

## More government bonds as deficit grows

**With a growing budget deficit expected for both 2026 and 2027, Sweden's central government will need to increase its borrowing. The Swedish National Debt Office is therefore further raising the issuance volume of government bonds. The deficits lead to an increase in central government debt measured both in kronor and as a proportion of GDP.**

The Debt Office's new forecast shows budget deficits of SEK 103 billion for this year, SEK 173 billion in 2026, and SEK 194 billion in 2027. This is mainly due to expansionary fiscal policy. For the years 2025 and 2026, the deficit – net borrowing requirement – is now a total of SEK 94 billion larger than in the previous forecast from May. The year 2027 is included for the first time.

“As we now see several consecutive years of budget deficits, we plan to increase borrowing mainly by selling more government bonds. Although we believe the economic recovery will strengthen central government finances, this will not offset the effect of reduced taxes and higher expenditure,” says Debt Office Director General Karolina Ekholm.

### Economic recovery close at hand

In the macro outlook that forms the basis of the budget forecast, the Swedish economy grows by 0.9 per cent this year, then shifts up to 2.7 per cent in 2026 and 2.5 per cent in 2027 as consumption accelerates. Increased economic activity will subsequently have an impact on the labour market in the form of rising employment and decreasing unemployment.

### Central government debt increases

The budget deficits cause the central government debt to increase in all three years, and it is expected to be SEK 1,591 billion by the end of 2027, which corresponds to 22 per cent of GDP. The general government debt (Maastricht measure) increases from 34 per cent of GDP at the end of 2024 to 38 per cent at the end of 2027. This is still a low level from an international perspective.

### Increased government bond supply

To meet the growing borrowing requirement, the Debt Office plans to increase the annual issuance volume of nominal government bonds from SEK 118 billion for this year to SEK 216 billion in 2026 and SEK 220 billion in 2027. Short-term borrowing also increases, although to a lesser extent than the long-term borrowing. Inflation-linked bond borrowing is unchanged in the funding plan, which also contains one foreign currency bond per year for 2026 and 2027.

Another new development regarding the borrowing is that the Debt Office will be switching from multiple-price auctions to single-price auctions for treasury bills in February 2026. The Debt Office will also consider holding more frequent auctions for nominal government bonds after the next *Central Government Borrowing* report, which will be published on 28 May 2026.

## Debt Office's forecast – key figures

Selected tables from the *Central Government Borrowing – Forecast and Analysis 2025:2*.

### Central government borrowing (SEK billion)

Debt instrument	Outcome 2024	Forecast 2025	25:1 2025	Forecast 2026	25:1 2026	Forecast 2027
Nominal government bonds	72	118	118	216	146	220
Inflation-linked bonds	9	6	6	6	6	6
Foreign currency bonds	21	41	39	19	19	19
T-bills, stock at year-end	113	173	160	250	183	243
Liquidity management, stock at year-end	134	134	141	142	189	132
Note: 25:1 refers to the previous forecast published in May 2025.						

### Central government finances (SEK billion, unless otherwise stated)

Key figure	Outcome 2024	Forecast 2025	25:1 2025	Forecast 2026	25:1 2026	Forecast 2027
Budget balance (with the opposite sign, the net borrowing requirement)	-104	-103	-93	-173	-89	-194
Central govt. debt	1,151	1,240	1,232	1,406	1,316	1,591
Central govt. debt (% of GDP)	18	19	19	21	19	22
General govt. debt (% of GDP)	34	35	35	37	35	38
Note: 25:1 refers to the previous forecast published in May 2025.						

### Swedish economy (Annual percentage change, unless otherwise stated)

Key figure	Outcome 2024	Forecast 2025	25:1 2025	Forecast 2026	25:1 2026	Forecast 2027
GDP growth	0.8	0.9	1.4	2.7	2.0	2.5
Unemployment (% of labour force)	8.4	8.7	8.7	8.4	8.4	7.8

CPIF inflation	1.9	2.6	2.5	0.8	1.7	1.7
Note: 25:1 refers to the previous forecast published in May 2025.						

#### Report: Central Government Borrowing – Forecast and Analysis 2025:2

The Debt Office is holding an online presentation of the report today, 27 November, at 10:00 a.m. (in Swedish). Follow the live stream at our website [riksgalden.se](https://riksgalden.se).

For further information or interview requests, contact the Debt Office's press function at [press@riksgalden.se](mailto:press@riksgalden.se) or by phone at +46 (0) 8 613 47 01.

## Contacts

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## About the Swedish National Debt Office

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The Swedish National Debt Office is the central government financial manager. We secure Sweden's economy and ensure that the financial system remains stable.

[www.riksgalden.se](https://www.riksgalden.se)

## Attachments

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