Government bond

What is a government bond?

A government bond is a debt security issued by the government for retail investors. In most cases, this is a fixed-rate bond with a fixed maturity date, offering an annual coupon.

How does it work?

In Belgium, the Belgian government issues government bonds four times a year (March, June, September, December), generally for periods of 5, 8 and 10 years. These bonds are listed on the Brussels stock exchange (Euronext).

The Belgian government undertakes to pay the investor an interest rate fixed in advance, known as a coupon, during the life of the government bond. In addition, the government undertakes to repay the total amount of capital invested at the maturity date.

What rules apply?

When trading government bonds the government must provide interested investors with certain information. Furthermore, publicity for government bonds must meet certain legal requirements.

What does the FSMA do?

The FSMA supervises compliance with the legislation governing the provision of information about and the publicity for government bonds.

Where can I get more information?

More information is available on Wikifin.be (French - Dutch) and on the website of the Belgian Debt Agency.

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