



Highlights

This **second edition** of the *Monthly Domestic Debt Bulletin* presents developments in Ethiopia's Treasury bill market up to the end of **September 2025**, together with the issuance plan for the first and second quarters of the fiscal year. In September, the government mobilized **ETB 53.35 billion** through **two Treasury bill auctions**, receiving total bids of **ETB 56.5 billion** and achieving an oversubscription rate of **105.8 percent**. Investor demand remained concentrated in short term maturities, with the 28 and 91 day bills heavily oversubscribed, while appetite for the 364 day bill remained limited. Overall, Treasury bill yields declined for shorter tenors but increased for the 364 day maturity, reflecting divergent market expectations. Cumulative net issuance reached **ETB 19.7 billion**, about **11.4 percent** of the annual target. As pension funds and commercial banks continued to dominate holdings, confirming a robust and increasingly liquid domestic debt market.

Treasury Bill Market Performance

Issuance Performance (September 2025)

In September 2025, the Government of Ethiopia planned to mobilize **ETB 53.35 billion** through two Treasury bill auctions held on **September 3 and 17**. The two auctions attracted total bids of **ETB 56.46 billion**, representing an oversubscription rate of **105.8 percent** of the amount offered.

Demand continued to favor short term securities, with the 28 day and 91 day bills oversubscribed due to **stronger investor appetite for short maturities**, while the 182 day and 364 day bills were undersubscribed, reflecting limited interest in longer term instruments. Despite these differences, the **overall subscription rate shows some improvement**, indicating a positive market response. The bid to cover ratio for longer maturities also showed gradual improvement, suggesting that the **government's issuance strategy is increasingly aligned with market preferences** both in total volume and maturity structure.

During the first three months of the fiscal year, a total of **ETB 164.4 billion** was raised through Treasury bill issuances. Against refinanced maturities of **ETB 126.1 billion** and rollovers of **ETB 18.6 billion**, net issuance reached **ETB 19.7 billion** (Chart 1).

Cumulative net issuance since the beginning of the fiscal year stood at **ETB 19.7 billion** as of end September 2025, against an annual target of **ETB 172.9 billion**. Overall, in the quarter the amount required to finance the funding gap by treasury is slightly below the required amount (Chart 2).

Chart 1: Treasury Bill Issuance – As of September 30, 2025

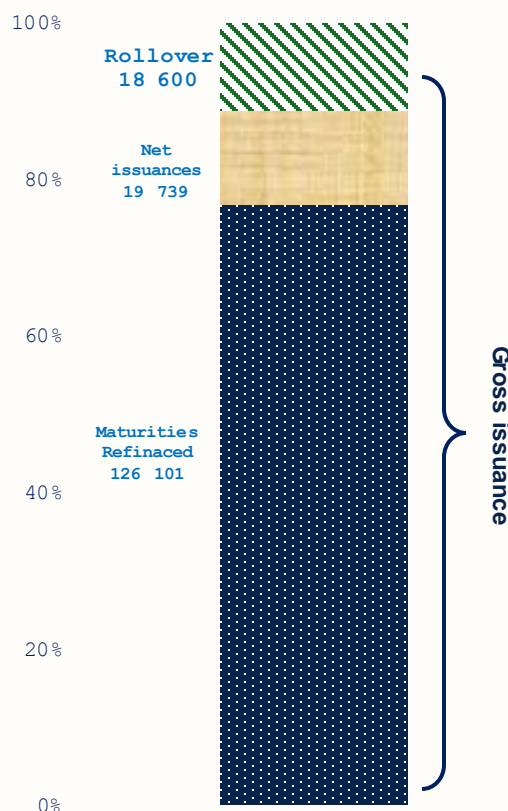
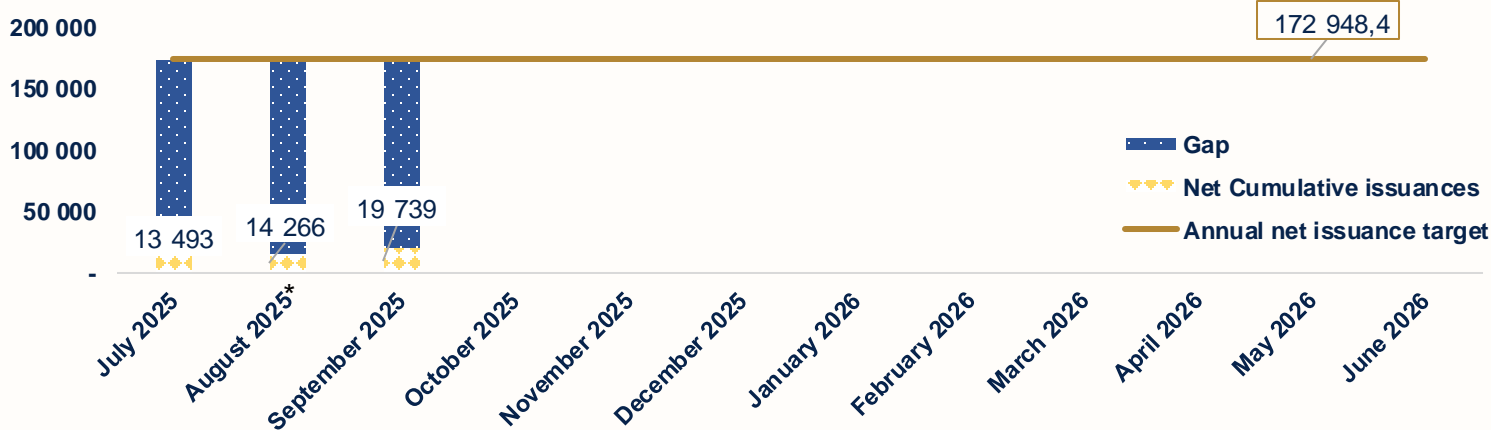
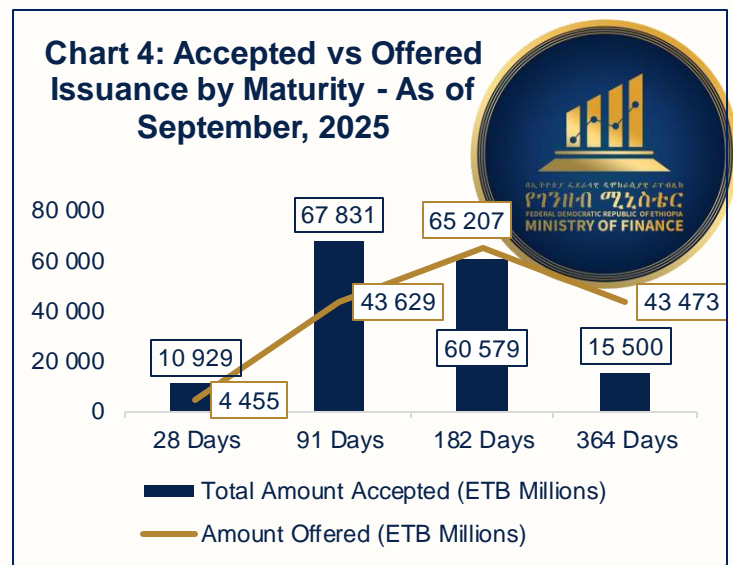
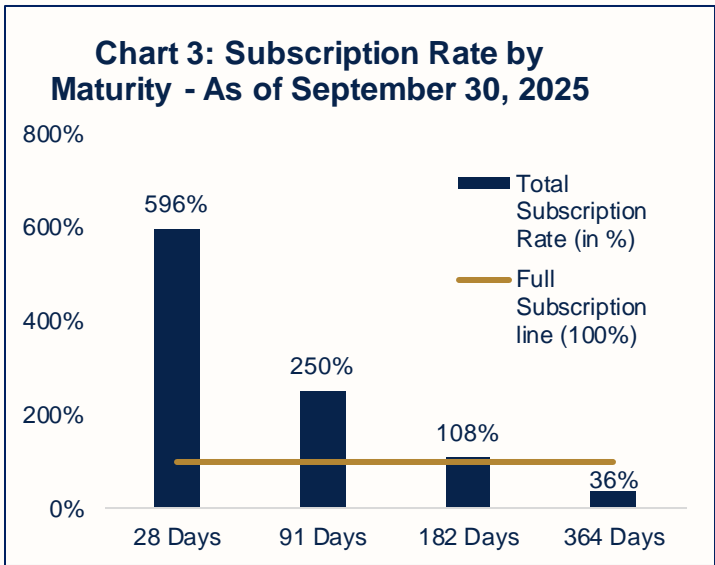


Chart 2: Cumulative Net Issuance vs Annual Target – 2025 Ethiopian Fiscal Year to Date (ETB millions)



* We have revised the net cumulative issuance amount at the end of August 2025



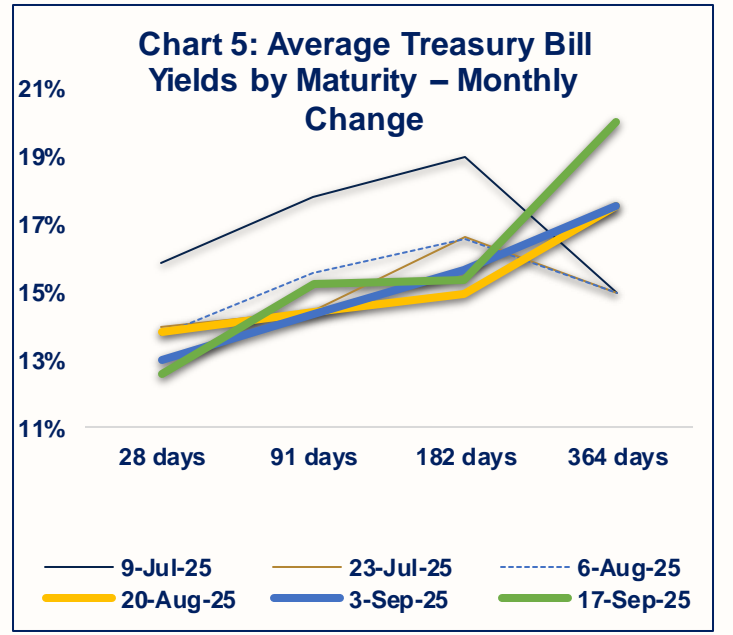
Issuance Composition and Auction Demand by Maturity

Similar to the previous two months, the 28 day and 91 day maturities attracted **robust demand**, though slightly lower compared to July and August, with subscription rates of **596 percent and 250 percent, respectively**. This continued to underscore investors' strong preference for short term instruments. The 182 day bill was nearly fully covered at **108 percent**, while the 364 day bill was significantly undersubscribed at only **36 percent**, confirming a persistently weak appetite for longer tenures amid expectations of stable short term yields. The bid to cover ratio shows a gradual improvement within the quarter (Chart 3 and 4).

During the first quarter of the fiscal year, investor demand remained concentrated in short term Treasury bills. The 28 day and 91 day maturities continued to attract the highest participation, while interest in longer maturities remained limited.

T-Bill Yield Curve

Between July and mid September 2025, Treasury bill yields displayed mixed movements across maturities. The **28 day rate declined from 15.8 percent to 12.6 percent** (a decrease of about 320 basis points), the **91 day rate fell from 17.8 percent to 15.3 percent** (-250 basis points), and the **182 day rate dropped from 19.0 percent to 15.4 percent** (-360 basis points). In contrast, the **364 day rate increased from 15.0 percent to 20.0 percent** (up 500 basis points). (Chart 5).



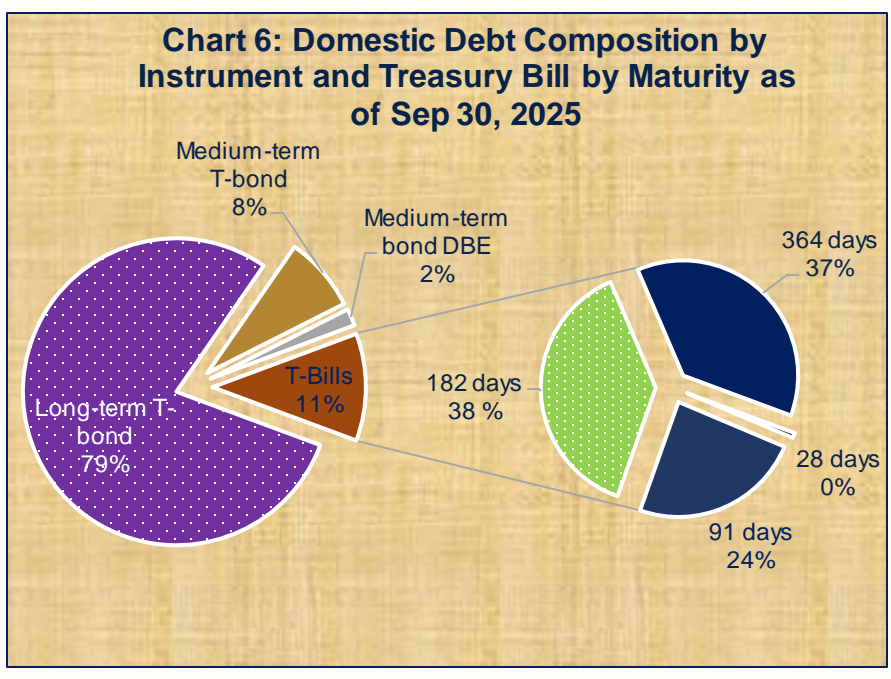
Domestic Debt Stock

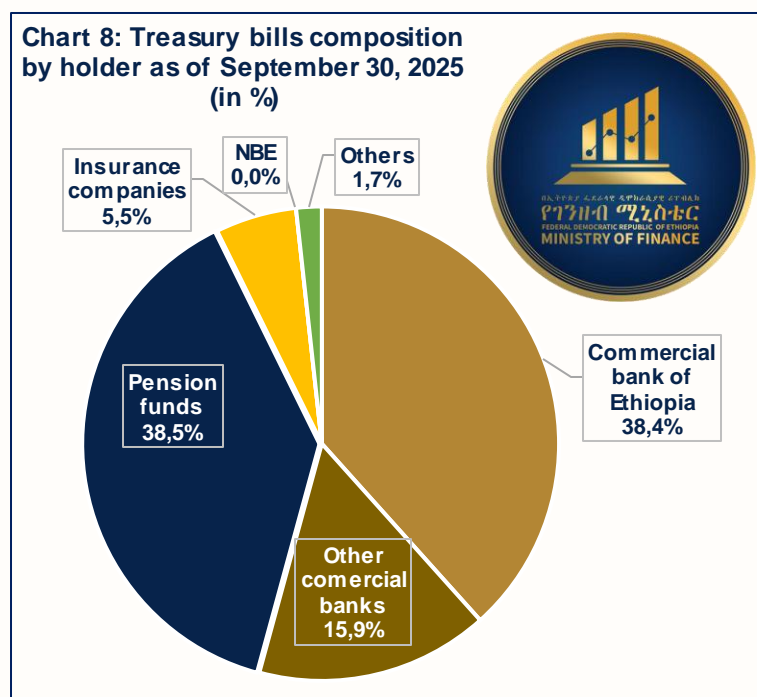
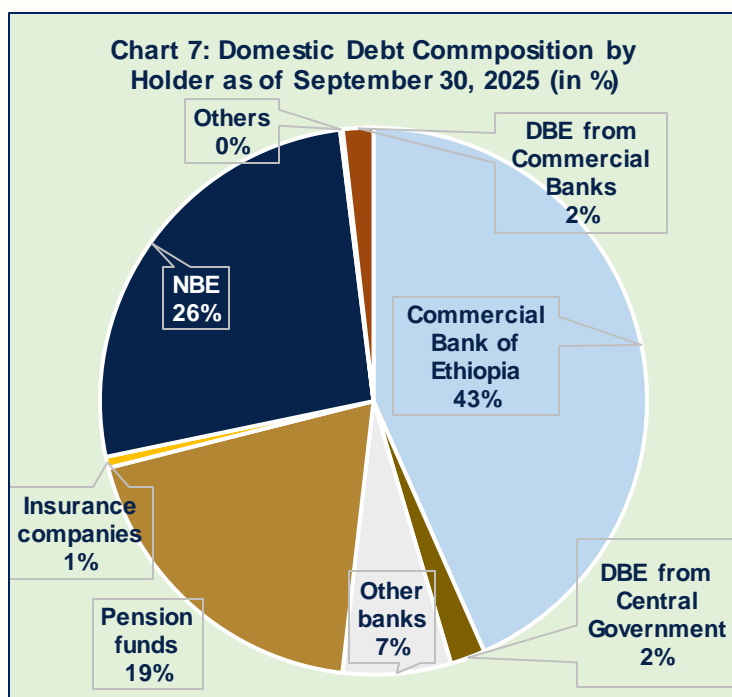
Total Domestic Debt Composition and Holders

As of September 30, 2025, the total domestic debt stock stood at **ETB 2.56 trillion**.

T-Bonds accounted for **79 %** of the total, while T-Bills made up **11.3 %**. (Chart 6).

Commercial Bank of Ethiopia (CBE) remained the **largest holders** of Total domestic debt, with **43% of the total**. The National Bank of Ethiopia held **26.3 %**, and pension funds accounted for **19.3 %**. (Chart 7).





Outstanding T-Bills by Maturity and Holder

At the **end of September 2025**, the 182 and 364 day Treasury bill remained the largest component of outstanding Treasury bills, accounting for **38 percent** and **37 percent of the total stock**, respectively (Chart 6).

On the investor side, **pension funds and Commercial Bank of Ethiopia** were the **dominant holders**, representing **38.5 percent** and **38.4 percent**, respectively, of the total outstanding Treasury bills. Other financial institutions accounted for **15.9 percent**, insurance companies held **5.5 percent**, and other institutions, including **Ethiopian Investment Holdings**, represented **1.7 percent** (Chart 8).

Issuance Plan

Issuance Plan — Quarter 2 2025/26 EFY

During the **second quarter** of the 2025/26 fiscal year (October to December 2025), the Government plans to issue a total of **ETB 243.05 billion in Treasury bills**. The planned issuances will cover maturing securities, meet net domestic borrowing needs, and support liquidity management within the domestic market.

Auctions will be conducted biweekly, offering Treasury bills with maturities of **28 days, 91 days, 182 days, and 364 days**, following the same pattern established in the first quarter. The auction calendar, running from October 1 to December 24, 2025, maintains consistent issuance volumes across maturities to ensure predictable market operations and smooth refinancing of maturing obligations (See Table 1).

Table 1: Treasury Bill Issuance Plan- 2nd Quarter 2025/26 (October 1, 2025 - Decembe 24, 2025)

Auction date	28 days	91 days	182 days	364 days
1-Oct-25	3 468 745 000,00	12 140 615 000,00	13 874 990 000,00	5 203 120 000,00
15-Oct-25	3 221 955 000,00	11 276 850 000,00	12 887 840 000,00	4 832 935 000,00
29-Oct-25	3 221 955 000,00	11 276 890 000,00	12 887 835 000,00	4 832 930 000,00
12-Nov-25	3 250 555 000,00	11 376 960 000,00	13 002 240 000,00	4 875 835 000,00
26-Nov-25	3 250 560 000,00	11 376 970 000,00	13 002 230 000,00	4 875 830 000,00
10-Dec-25	3 945 560 000,00	13 809 450 000,00	15 782 225 000,00	5 918 330 000,00
24-Dec-25	3 945 555 000,00	13 809 460 000,00	15 782 225 000,00	5 918 325 000,00

Summary of Treasury Bill Auction Results



Table 2: Summary of Auction Results No:982th/25, Held on July 23, 2025				
	28 days	91 days	182 days	364 days
Maturity Date (DD/MM/YYYY)	20-août-25	22-oct-25	21-janv-26	22-juil-26
Amount Offered (ETB Millions)	221.690	3,225.395	4,533.865	3,103.700
Bids Received (ETB Millions)	10,448.300	15,900.000	3,200.000	1,800.000
Total Amount Accepted (ETB Millions)	221.690	3,225.395	3,200.000	1,800.000
Competitive Bids	221.690	3,225.395	3,200.000	1,800.000
Non Competitive Bids				
Cut Off Price (Per Birr 100)	98.940	96.500	90.520	87.000
Cut Off Yield (Annual in %)	13.966	14.548	21.003	14.984
Weighted Average Price (Per Birr 100)	98.940	96.533	92.340	87.000
Weighted Average Yield (Annual in %)	13.966	14.407	16.641	14.984
No:983th/25, Held on August 6, 2025				
	28 days	91 days	182 days	364 days
Maturity Date (DD/MM/YYYY)	03-sept-25	05-nov-25	04-févr-26	05-août-26
Amount Offered (ETB Millions)	772.115	11,581.790	19,442.385	10,809.680
Bids Received (ETB Millions)	3,131.340	17,650.000	15,521.660	2,200.000
Total Amount Accepted (ETB Millions)	772.115	11,581.790	15,521.660	2,200.000
Competitive Bids	772.115	11,581.790	11,521.660	2,200.000
Non Competitive Bids	-	-	4,000.00	-
Cut Off Price (Per Birr 100)	98.950	95.364	90.500	87.000
Cut Off Yield (Annual in %)	13.833	19.500	21.052	14.984
Weighted Average Price (Per Birr 100)	98.957	96.265	92.380	87.000
Weighted Average Yield (Annual in %)	13.745	15.563	16.539	14.984
No:984th/25, Held on August 20, 2025				
	28 days	91 days	182 days	364 days
Maturity Date (DD/MM/YYYY)	17-sept-25	19-nov-25	18-févr-26	19-août-26
Amount Offered (ETB Millions)	294.705	4,420.630	10,894.185	4,125.920
Bids Received (ETB Millions)	1,039.410	16,388.260	20,494.685	4,000.000
Total Amount Accepted (ETB Millions)	294.705	4,420.630	10,894.185	4,000.000
Competitive Bids	294.705	4,420.630	5,894.185	4,000.000
Non Competitive Bids	-	-	5,000.00	-
Cut Off Price (Per Birr 100)	98.950	96.500	93.000	83.350
Cut Off Yield (Annual in %)	13.833	14.548	15.095	20.031
Weighted Average Price (Per Birr 100)	98.950	96.535	93.071	85.180
Weighted Average Yield (Annual in %)	13.833	14.398	14.930	17.453
No:985th/25, Held on September 3, 2025				
	28 days	91 days	182 days	364 days
Maturity Date (DD/MM/YYYY)	45 933,00	45 996,00	46 087,00	46 269,00
Amount Offered (ETB Millions)	503,06	7,545.950	19,661.260	7,042.880
Bids Received (ETB Millions)	1 703,06	17,479.950	19,729.000	5,200.000
Total Amount Accepted (ETB Millions)	503,06	7,545.950	19,661.260	5,200.000
Competitive Bids	503,06	7,545.950	10,061.260	5,200.000
Non Competitive Bids	-	-	9,600.00	-
Cut Off Price (Per Birr 100)	99,01	96.423	91.650	83.300
Cut Off Yield (Annual in %)	13,00	14.880	18.272	20.103
Weighted Average Price (Per Birr 100)	99,01	96.544	92.757	85.136
Weighted Average Yield (Annual in %)	13,00	14.358	15.660	17.507
No:986th/25, Held on September 17, 2025				
	28 days	91 days	182 days	364 days
Maturity Date (DD/MM/YYYY)	45 946,00	46 009,00	46 100,00	46 282,00
Amount Offered (ETB Millions)	563,90	8,458.470	11,277.975	7,894.570
Bids Received (ETB Millions)	1 663,90	8,884.000	11,202.000	200.000
Total Amount Accepted (ETB Millions)	563,90	8,458.470	11,202.000	200.000
Competitive Bids	563,90	8,458.470	11,202.000	200.000
Non Competitive Bids				
Cut Off Price (Per Birr 100)	98,96	95.705	91.700	83.371
Cut Off Yield (Annual in %)	13,70	18.000	18.152	20.000
Weighted Average Price (Per Birr 100)	99,04	96.336	92.888	83.371
Weighted Average Yield (Annual in %)	12,61	15.254	15.354	20.000

Source: National Bank of Ethiopia, <https://nbe.gov.et/treasury-bills/>

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