



HELLENIC REPUBLIC
Ministry of Economy
and Finance



HELLENIC REPUBLIC
Public Debt Management Agency

Sovereign Borrowing Outlook

Annual Debt Bulletin



2025





Ministry of Economy and Finance

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Sovereign Borrowing Outlook 2025, Annual Bulletin

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BRIEF OUTLOOK OF THE GREEK ECONOMY

The Greek economy recorded a positive performance in 2025, characterized by robust growth, continued improvement in the labour market, and the stabilization of key fiscal indicators.

Economic growth reached 2.1% in 2025, according to both the European Commission and the OECD. Inflation declined to 2.9% in 2025, according to the Hellenic Statistical Authority.

General government debt decreased to 146% of GDP in 2025, with further reductions expected in the coming years. Unemployment fell to 8.9% in 2025, with forecasts indicating a further decline to 8.4% by 2026, marking the lowest level recorded in the past fifteen years. Employment increased by 1.5% in 2025, resulting in the creation of approximately 106,000 new jobs. The primary surplus reached 4.9% of GDP in 2025, while the target for 2026 has been set at 3.2% of GDP.

Investment grew by 8.9% in 2025, supported significantly by resources from the Recovery and Resilience Facility (RRF).

Structural Challenges

Despite the strong economic performance, several structural challenges continue to constrain Greece's long-term growth potential. These include labour market inefficiencies, such as skills mismatches, labour force participation issues, and shortages in specific sectors. Additional challenges relate to the relatively weak growth in labour productivity, adverse demographic trends, inefficiencies in the judicial system, and housing affordability concerns. Addressing these issues remains essential for sustaining higher rates of economic growth.

Outlook

Economic growth is expected to moderate over the next two years due to geopolitical tensions in the Middle East, rising inflationary pressures, and the resulting weakening of external demand. Growth is projected to slow to 1.8% in 2026 and further to 1.7% in 2027. Nevertheless, the Greek economy is considerably more resilient today than during previous crises, supported by stronger fiscal fundamentals, a healthier banking sector, and improved institutional frameworks.

Conclusion

Overall, 2025 was a year of economic stabilization and growth for Greece, marked by solid macroeconomic performance, improving labour market conditions, and strengthened public finances. While important structural challenges remain, the medium-term outlook remains broadly positive, reflecting the economy's increased resilience and capacity to withstand external shocks.



SOVEREIGN BORROWING 2025

The Hellenic Republic's issuance activity continued smoothly throughout 2025, covering its limited financing needs primarily through syndicated bond issuances. These transactions achieved high levels of oversubscription and were allocated mainly to end investors. Monthly bond reopening auctions also made a significant contribution to refinancing borrowing requirements during the year and were conducted in accordance with the announced issuance calendar. The total cash reserves of the Hellenic Republic remained at the high levels observed in recent years, while, since 2024, part of the market-funded cash buffer has been utilized for the early repayment of European loans under the Greek Loan Facility (GLF).

The early repayment of a portion of the European loans under the Greek Loan Facility (GLF), which carry floating interest rates, continued in 2025. This included the proportional repayment of loans maturing during the period 2033–2039, as well as the full repayment of loans maturing in 2040 and 2041, amounting to a total of EUR 5,287 million.

Following the upgrade of the Hellenic Republic by one notch to the BBB rating category by the rating agency Scope Ratings in December 2024, further upgrades followed in March and April 2025 by DBRS Morningstar and S&P Global Ratings, respectively, as well as in October 2025 by Rating and Investment Information, Inc. (R&I) and in November 2025 by Fitch Ratings. In addition, Moody's Ratings upgraded the Hellenic Republic's sovereign credit rating to investment grade (Baa3) with a stable outlook in March 2025. Furthermore, in early November 2025, Scope Ratings revised the outlook for the Greek economy from stable to positive.

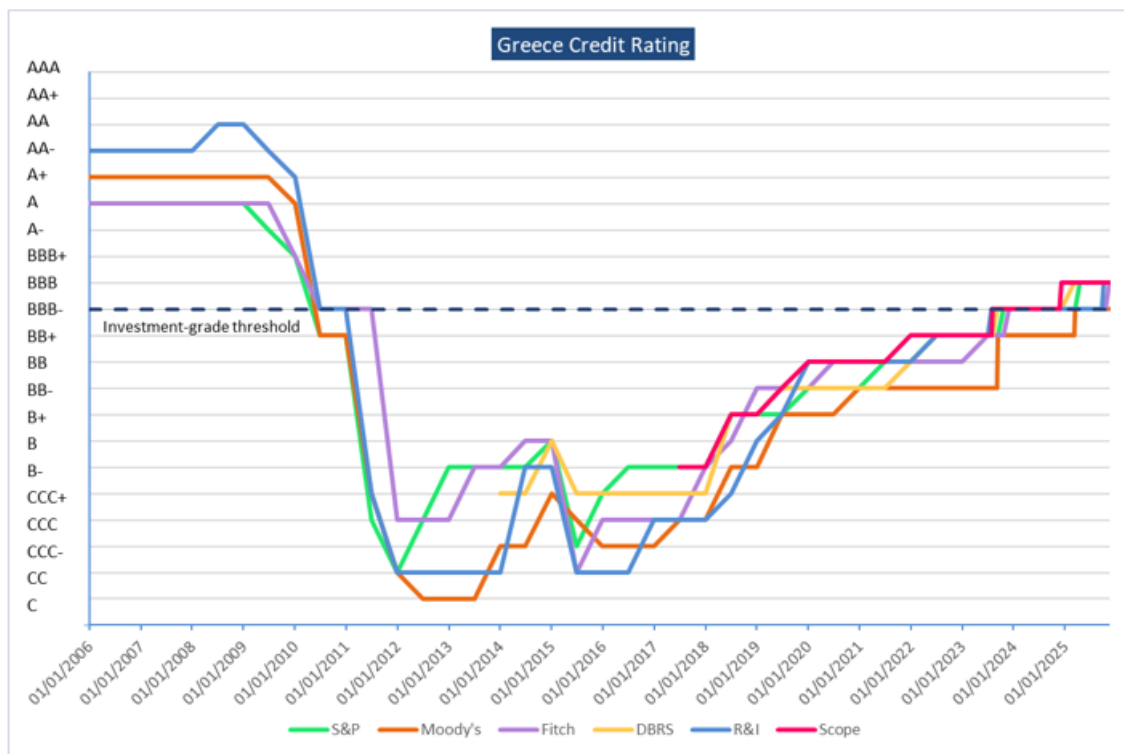
The financing needs of the Hellenic Republic during 2025 were covered primarily through syndicated fixed-rate bond issuances with maturities of 10, 15, and 30 years, totaling a nominal amount of EUR 7.0 billion. Additional financing was raised through the reopening of medium- and long-term bonds via auctions, totaling a nominal amount of EUR 700 million, as well as through the refinancing of short-term debt. Furthermore, under the loan agreement with the European Union for the Recovery and Resilience Facility (RRF), a loan tranche amounting to EUR 1.781 billion was disbursed.

The short-term borrowing of the Hellenic Republic was carried out through the issuance of Treasury Bills with maturities of three, six, and twelve months, as well as through cash management operations in the form of repo agreements. These transactions are conducted by the Public Debt Management Agency (PDMA) to optimize the utilization of available cash resources, primarily those of General Government entities.



Credit Ratings

GREECE CREDIT RATING				
Rating Agency	Rating	Outlook	Date of last review	Next scheduled review
Standard and Poor's	BBB	STABLE	17/10/2025	24/04/2026
Moody's	Baa3	STABLE	19/09/2025	13/03/2026
Fitch	BBB	STABLE	14/11/2025	08/05/2026
DBRS Morningstar	BBB	STABLE	05/09/2025	06/03/2026
Rating and Investment (R&I)	BBB	STABLE	06/10/2025	2026 date to be confirmed
Scope Ratings GmbH	BBB	POS	07/11/2025	20/03/2026



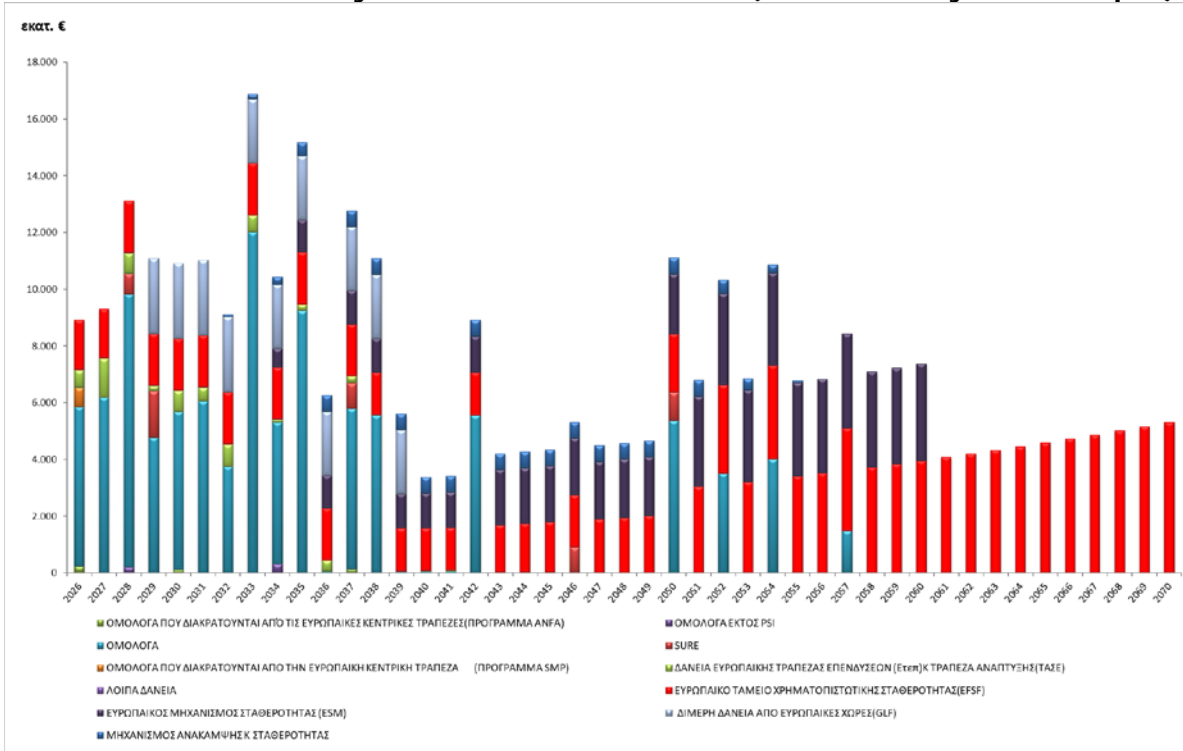
The Public Debt Management Agency (PDMA) adopted a prudent debt management approach, taking advantage of favorable market conditions to raise a total of €7,781.5 billion through bond issuances. Of this amount, €7,014.5 billion was raised through syndicated transactions, including new 10-year, 15-year, and 30-year benchmark bond issuances, while €727.1 million was raised through auctions via the reopening of existing securities.

The PDMA also continued the proactive management of Greece's debt portfolio through the early repayment of €5.3 billion of Greek Loan Facility (GLF) loans, as envisaged in the 2025 Financing Strategy. This contributed to reaffirming the steady downward trajectory of Greece's General Government debt-to-GDP ratio, which declined by approximately 63 percentage points of GDP between 2020 and 2025, reaching 146% in 2025, compared with 209% in 2020.



The proactive debt management strategy facilitated the successful implementation of Greece's funding programme and further enhanced the country's debt profile in a challenging global environment, thereby reinforcing Greece's position as a regular and credible issuer in international capital markets.

Public Debt Maturity Profile as of 31-12-2025 (excl. Treasury bills & Repos).



Due to prevailing market conditions, the Public Debt Management Agency (PDMA) adopted a flexible debt management strategy in 2025, raising funds through syndicated bond issuances and auctions while taking advantage of market opportunities. This approach enabled Greece to secure sufficient liquidity to meet its financing requirements for 2025.





Date of Issuance	Maturity Date	Tenor	Amount Issued	Yield	
21-1-2025	15-6-2035	10Y	4 billion	3.637%	New Issue
19-2-2025	15-6-2035	10Y	250 million	3.24%	Reopening
20-3-2025	18-7-2038	13Y	2 billion	4.057%	Reopening
20-3-2025	15-6-2054	29Y	1 billion	4.408%	Reopening
25-4-2025	12-3-2029	4Y	200 million	2.34%	Reopening
24-9-2025	15-6-2035	10Y	250 million	3.26%	Reopening

Targeted bond issuances supported liquidity at specific points along the yield curve, in line with the PDMA's objective of maintaining a fully tradable and sufficiently liquid sovereign yield curve for Greece. Greece's 10-year spread versus Germany closed the year at 59 basis points, demonstrating the resilience of the Greek economy.

The Central Government's gross financing requirements in 2025 (excluding the outstanding stock of short-term debt in Treasury Bills and repos) amounted to €17,649 billion and were covered through:

- Medium- and long-term borrowing of €9,538 billion in nominal value, with settlement proceeds (cash inflows) amounting to €9,579 billion.
- Revenues from financial transactions amounting to €2,483 billion.
- An increase in short-term borrowing of €5,461 billion.

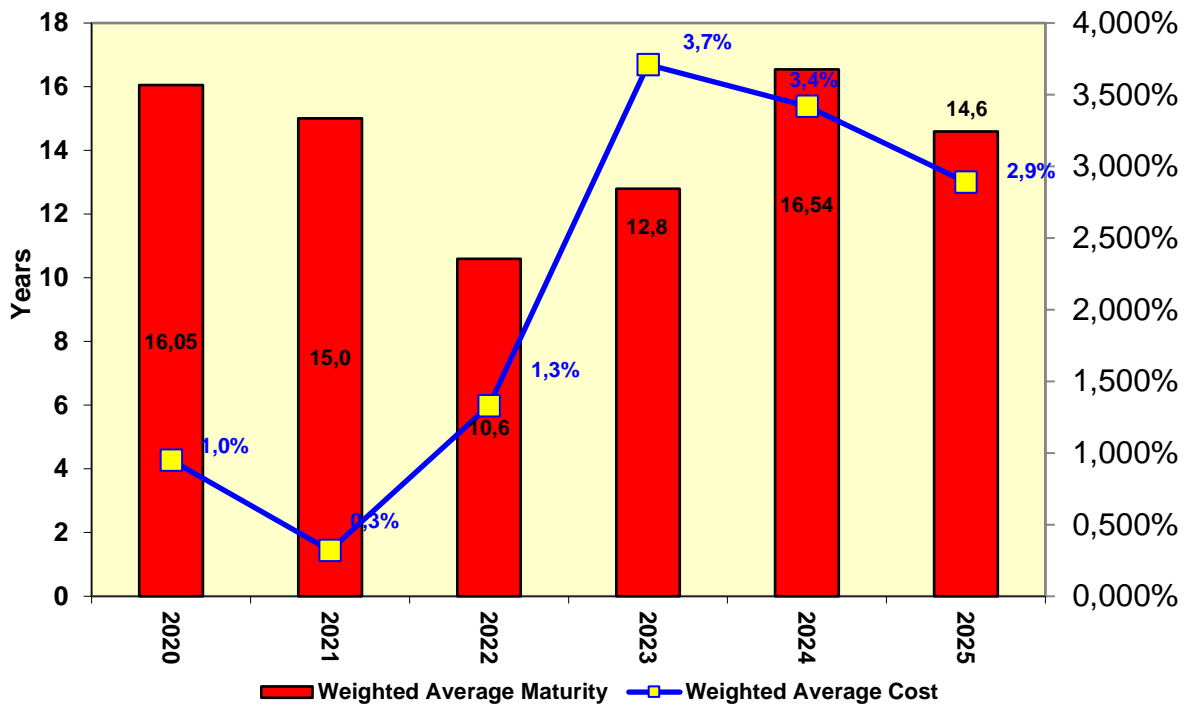
Central Government cash reserves stood at €18,105 billion at the end of 2025, compared with €18,231 billion at the end of 2024, representing a decrease of €126 million. Furthermore, when SDR holdings are included, which amounted to €2,743 billion (expressed in euro terms) as of 31 December 2025, total Central Government cash reserves reached €20,848 billion.

Net short-term borrowing increased by €5,461 billion during 2025. The outstanding stock of Treasury Bills declined by €446 million to €7,969 billion, while repos increased by €5,907 billion, bringing the total outstanding repo stock to €62,851 billion at year-end 2025.

The weighted average maturity of newly issued medium- and long-term debt in 2025 was 14.6 years, while the weighted average cost of new borrowing—excluding repo agreements—stood at 2.89%.



Evolution of weighted average cost/maturity of annual funding





PORTFOLIO MANAGEMENT

The economic environment in 2025 was characterized by elevated interest rate conditions, which significantly influenced public debt financing and management decisions. Considering both the Hellenic Republic's issuance activity and the early repayment of floating-rate Greek Loan Facility (GLF) loans, the portfolio management strategy focused on mitigating future annual interest expenditure.

The debt management operations undertaken during 2025 included the following:

Exercise of the call option on the GDP-linked warrants.

Execution of offsetting (mirror) swap transactions on existing interest rate derivative positions in order to lock in positive mark-to-market values.

Restructuring of existing Interest Rate Swap (IRS) transactions through the execution of new IRS contracts with reduced notional amounts, aiming both to simplify the portfolio structure and reduce over-hedging. At the same time, the spread on the floating-rate leg was increased in order to capitalize existing gains through predetermined annual payments (annuities).

Restructuring of existing forward-starting IRS transactions through the execution of new forward-starting IRS contracts incorporating predetermined future annual payments (annuities).

Furthermore, under the Voluntary Trading Arrangements (VTAs), six SDR purchase transactions against euro were executed during 2025, with a total nominal amount of SDR 1.42 billion, further strengthening the Hellenic Republic's SDR reserves (SDR Holdings).

Finally, it should be noted that the majority of the Hellenic Republic's cash reserves are maintained in cash management accounts with the Bank of Greece and currently earn returns:

- i. Equal to the prevailing Euro Short-Term Rate (€STR) minus a margin of 20 basis points (€STR – 0.20%) for general liquidity balances; and
- ii. Equal to the prevailing Euro Short-Term Rate, subject to a floor of zero, calculated as MAX (€STR – 0.20%, 0.00%), for liquidity balances associated with financial assistance programs, as defined under the DALM Guideline, primarily the Cash Buffer Account, which amounted to approximately €5.4 billion.

For reference, as of 31 December 2025, the €STR stood at 1.9210%.

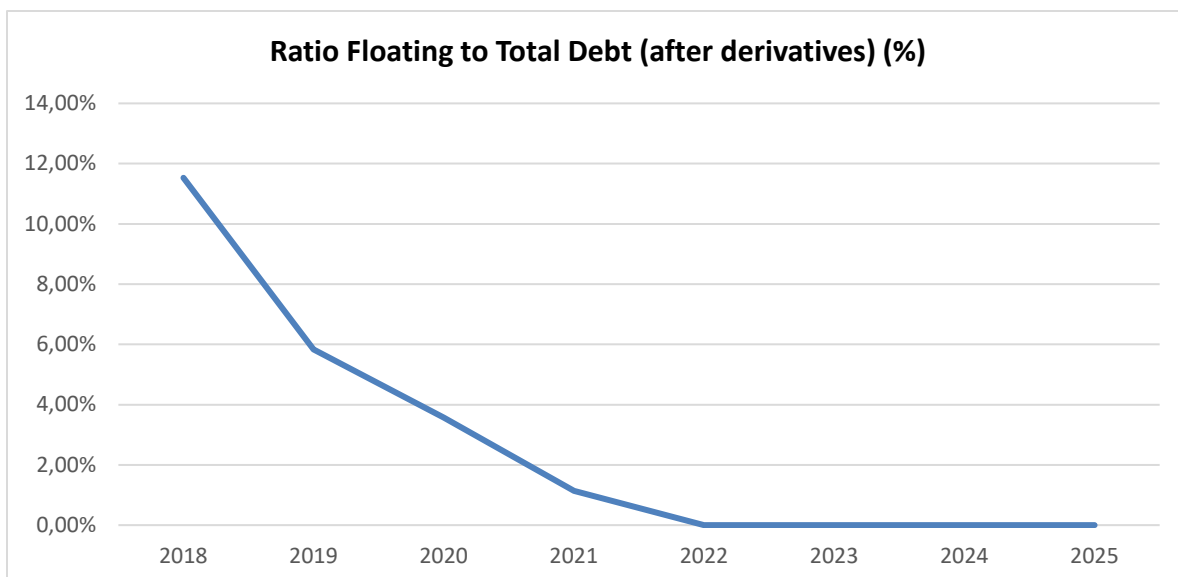


RISK ASSESSMENT & CONTROL FACTORS

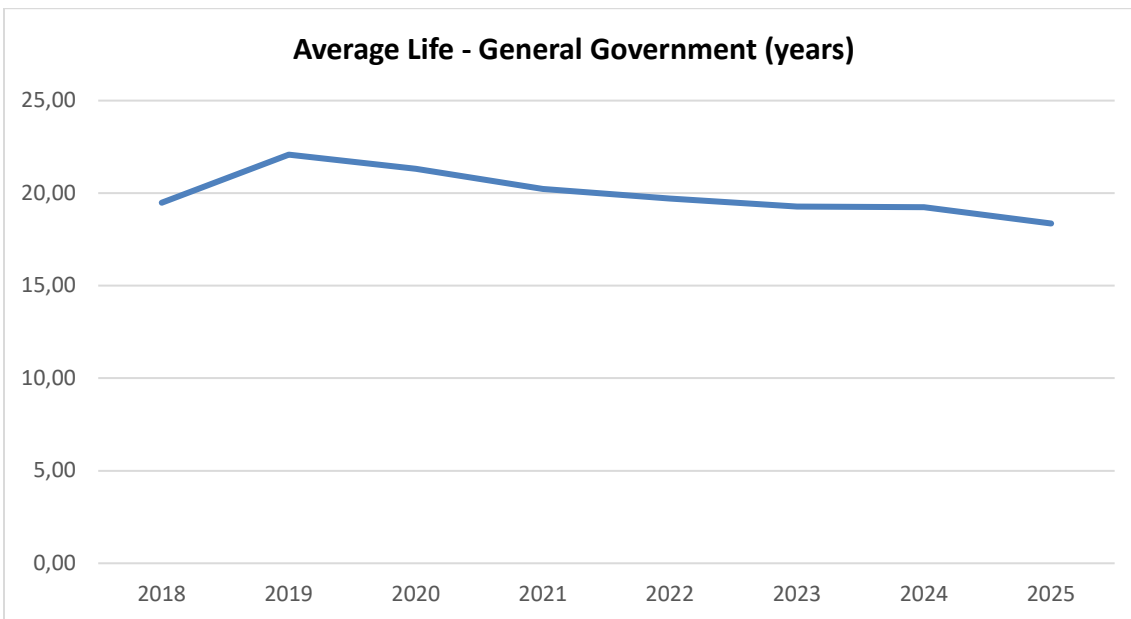
The debt portfolio had the following characteristics at the end of the year:

Key Risk Indicators	31/12/2025
Refinancing Risk 1Y (%)	4.85%
Refinancing Risk 5Y (%)	17.10%
Refixing Risk 1Y (%)	7.89%
Refixing Risk 5Y (%)	19.38%
Ratio Foreign Debt to Total Debt (before derivatives) (%)	0.00%
Ratio Foreign Debt to Total Debt (after derivatives) (%)	0.00%
Ratio Floating Debt to Total Debt (before derivatives) (%)	10.86%
Ratio Floating Debt to Total Debt (after derivatives) (%)	0.00%
Average Time to next refixing (years)	17.76
Average Life (years)	18.36

The floating rate index includes interest rate SWAPs and the use of financial instruments by the ESM on loans granted to the Hellenic Republic. The risk parameters of the portfolio refer to general government debt.



Hellenic Republic's portfolio is well shielded from future interest rate hikes, resulting in predictable and very low interest costs for the coming years. This fact gives a big boost to the Greek economy and its growth. This, moreover, is demonstrated by the continuous upgrades and positive recommendations of Greece's credit rating by all rating agencies. The weighted average of the physical maturity of the debt is over 18 years, which gives Greece time to further improve its portfolio and, most important, to release resources to the productive sectors of the economy, thus strengthening the real economy and GDP.



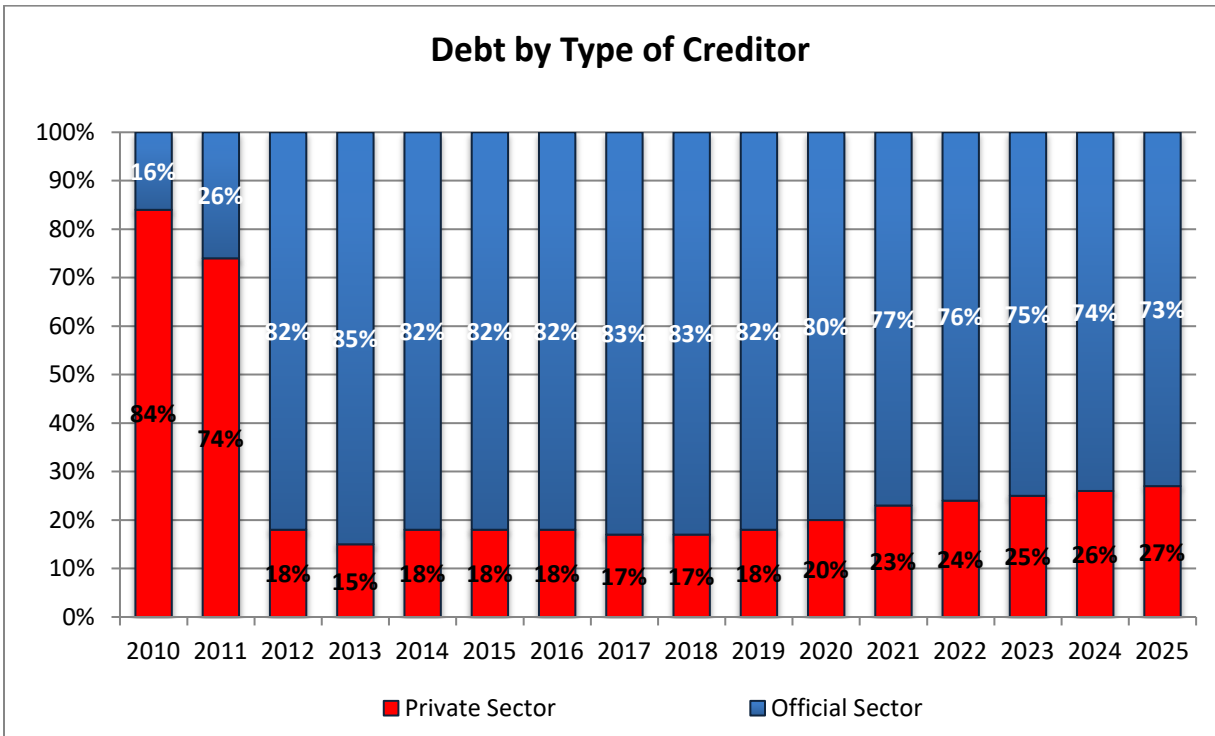


CENTRAL (STATE) GOVERNMENT DEBT ANALYSIS

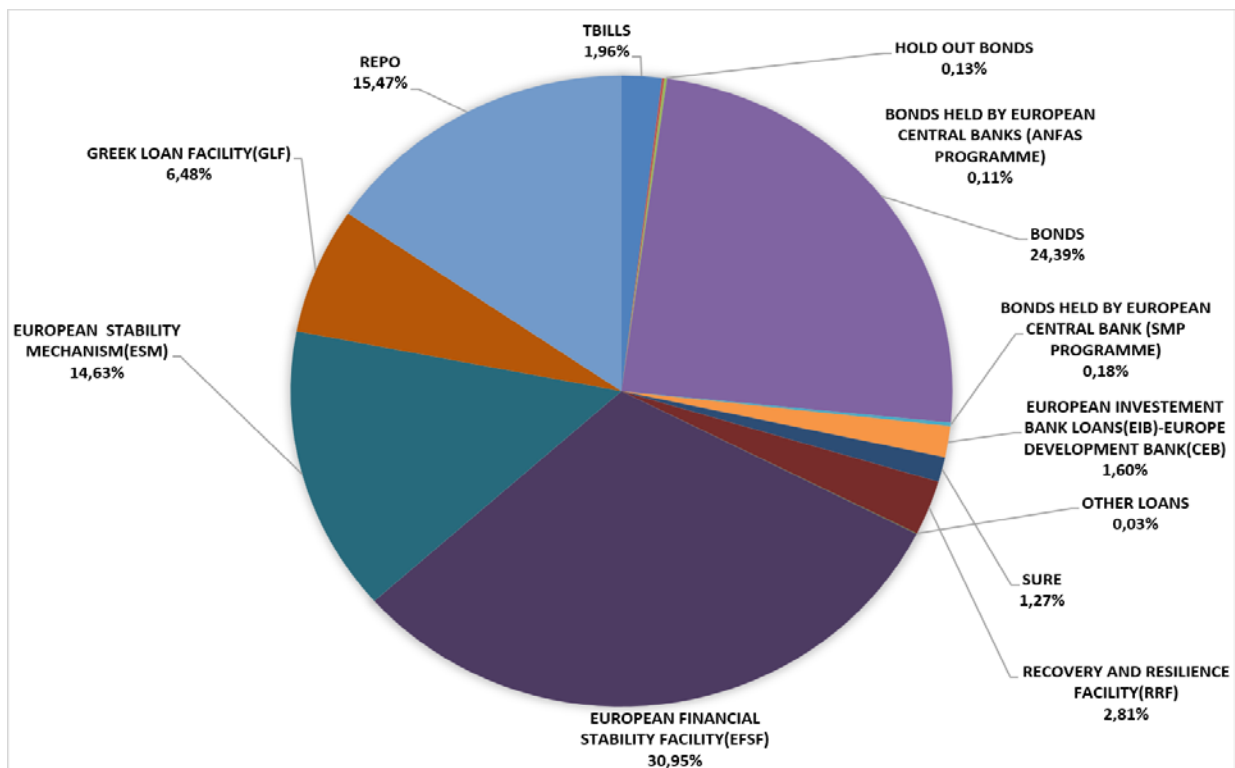
The table below illustrates the analysis of the change in central (state) government debt from 2024 to 2025.

State: stock of gross debt, related transactions and other flows								
in millions of euros								
Item	End- 2024	December 2025						End December 2025
	Stock	Change in stock (2)= (3)+(6) +(7)	Transactions			Revaluations		Stock
			Issues minus redemptions *	Issues	Redemptions	Due to exchange rates changes	Due to other price changes	
			(3)= (4)-(5)	[4]	[5]	[6]	[7]	
[1]	(2)= (3)+(6) +(7)	(3)= (4)-(5)	[4]	[5]	[6]	[7]	(8)=(1)+(2)	
Debt by type of debt instrument, original maturity and creditor								
Gross debt	403.861	2.320	2.354	1.624.959	1.622.605	0	-34	406.181
<i>Debt securities</i>	105.286	3.442	3.476	23.825	20.350	0	-34	108.728
Short-term	8.416	-447	-447	16.044	16.491	0	0	7.969
T-Bills	8.416	-447	-447	16.044	16.491	0	0	7.969
Long-term	96.870	3.889	3.923	7.782	3.859	0	-34	100.759
Issued domestically	94.911	3.859	3.923	7.782	3.859	0	-64	98.770
Issued abroad	1.959	30	0	0	0	0	30	1.989
<i>Loans</i>	298.575	-1.122	-1.122	1.601.134	1.602.255	0	0	297.453
Short-term	56.945	5.907	5.907	1.599.335	1.593.428	0	0	62.852
Long-term	241.630	-7.028	-7.028	1.798	8.827	0	0	234.602
Vis-à-vis residents	139	-15	-15	0	15	0	0	124
Bank of Greece	0	0	0	0	0	0	0	0
Other residents	139	-15	-15	0	15	0	0	124
Vis-à-vis nonresidents	241.491	-7.013	-7.013	1.798	8.812	0	0	234.478
EFSF/ESM/IMF	218.823	-7.402	-7.402	0	7.402	0	0	211.421
Other nonresidents	22.668	389	389	1.798	1.410	0	0	23.057
Debt by currency denomination								
Gross debt	403.861	2.320	2.354	1.624.959	1.622.605	0	-34	406.181
<i>Domestic currency</i>	403.855	2.320	2.354	1.624.959	1.622.605	0	-34	406.175
Debt securities	105.286	3.442	3.476	23.825	20.350	0	-34	108.728
Loans	298.569	-1.122	-1.122	1.601.134	1.602.255	0	0	297.447
<i>Foreign currency</i>	6	0	0	0	0	0	0	6
Debt securities	0	0	0	0	0	0	0	0
Loans	6	0	0	0	0	0	0	6

The structure of the Public Debt by category of creditors as it was formed at the end of 2025 is shown in the following graph:



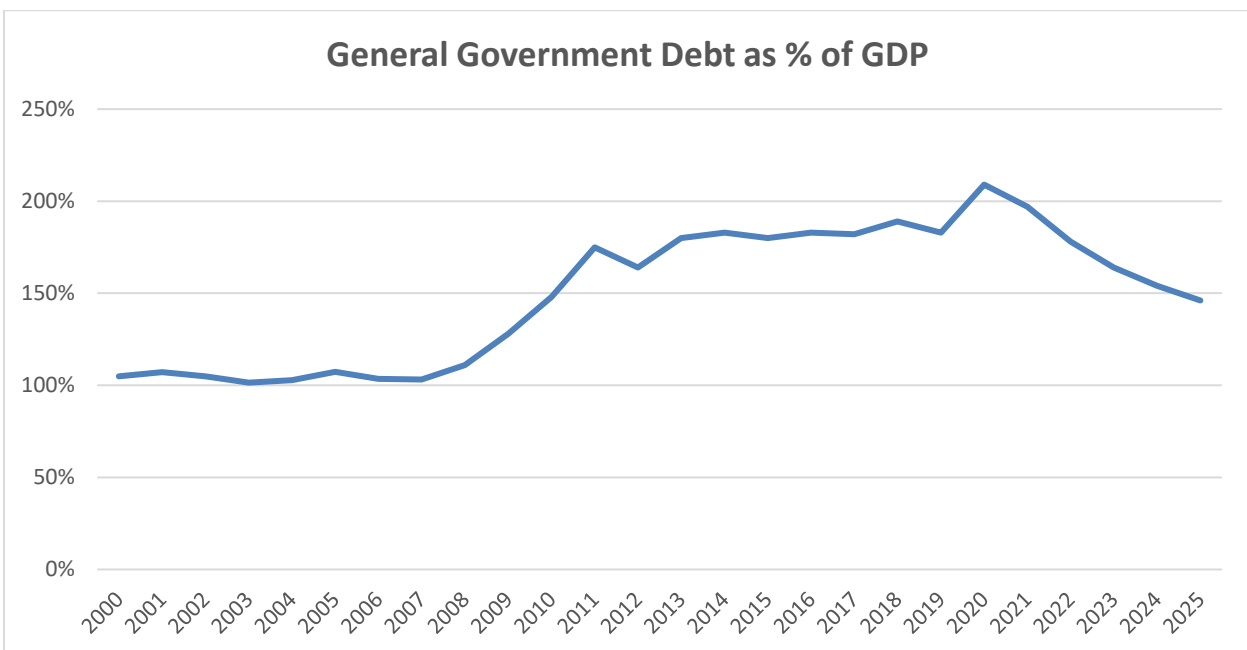
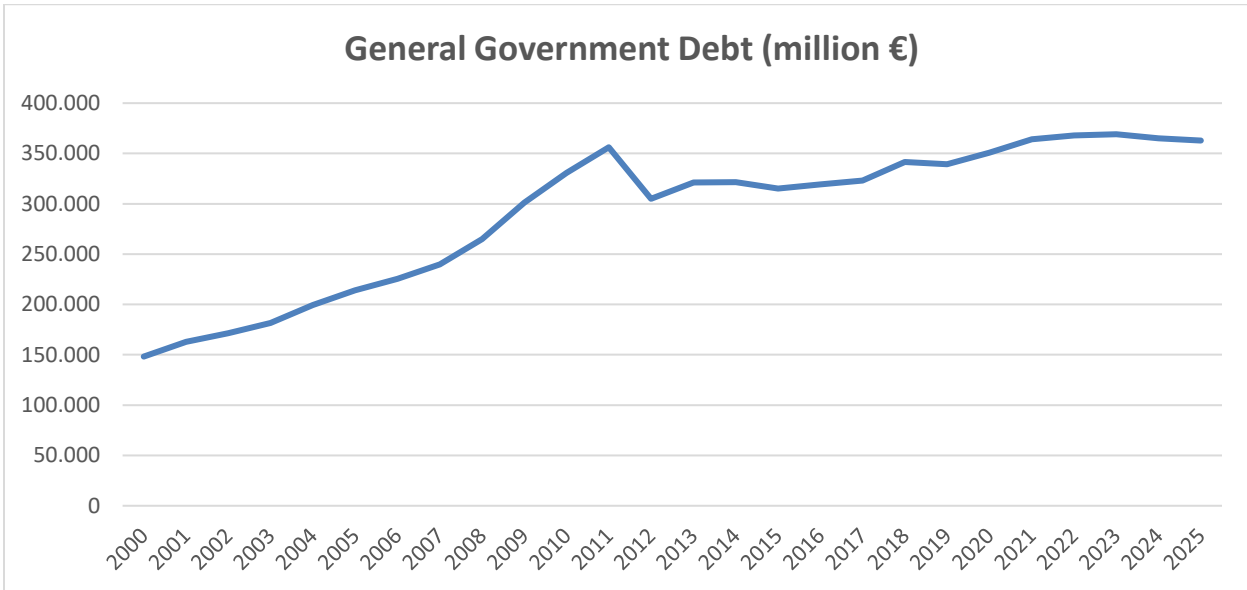
The total stock of the central government debt had the following breakdown:





GENERAL GOVERNMENT DEBT ANALYSIS

The historical evolution of the general government debt is reflected in the following graphs:



Detailed information and data for all countries in the Eurozone are available at Eurostat and Hellenic Statistical Authority (EL.ST.A) websites at the following links:

<http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsdde410&plugin=1%22>

<http://www.statistics.gr/el/european-statistics-tables>

The breakdown of general government debt for the year 2025 is shown in the table below. These figures are officially announced by the Hellenic and European statistical authorities in the last ten days of April each year.

Year 2025 (Amounts in million €)	PDMA	State (\$1311.1)	SOE(State Owned Enterprises) & EBFs (Extra Budgetary Funds) (\$1311.2)	Consolidation of Central Government (\$1311.1&2)	Central Government (\$1311)	Local Government (\$1313)	Social Security Funds (\$1314)	Consolidation of General Government	General Government Debt (\$13)
Currency & Deposits (AF2)		2.105	7.580	-930	8.755			-996	7.759
Bills & Short-Term Securities (AF331)	7.969	7.969		-422	7.547			-264	7.283
Long Term Securities (AF332)	100.760	100.751	30	-4.877	95.904			-5.186	90.718
Short Term Loans (AF41)	62.851	62.347	151	-41.053	21.445	11		-19.570	1.886
Long Term Loans (AF42)	234.601	253.951	3.064	-1.970	255.045	1.046	76	-888	255.279
Total	406.181	427.123	10.825	-49.252	388.696	1.057	76	-26.904	362.925
GG Debt (% GDP)									146,1%

Table Glossary:

Column 1 (State): The Central government debt with the adjustments made in the context of compliance with the European System of Accounts 2010 (ESA10).

Column 2 (DEKOs & EBFs): Debt of Public Utility Public Enterprise and Public Legal Entities (Other central government bodies).

Column 3 (Consolidation of Central Government): Government securities and loans held by central government entities.

Column 4 (Central Government): Central government debt as defined by the European System of Accounts 2010.

Column 5 (Local Government): The debt of local governments.

Column 6 (Social Security Funds): The debt of Social Security Funds.

Column 7 (Consolidation of General Government): Government securities and loans held by general government entities.

Column 8 (General Government Debt): General government debt as defined by the European System of Accounts 2010.



GENERAL GOVERNMENT NET DEBT

(1) General Government Gross Debt (amounts in mln eur)			
	31/12/2024¹	30/09/2025²	31/12/2025³
Debt Stock	364,964	367,852	362,925
(1) Final annual data of the Hellenic Statistical Office, as published in October of the year following the reference date.			
(2) Provisional data, as published by the Hellenic Statistical Office, approximately 4 months after the reference date.			
(3) PDMA estimates.			
(2) General Government Cash Reserves (amount in mln eur)			
	31/12/2024	30/9/2025	31/12/2025
Total General Government's Cash reserves*	36,281	45,784	39,576
*Includes: a) The balances of the Single Treasury Account at BoG (account 28), of which EUR 5,410.1 million refer to the Cash Buffer Account, b) The Segregated Public Debt Servicing Account at BoG, c) SDR cash reserves denominated in Euro; and d) Holdings of General Government Entities within and outside the Single Treasury Accounting System (within and outside the BoG).			
General Government Net Debt (1) - (2) (amount in mln eur)			
	31/12/2024	30/9/2025	31/12/2025
Net Debt	328,683	322,068	323,349

Data on the current level of Greek government guarantees as well as the outstanding liabilities to third parties are available in the Public Debt Bulletin n.120 at the following link: [No120 - PUBLIC DEBT MANAGEMENT AGENCY](#)