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PRESS NOTICE

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

The United Kingdom Debt Management Office (DMO) announces the appointment of a syndicate to sell by subscription the forthcoming re-opening of 0 $\frac{1}{8}$ % Index-linked Treasury Gilt 2056.

Joint Bookrunners: Citigroup Global Markets, Goldman Sachs International, J.P. Morgan and Nomura.

Co-Lead Managers: All other panel member Index-linked Gilt-edged Market Makers (IL GEMMs) have been invited to be Co-Lead Managers.

The DMO has appointed a panel comprising exclusively wholesale GEMM firms from which it will choose syndicate members for the conduct of the programme of syndications in 2017-18. The programme is currently planned to raise a minimum of £21.5 billion.

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 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	1¾% 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.

0⅛% 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.

On 26 June 2017 the DMO announced that the second syndication of the 2017-18 programme will be a re-opening of 0⅛% Index-linked Treasury Gilt 2056, planned to take place in the week commencing 10 July 2017, subject to market and demand conditions.

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