Q1 2026 (see Chart 5), with volumes driven by new green references issued by the UK (EUR 7.1 bn), Germany (EUR 4.0 bn), Hungary (EUR 3.0 bn), Austria (EUR 2.6 bn) and Poland (EUR 0.3 bn). Green volumes were further supported by tap issuance by Italy (EUR 5.0 bn) and the Netherlands (EUR 2.2 bn).

The European Commission issued EUR 1.9 bn in Q1 2026, via tap issuance of an existing green reference.

## 6. European rating actions on long-term sovereign credit ratings (2024-2026Q1)



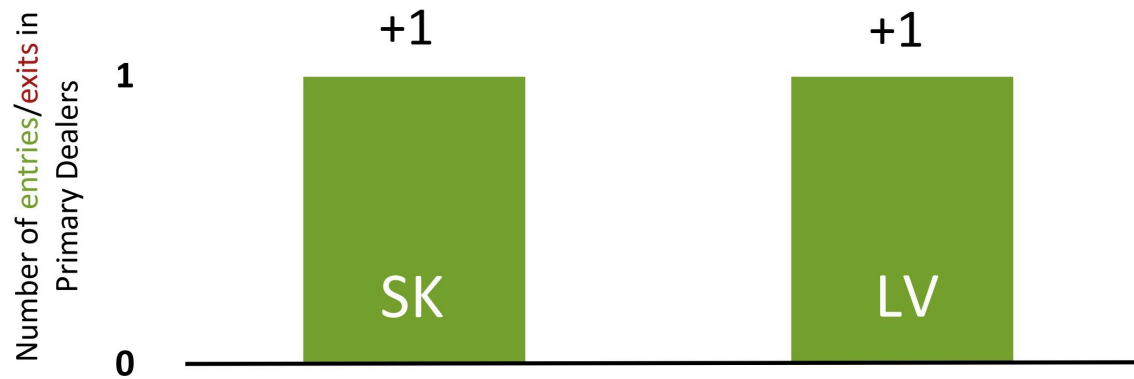
## During Q1 2026 there were 3 upgrades and no downgrades in long term credit rating changes for European sovereigns

This was followed by 1 further upgrade and 2 downgrades in 2Q26, bringing the 2026 year-to-date total to 4 upgrades and 2 downgrades (see Chart 6)<sup>3</sup>.

<sup>3</sup>Data as of 4 June 2026. Source: Refinitiv Eikon, European Commission [Chart 5]. Fitch, Moody's, S&P [Chart 6].

# afme / Highlights and Market Environment

## 7. Changes in numbers of Primary Dealers across European countries and the EU PDN (January 2026 - March 2026)



Source: AFME HRF Table and National DMOs. Latest data as of March 2026.

**There were 2 entries and no exits in European primary dealerships from January 2026 to March 2026 with a net change of +2**

Changes in primary dealership from January 2026 to March 2026 affected sovereign debt markets in Slovakia and Latvia (*see Chart 7*).

This follows 3 entries and no exits of banks in total to primary dealer systems in Austria, the Netherlands and Slovakia from December 2025 to January 2026.

After the most recent changes, there are now 10 primary dealers in the Slovakian sovereign market, representing the highest number of active participants since September 2022. In Latvia, the recent entry of a primary dealer has increased the number of active participants in the sovereign market to 6, the highest on record (since January 2016).

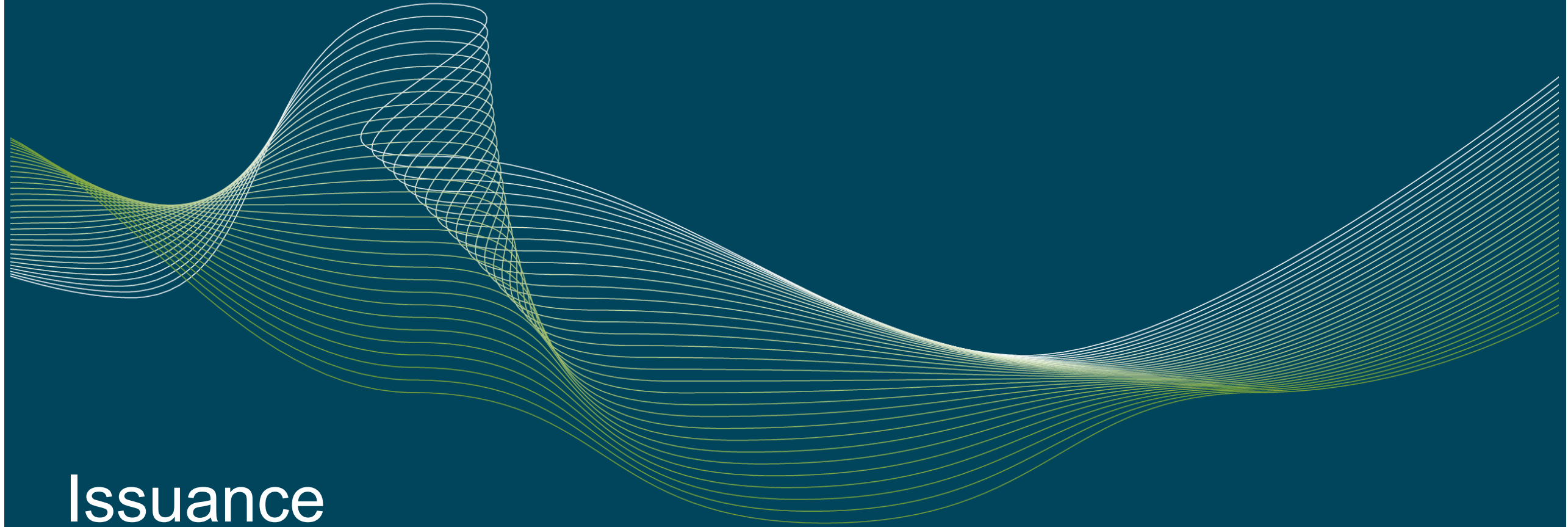
# afme / Regulatory Update

Major upcoming regulatory, legislative and policy initiatives

There are several regulatory initiatives currently being considered at the European and national level with expected impact on the government bond markets. Some of the key initiatives recently implemented or soon to be applied include:

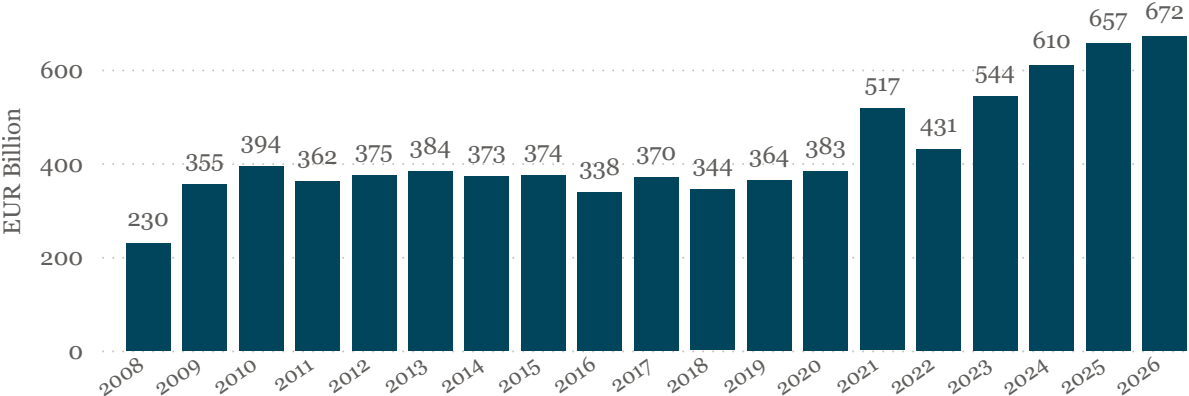
- Basel III
- CSDR
- EU T+1 Settlement
- Fundamental Review of the Trading Book (FRTB)
- Prospectus Regulation
- MiFIR - Launch of EU Bond consolidated tape

AFME and its members actively contribute on all of these and other initiatives.

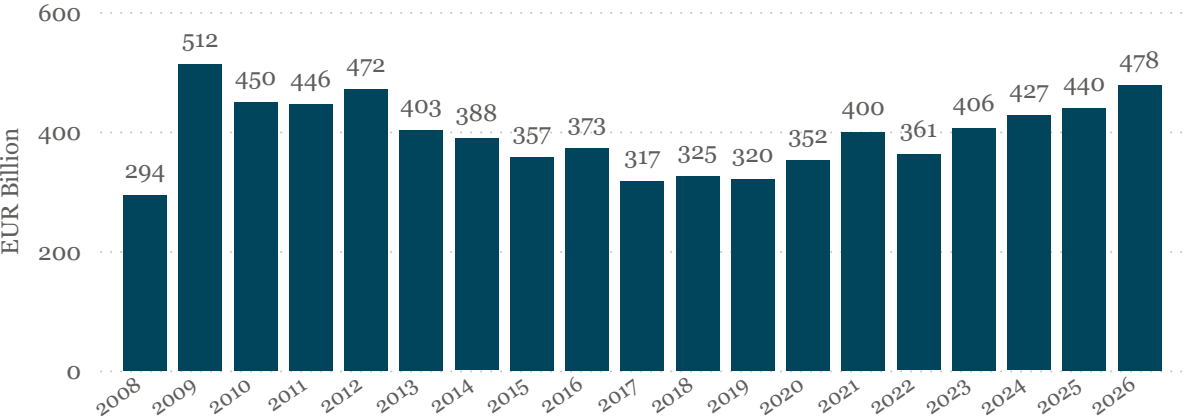


# Issuance

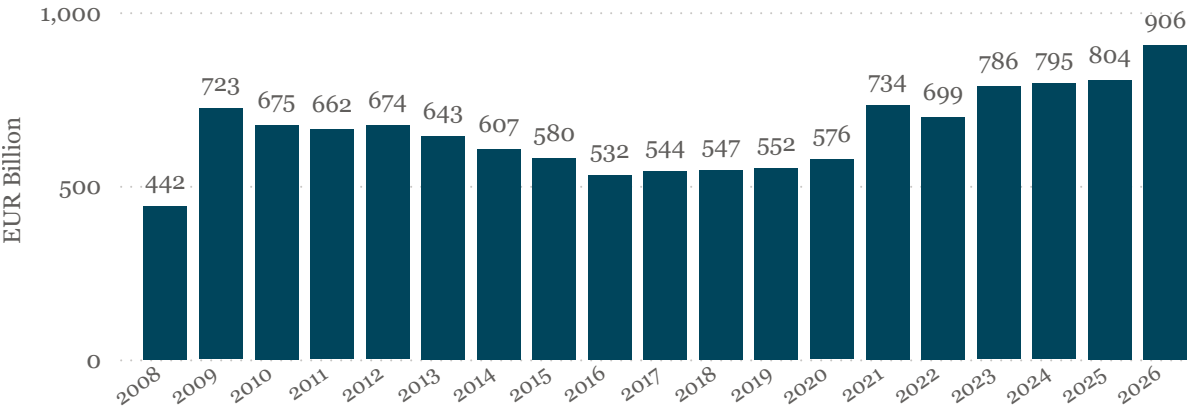
1.1 European (EU+UK) Government Bond gross issuance (Q1)



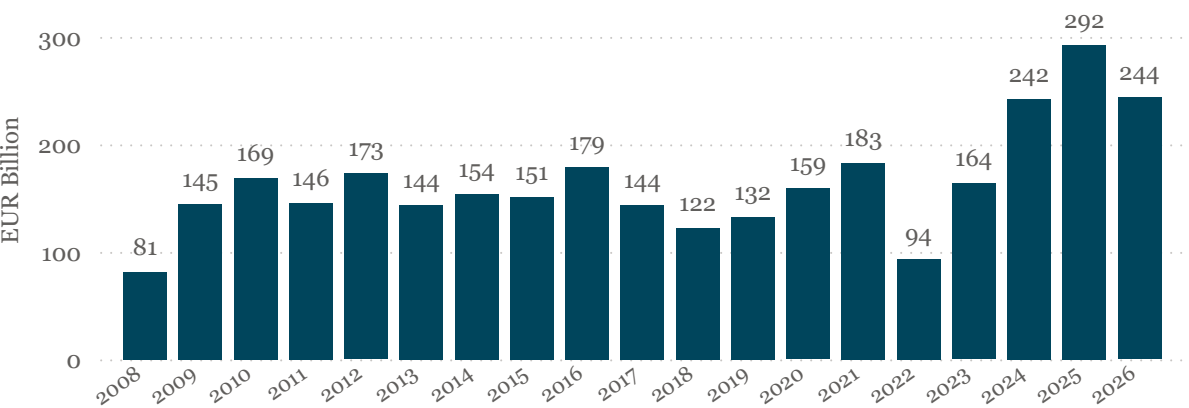
1.2 European (EU+UK) Treasury Bills gross issuance (Q1)



1.3 Eurozone bonds and bills gross issuance (Q1)



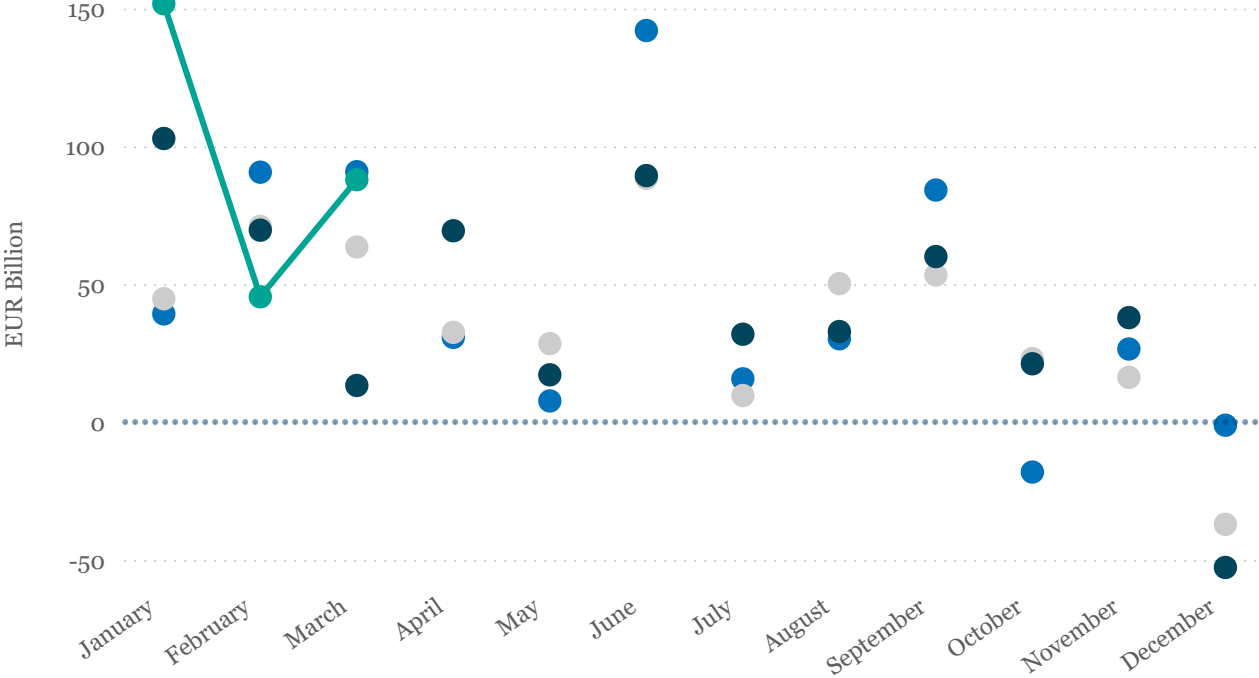
1.4 Non-Eurozone bonds and bills gross issuance (Q1)



Source: ECB, National Debt Management Offices and UK Debt Management Office.  
**Data on this page excludes EU Commission issuance (ie. NGEU, SURE) and includes debt issued from EU Member States and the UK only.**

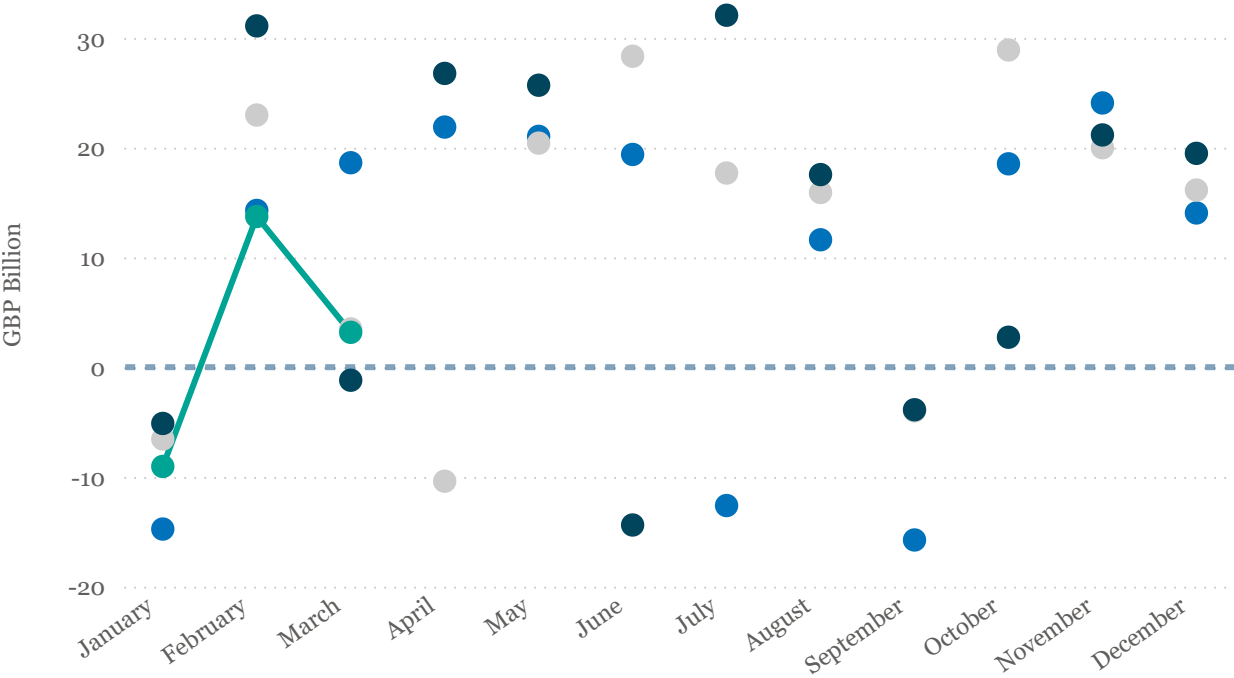
## 1.5 Euro area net sovereign debt issuance

Year ● 2023 ● 2024 ● 2025 ● 2026



## 1.6 UK Gilts net issuance

Year ● 2023 ● 2024 ● 2025 ● 2026

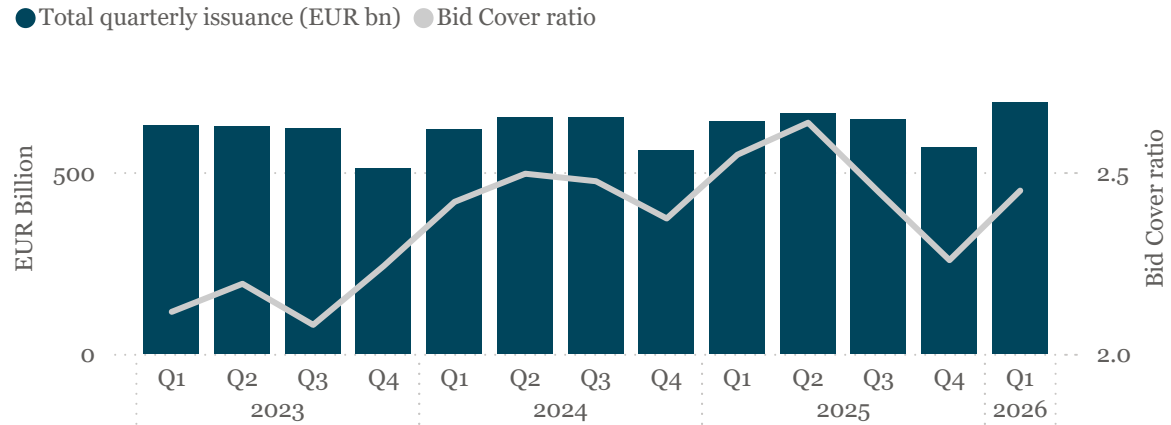


Source: ECB and UK Debt Management Office.

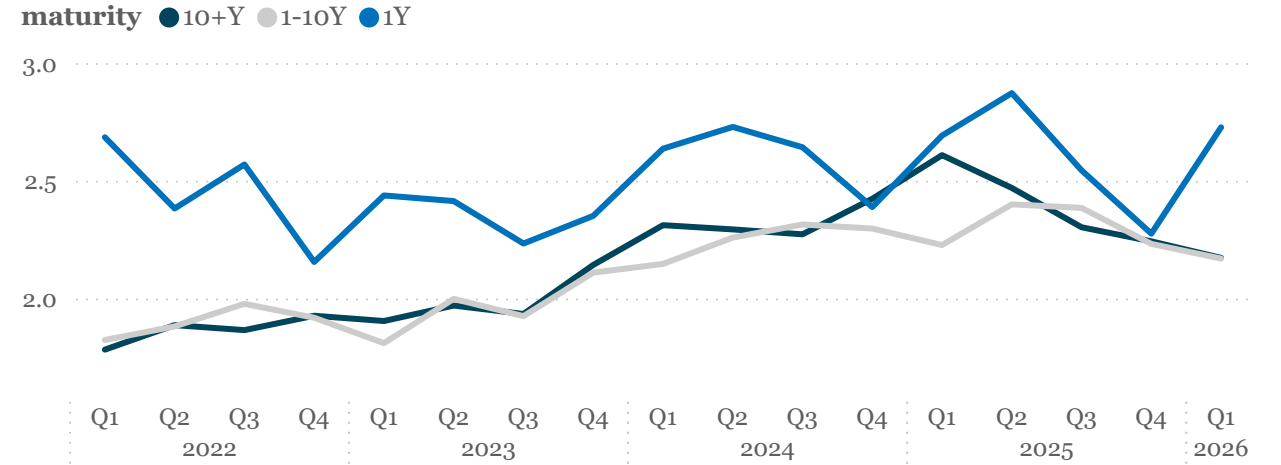
# Recent Auctions and Primary Dealers

# afme / Recent Auctions

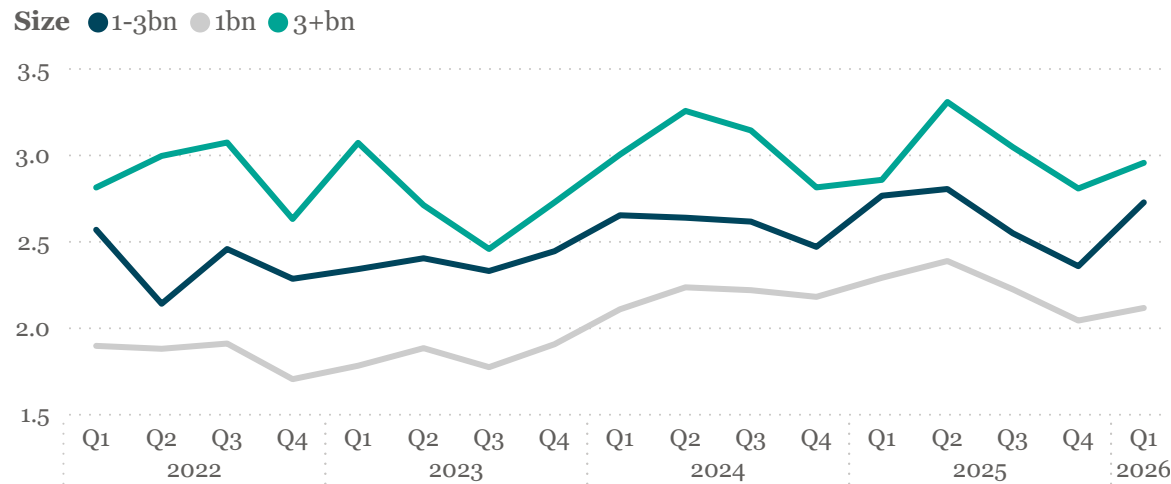
## 2.1 Average bid-cover ratios and issued volumes in selected jurisdictions



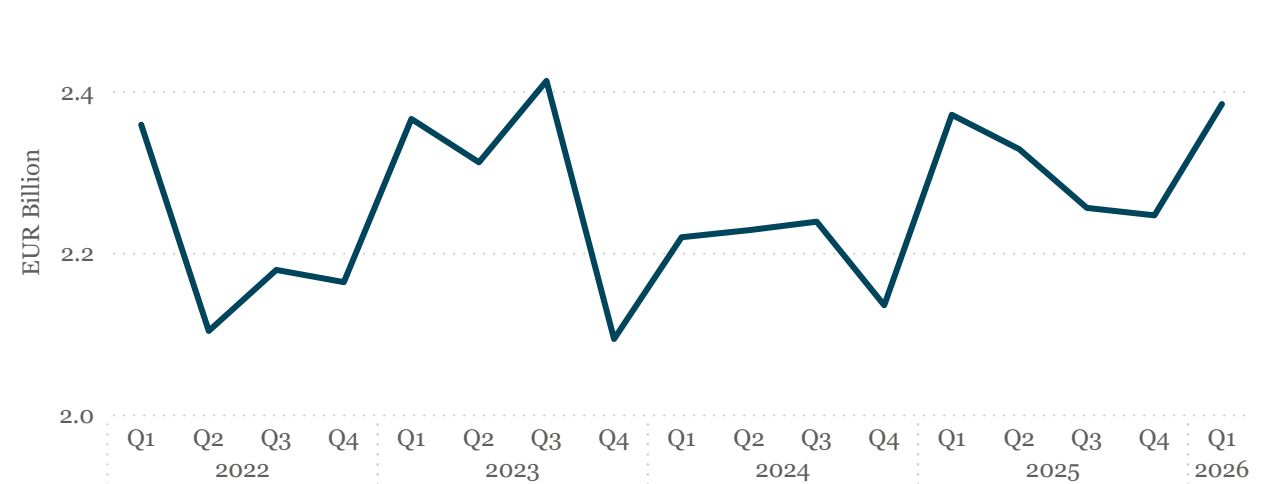
## 2.2 Average bid-cover ratios by tenor (years) of issued instrument maturity



## 2.3 Average bid-cover ratios by size of issued instruments

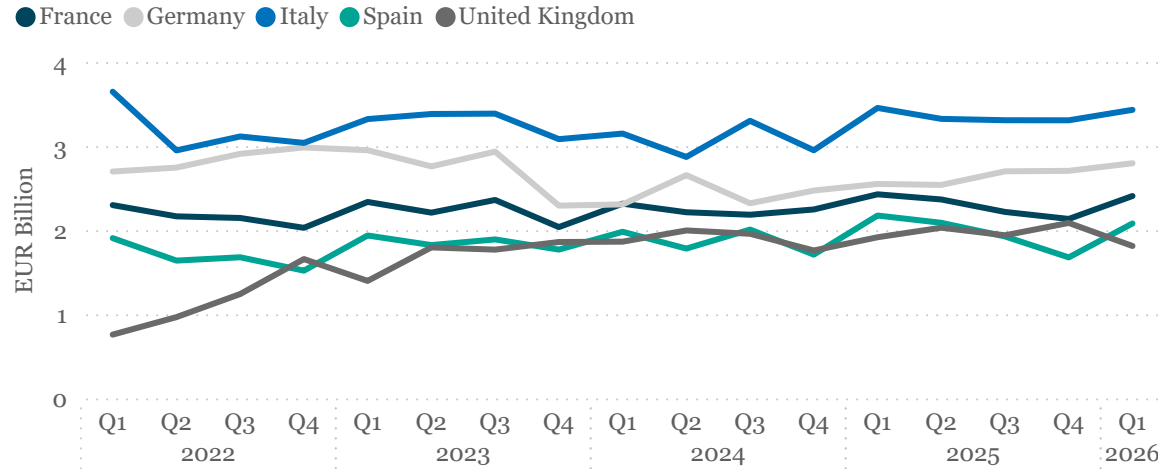


## 2.4 Average auction size in selected European jurisdictions

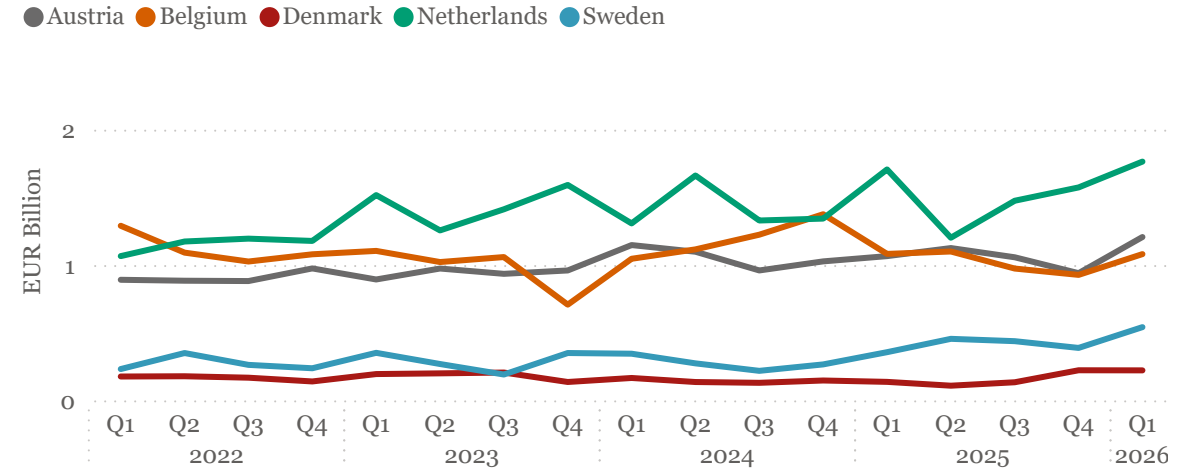


# afme / Recent Auctions

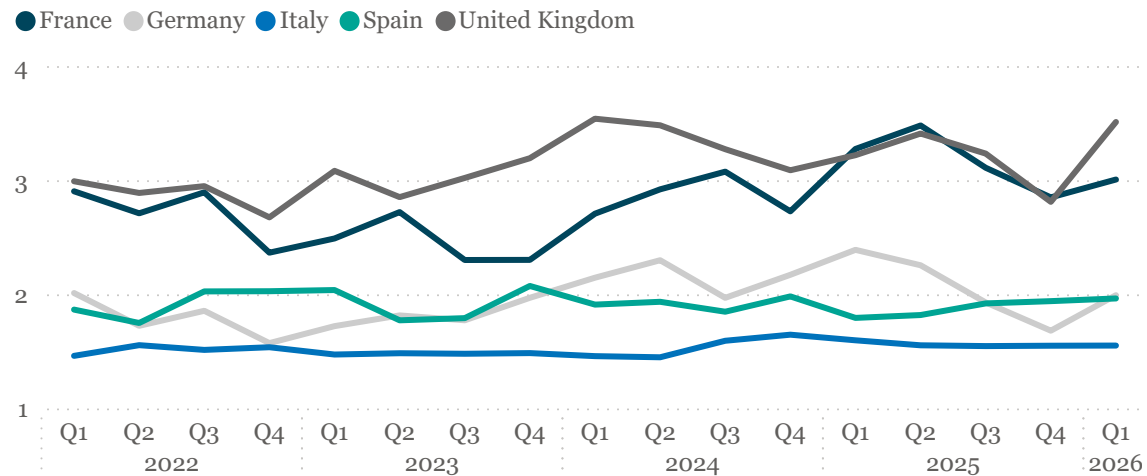
## 2.5 Average auction size in selected jurisdictions



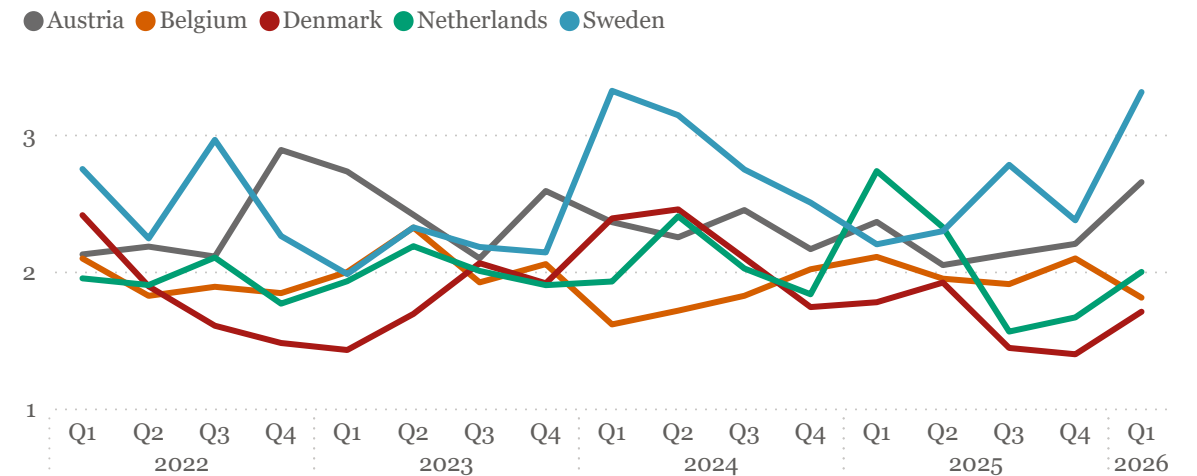
## 2.6 Average auction size in selected jurisdictions



## 2.7 Average bid-cover ratios by jurisdictions

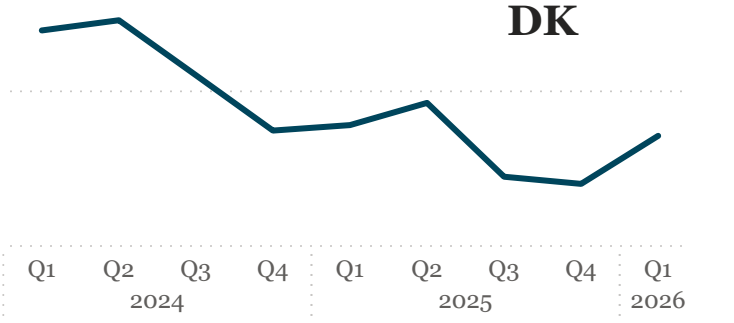
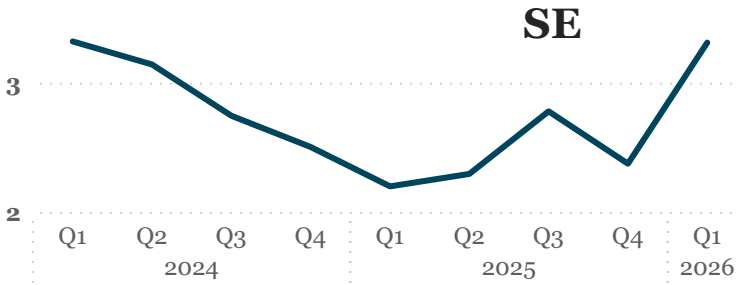
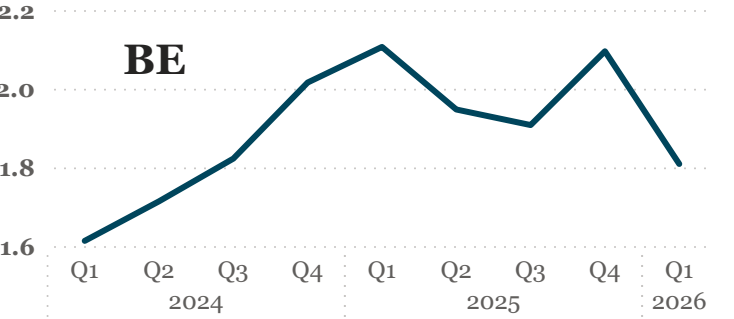
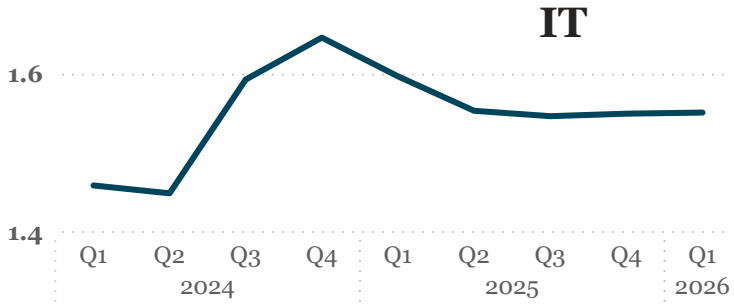
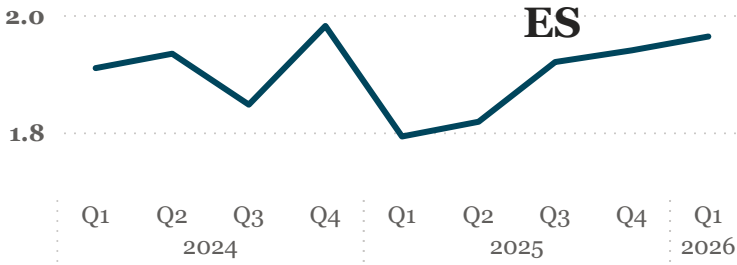
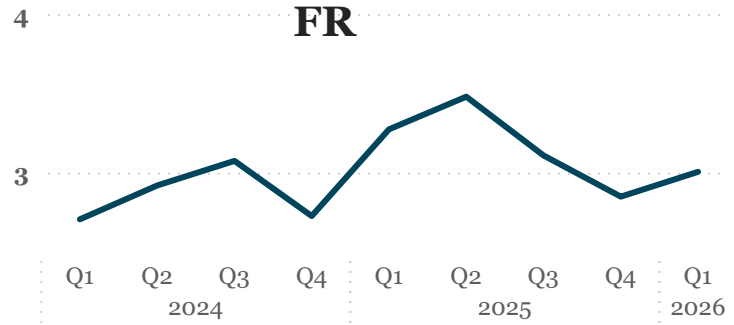
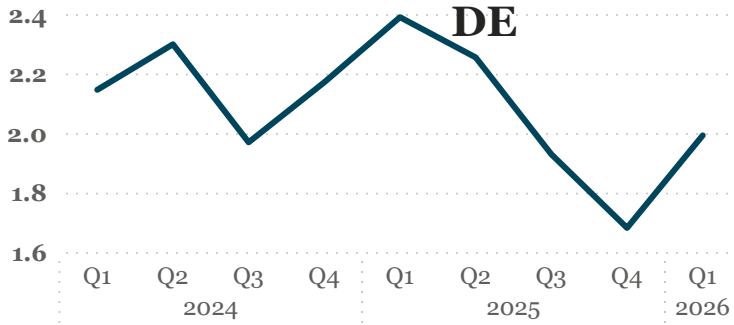
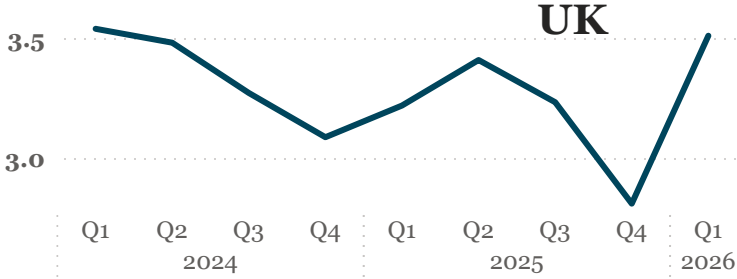


## 2.8 Average bid-cover ratios by jurisdictions



# afme / Recent Auctions

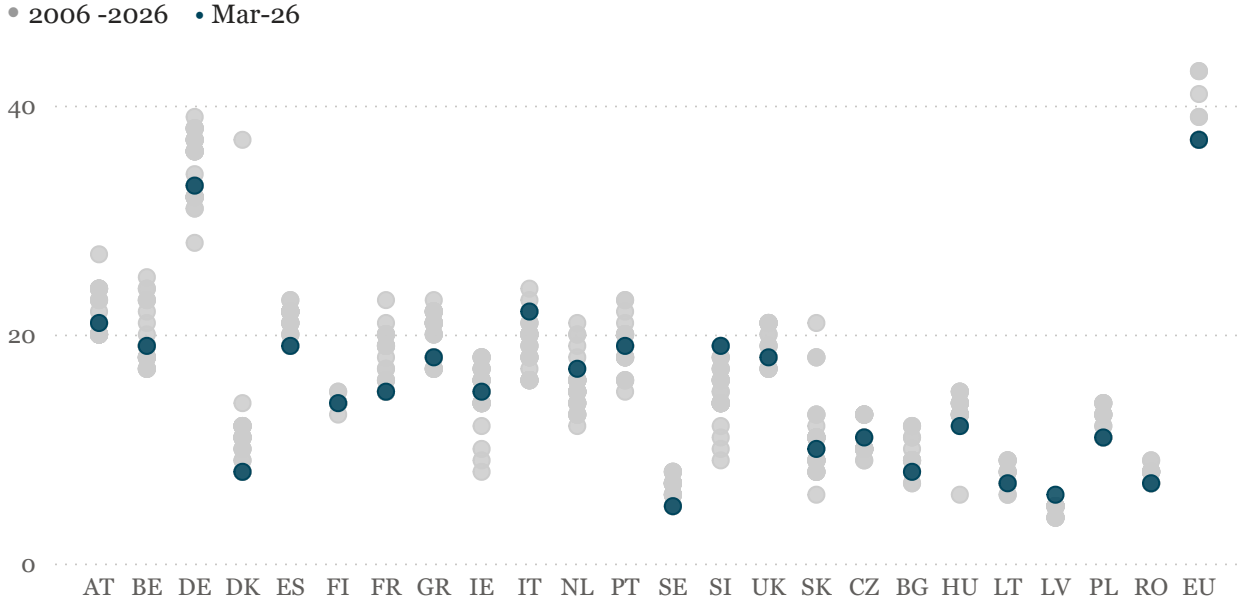
2.9 Average bid-cover ratios in selected jurisdictions: Q1 2024 - Q1 2026



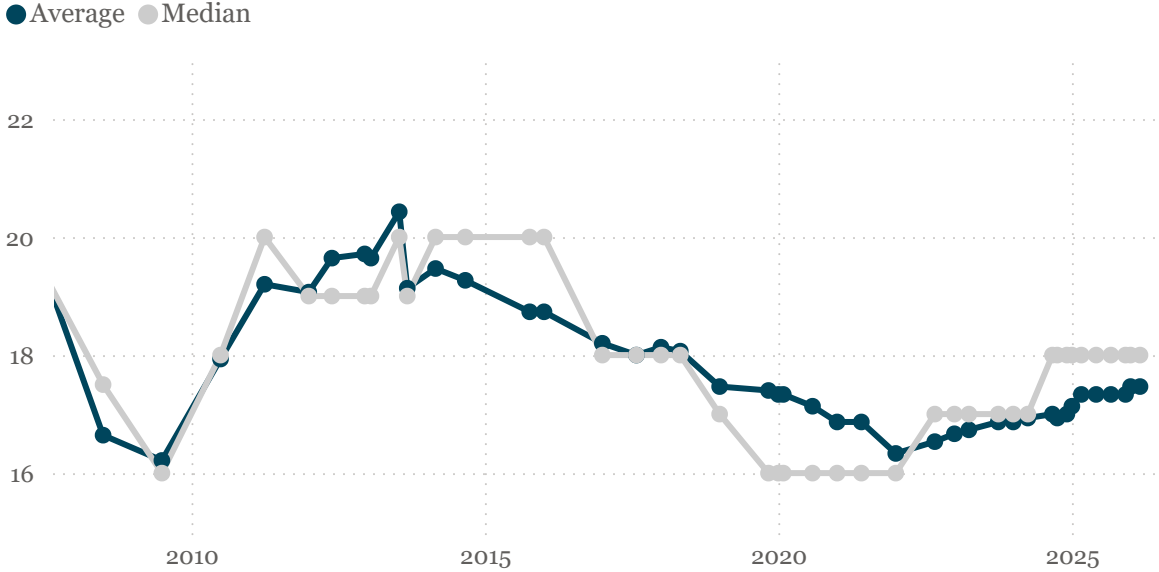
Source: Refinitiv Eikon.

# afme / Primary Dealers: European Countries and EU

2.10 Number of primary dealers relative to historic number

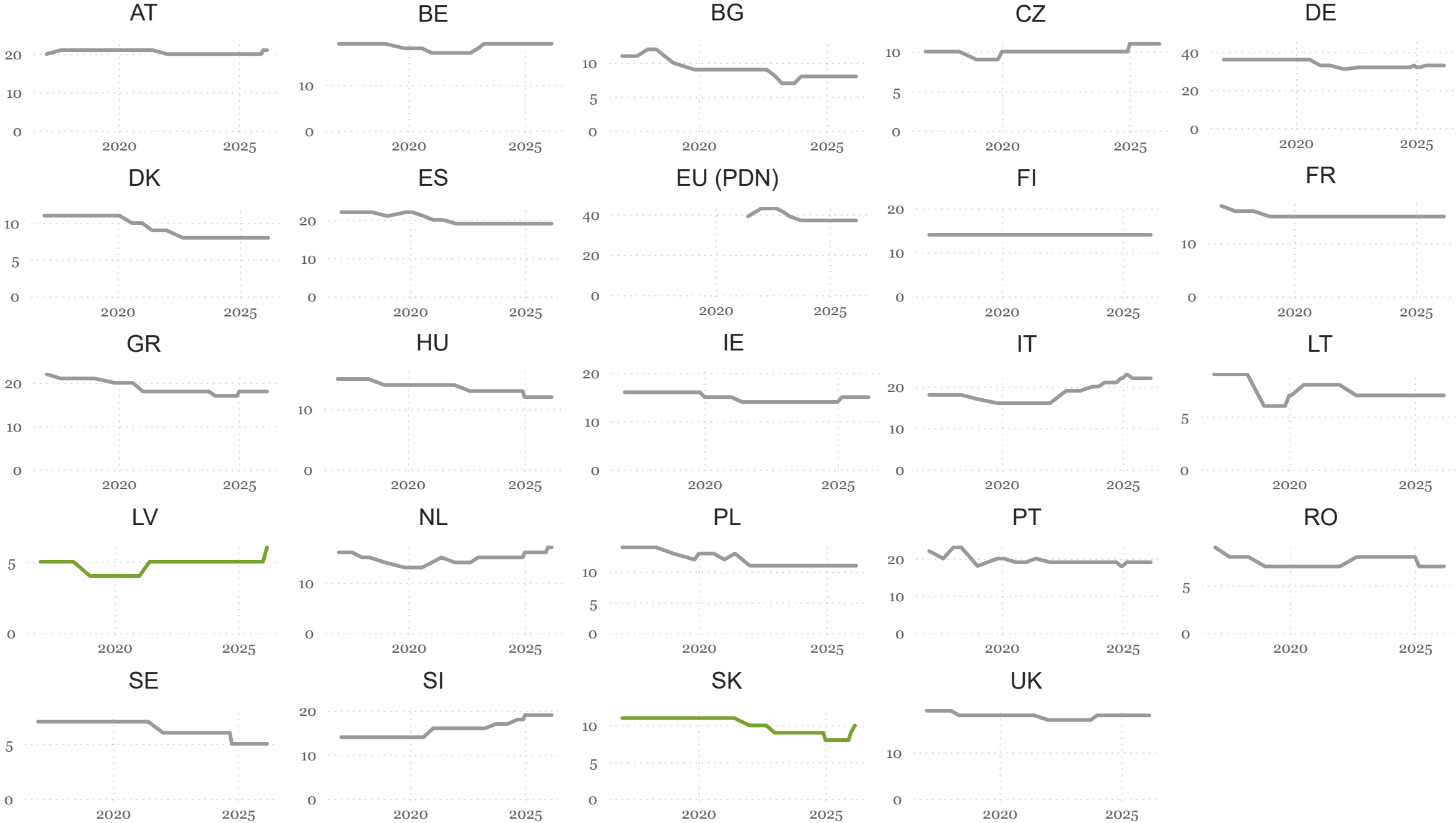


2.11 Average and median number of primary dealers in selected European countries



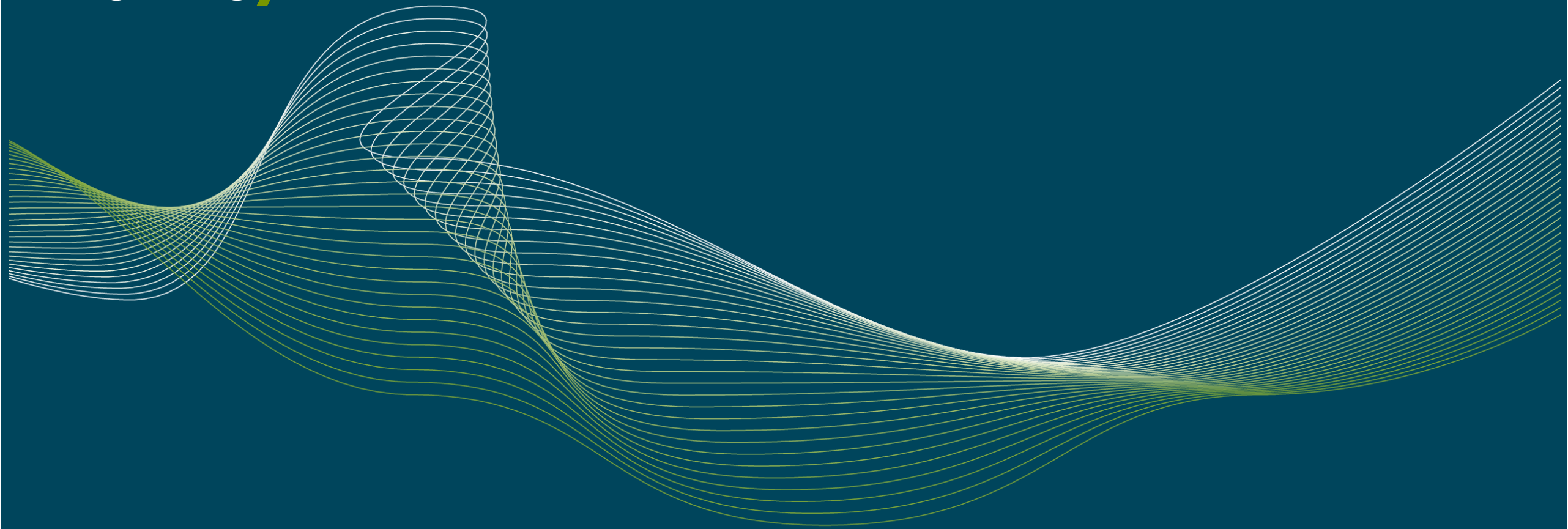
Source: AFME Primary Dealers Handbook, AFME HRF Table, national DMOs. Average and medians of AT, BE, DE, DK, ES, FI, FR, GR, IE, IT, NL, PT, SE, SI and UK. EU in Chart 2.10 refers to the EU Primary Dealer Network. Latest data as of March 2026.

## 2.12 Number of primary dealers in Europe by country: 2016-2026



Source: AFME HRF Table and National DMOs. Latest data as of March 2026.

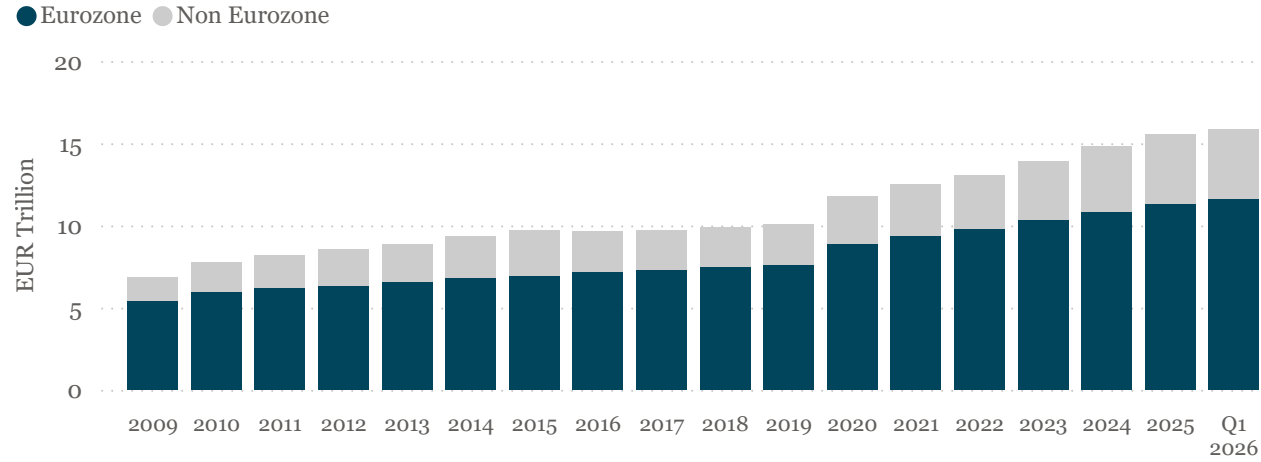
Chart colour indicates net change in PDs since January 2026. GREEN indicates an increase, RED indicates a decrease, and GREY indicates no change.



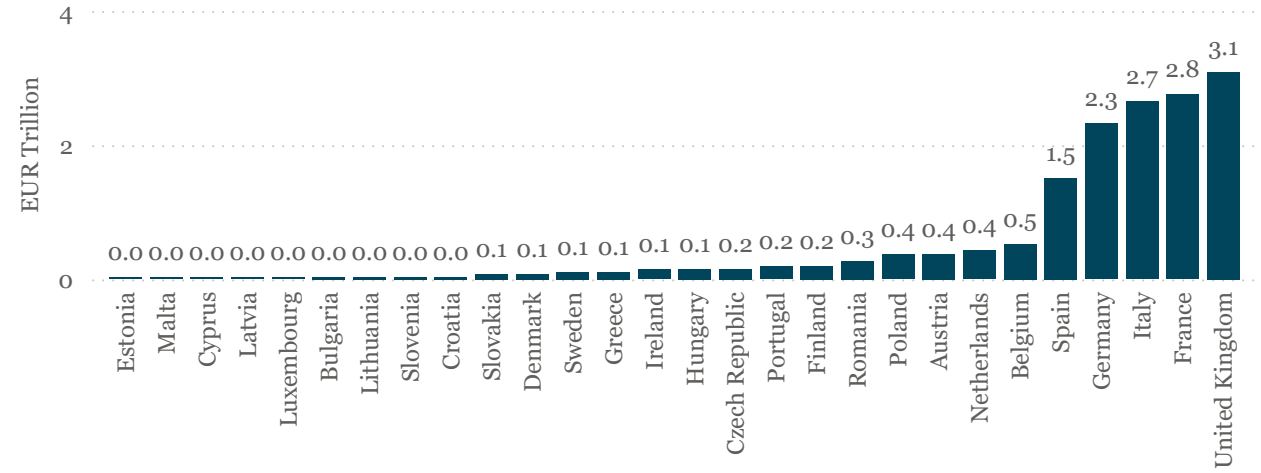
# Outstandings

# afme / Outstandings

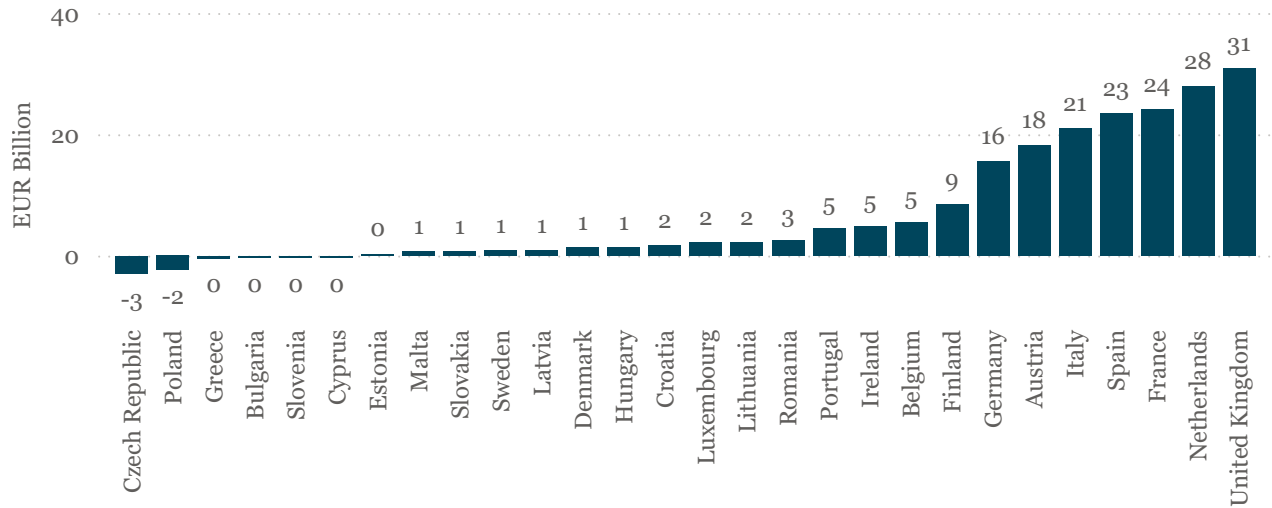
## 3.1 Outstanding debt securities issued by Central Governments (Nominal)



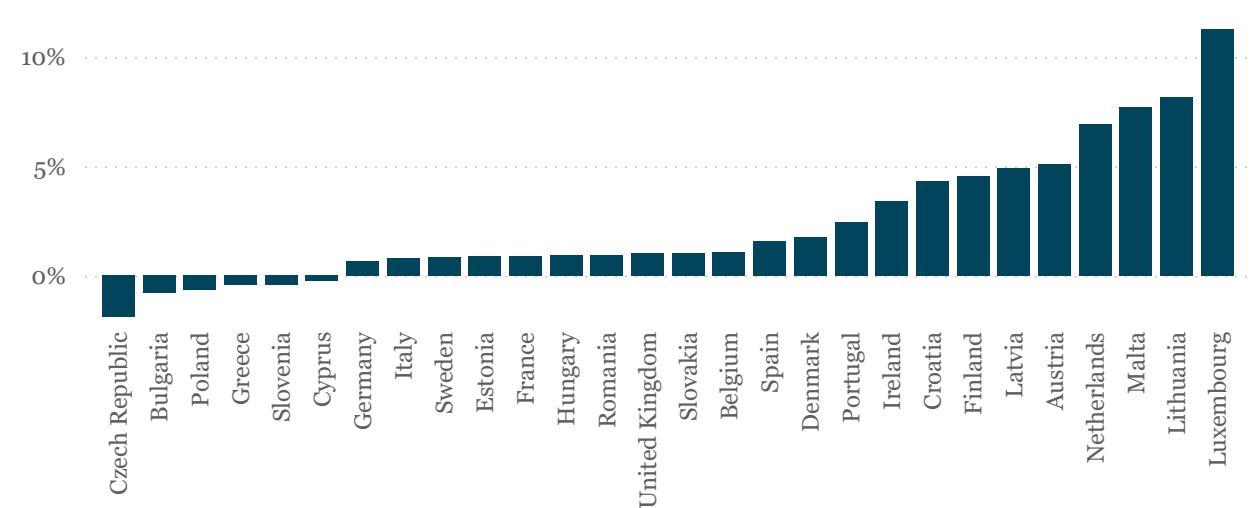
## 3.2 European government bonds outstanding by country



## 3.3 Change in Outstanding from 4Q25 to 1Q26



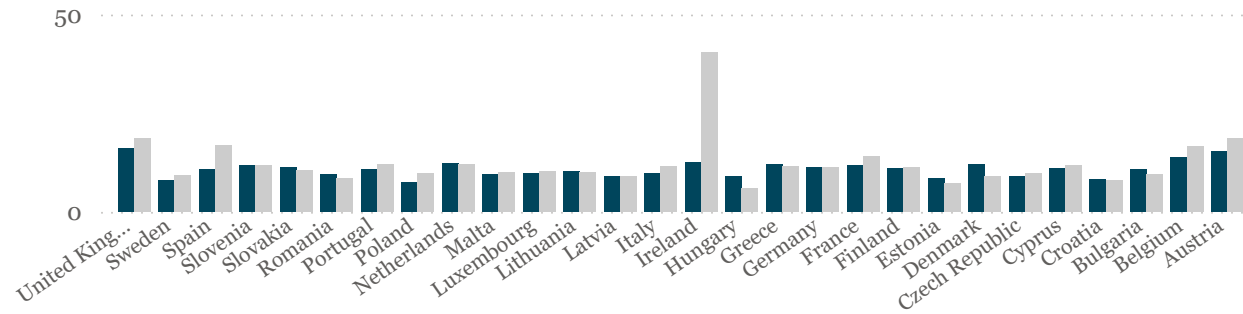
## 3.4 Change in Outstanding from 4Q25 to 1Q26 (%)



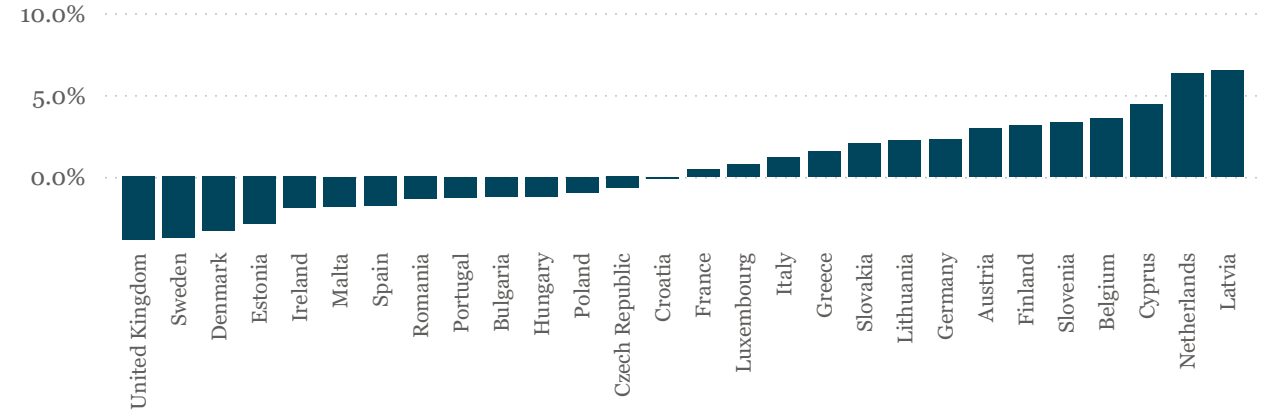
# afme / Outstandings

## 3.5 Average years to maturity for outstanding government bonds in European (EU+UK) countries

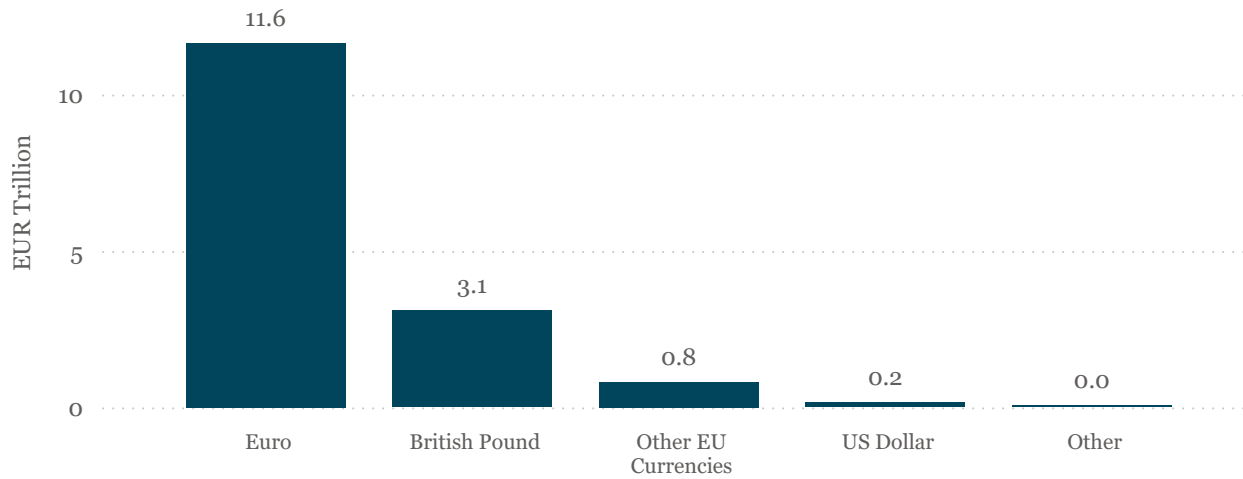
● Weighted Average Years to Maturity ● Average Years to Maturity



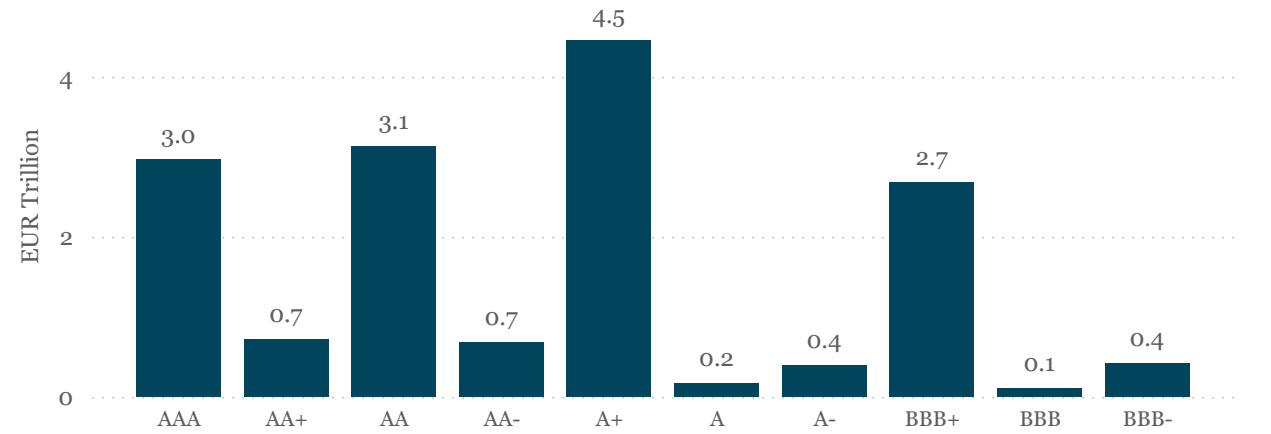
## 3.6 Quarterly change in weighted average years to maturity for outstanding government bonds 4Q25 to 1Q26



## 3.7 European government bonds outstanding by currency



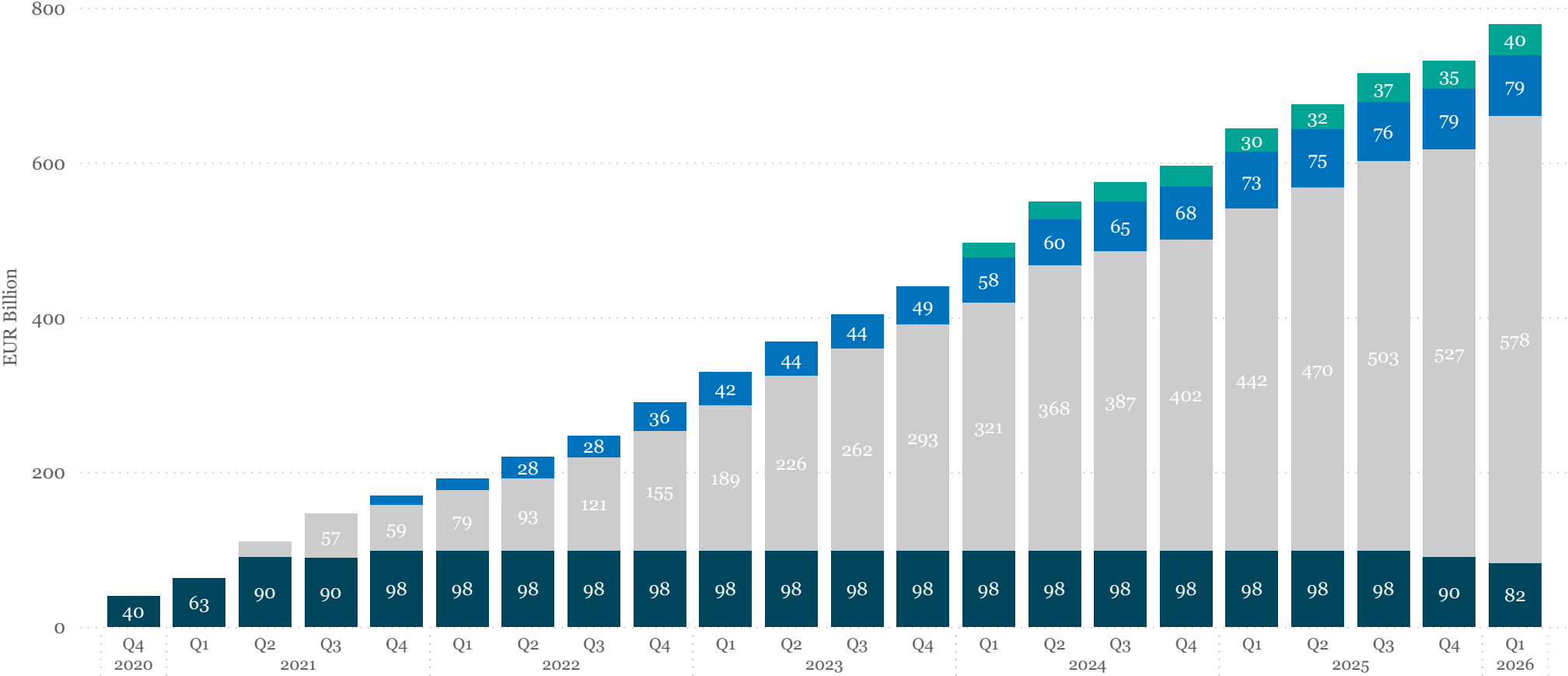
## 3.8 European government bonds outstanding by current rating of issuer



Source: Refinitiv Eikon. Charts 3.5 and 3.6 show the outstanding-weighted average years to maturity of European sovereign bonds.

## 3.9 Outstanding bonds and bills issued by the European Commission

● SURE scheme social bonds ● NGEU bonds (non-ESG) ● NGEU green bonds ● NGEU bills (non-ESG)

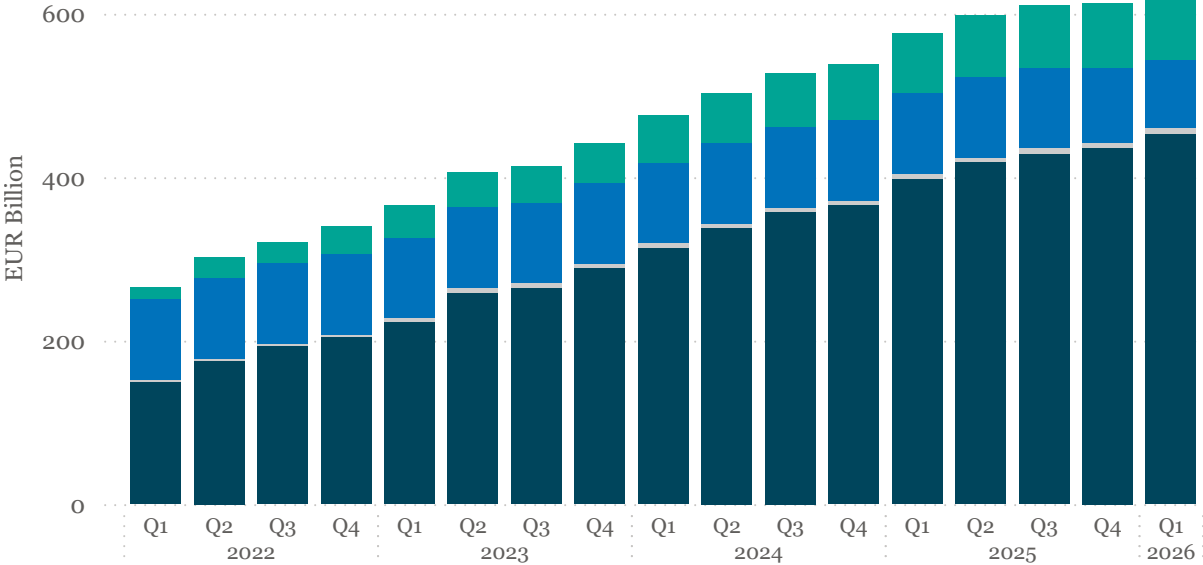


Source: European Commission.  
 NGEU refers to bond issuance by the European Commission under the NextGenerationEU scheme.

# afme / ESG Outstandings

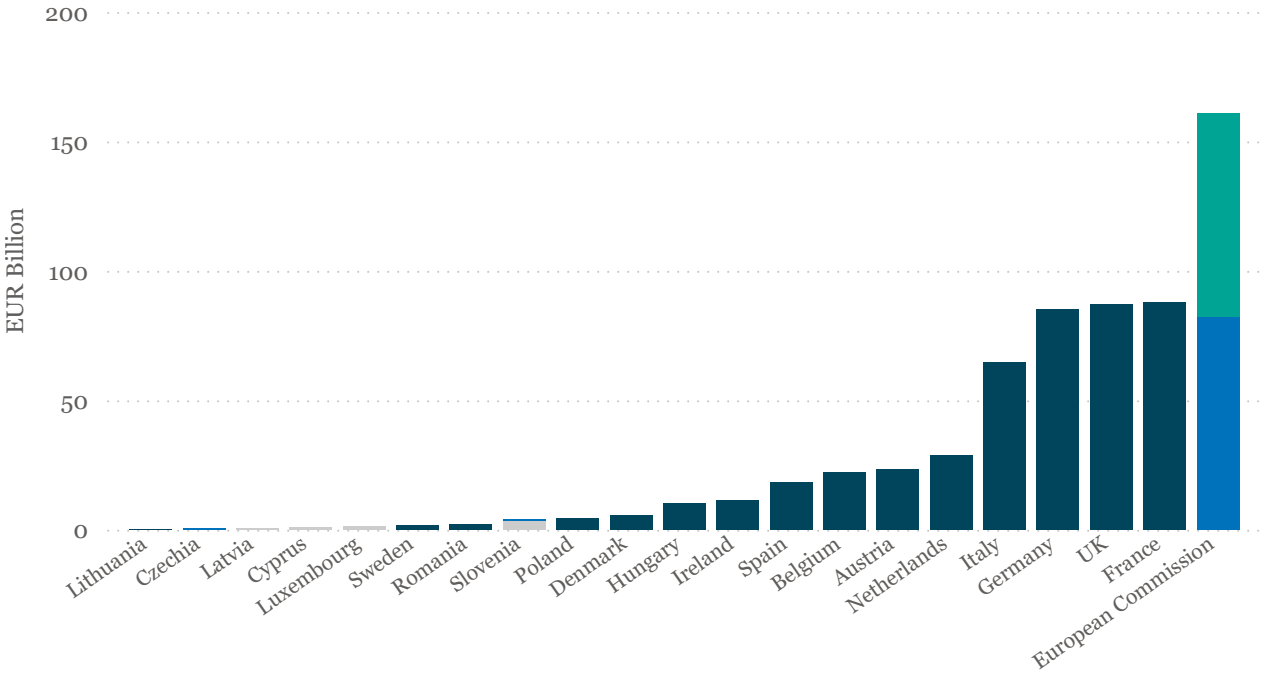
## 3.9 European outstanding ESG (green, social and sustainable) government bonds

● Green ● Sustainable ● Social ● NGEU green



## European outstanding ESG government bonds by country

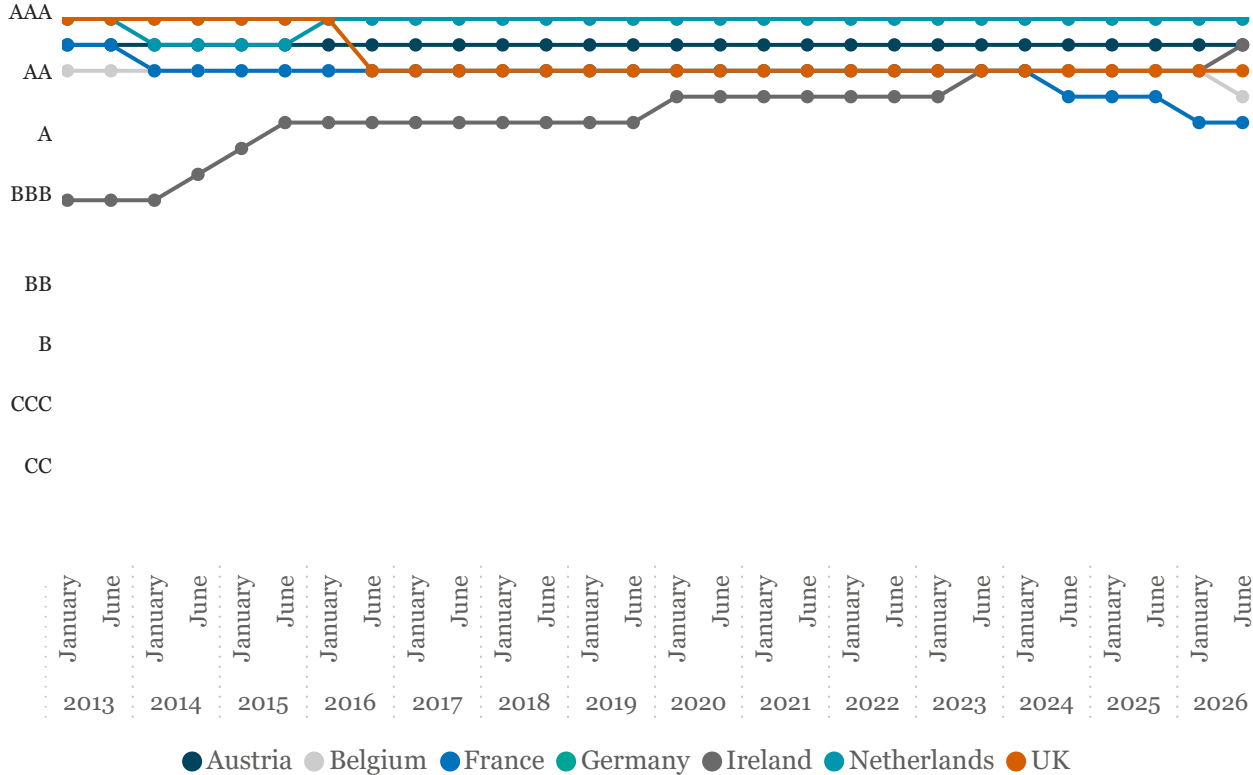
● Green ● Sustainable ● Social ● NGEU Green



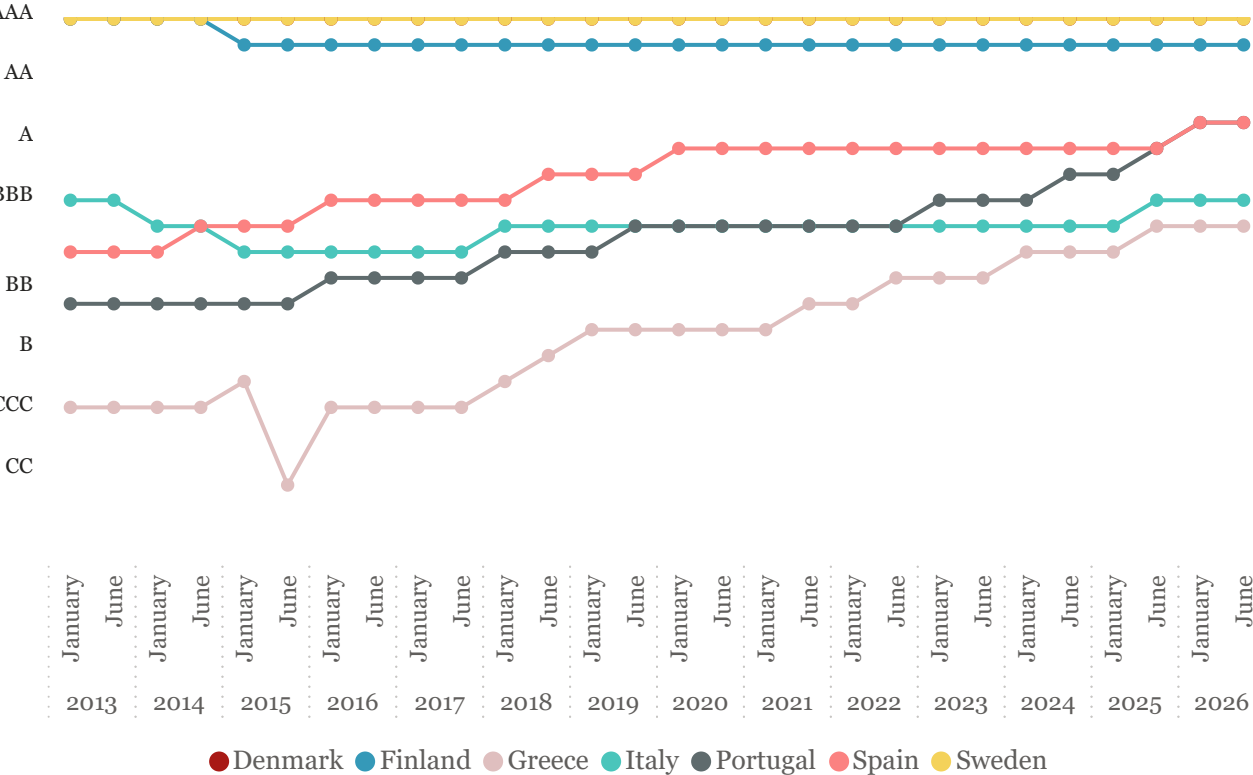
Source: Refinitiv Eikon, European Commission.

# Credit Quality

## 4.1 Long-term sovereign credit rating (Central and Northern Europe)

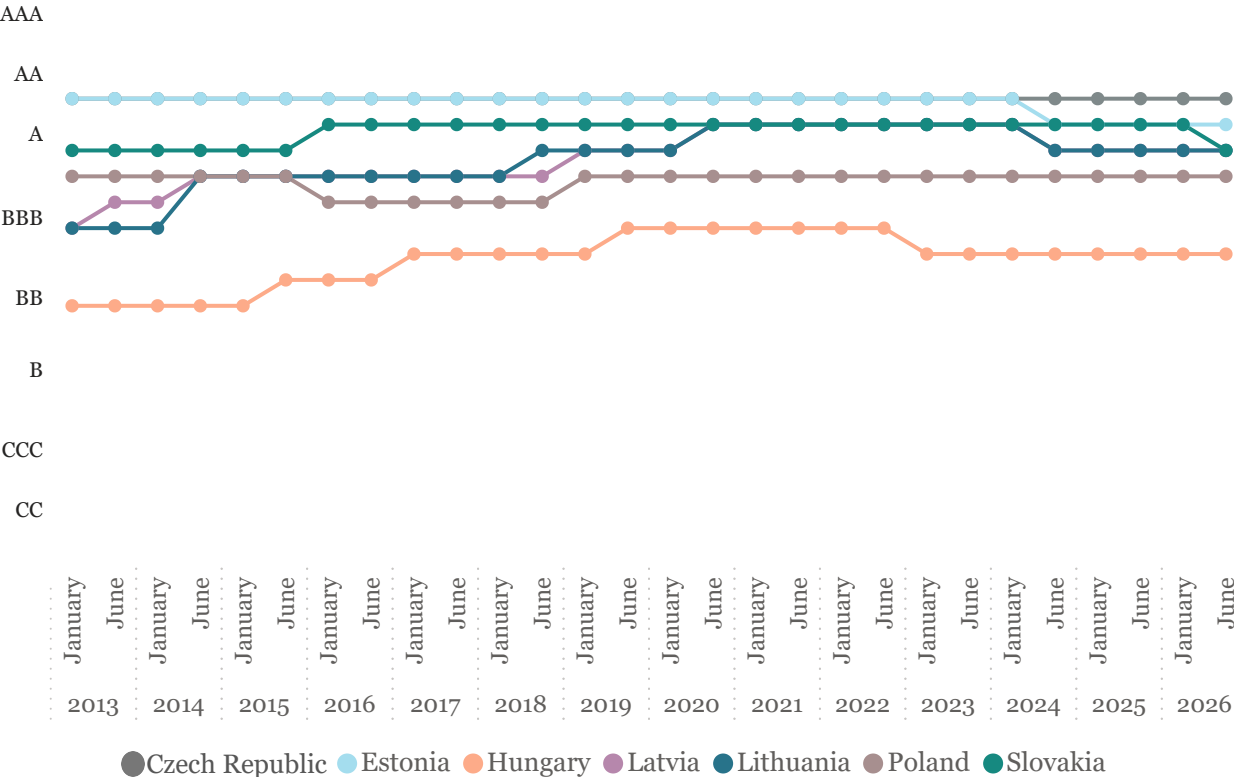


## 4.2 Long-term sovereign credit rating (Nordics and Southern Europe)

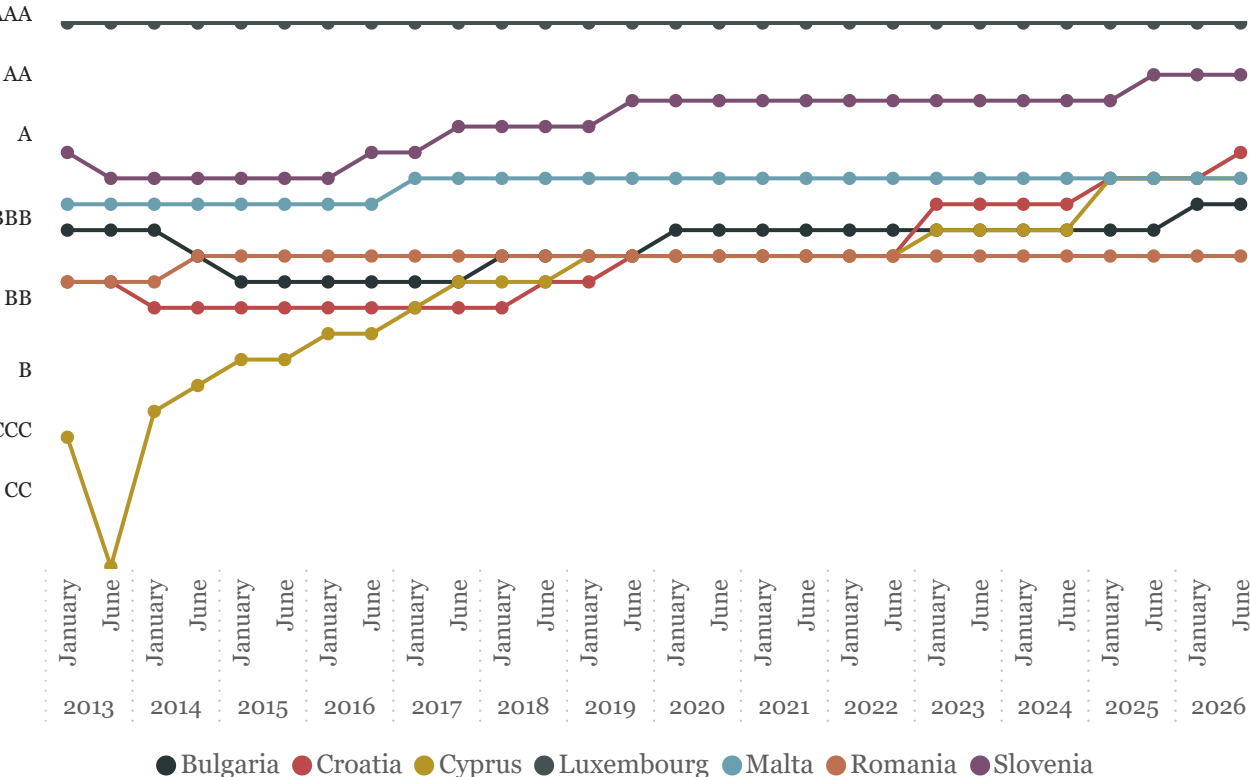


Source: Refinitiv Eikon. Data as of 11 March 2026.

### 4.3 Long-term sovereign credit rating (Visegrad 4 and Baltic states)



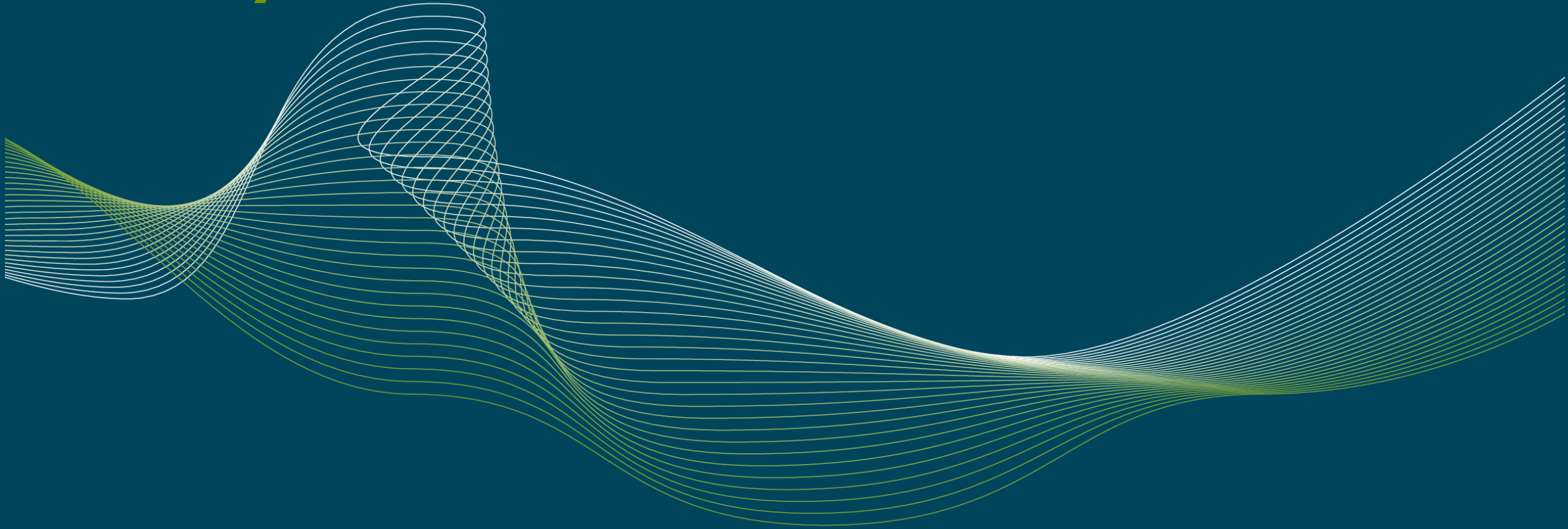
### 4.4 Long-term sovereign credit rating (Balkans, CY, MT and LU)



Source: Refinitiv Eikon. Data as of 11 March 2026.

## 4.5 European rating actions on long-term sovereign credit ratings (2026 YtD)

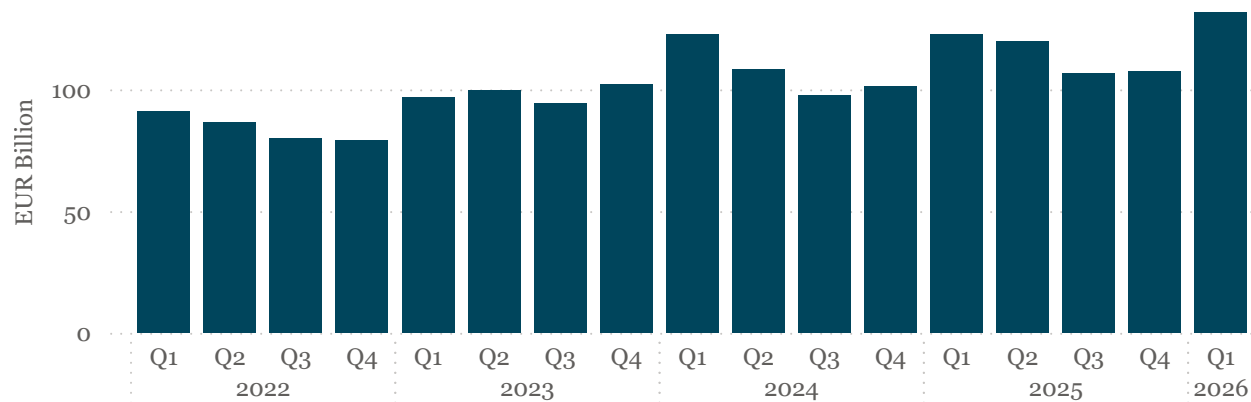
<b>Slovenia</b>	Upgrade to A2 (stable) from A3	Feb-26	Moody's	Economic and fiscal resilience has been enhanced by pension reforms that keep workers in the labour force longer, reducing ageing-related fiscal pressures and supporting debt stability. The country's rating is also underpinned by a strong capital base, productivity growth and high debt affordability reflecting Slovenia's strong debt management.	1Q26
<b>Croatia</b>	Upgrade to A (stable) from A-	Mar-26	S&P	Strengthened economic resilience and long-term economic growth prospects as a result of continuous reforms and investments, supported by the EU Recovery and Resilience Facility and upcoming OECD accession. Steady forecasted GDP growth over 2026-2029 and current account deficits funded by non-debt creating inflows, including foreign direct investment and EU grants.	
<b>Ireland</b>	Upgrade to AA+ (stable) from AA	Mar-26	S&P	Consistent economic expansion despite rising global trade protectionism, including from key trading partner and investor the US. Diversity of economy, significant fiscal and economic buffers, sound policy settings and EU and euro area membership will help authorities shield households and companies from a slowdown in global growth or a withdrawal of foreign direct investment.	
<b>Belgium</b>	Downgrade to AA- (stable) from A	Apr-26	S&P	Significant fiscal challenges, illustrated by a widening budget deficit in 2025 and slow budgetary consolidation planned for 2026-2029. Net government debt projected to increase to 109% of GDP in 2029 from 103% in 2025 with heightened macroeconomic uncertainty and geopolitical risks possibly further straining government finances.	2Q26 QtD
<b>Lithuania</b>	Upgrade to A+ (stable) from A	Apr-26	Fitch	Stronger growth performance and favourable medium-term outlook, and continued resilience to successive external shocks. The rating is supported by a credible policy framework anchored by EU and eurozone membership, moderate government debt, a record of fiscal prudence and governance indicators that are above the median of 'A' category peers.	
<b>Slovakia</b>	Downgrade to A (stable) from A+	Apr-25	S&P	Modest real GDP growth, constrained by weak domestic and global demand. Slower than expected budgetary consolidation driven by high spending emanating from generous social transfers, elevated defence spending and the upcoming electoral cycle. Net government debt expected to reach 62% in 2029, about 20 percentage points above its pre-pandemic level.	



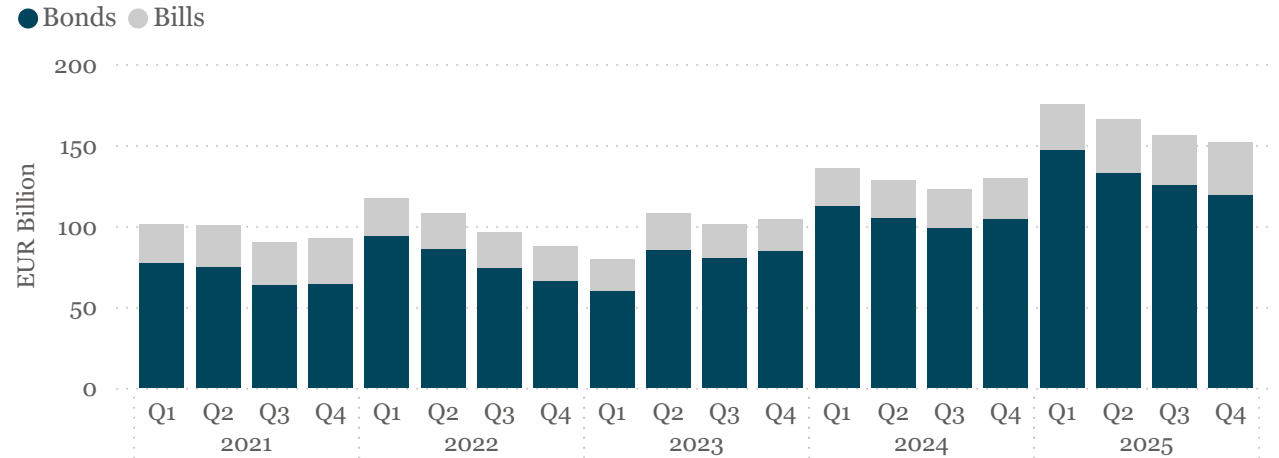
# Secondary Market Trading Volumes and Turnover Ratios

# afme / Secondary Market Trading Volumes and Turnover Ratios

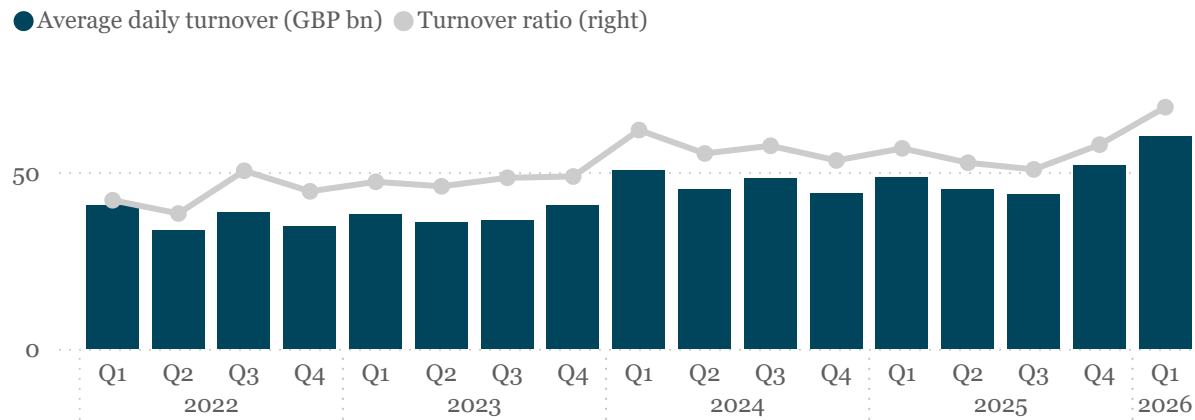
5.1 EU + UK: Average daily trading volumes (Government and sovereign bonds)



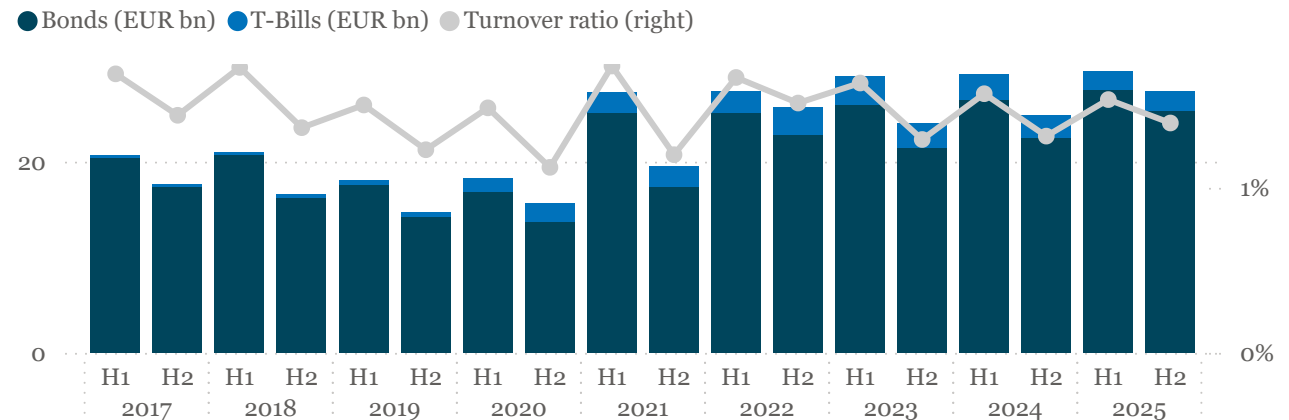
5.2 Eurozone: Average daily trading volume (bonds and bills)



5.3 United Kingdom: Average daily trading volume (bonds only) and turnover ratio



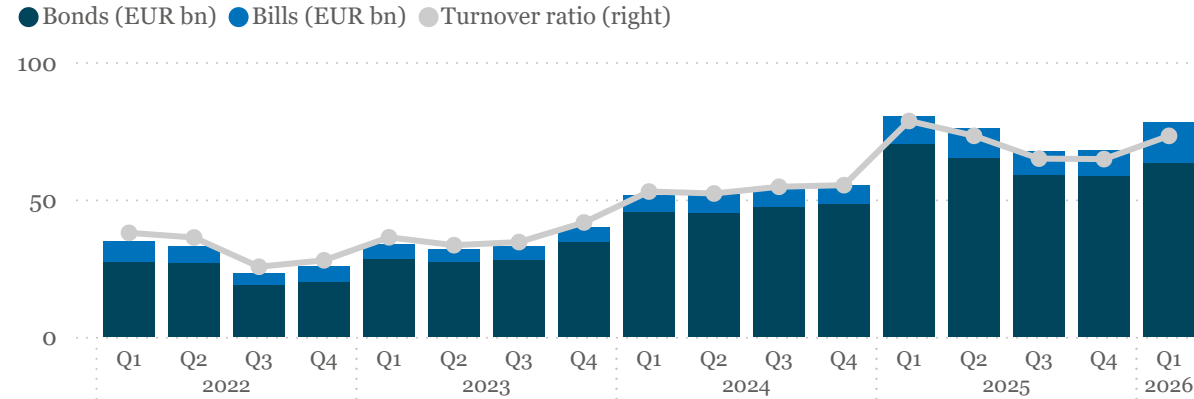
5.4 Germany: Average daily trading volume (aggregated bonds and bills) and turnover ratio



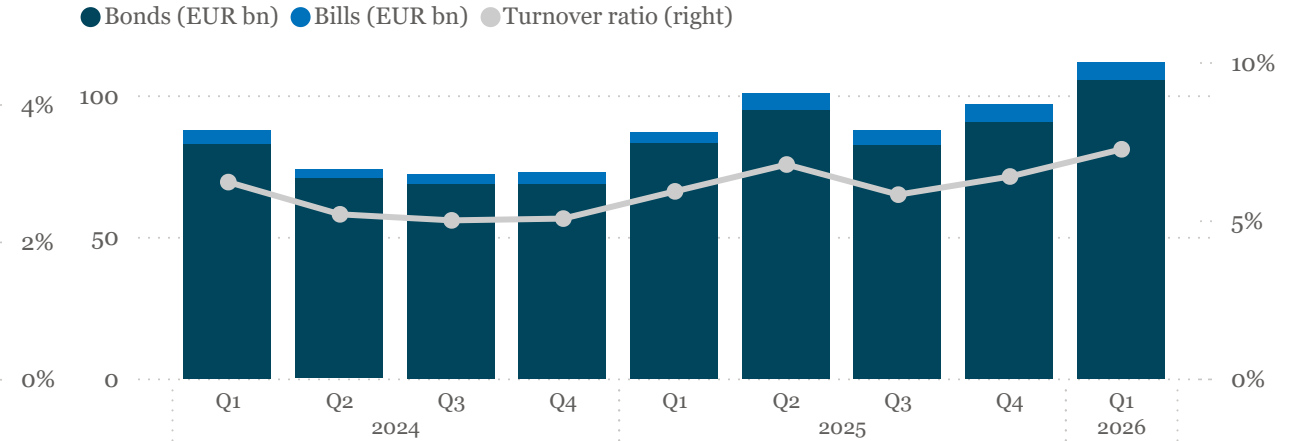
Source: TraX data from MarketAxess, EFC Sub-Committee on ESDM, UK Debt Management Office, Deutsche Finanzagentur, ECB. Latest data for Germany as of H2 2025 and for Eurozone as of Q4 2025. **Individual country volumes do not sum to aggregated trading volume in Chart 5.1 EU+UK, given the differences in the aggregation basis across jurisdictions. The data is not fully comparable between countries. Full Methodology available on page 36 of this report.**

# afme / Secondary Market Trading Volumes and Turnover Ratios

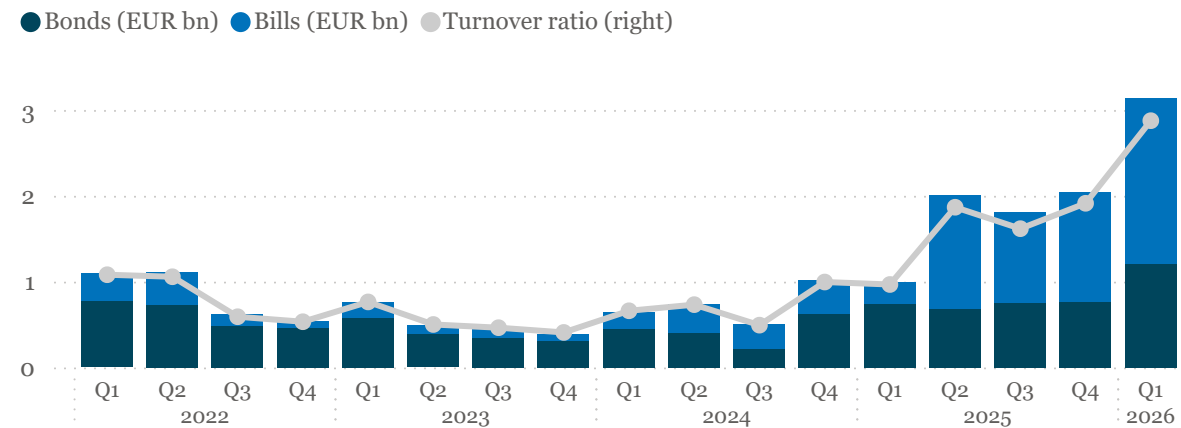
## 5.5 Italy: Average daily trading volume (bonds and bills) and turnover ratio



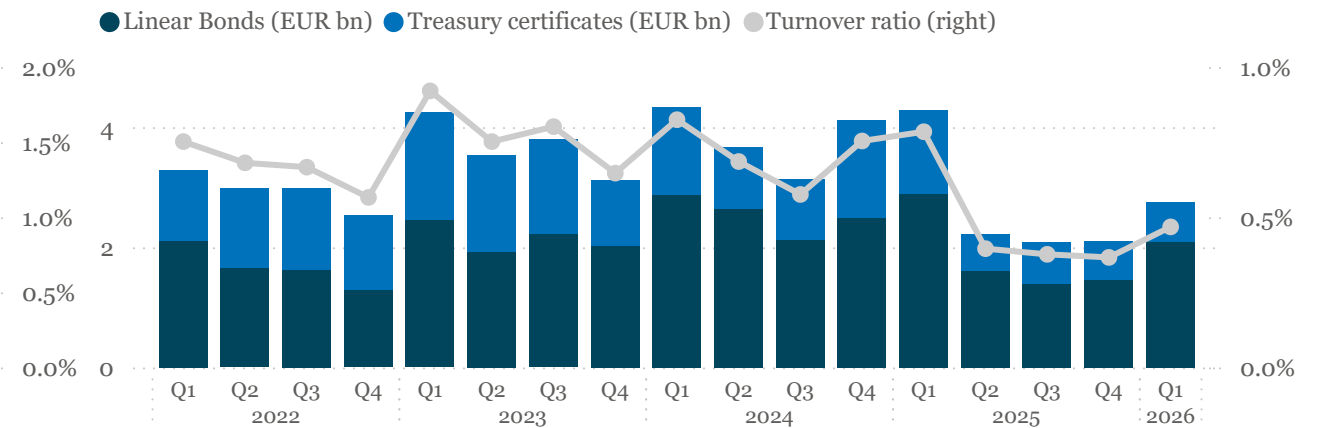
## 5.6 Spain: Average daily trading volume and turnover ratio



## 5.7 Portugal: Average daily trading volume and turnover ratio



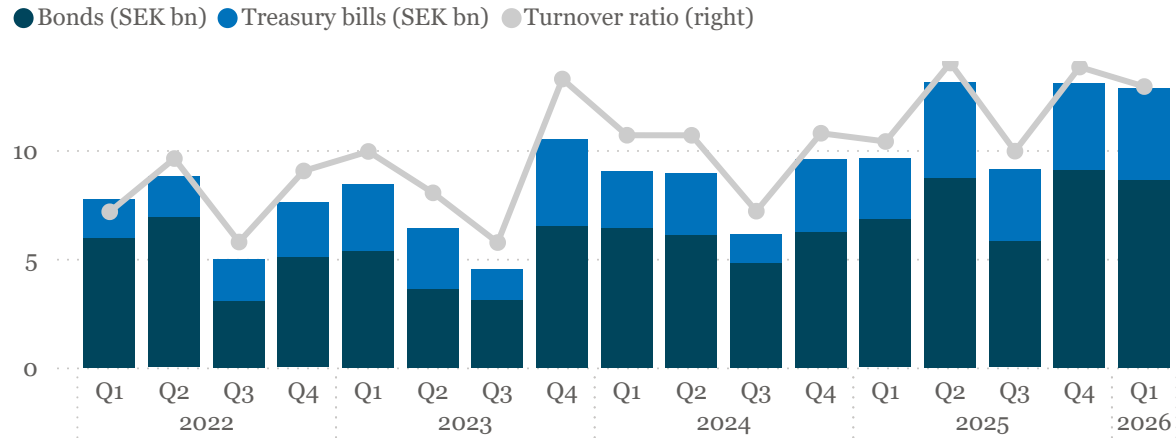
## 5.8 Belgium: Average daily trading volume and turnover ratio



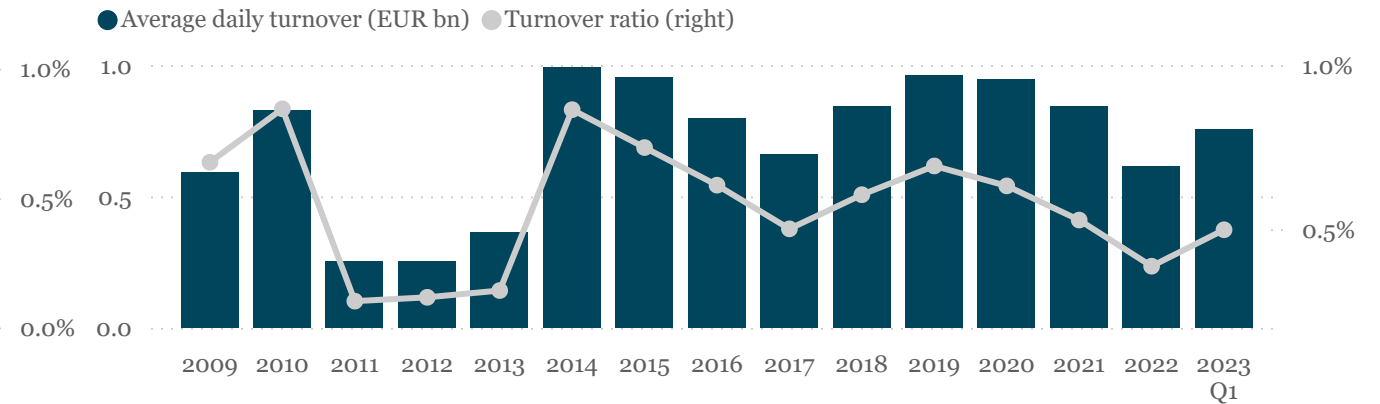
Source: ECB, Italian Dipartimento del Tesoro, Bank of Spain and Tesoro Publico de Espana, Agência de Gestão da Tesouraria e da Dívida Pública (IGCP), Belgian Debt Agency. **Given the differences in the aggregation basis across jurisdictions, the data is not fully comparable between countries. Full Methodology available on page 36 of this report.**

# afme / Secondary Market Trading Volumes and Turnover Ratios

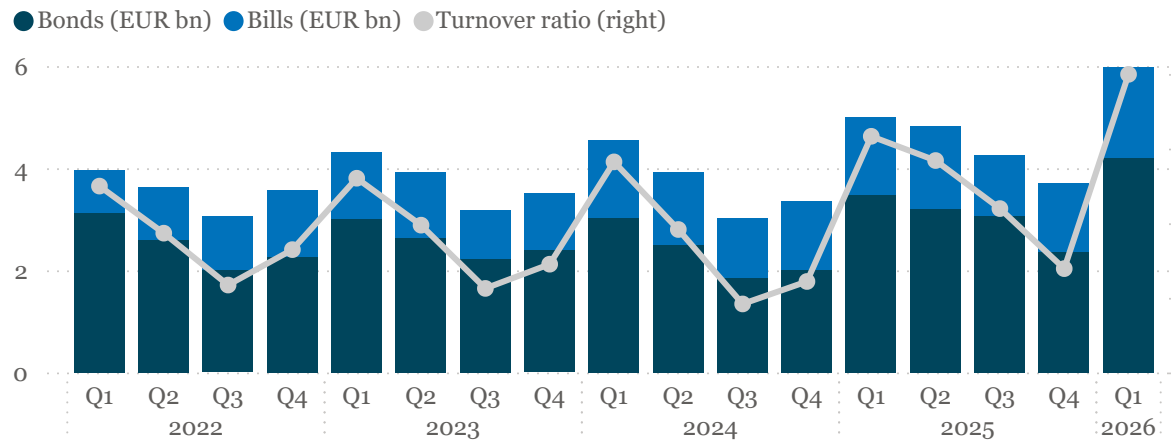
5.9 Sweden: Average daily trading volume and turnover ratio



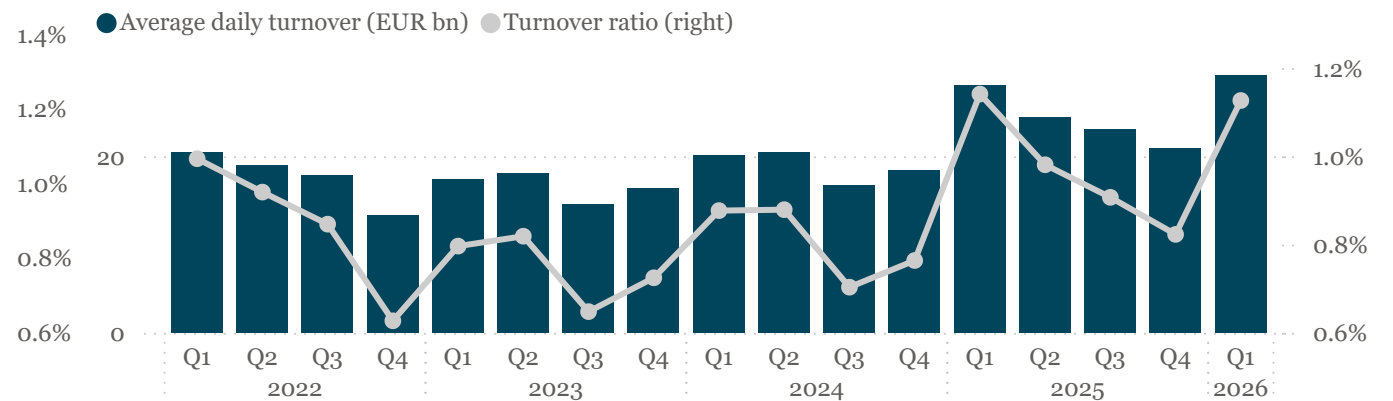
5.10 Ireland: Average daily trading volume (bonds only) and turnover ratio



5.11 Netherlands: Average daily trading volume and turnover ratio



5.12 France: Average daily trading volume (bonds only) and turnover ratio



Source: ECB, Swedish National Debt Office (Riksgalden), Irish Stock Exchange, Ministerie van Financien, Agence France Tresor. **Given the differences in the aggregation basis across jurisdictions, the data is not fully comparable between countries. Full Methodology available on page 36 of this report.**

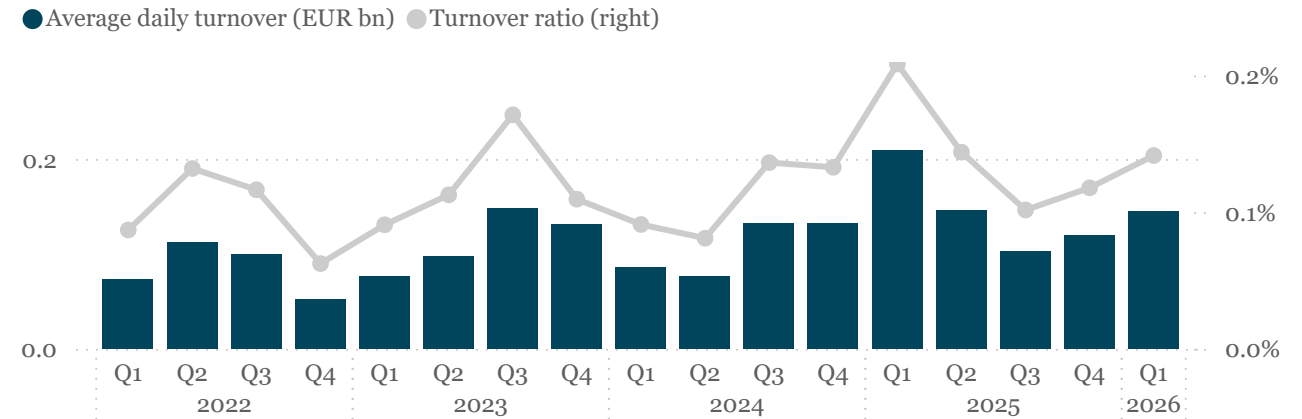
Chart 5.10: Ireland turnover data has been unavailable since Q1 2023

# afme / Secondary Market Trading Volumes and Turnover Ratios

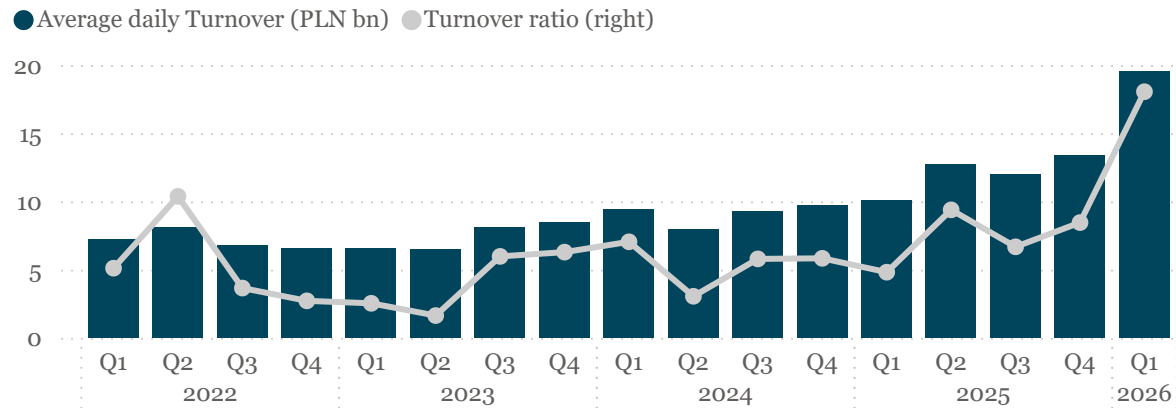
**5.13 Denmark: Average daily trading volume (bonds and bills) and turnover ratio**



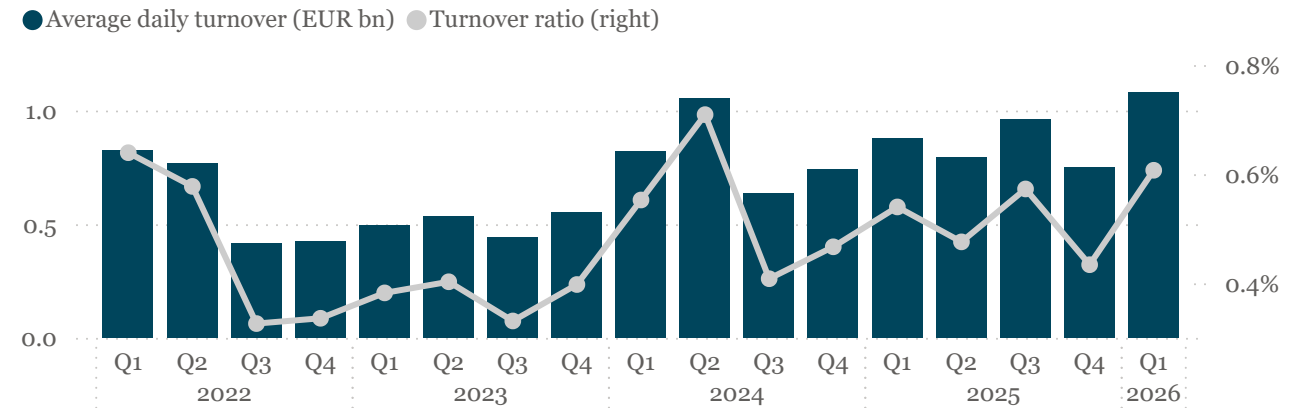
**5.14 Greece: Average daily trading volume (bonds only) and turnover ratio**



**5.15 Poland: Average daily trading volume (bonds only) and turnover ratio**



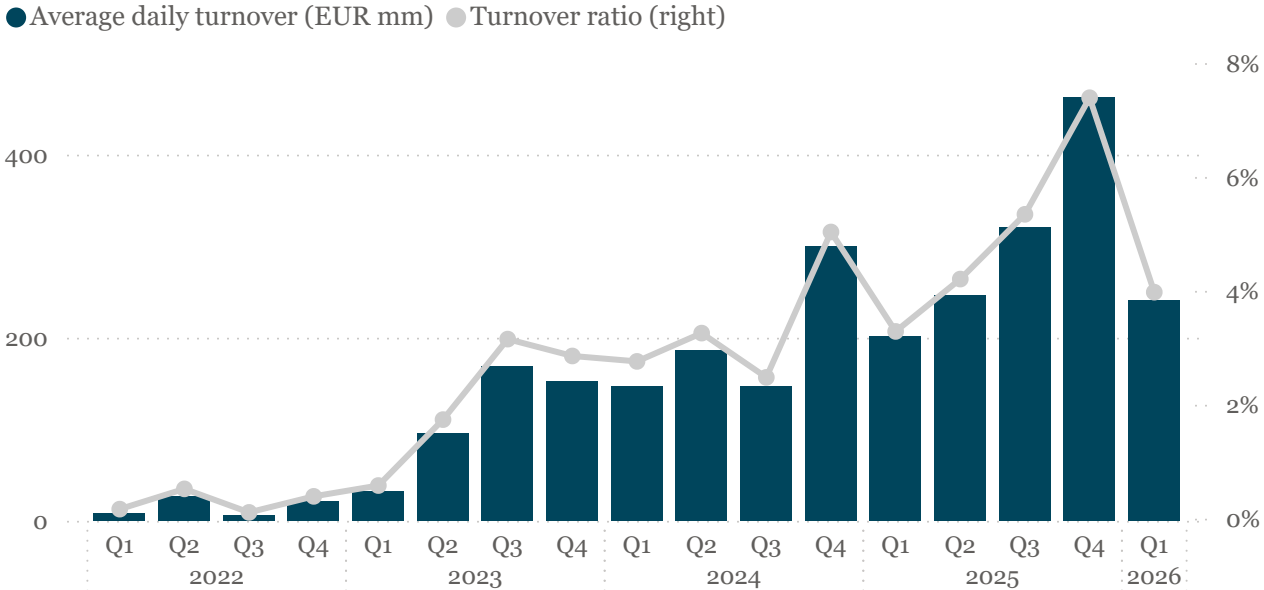
**5.16 Finland: Average daily trading volume (aggregated bonds and bills) and turnover ratio**



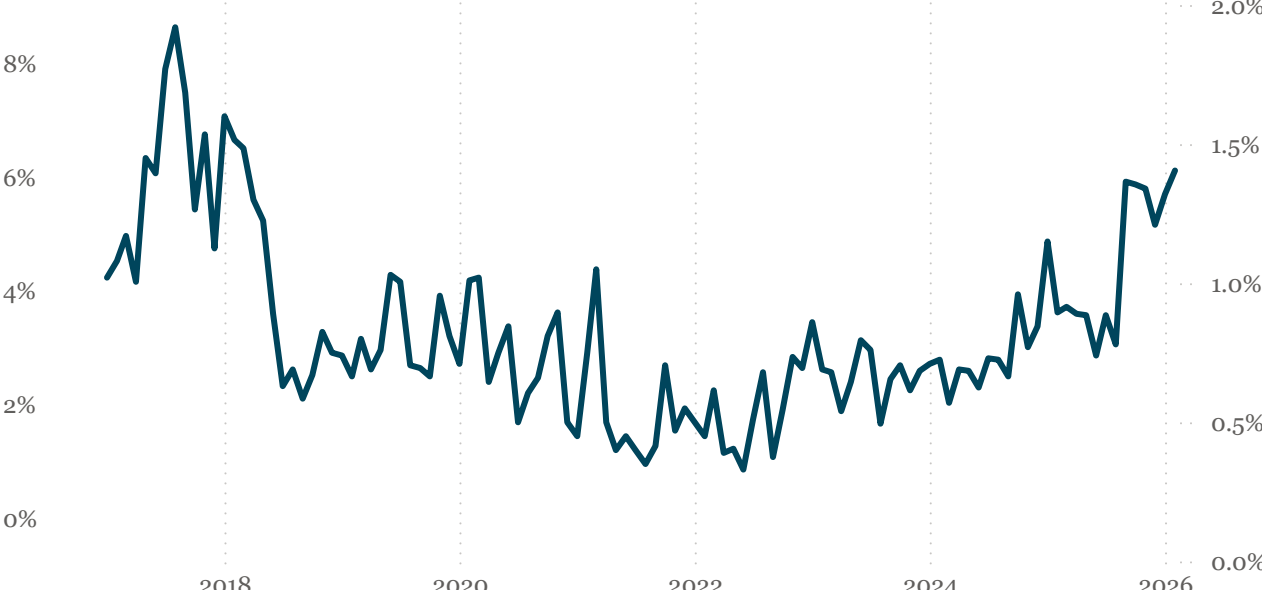
Source: Denmark's Nationalbank, Bank of Greece, ECB, National Depository for Securities (KDPW), WSE, Finland Valtiokonttori. **Given the differences in the aggregation basis across jurisdictions, the data is not fully comparable between countries. Full Methodology available on page 36 of this report.**

# afme / Secondary Market Trading Volumes and Turnover Ratios

5.17 Bulgaria: Average daily turnover volume and turnover ratio



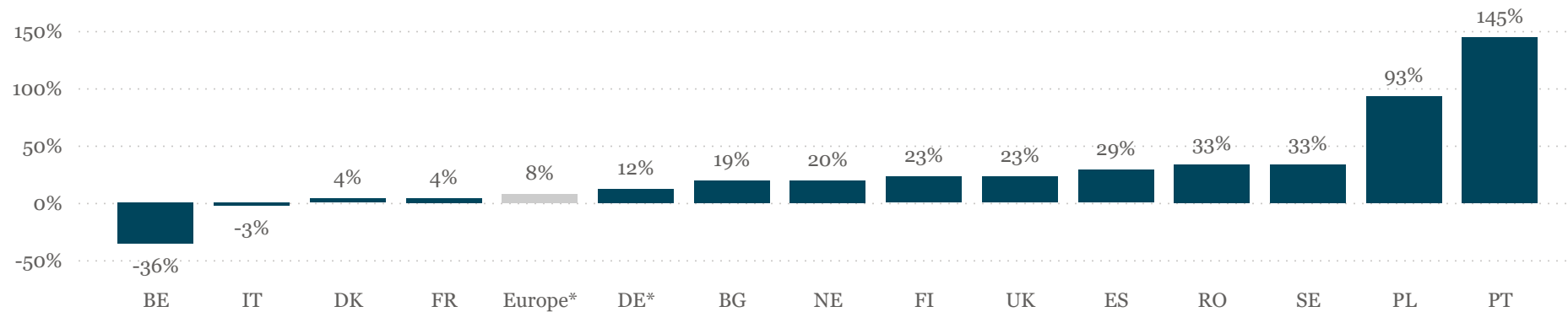
5.18 Romania: Average daily turnover ratio



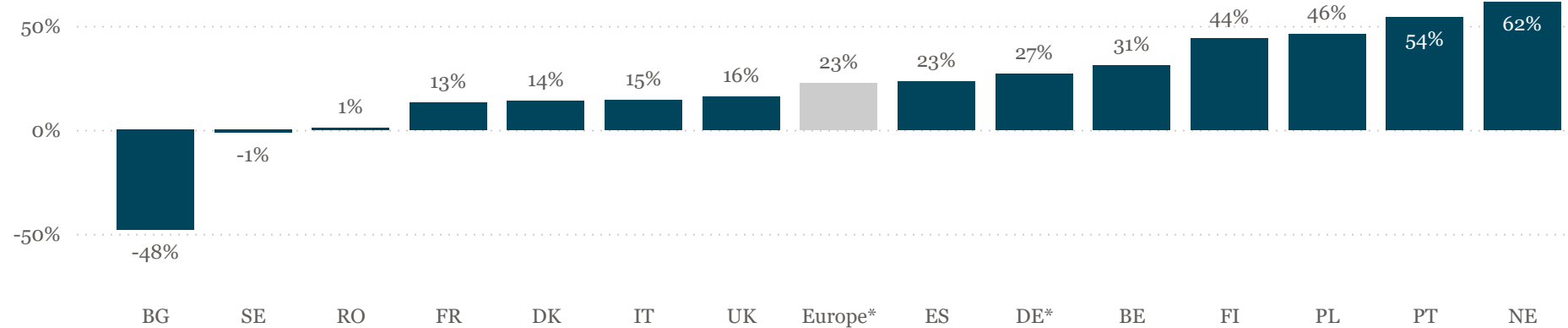
Source: ECB, Ministry of Finance of the Republic of Bulgaria, Ministerul Finantelor. **Given the differences in the aggregation basis across jurisdictions, the data is not fully comparable between countries. Full Methodology available on page 36 of this report**

# afme / Secondary Market Trading Volumes and Turnover Ratios

5.20 Annual change in average daily turnover volumes of European government bonds: 1Q25 to 1Q26



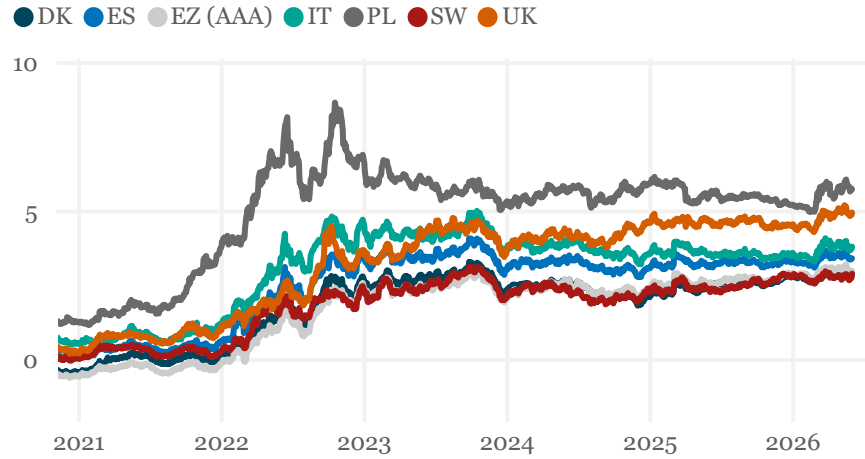
5.21 Quarterly change in average daily turnover volumes of European government bonds: 4Q25 to 1Q26



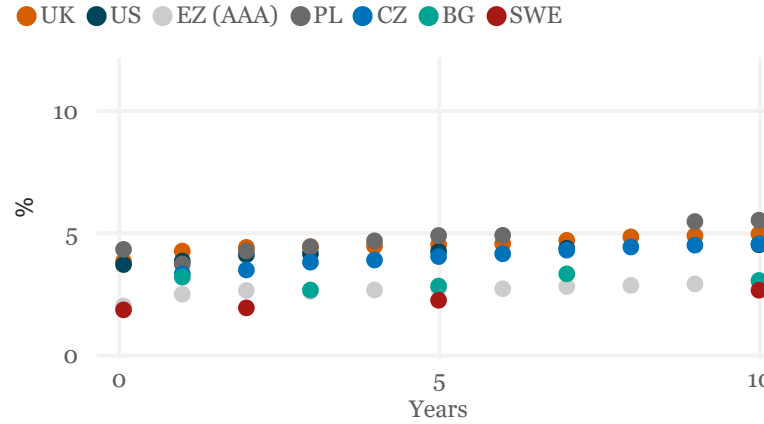
Source: AFME with information from European DMOs and other agency sources. See section 5 for details on aggregation basis and sources.  
 \*Europe (EU+UK) total and Germany is sourced from TraX data from MarketAxess, as the quarterly variation of average daily volumes of government and sovereign bonds.

# Valuations

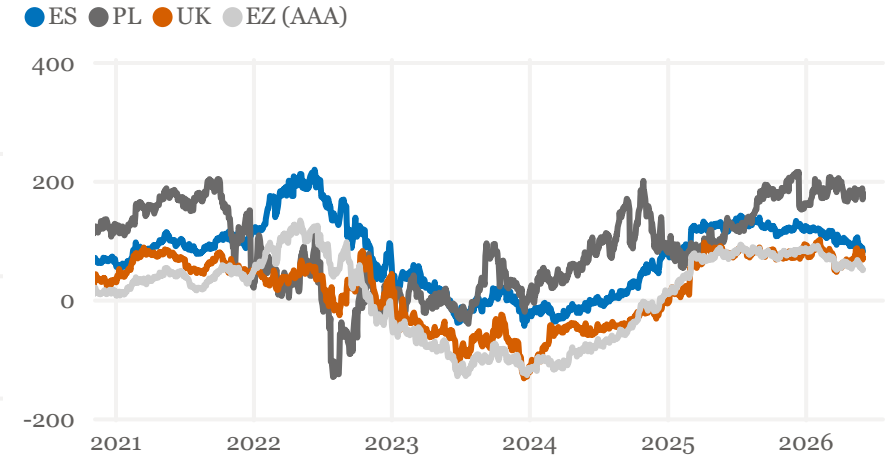
## 6.1 Selected European 10Y spot yields



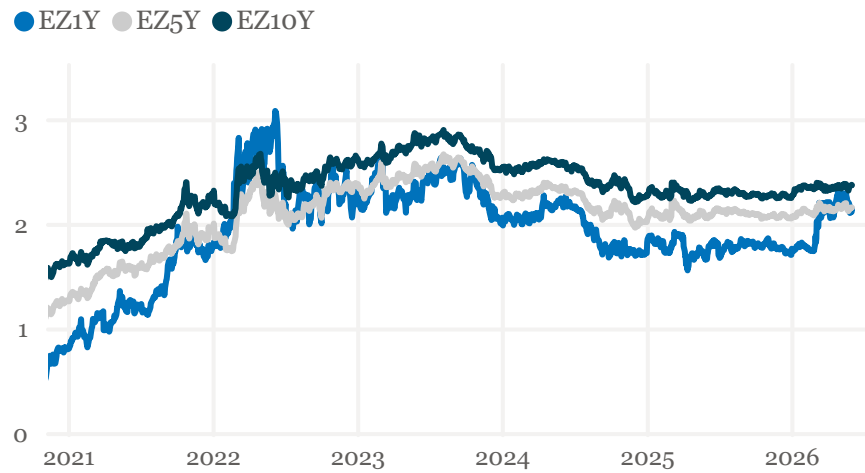
## 6.2 Sovereign spot yield curve of selected jurisdictions: 3 June 2026



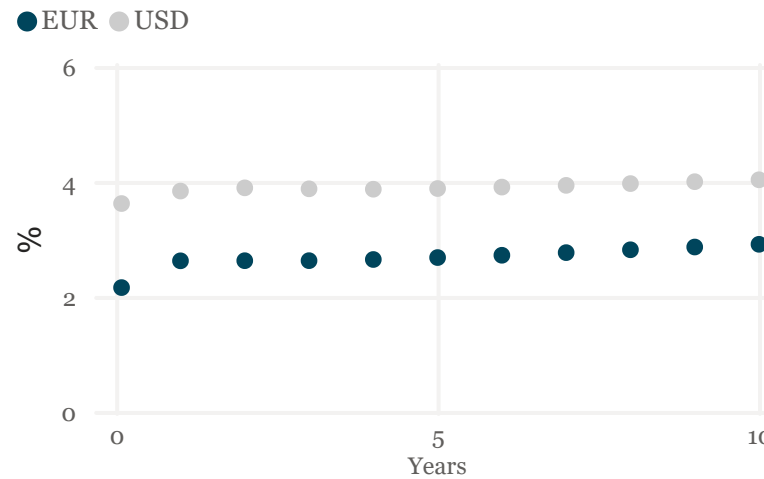
## 6.3 Slope: 1Y10Y spread (bps)



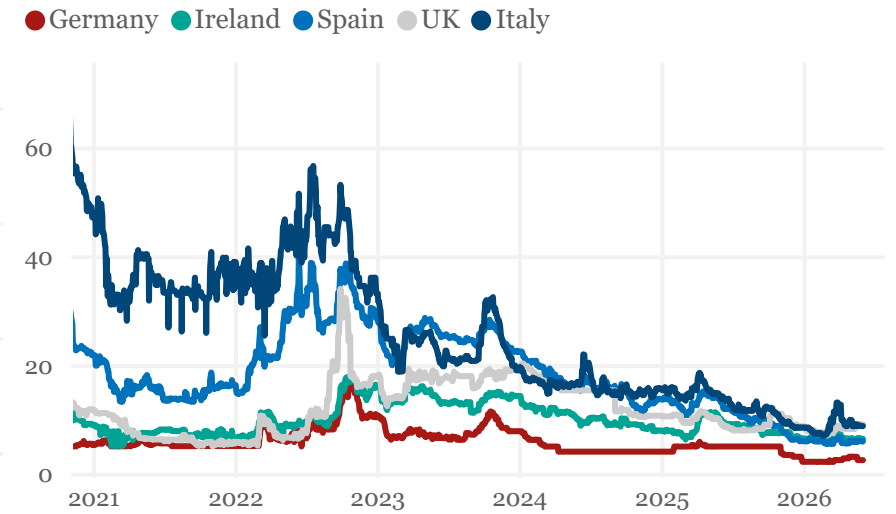
## 6.4 Market-implied inflation expectations (Eurozone)



## 6.5 Overnight index swap (OIS) yield curve: 3 June 2026



## 6.6 5Y Sovereign Credit Default Swap (CDS, bps)



Source: ECB and Refinitiv Eikon

# afme / Methodology for secondary Market Trading Volumes and Turnover Ratios in this report

**Turnover ratios are calculated as the average daily trading volume relative to total outstandings. Cash trading only (excludes repo and derivatives transactions)**

**5.1 EU + UK:** Secondary Market Volumes (please note this is restricted to 2013-Q3 onwards as split not available prior to this date. Volumes are calculated by converting the individual traded securities to EUR using the prevailing exchange rate on the date of each trade. ADV calculated by dividing the total converted volume by the number of UK trading days for quarter. Data sourced from Trax. The aggregation of Trax data is agnostic of platform (meaning the trades can be conducted via BBG, TRAX or others) as it is sourced from dealers middle offices, rather than the actual trading venues. The data includes both dealer to dealer activity and dealer to client activity. Data does not consider transaction volume between clients and therefore relies on the degree of dealer intermediation.

**5.2 Eurozone:** Data is published by EFC Sub-Committee on ESDM, and is based on turnover data reported in the Euro Market Activity Report (EMAR), including turnover on a trade by trade basis traded by reporting dealers. A comprehensive list of reporting dealers can be found in the EMAR reports on the website of the Economic and Financial Committee's Sub Committee on EU Sovereign Debt Markets

**5.3 United Kingdom:** Turnover data reported to the DMO by the Gilt-edged Market Makers (primary dealers).

**5.4 Italy:** Turnover on all trading venues and OTC as per data provided to the Italian Dipartimento Del Tesoro by Primary Dealers through HRF ('single counted' volumes).

**5.5 Germany:** Turnover of both electronic and OTC trading. The traded volume is aggregated for a representative part of the members of the Bund Issues Auction Group with trades with all counterparties. Includes Bubills, Schaetze, Bobls, Bunds and inflation-linked securities. Capital and coupon strips as well as US-dollar bonds are excluded.

**5.6 Portugal:** Turnover of electronic and OTC trading reported on MTS-Portugal, BrokerTec and eSpeed.

**5.7 Spain:** Turnover data from Iberclear and electronic platforms reported via the Bank of Spain. Includes outright and repo transactions.

**5.8 Finland:** Turnover of customer trades, MTS Finland and Euro MTS.

**5.9 Belgium:** Turnover is total outright transactions.

**5.10 Sweden:** Turnover is total outright transactions

**5.11 Ireland:** Turnover on Irish Stock Exchange.

**5.12 Netherlands:** Turnover is customer and interdealer trading. Total outright transactions, including electronic and OTC trading.

**5.13 France:** Turnover of voice and electronic trading (not including PSPP transactions or trading without an SVT).

**5.14 Denmark:** Turnover of MTS, TradeWeb, Bondvision and trades reported to Nasdaq OMX (including voice trading).

**5.15 Greece:** Turnover on Electronic Secondary Securities Market (HDAT).

**5.16 Poland:** Turnover is total outright transactions. Data from KDPW are presented according to the date of the settlement, while data from WSE are presented according to the date of conclusion of a transaction.

**5.17 Bulgaria:** Turnover ratio of the government securities issued on domestic market. Official values reported as average monthly turnover ratios, which have been converted assuming 20 business days per month.

**5.18 Romania:** Turnover ratio of the government securities issued on domestic market. Official values reported as average monthly turnover ratios, which have been converted assuming 20 business days per month. Turnover volume not available.

**For a description of the methodology of this report please visit <https://www.afme.eu/reports/data/details/Summary-of-the-Methodologies>**

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