



Q1 2025

Government Bond Data Report

European market data update



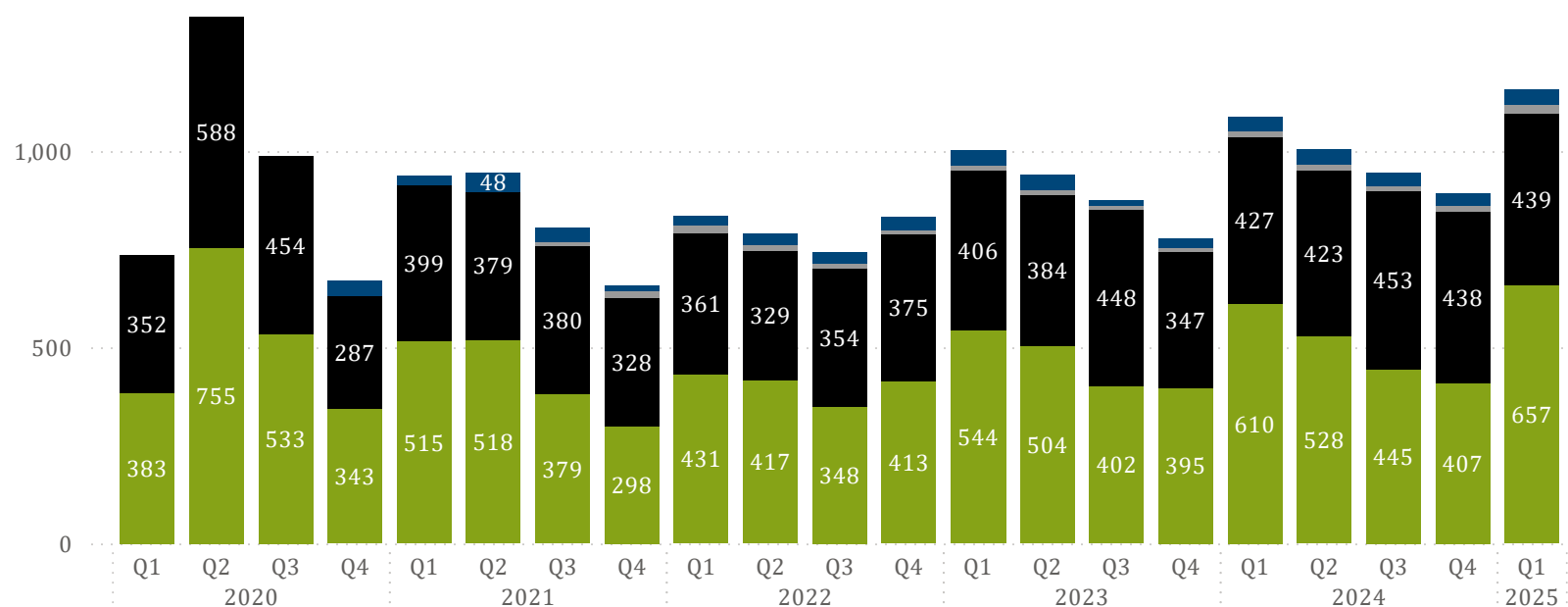
Highlights and Market Environment	3
Regulatory Update	8
Issuance	9
Recent Auctions and Primary Dealers	12
Outstanding	18
Credit Quality	23
Secondary Market Trading Volumes and Turnover Ratios	27
Valuations	34

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Finance for Europe

1. European (EU+UK) government bond and bill issuance (EUR bn, 2020-2025)

● Bonds (EU+UK) ● Bills (EU+UK) ● Bills (European Commission) ● Bonds (European Commission)



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

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

Highest first-quarter European government bonds and bills issuance volume on record as EUR 1,159 bn issued in Q1 2025

Total quarterly gross issuance in Europe (EU Member States, UK and EU Commission) was EUR 1,159 bn during Q1 2025, up 6.7% compared to Q1 2024 (YoY) and up 29.8% from Q4 2024 (QoQ). Total (bond and bill) issuance in Q1 2025 represents the highest first-quarter issuance on record (since 2006) and the second-highest quarterly issuance overall after Q2 2020 (see *Chart 1*).

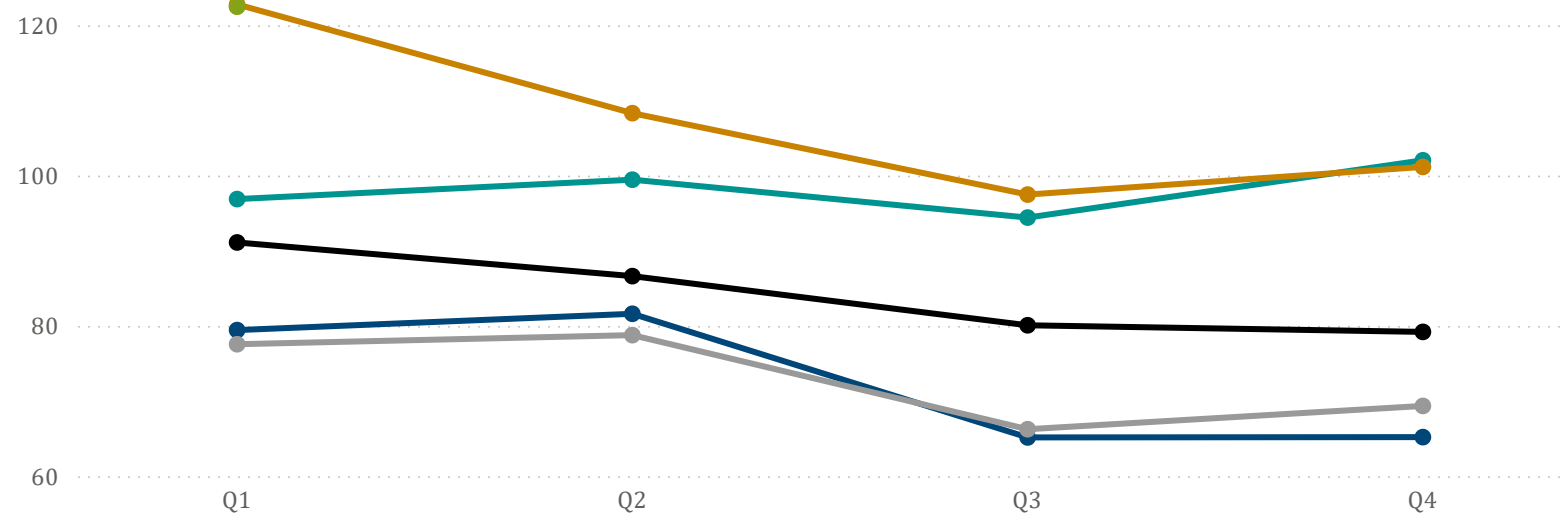
Excluding institutional issuance from the EU Commission, EU Member States and the UK issued EUR 1,096 bn in bonds and bills during 1Q25¹, representing an increase of 5.7% (YoY) and an increase of 29.6% (QoQ).

The EU Commission issued an additional EUR 40 bn in EU-bonds and EUR 23 bn in EU-bills during Q1 2025, representing 5.4% of total European sovereign issuance, up from 5.3% in Q4 2024, and up from 4.5% in Q1 2024.

The UK continues to have significant funding requirements, with total quarterly bond and bill issuance increasing 25.2% (YoY) during Q1 2025 and representing 17.5% of total European (EU+UK) volumes, up from 14.7% in Q1 2024.

2. European Government bond average daily trading volumes (EUR bn)

● 2020 ● 2021 ● 2022 ● 2023 ● 2024 ● 2025



Source: MarketAxess TraX

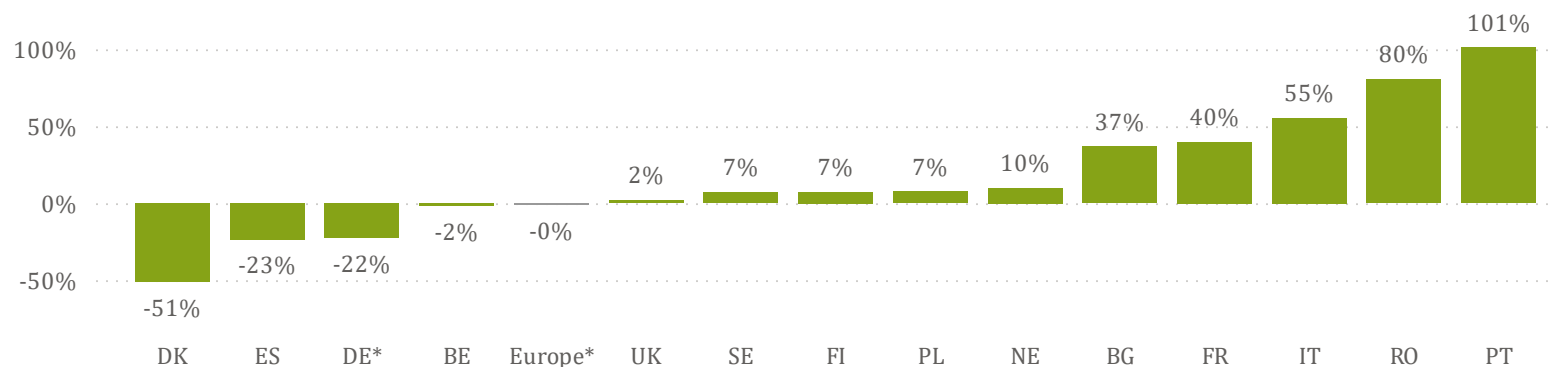
Second-highest average daily trading volume in European (EU+UK) government bonds during Q1 2025

According to TraX data from MarketAxess, trading activity remained strong in Q1 2025 with average traded volumes decreasing by 0.2% YoY and increasing 21.1% QoQ. This represents the second-highest average daily traded volume on record (since 2014) for a single quarter with trading in Q1 2025 only marginally below peak volumes observed in Q1 2024 (see Chart 2).

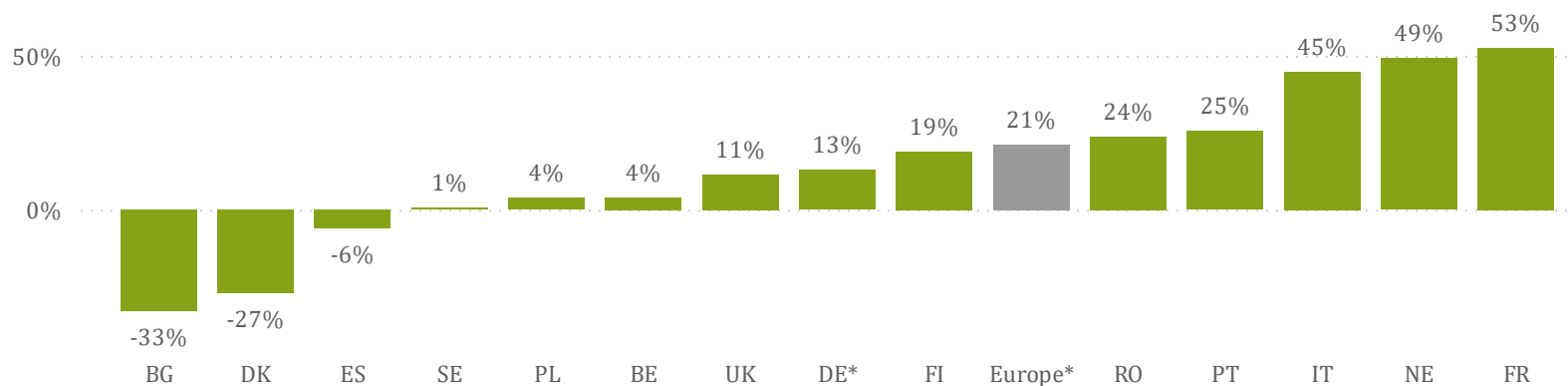
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Finance for Europe

3. Annual changes in Government Bond average daily trading volumes (1Q25 vs 1Q24) Selected European jurisdictions



4. Quarterly changes in Government Bond average daily trading volumes (1Q25 vs 4Q24) Selected European jurisdictions



Source: AFME with information from European DMOs and other agency sources and MarketAxess TraX.

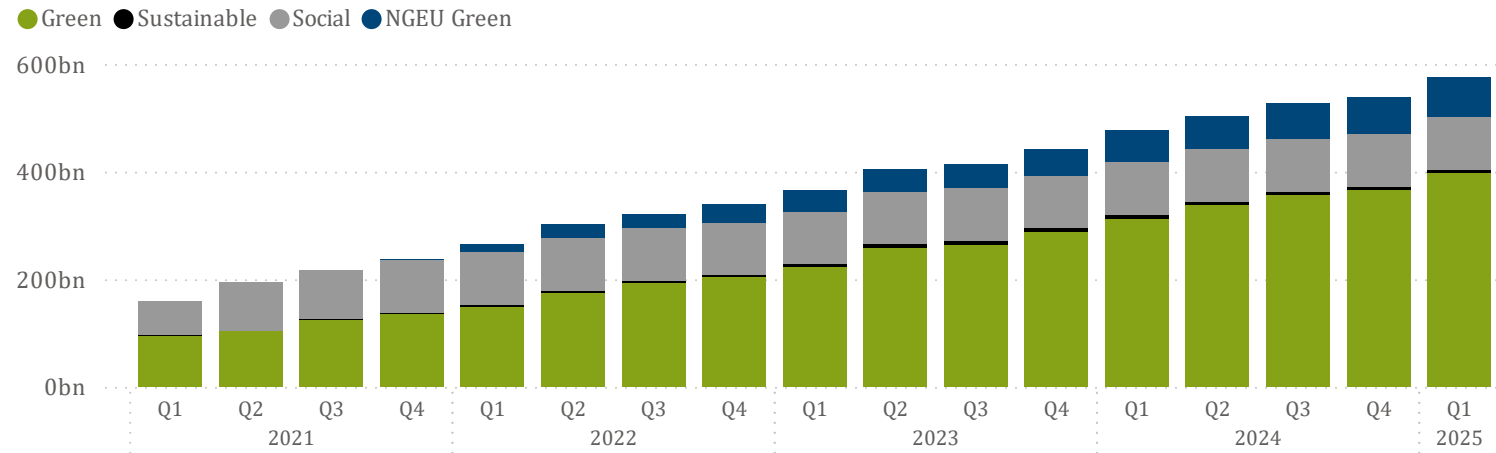
*Europe (EU+UK) total and German turnover is sourced from MarketAxess TraX as the quarterly variation of average daily volumes of government and sovereign bonds.

European government bond trading decreased 0.2% YoY and increased 21.1% QoQ in Q1 2025

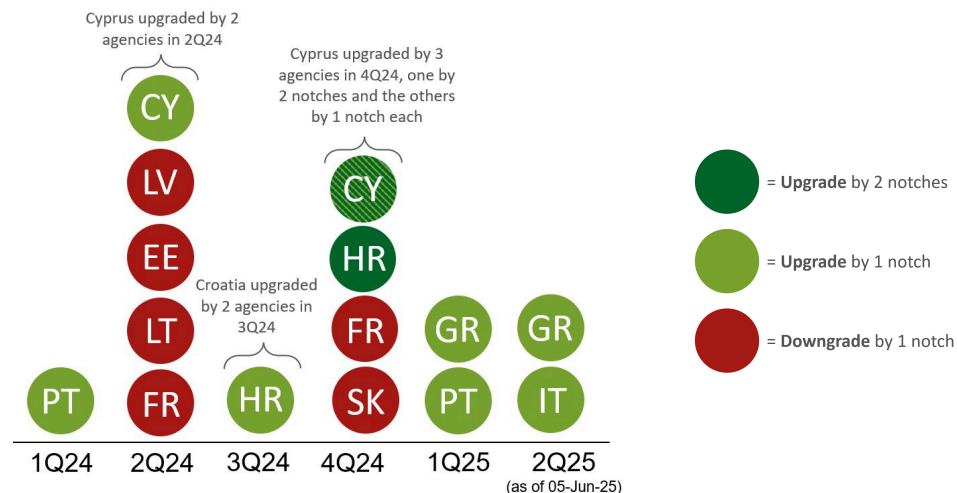
Average daily trading volumes of European government bonds were supported by a significant increase in trading in Portugal (101% YoY), Romania (80% YoY), Italy (55% YoY), France (40% YoY), Bulgaria (37% YoY), the Netherlands (10% YoY), Poland (7% YoY), Finland (7% YoY) and Sweden (7% YoY). There was a decrease in trading in Denmark (-51% YoY), Spain (-23% YoY), Germany (-22% YoY) and Belgium (-2% YoY) (see Chart 3).

Highlights and Market Environment

5. European outstanding ESG sovereign bonds (EUR bn, 2021-2025)



6. European rating actions on long-term sovereign credit ratings (2024FY and 2025-YtD)



²Data as of 05 June 2025.

Source: Refinitiv Eikon, European Commission [Chart 5]. Fitch, Moody's, S&P [Chart 6].

Outstanding amount of European government ESG bonds reach EUR 576.0 bn in Q1 2025

Outstanding amount of ESG government bonds reached EUR 576.0 bn during Q1 2025 (see *Chart 5*), with volumes driven by new green bonds issued by Italy (EUR 5.0 bn), Austria (EUR 3.5 bn) and Hungary (EUR 1.0 bn) and tap issuance by the UK (EUR 5.0 bn), Germany (EUR 4.2 bn), France (EUR 1.3 bn) and Romania (EUR 0.6 bn).

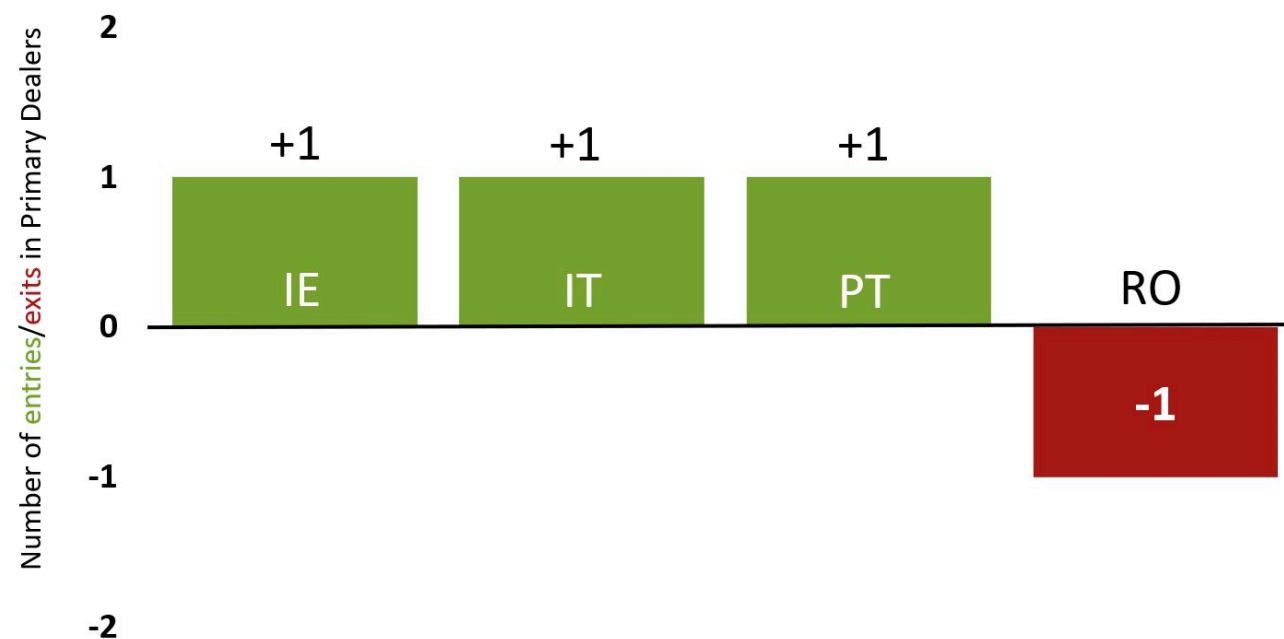
The European Commission issued EUR 5.0 bn in Q1 2025, via tap issuance of an existing green bond.

During Q1 2025 there were 2 upgrades and no downgrades in long term credit rating changes for European nations

This was followed by 2 further upgrades and no downgrades in 2Q25 to date, bringing the 2025 year-to-date² total to 4 upgrades and no downgrades (see *Chart 6*).

Highlights and Market Environment

7. Changes in numbers of Primary Dealers across European countries and the EU PDN (January 2025 - March 2025)



Source: AFME HRF Table and National DMOs. Latest data as of March 2025.

There were 3 entries and 1 exit in European Primary Dealership from January 2025 to March 2025 with a net change of +2

Changes in primary dealership from January 2025 to March 2025 affected sovereign debt markets in Ireland, Italy, Portugal and Romania (see Chart 7)

This follows 8 entries and 6 exits in total of banks to primary dealer systems in France, the Netherlands, Germany, Czech Republic, Greece, Hungary, Slovakia and Slovenia from December 2024 to January 2025.

Major upcoming regulatory, legislative and policy initiatives

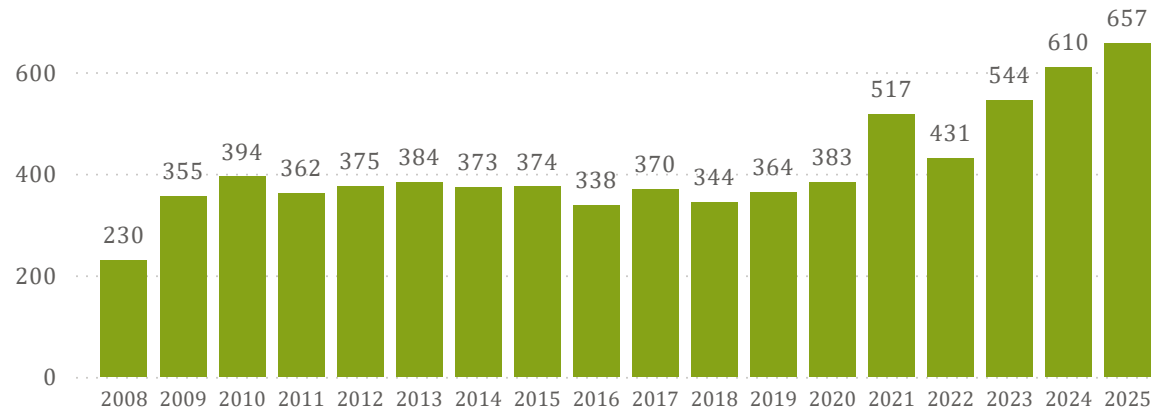
There are several regulatory initiatives currently being considered at the European and national level with expected impact on the government bond markets. Some of the key initiatives recently implemented or soon to be applied include:

- Basel III
- CSDR
- EU T+1 Settlement
- Fundamental Review of the Trading Book (FRTB)
- Prospectus Regulation
- MiFID Regulatory Technical Standards (RTS) Review

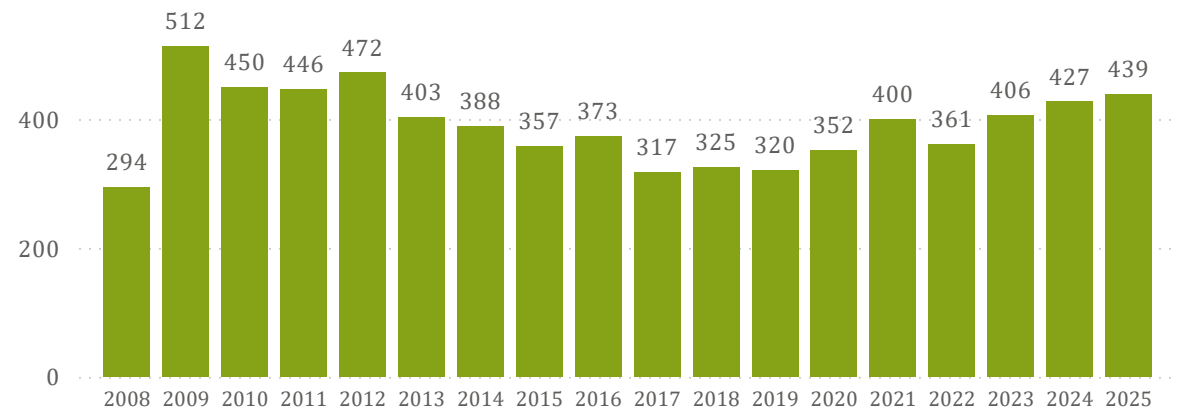
AFME and its members actively contribute on all of these and other initiatives.

Issuance

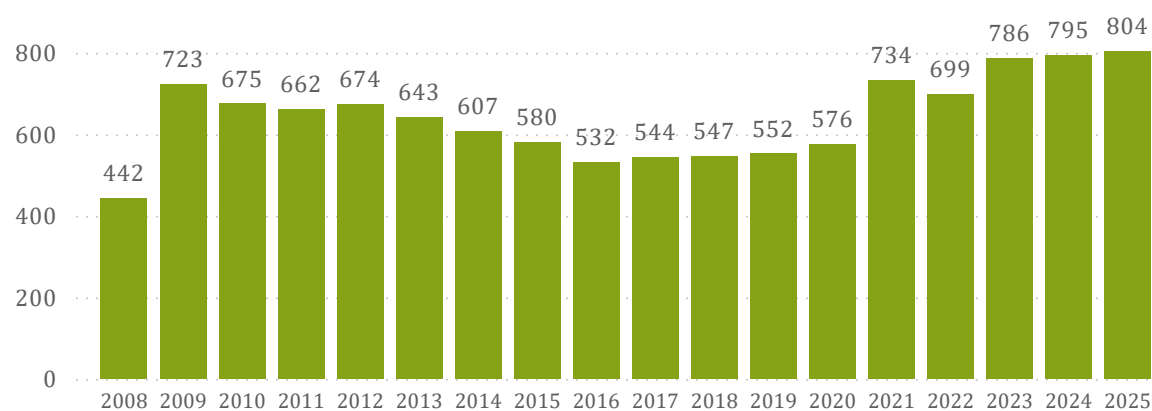
1.1 European (EU+UK) Government Bond gross issuance (Q1, EUR bn)



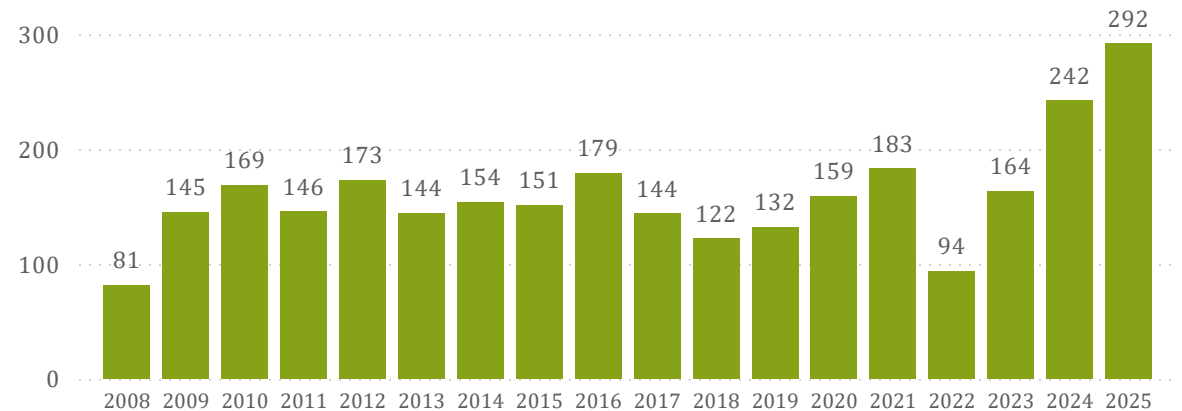
1.2 European (EU+UK) Treasury Bills gross issuance (Q1, EUR bn)



1.3 Eurozone bonds and bills gross issuance (Q1, EUR bn)



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

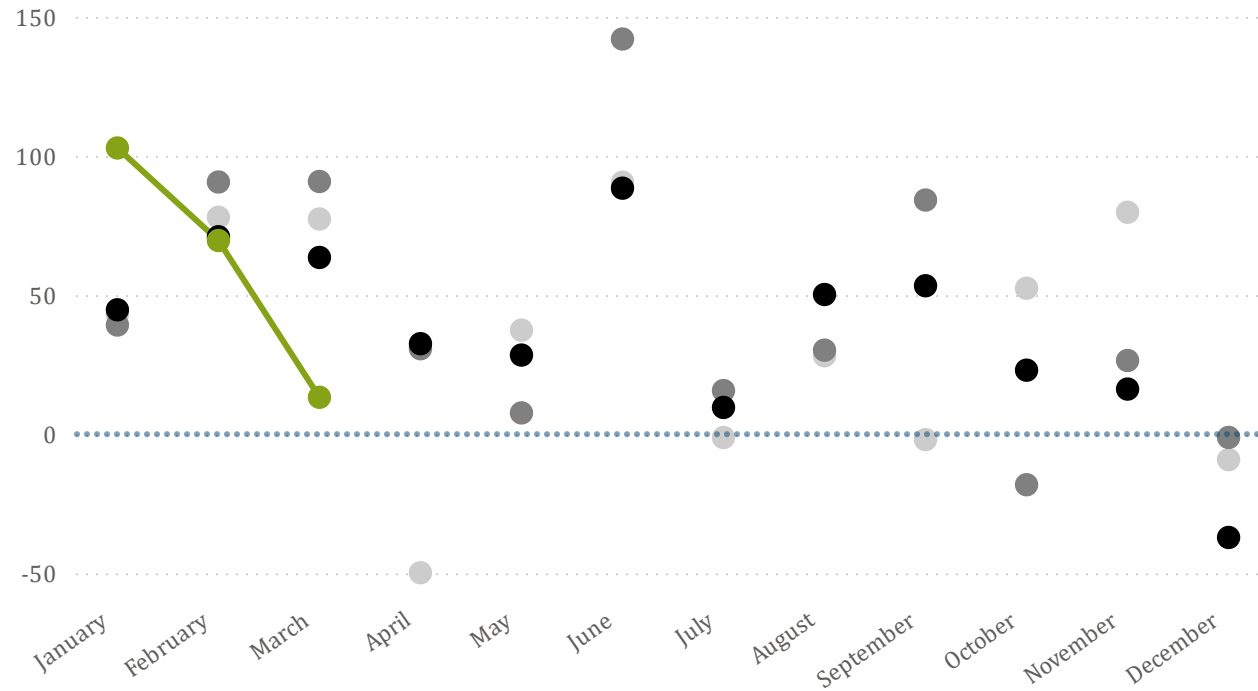


Source: ECB, National Debt Management Offices and UK Debt Management Office.

Data on this page excludes EU Commission issuance (ie. NGEU, SURE) and includes debt issued from EU Member States and the UK only.

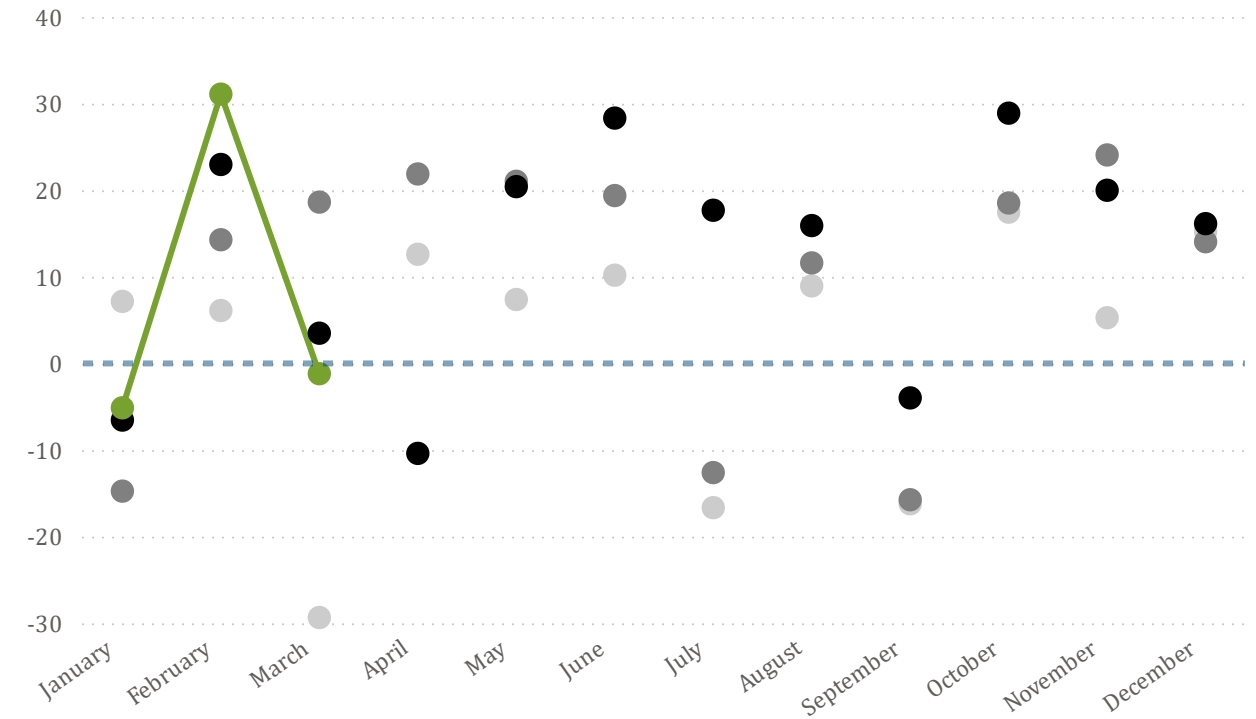
1.5 Euro area net sovereign debt issuance (EUR bn)

Year ● 2022 ● 2023 ● 2024 ● 2025



1.6 UK Gilts net issuance (GBP bn)

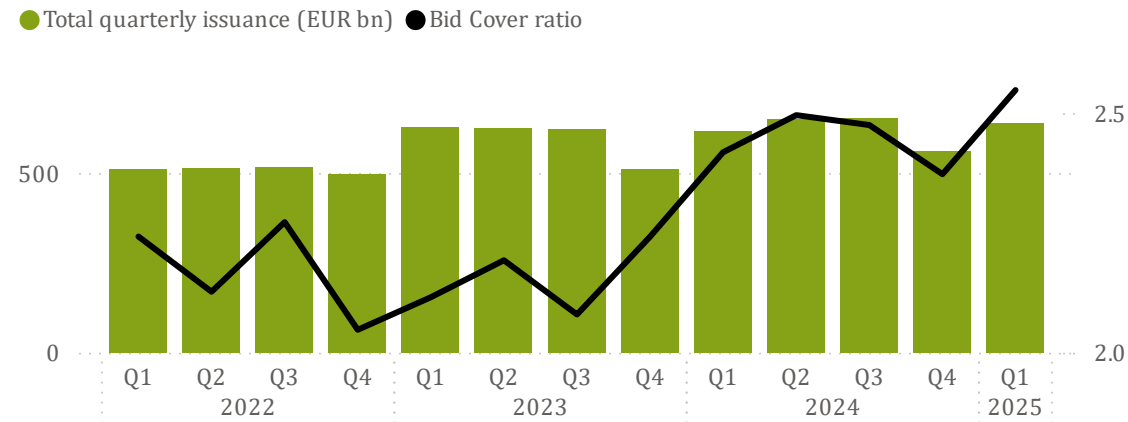
Year ● 2022 ● 2023 ● 2024 ● 2025



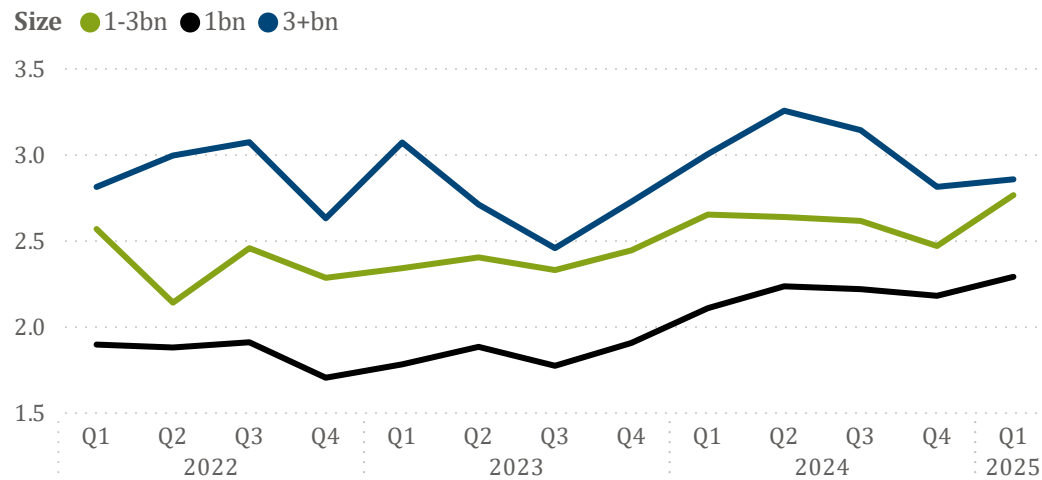
Source: ECB and UK Debt Management Office.

Recent Auctions and Primary Dealers

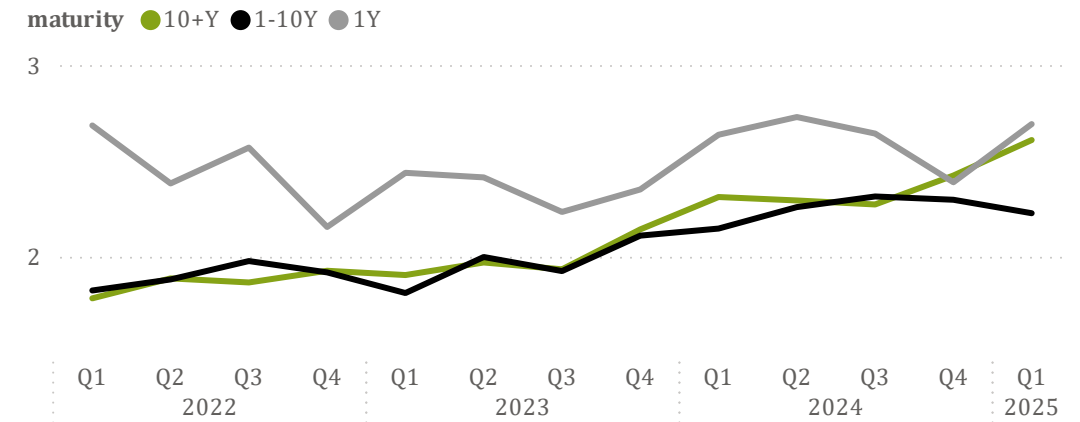
2.1 Average bid-cover ratios and issued volumes in selected jurisdictions (EUR bn)



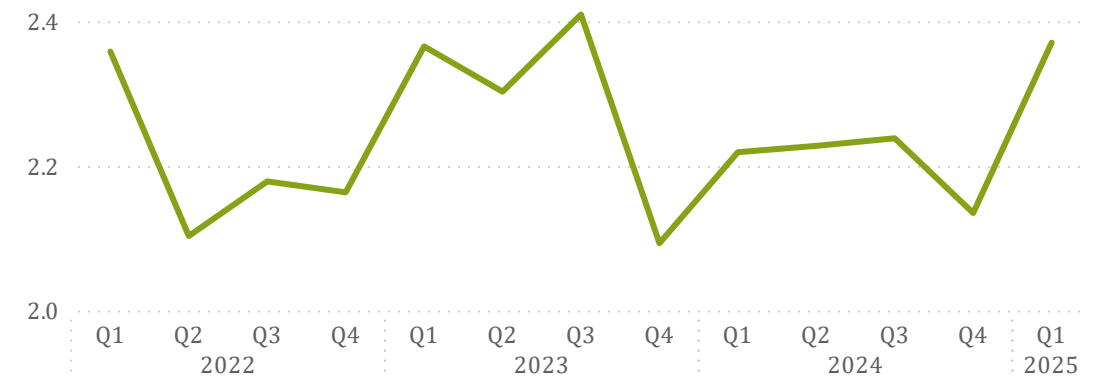
2.3 Average bid-cover ratios by size of issued instruments



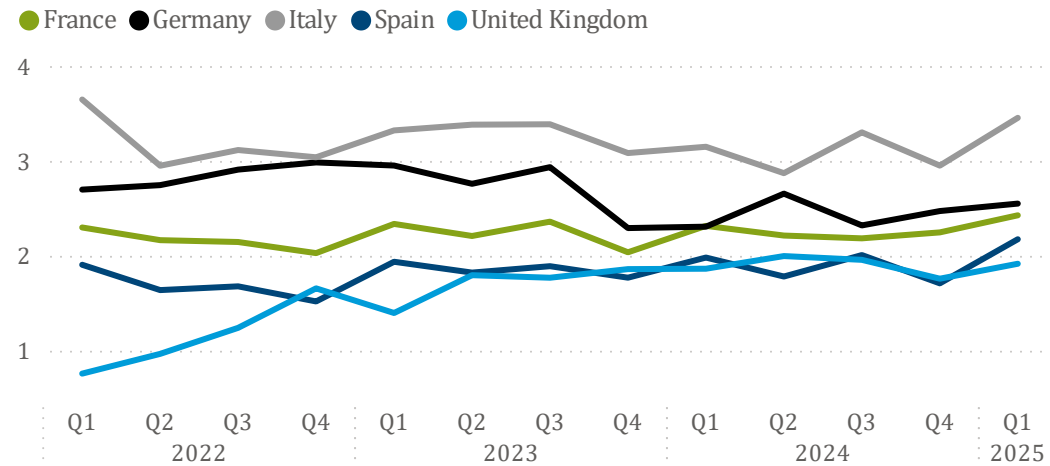
2.2 Average bid-cover ratios by tenor (years) of issued instrument



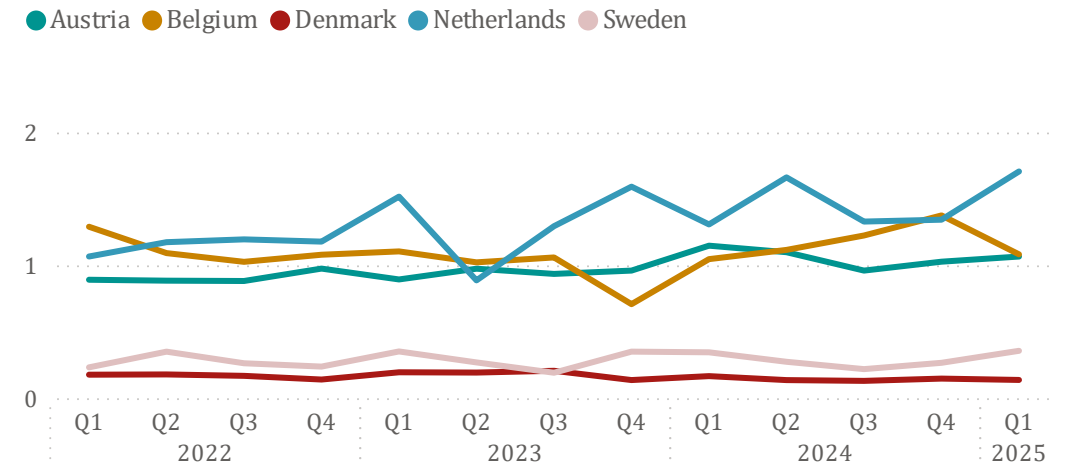
2.4 Average auction size in selected European jurisdictions (EUR bn)



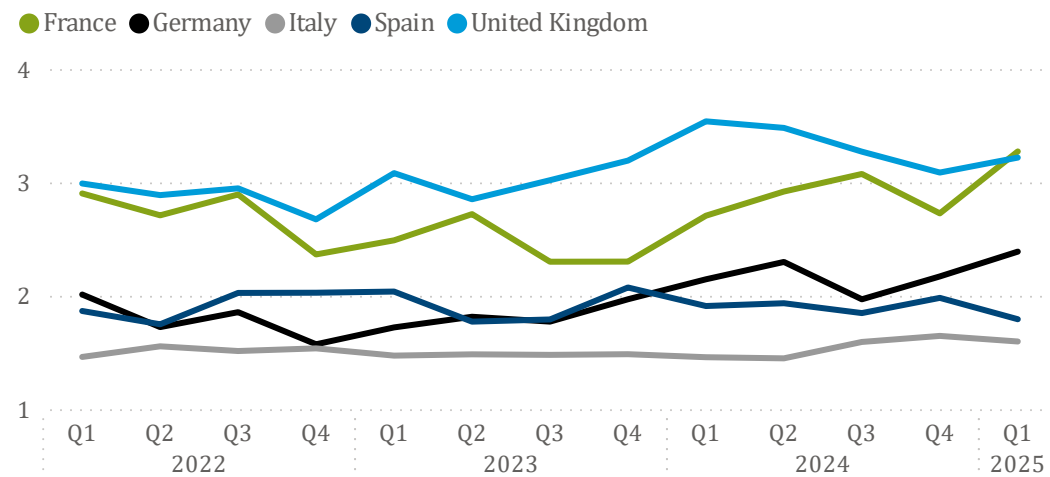
2.5 Average auction size in selected jurisdictions (EUR bn)



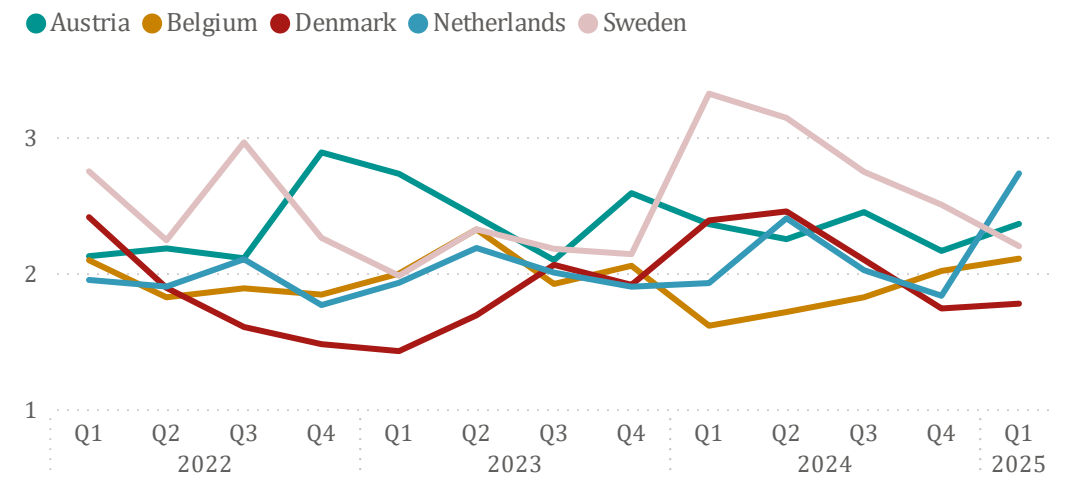
2.6 Average auction size in selected jurisdictions (EUR bn)



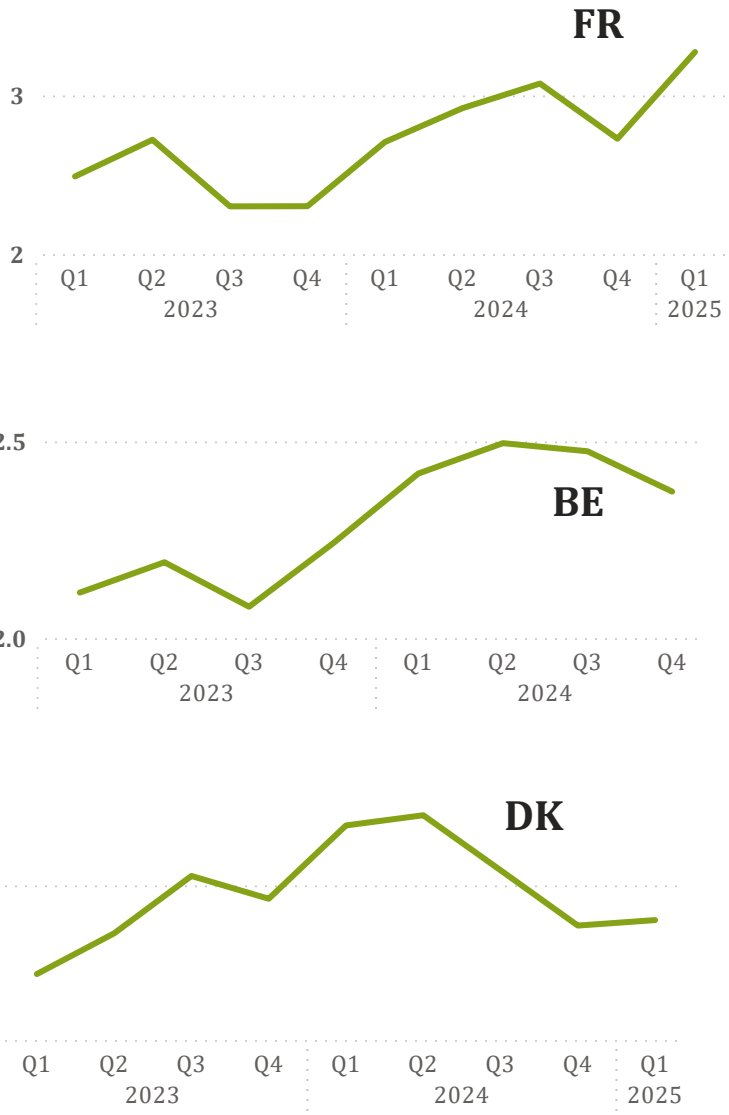
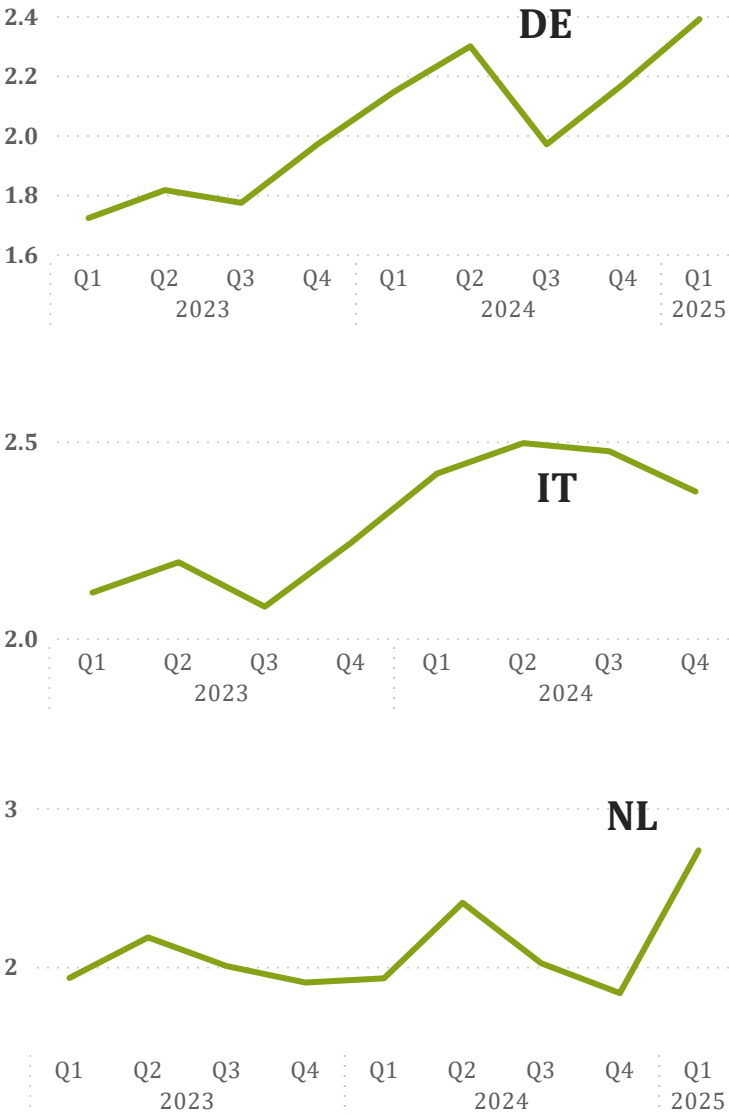
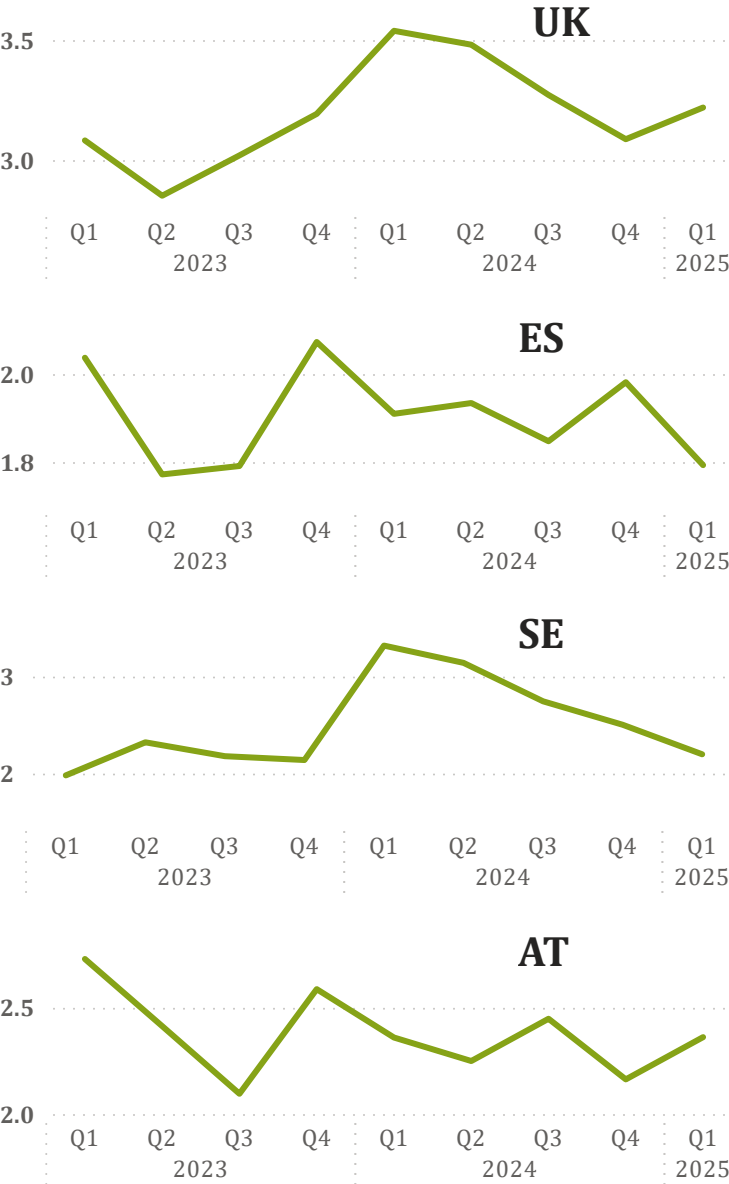
2.7 Average bid-cover ratios by jurisdictions



2.8 Average bid-cover ratios by jurisdictions



2.9 Average bid-cover ratios in selected jurisdictions: Q1 2023 - Q1 2025



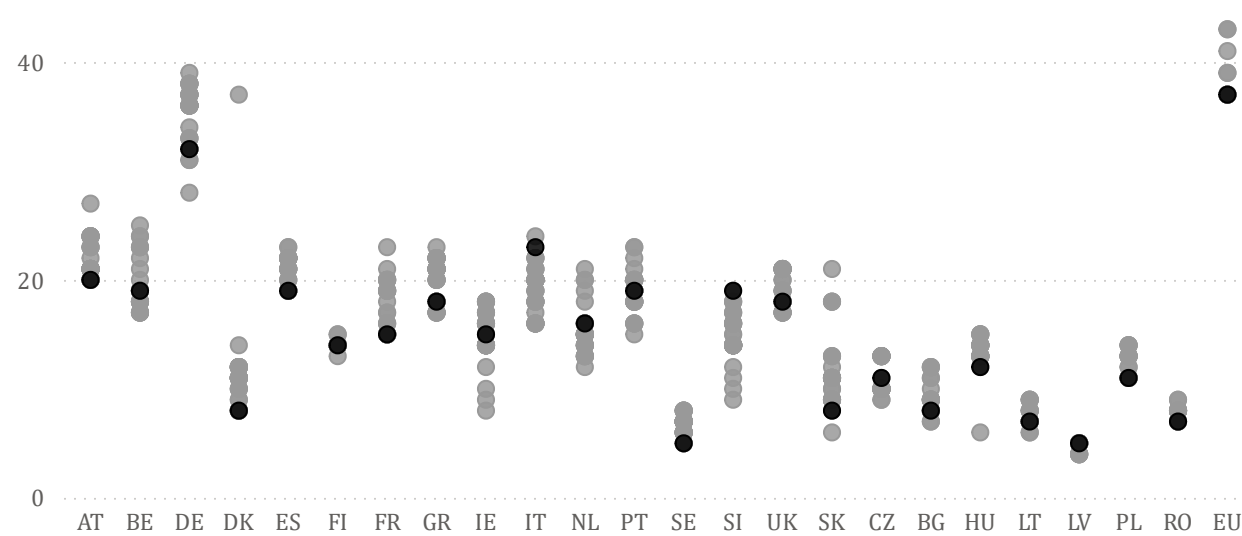
Source: Refinitiv Eikon.

afme / Primary Dealers: European countries and EU

Finance for Europe

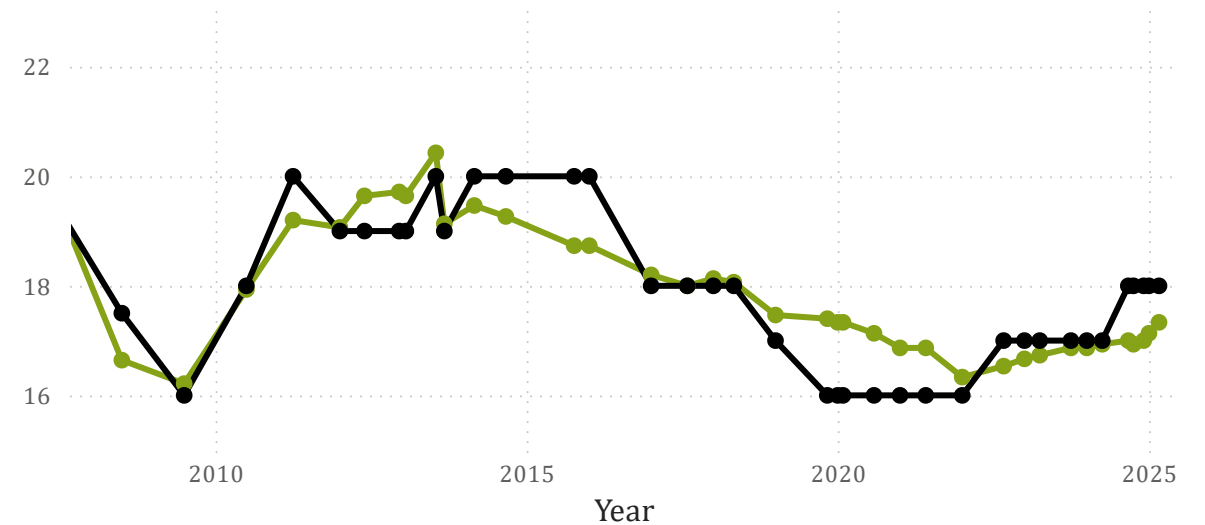
2.10 Number of primary dealers relative to historic number

• 2006 -2025 • Mar-25



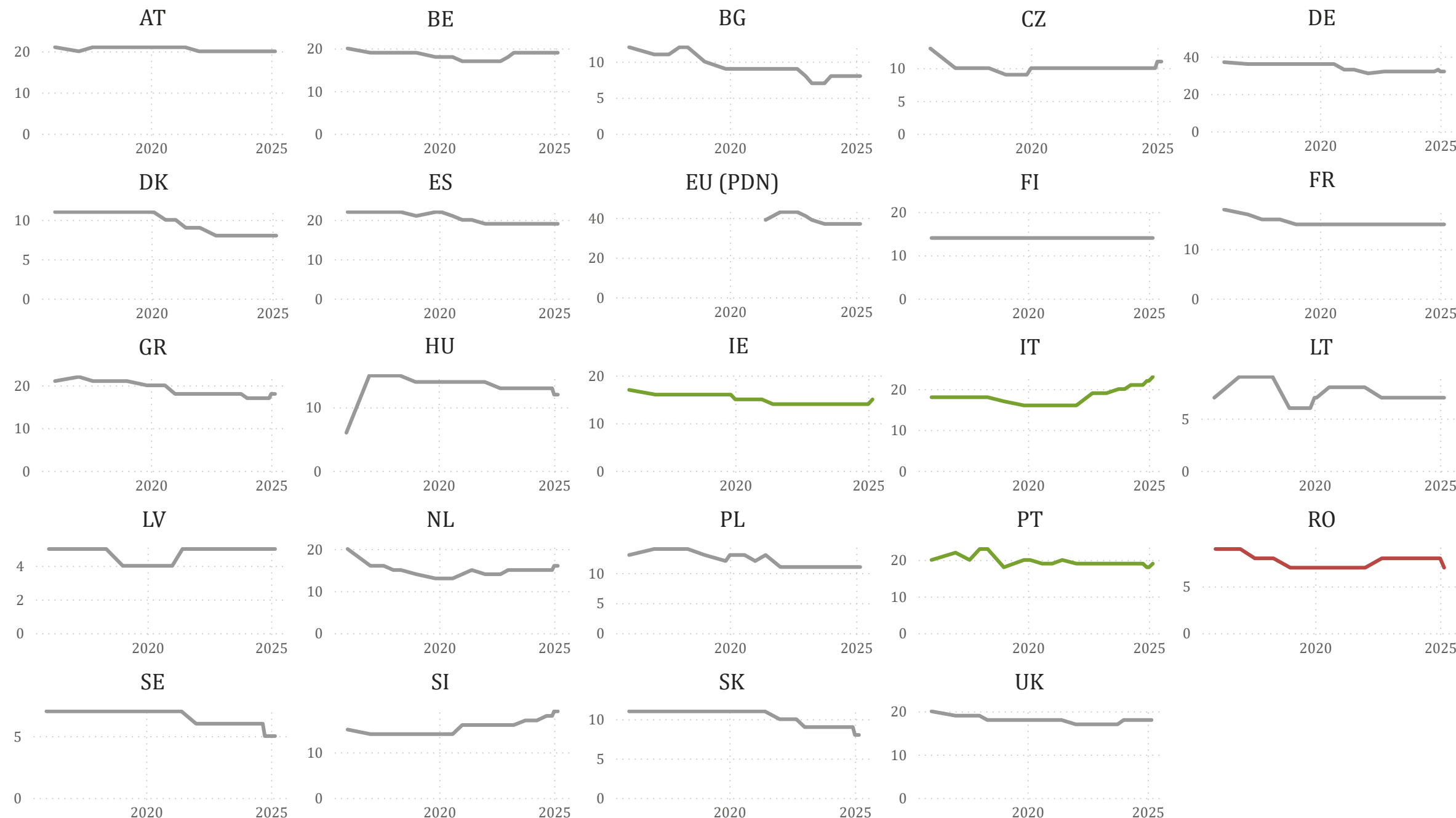
2.11 Average and median number of primary dealers in selected European countries

● Average ● Median



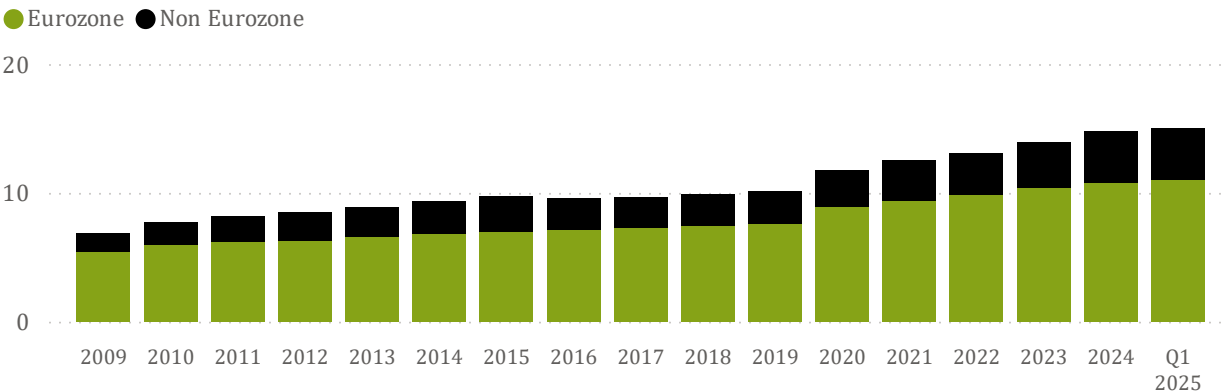
Source: AFME Primary Dealers Handbook, AFME HRF Table, national DMOs. Average and medians of AT, BE, DE, DK, ES, FI, FR, GR, IE, IT, NL, PT, SE, SI and UK. EU in Chart 2.10 refers to the EU Primary Dealer Network. Latest data as of March 2025.

2.12 Number of primary dealers in Europe by country: 2016-2025

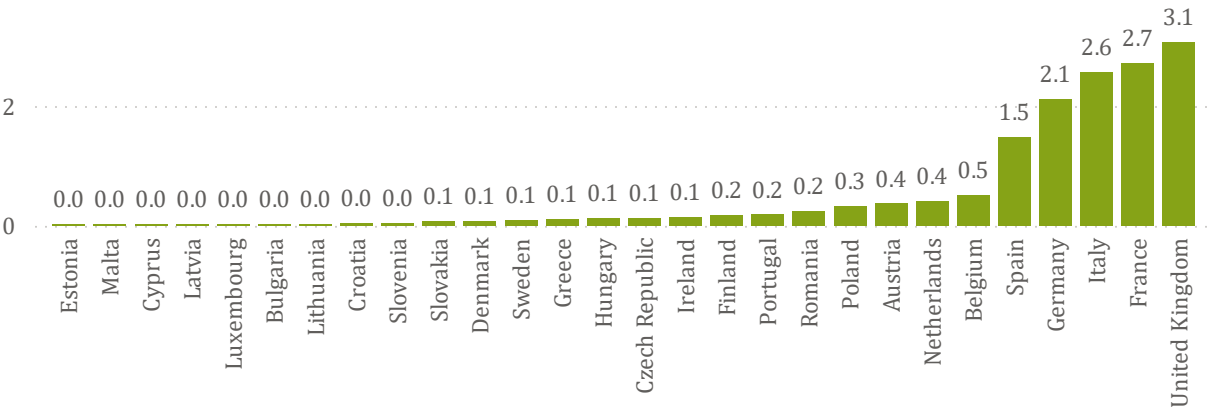


Outstandings

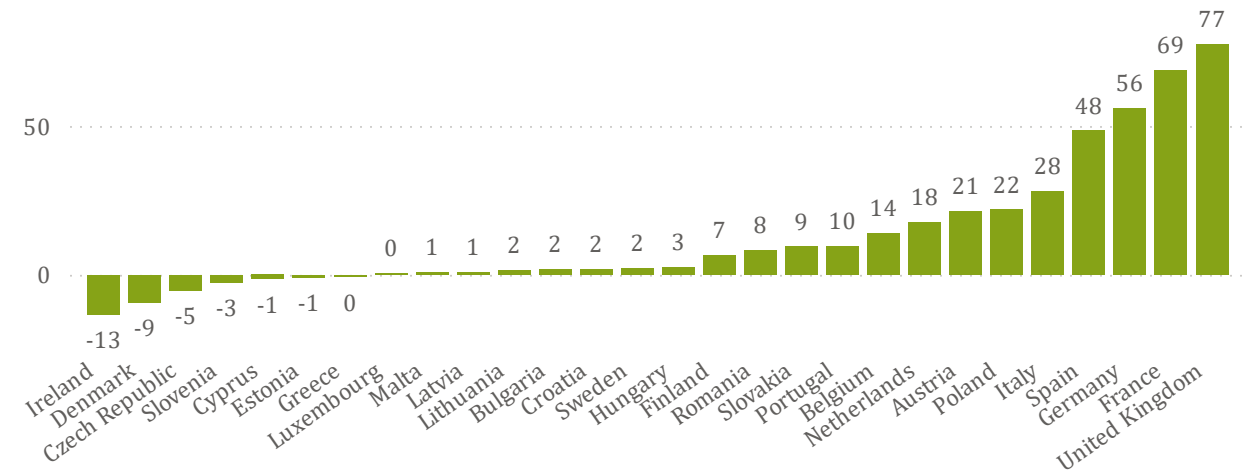
3.1 Outstanding debt securities issued by Central Governments (Nominal, EUR tn)



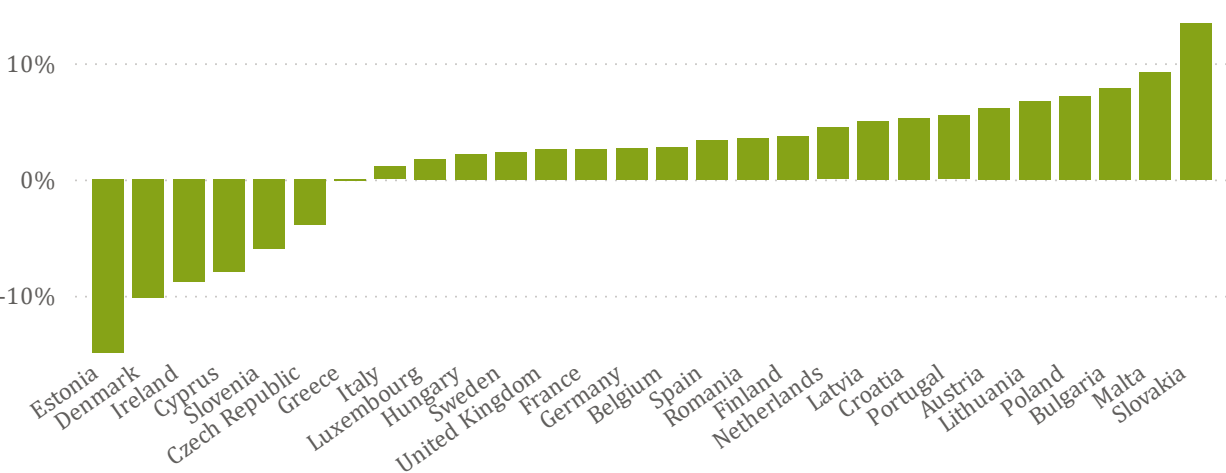
3.2 European government bonds outstanding by country (EUR tn)



3.3 Change in Outstanding from 4Q24 to 1Q25 (EUR bn)



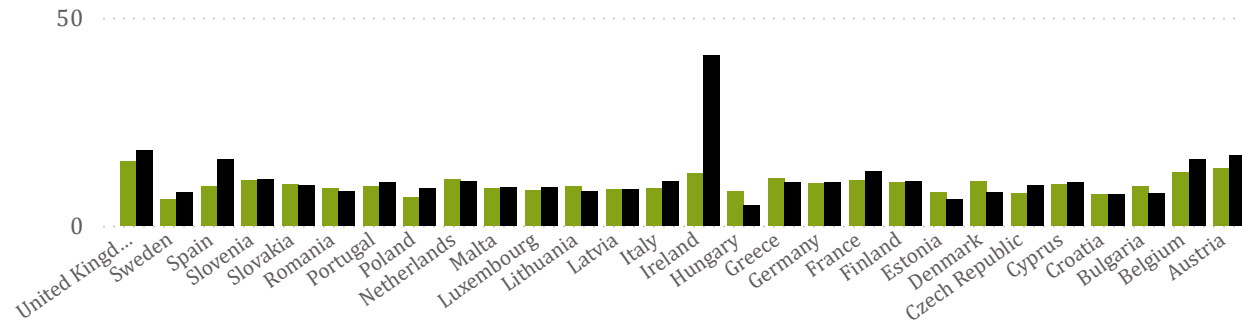
3.4 Change in Outstanding from 4Q24 to 1Q25 (%)



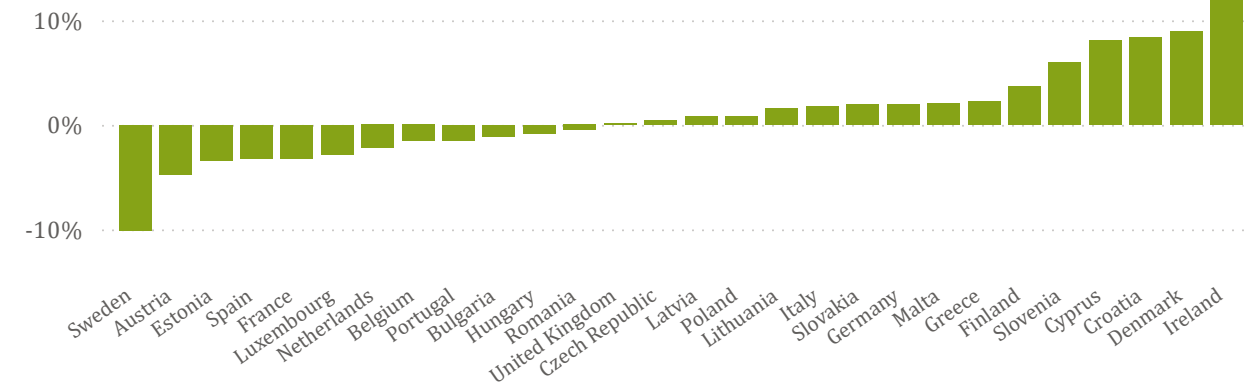
Source: ECB, Refinitiv Eikon and UK DMO

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 4Q24 to 1Q25



3.7 European government bonds outstanding by currency (EUR tn)

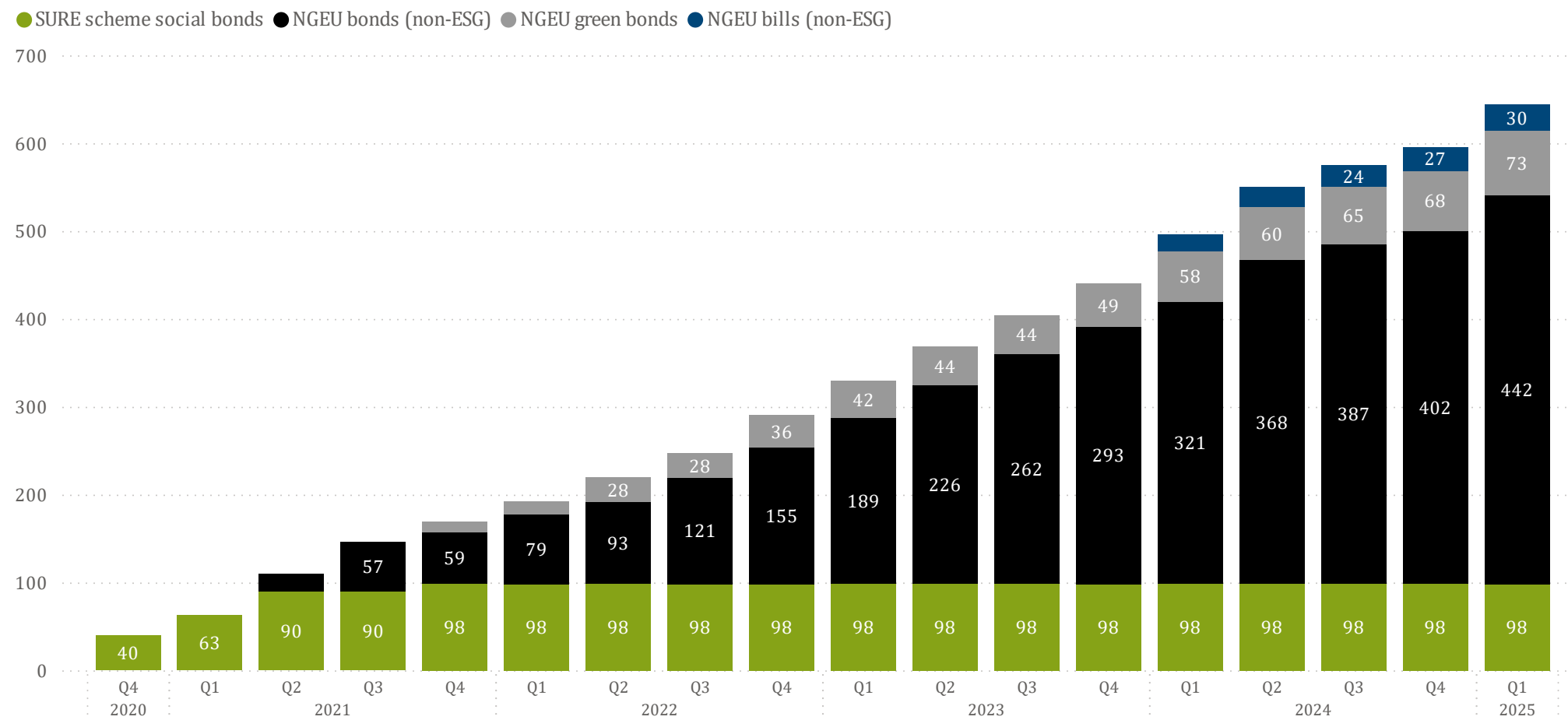


3.8 European government bonds outstanding by current rating of issuer (EUR tn)



Source: Refinitiv Eikon. For charts 3.5 and 3.6 weighted average in by outstanding amount.

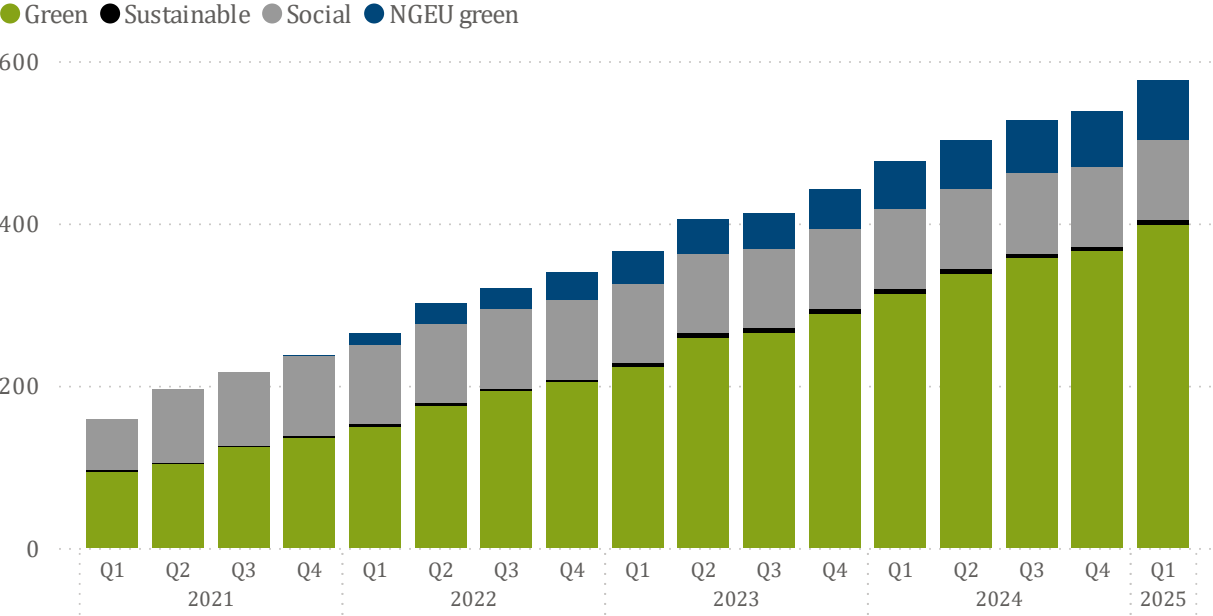
3.9 Outstanding bonds and bills issued by the European Commission (EUR bn)



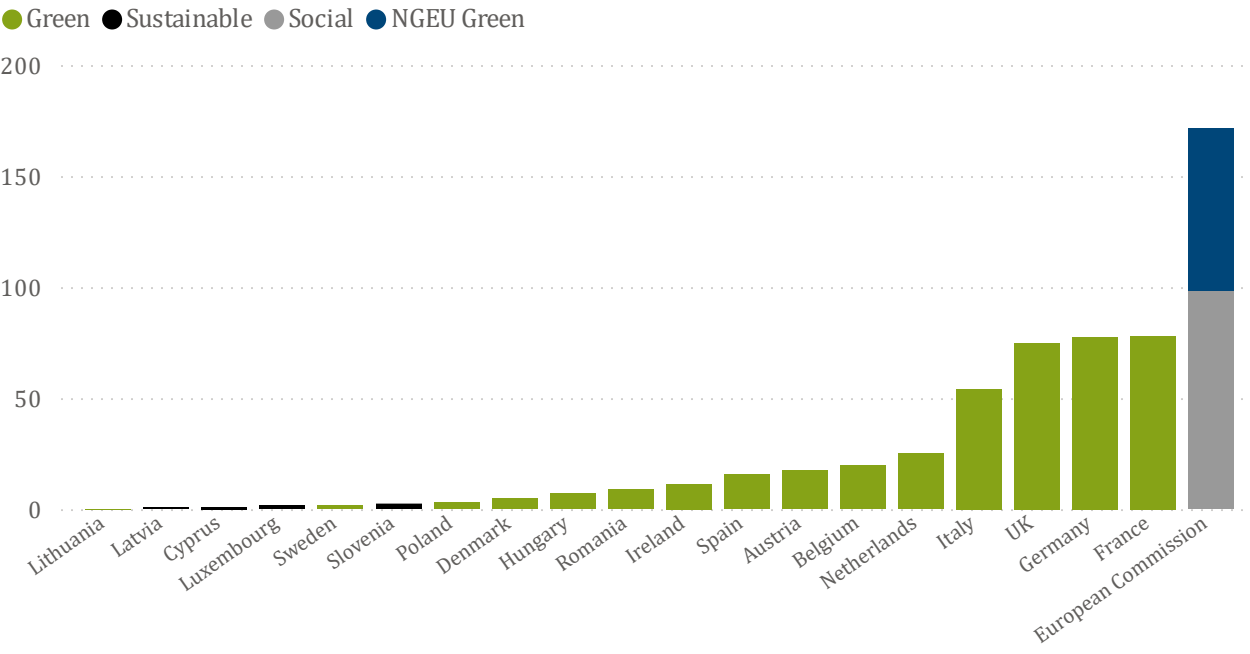
Source: European Commission.

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

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



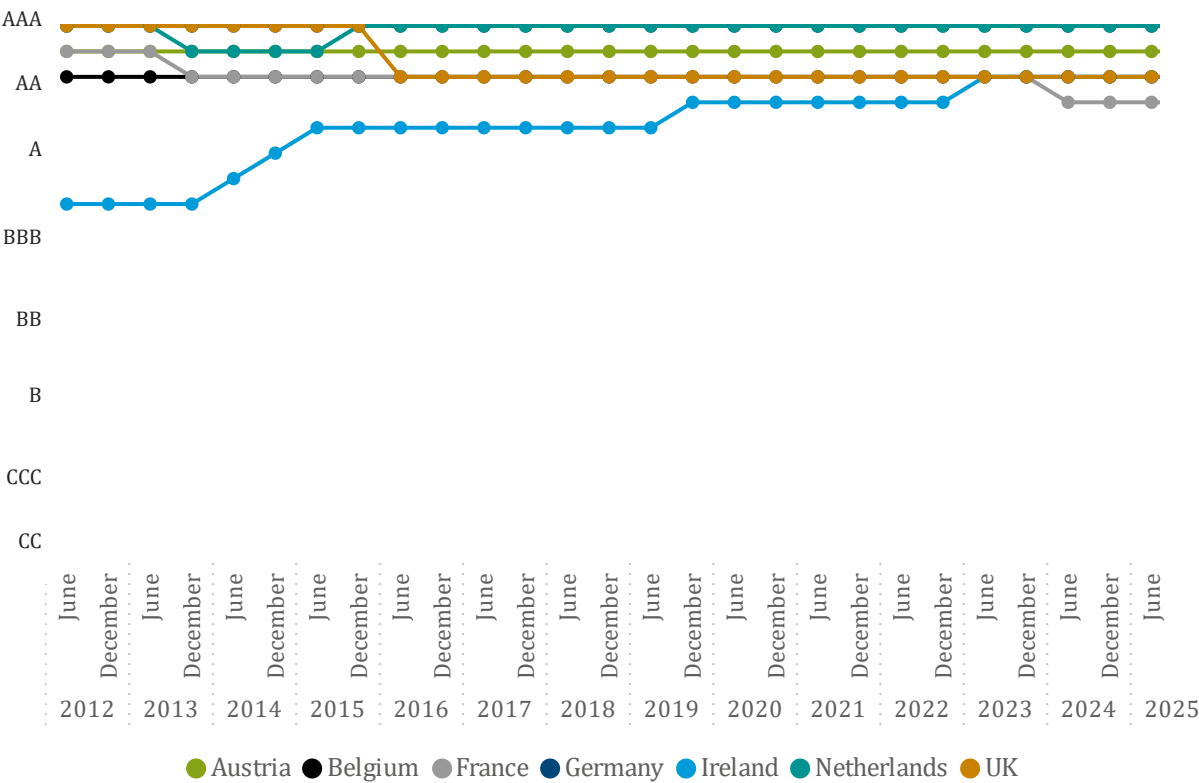
3.10 European outstanding ESG government bonds by country (EUR bn)



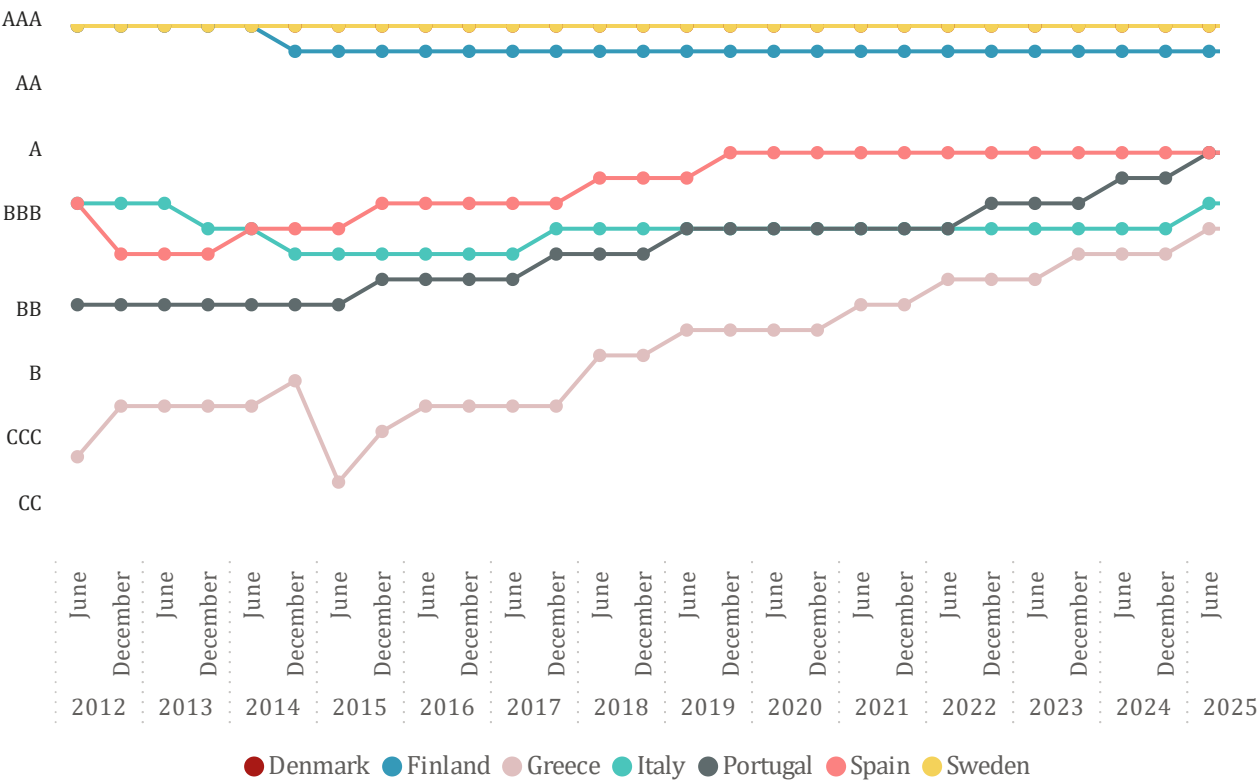
Source: Refinitiv Eikon, European Commission.

Credit Quality

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

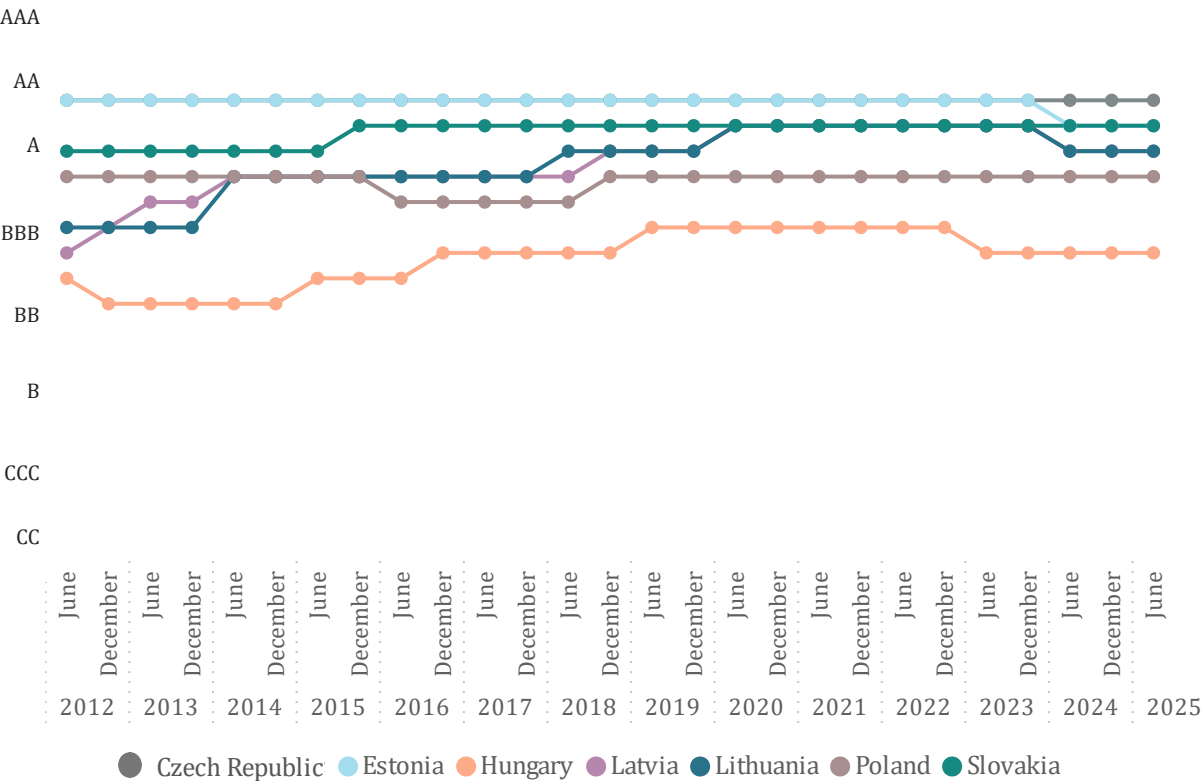


4.2 Long-term sovereign credit rating (Nordics and Southern Europe)

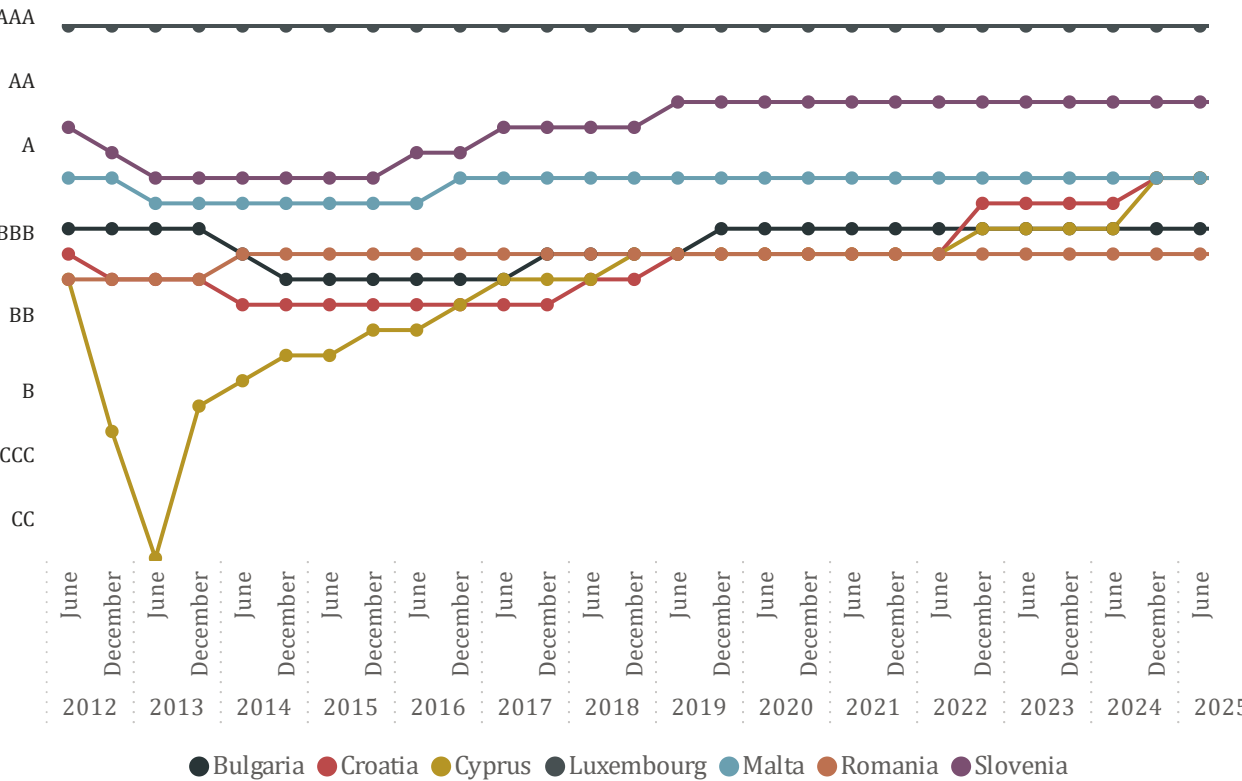


Source: Refinitiv Eikon. Data as of 05 June 2025.

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 05 June 2025.

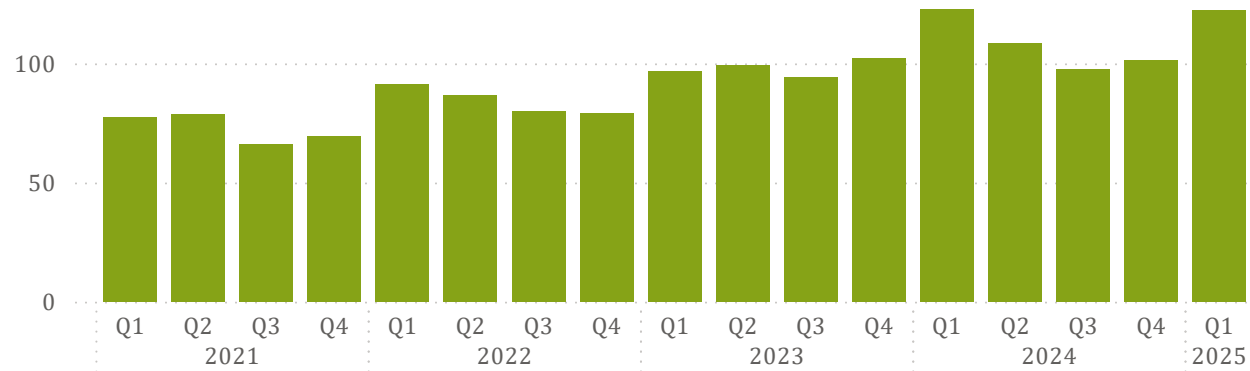
4.5 European rating actions on long-term sovereign credit ratings (2025 YtD)

Portugal	Upgrade to A (positive) from A-	Feb-25	S&P	Expectation of continual improvements in Portugal's external financial balance sheet and corresponding reduction in external liquidity risks, strong budgetary and government debt dynamics and resilient economic growth, partially driven by quicker implementation of NextGen EU funds.	1Q25
Greece	Upgrade to Baa3 (stable) from Ba1	Mar-25	Moody's	Greater resilience of Greece's sovereign credit profile to potential future shocks. Improvement in public finances quicker than expected and with a stable political environment, substantial primary surpluses are expected which will steadily decrease the high debt burden. Improvement in the health of the banking sector, limiting the risk of a banking sector-related credit event.	
Greece	Upgrade to BBB (stable) from BBB-	Apr-25	S&P	Significant overperformance of 2024 fiscal targets driven by improvements in tax compliance and resilient economic growth and further expected reductions in net debt to GDP in the next four years. The fiscal trajectory is well anchored with economic growth expected to continue to outperform Euro Area peers.	2Q QtD
Italy	Upgrade to BBB+ (stable) from BBB	Apr-25	S&P	Resilient exports and high domestic savings rates have allowed Italy's net external creditor position to deepen over the past five years. Expected primary budget surplus over 2025-2028 allowing an improvement in the headline budget deficit.	

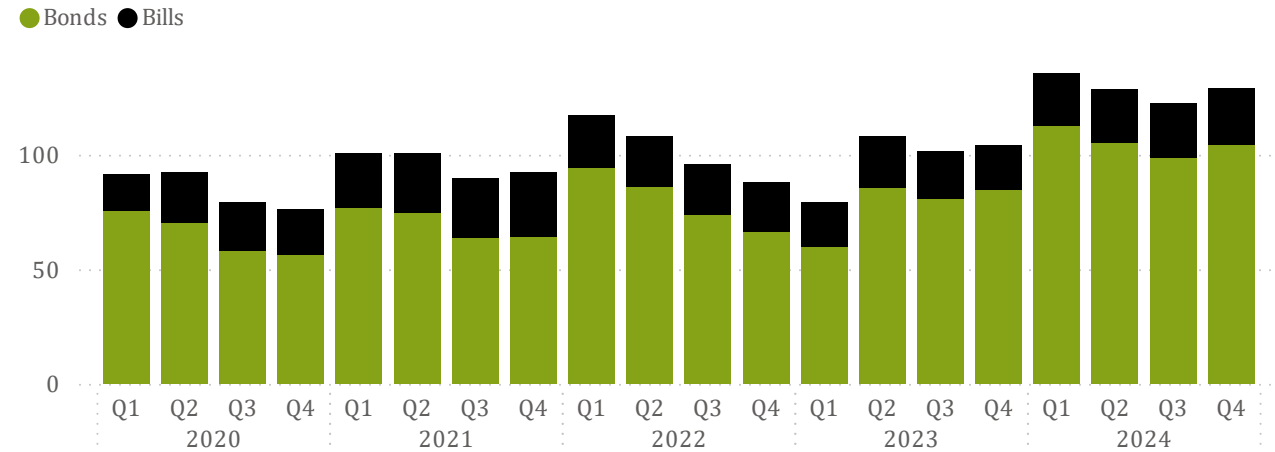
Secondary Market Trading Volumes and Turnover Ratios

Secondary Market Trading Volumes and Turnover Ratios

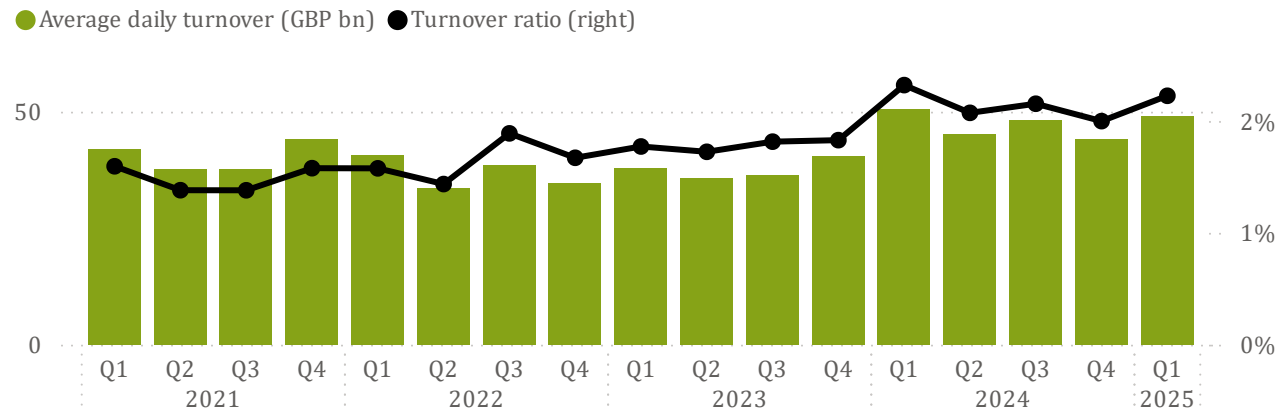
5.1 EU + UK: Average daily trading volumes (Government and sovereign bonds, EURbn)



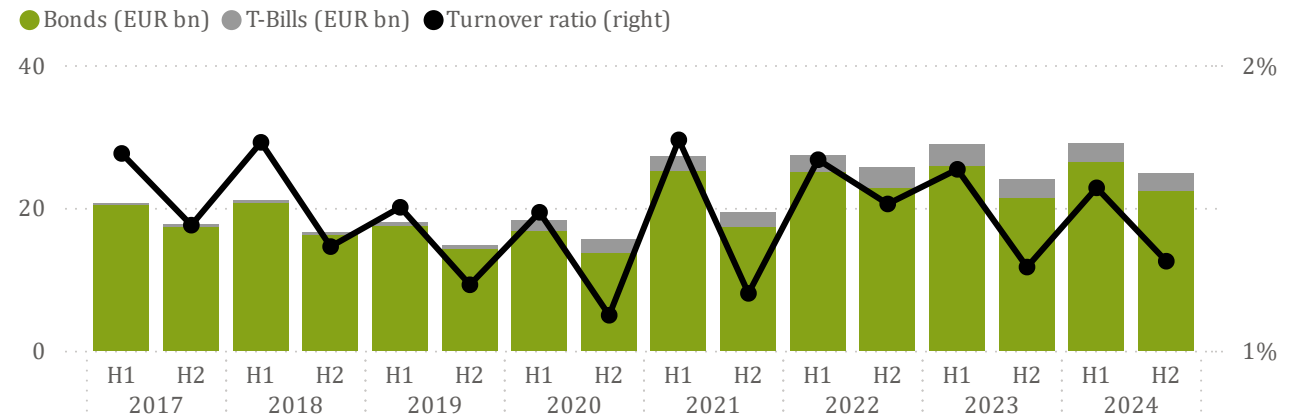
5.2 Eurozone: Average daily trading volume (bonds and bills, EURbn)



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



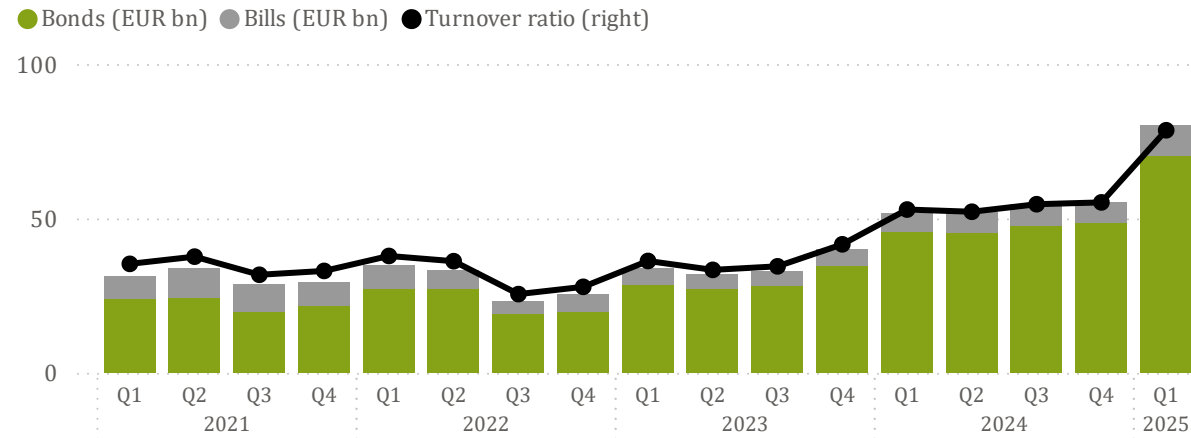
5.4 Germany: Average daily trading volume (aggregated bonds and bills) and turnover ratio



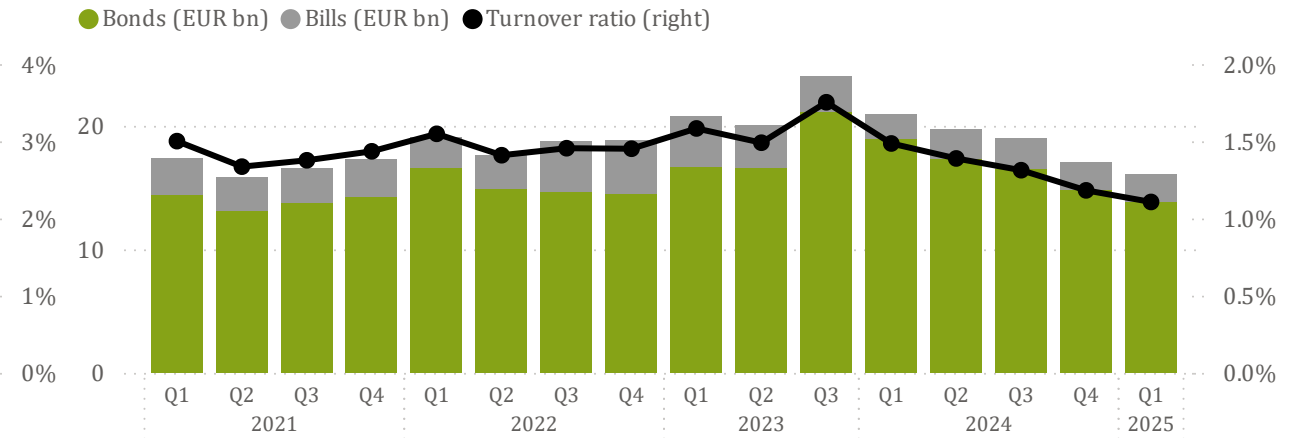
Source: TraX data from MarketAxess, EFC Sub-Committee on ESDM, UK Debt Management Office, Deutsche Finanzagentur, ECB. Latest data for Germany as of H2 2024. **Individual country volumes do not sum to aggregated trading volume in Chart 5.1 EU+UK, given the differences in the aggregation basis across jurisdictions. The data is not fully comparable between countries. Full Methodology available on page 36 of this report.**

Secondary Market Trading Volumes and Turnover Ratios

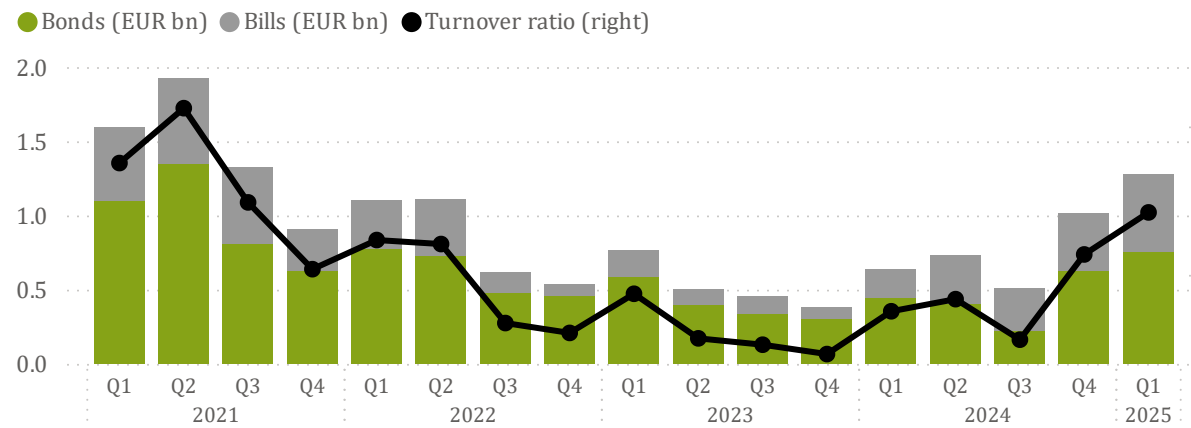
5.5 Italy: Average daily trading volume (bonds and bills) and turnover ratio



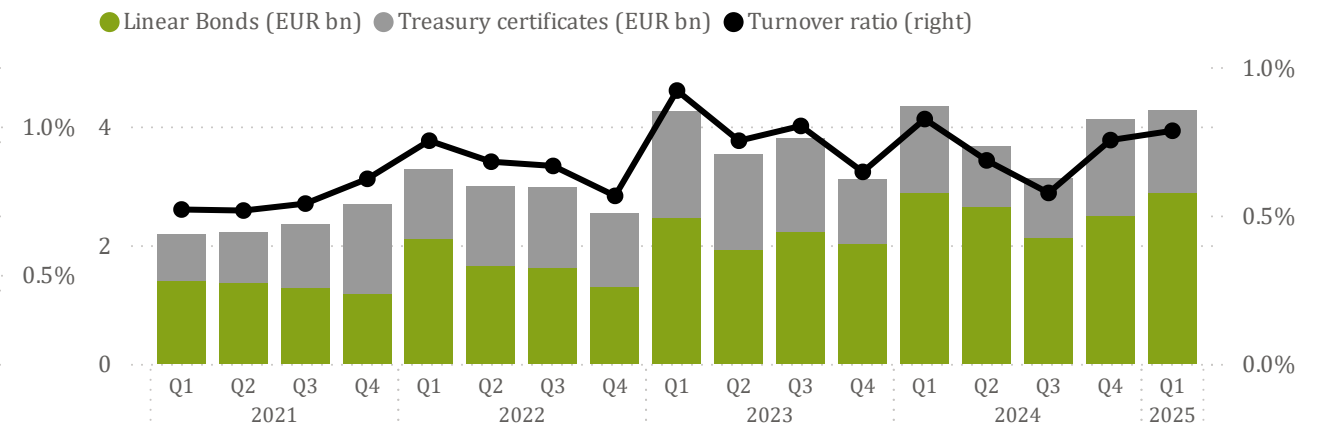
5.6 Spain: Average daily trading volume and turnover ratio



5.7 Portugal: Average daily trading volume and turnover ratio



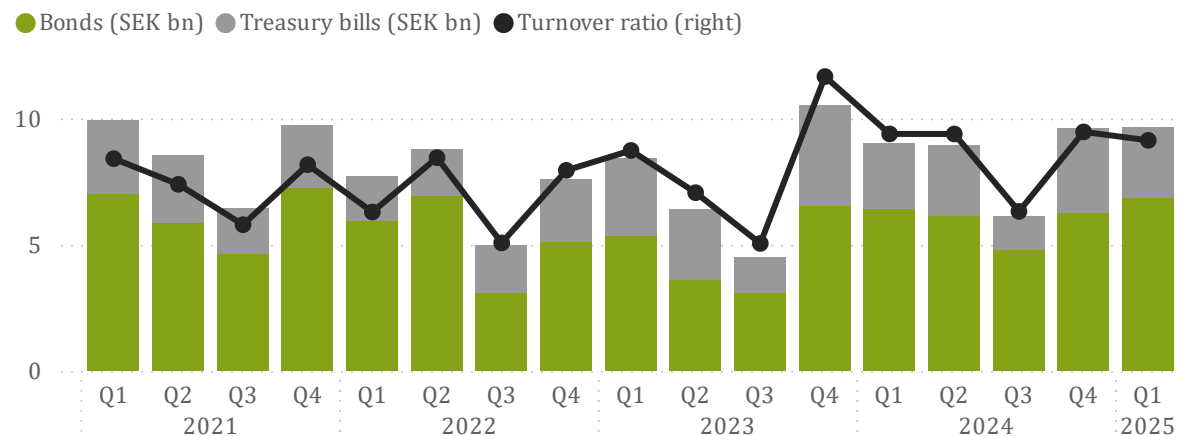
5.8 Belgium: Average daily trading volume and turnover ratio



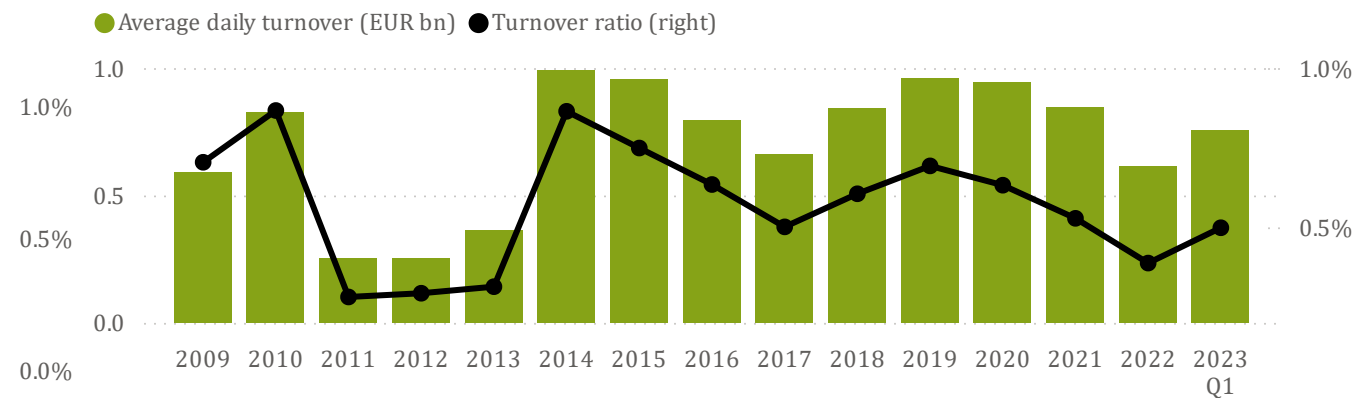
Source: ECB, Italian Dipartimento del Tesoro, BME Market Data and Tesoro Publico de Espana, Agência de Gestão da Tesouraria e da Dívida Pública (IGCP), Belgian Debt Agency. **Given the differences in the aggregation basis across jurisdictions, the data is not fully comparable between countries. Full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

Secondary Market Trading Volumes and Turnover Ratios

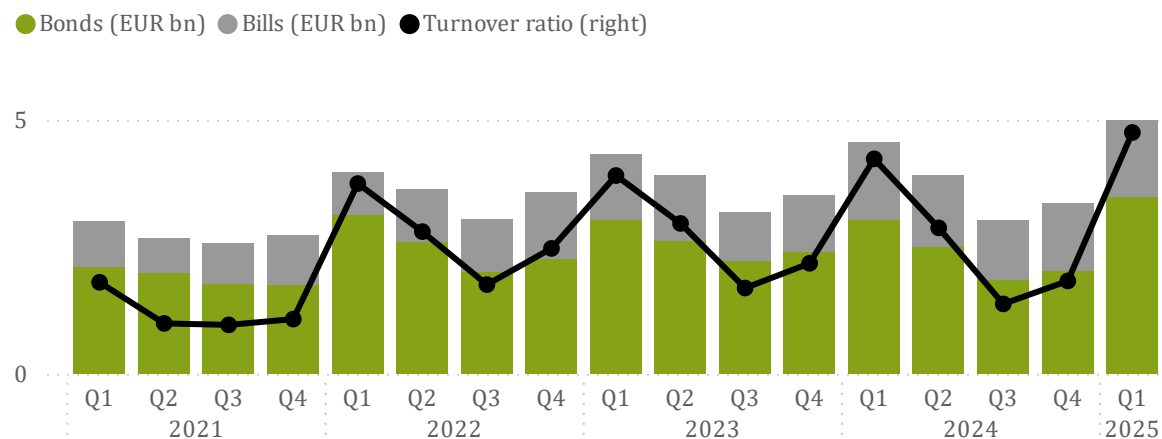
5.9 Sweden: Average daily trading volume and turnover ratio



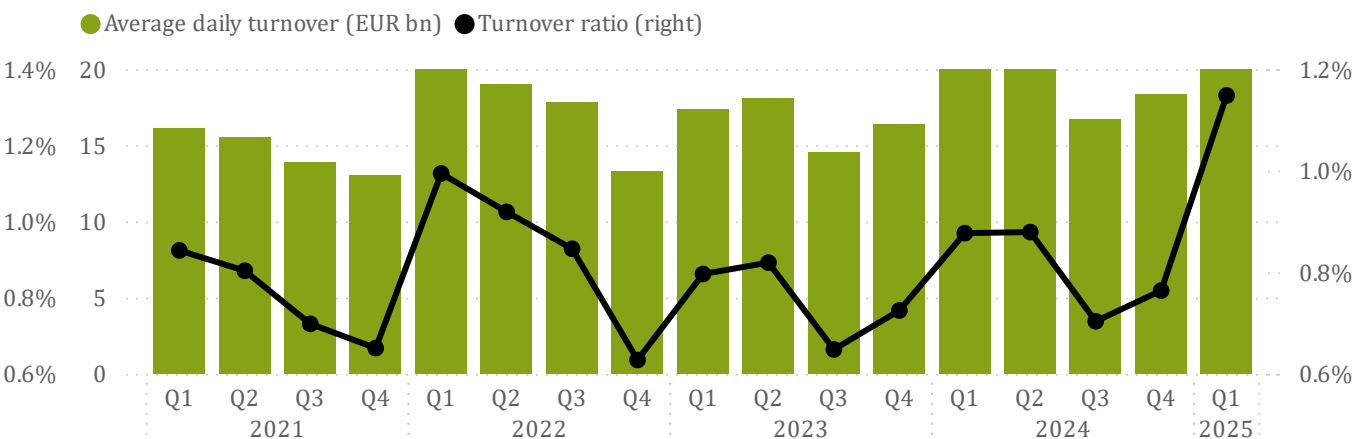
5.10 Ireland: Average daily trading volume (bonds only) and turnover ratio



5.11 Netherlands: Average daily trading volume and turnover ratio



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



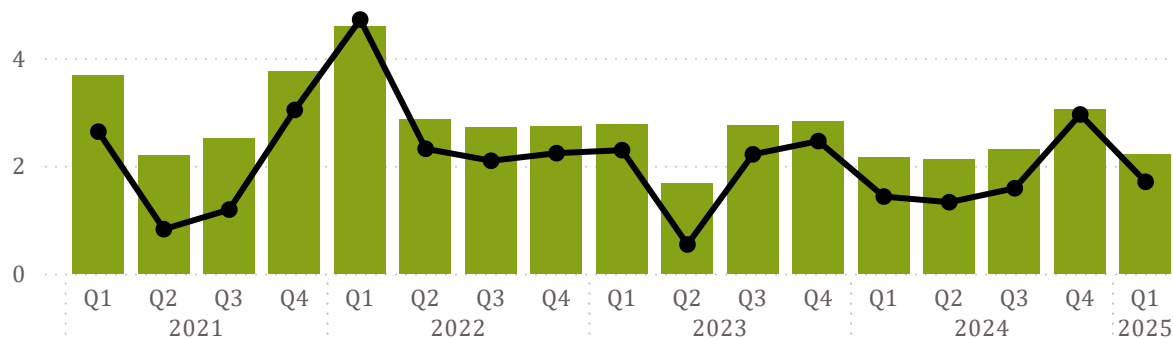
Source: ECB, Swedish National Debt Office (Riksgalden), Irish Stock Exchange, Ministerie van Financiën, Agence France Trésor. **Given the differences in the aggregation basis across jurisdictions, the data is not fully comparable between countries. Full Methodology available on page 36 of this report.**

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

Secondary Market Trading Volumes and Turnover Ratios

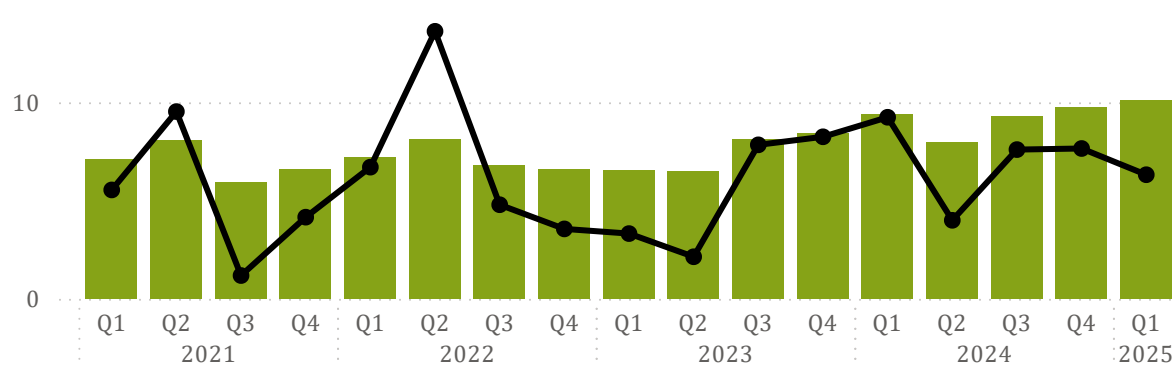
5.13 Denmark: Average daily trading volume (bonds and bills) and turnover ratio

● Daily average turnover (DKK bn) ● Turnover ratio (right)



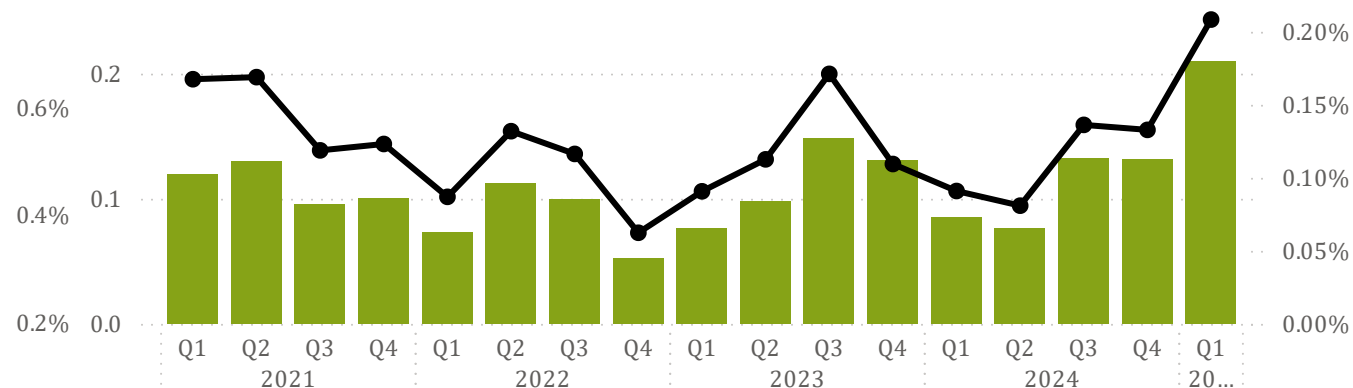
5.15 Poland: Average daily trading volume (bonds only) and turnover ratio

● Average daily Turnover (PLN bn) ● Turnover ratio (right)



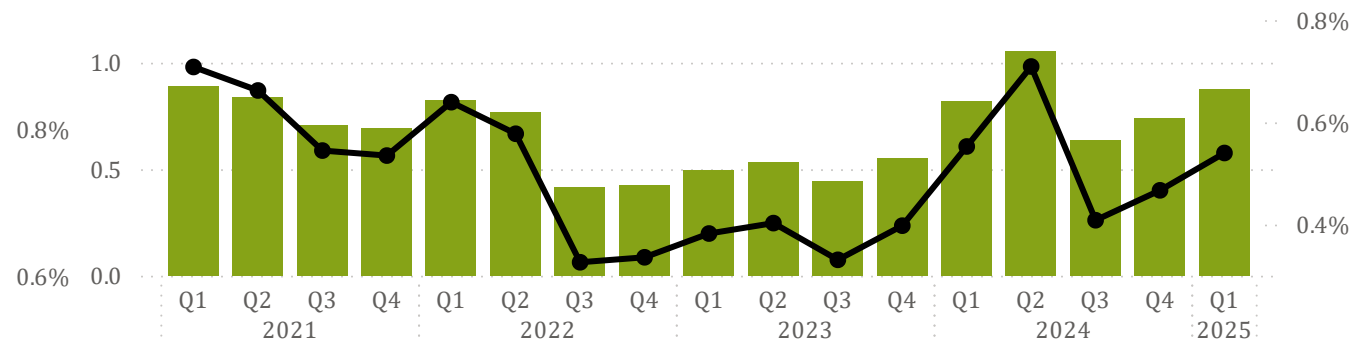
5.14 Greece: Average daily trading volume (bonds only) and turnover ratio

● Average daily turnover (EUR bn) ● Turnover ratio (right)



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

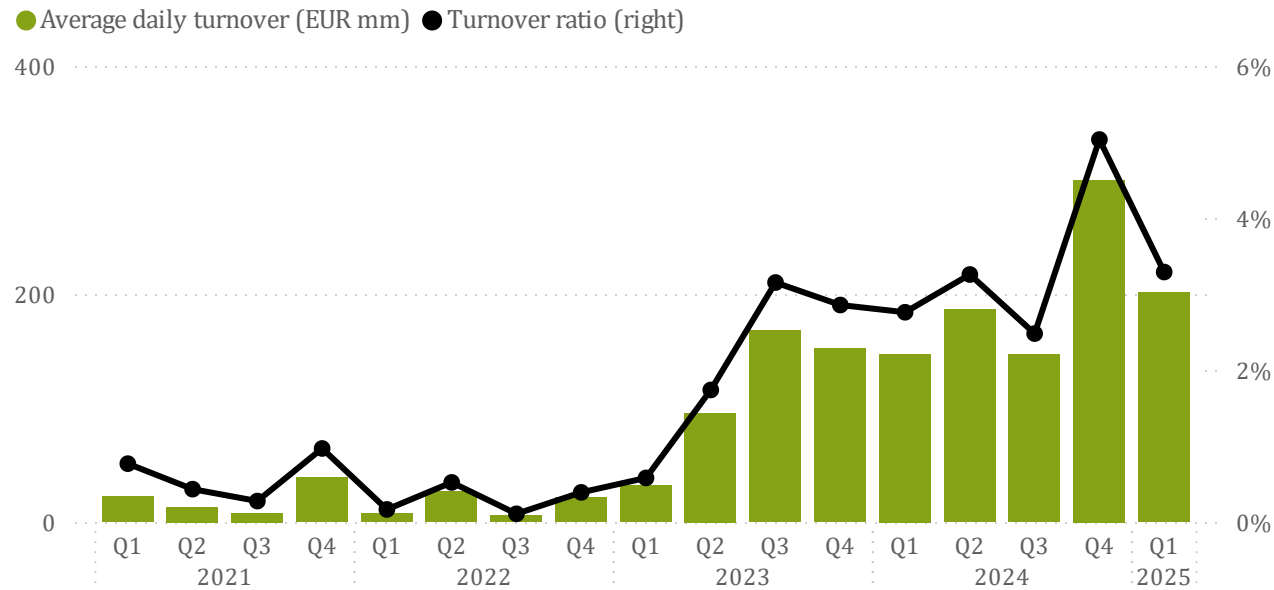
● Average daily turnover (EUR bn) ● Turnover ratio (right)



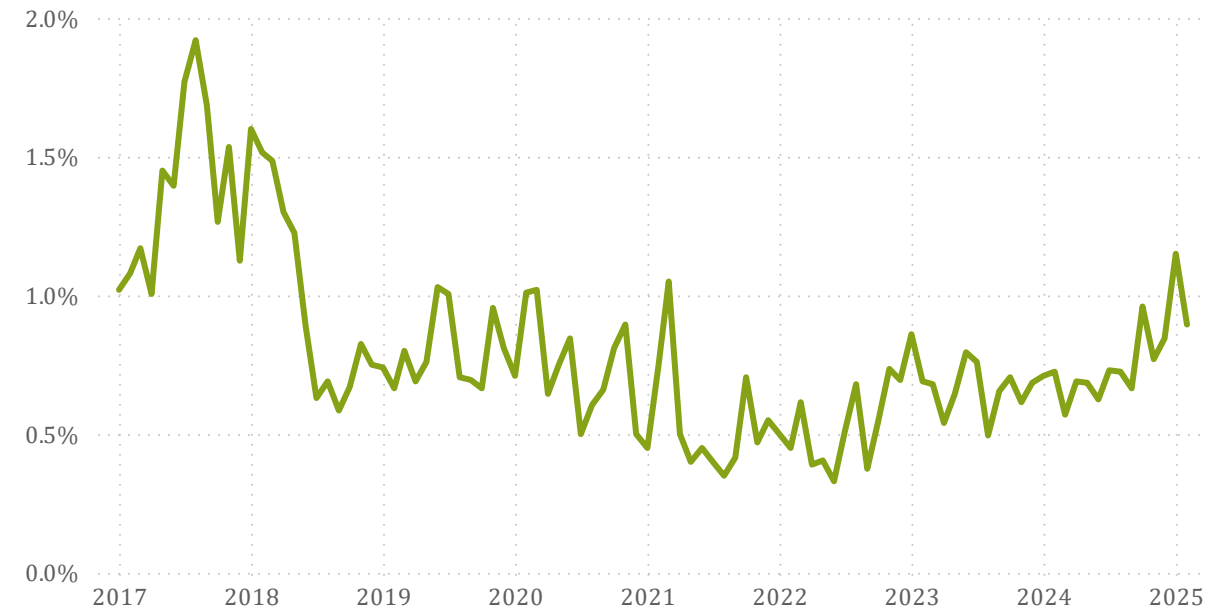
Source: Denmark's Nationalbank, Bank of Greece, ECB, National Depository for Securities (KDPW), WSE, Finland Valtiokonttori. **Given the differences in the aggregation basis across jurisdictions, the data is not fully comparable between countries. Full Methodology available on page 36 of this report**

Secondary Market Trading Volumes and Turnover Ratios

5.17 Bulgaria: Average daily turnover volume and turnover ratio



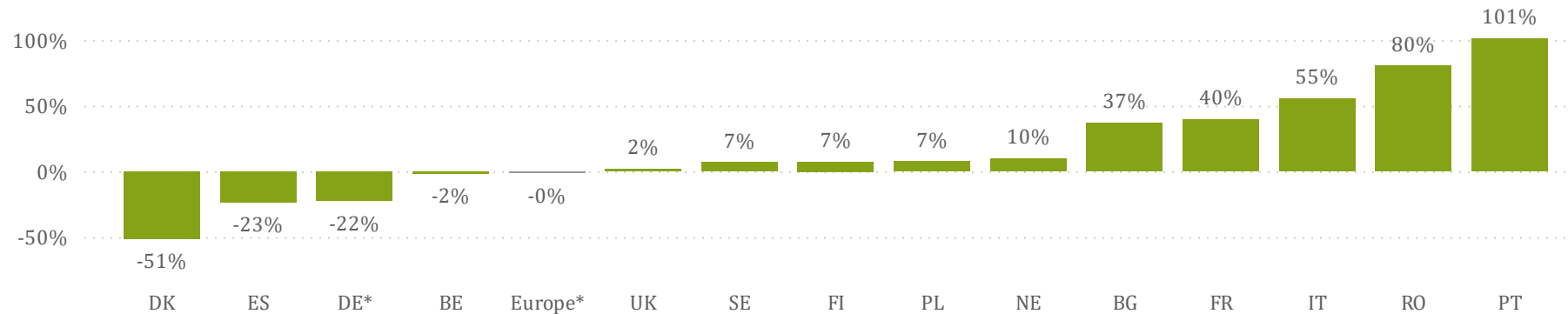
5.18 Romania: Average daily turnover ratio



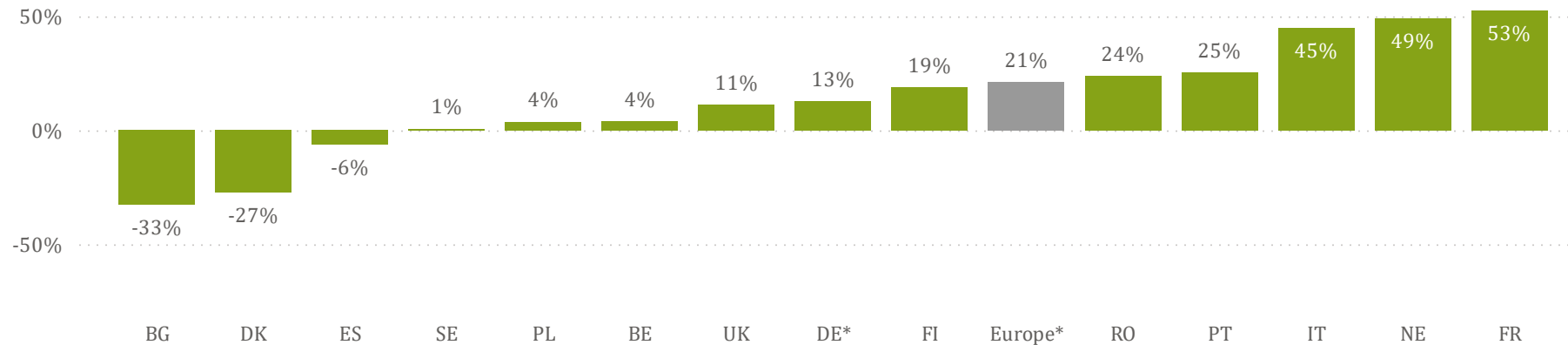
Source: ECB, Ministry of Finance of the Republic of Bulgaria, Ministerul Finantelor. **Given the differences in the aggregation basis across jurisdictions, the data is not fully comparable between countries. Full Methodology available on page 36 of this report**

Secondary Market Trading Volumes and Turnover Ratios

5.20 Annual change in average daily turnover volumes of European government bonds: 1Q24 to 1Q25



5.21 Quarterly change in average daily turnover volumes of European government bonds: 4Q24 to 1Q25

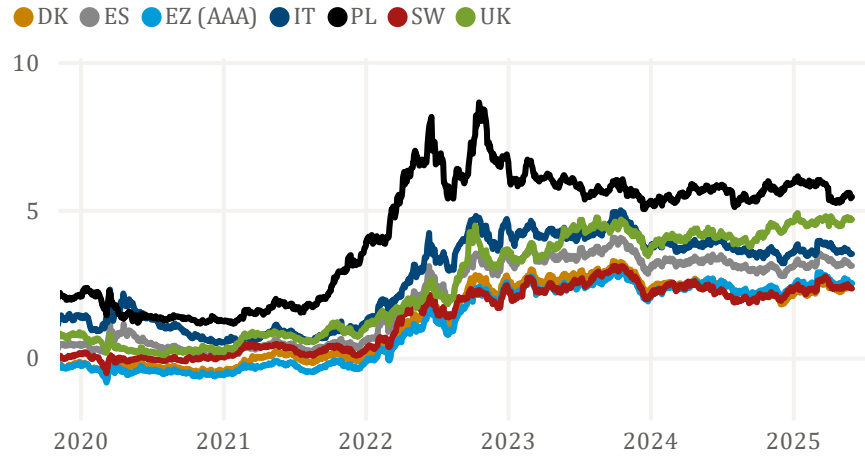


Source: AFME with information from European DMOs and other agency sources. See section 5 for details on aggregation basis and sources.

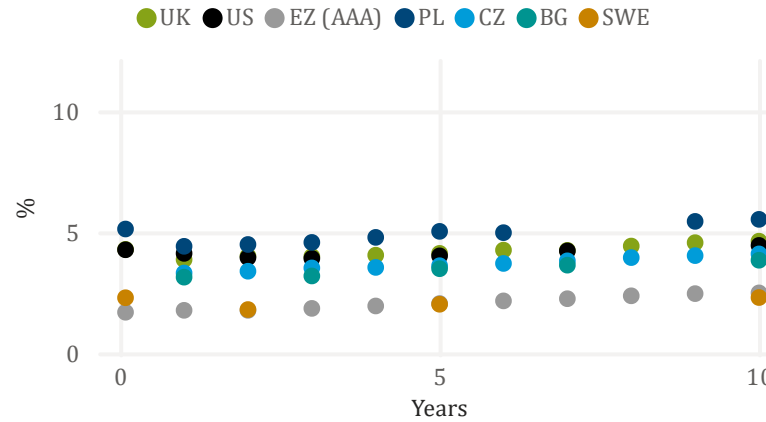
*Europe (EU+UK) total and Germany is sourced from TraX data from MarketAxess, as the quarterly variation of average daily volumes of government and sovereign bonds.

Valuations

6.1 Selected European 10Y spot yields



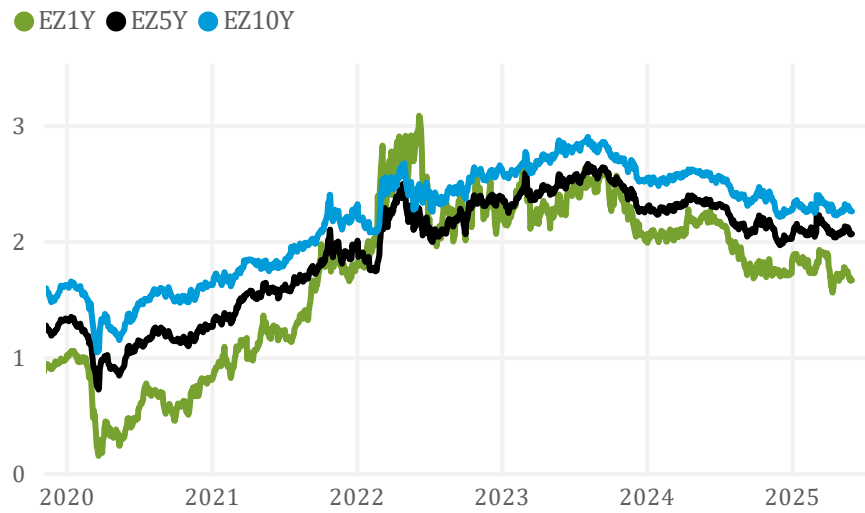
6.2 Sovereign spot yield curve of selected jurisdictions: 2 June 2025



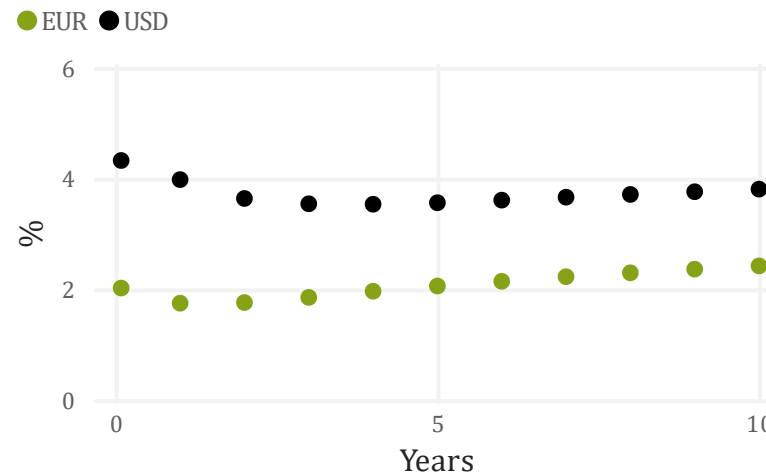
6.3 Slope: 1Y10Y spread (bps)



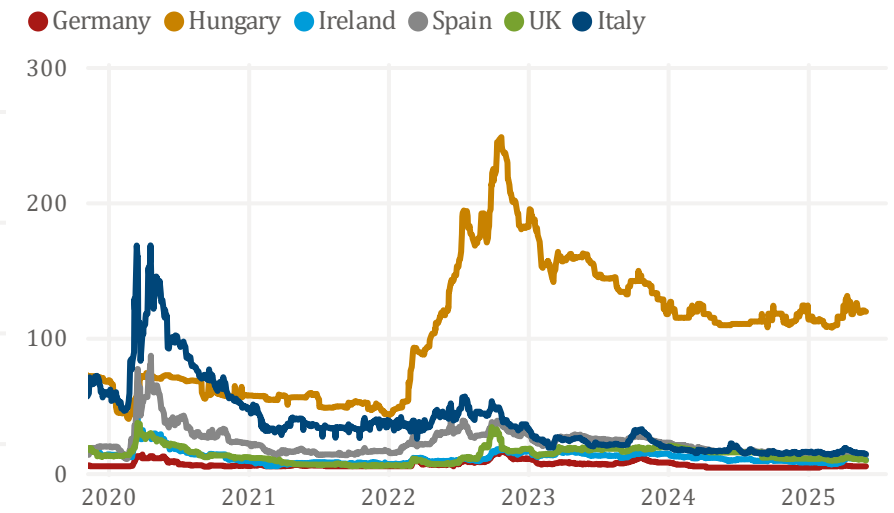
6.4 Market-implied inflation expectations (Eurozone)



6.5 Overnight index swap (OIS) yield curve: 2 June 2025



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



Source: ECB and Refinitiv Eikon

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: Due to data reconciliation activities of the Bank of Spain, data from April 2018 is from BME Market Data, a subsidiary of Bolsas y Mercados Españoles. Turnover is derived from settlement data from Iberclear.

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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