



26 June 2017

PRESS NOTICE

SYNDICATED RE-OPENING OF 0 $\frac{1}{8}$ % INDEX-LINKED TREASURY GILT 2056 IN THE WEEK COMMENCING 10 JULY 2017

The UK Debt Management Office (DMO) is announcing today that the second syndication of the 2017-18 programme will be a re-opening of 0 $\frac{1}{8}$ % Index-linked Treasury Gilt 2056. The transaction is planned to take place in the week commencing 10 July 2017, subject to market and demand conditions.

Further details of the sale, including the composition of the syndicate, will be announced in due course.

Notes for editors

The DMO's financing remit for 2017-18, published alongside the Spring Budget on 8 March 2017, included the provision for a programme of syndicated offerings to be held in 2017-18 aiming to raise a minimum of £21.0 billion (split £12.0 billion of index-linked gilts and £9.0 billion of long conventional gilts). The DMO also announced that it envisaged holding five syndicated offerings (two of long conventional gilts and three of index-linked gilts) in 2017-18.

The remit for 2017-18 included an initially unallocated portion of gilt issuance totalling £6.5 billion, which can be used to issue any type or maturity of gilt via any issuance method. It is expected that the unallocated portion will primarily be used to increase the size of syndicated offerings (where warranted by the size and quality of demand); and/or to increase average sizes of gilt auctions (for example, if they are reduced by the take-up of the Post Auction Option Facility (PAOF)). The unallocated portion can also be used to schedule gilt tenders.

The result of the first syndication in the 2017-18 programme is summarised in the table below.

| Date | Gilt | Size (£mn nom) | Issue Price (£) | Issue Yield (%) | Proceeds (£mn cash) |
|-------------|--------------------------------------|-------------------|--------------------|--------------------|------------------------|
| 16 May 2017 | 1 $\frac{3}{4}$ % Treasury Gilt 2057 | 5,000 | 101.744 | 1.690 | 5,077 |

Given the strength and quality of demand received at the transaction on 16 May 2017, £0.5 billion (cash) was moved from the unallocated portion of issuance to the long conventional syndication programme, increasing the minimum size of that programme to £9.5 billion and the overall minimum size of the syndication programme to £21.5 billion. The unallocated portion of issuance was accordingly reduced to £6.0 billion.

0 $\frac{1}{8}$ % Index-linked Treasury Gilt 2056 was initially launched via syndication on 29 November 2016; it has £2.25 billion nominal, equivalent to £2.30 billion uplifted, in issue.

This press notice will be appearing on the DMO's website at: www.dmo.gov.uk