

PRESS NOTICE

GILT OPERATIONS: JANUARY- MARCH 2011

In the period January-March 2011 the UK Debt Management Office (DMO) plans to hold 11 outright auctions, two mini-tenders and one syndicated offering of gilts, as set out in the tables below.

The DMO is also announcing today that the next syndicated gilt offering is planned to take place in the second half of January 2011 and will be of an index-linked gilt maturing in the 30-50 year area (further details about the offer will be announced around two weeks in advance of the operation).

a) Auctions

Auction date	Gilt	Details announced ¹ (at 3.30pm)
Thursday 6 January	3¾% Treasury Gilt 2020	Wednesday 29 December
Tuesday 11 January	1¼% Index-linked Treasury Gilt 2032	Tuesday 4 January
Wednesday 19 January	4¼% Treasury Stock 2036	Tuesday 11 January
Tuesday 1 February	2% Treasury Gilt 2016	Tuesday 25 January
Thursday 3 February	4¼% Treasury Gilt 2040	Tuesday 25 January
Tuesday 8 February	1⅞% Index-linked Treasury Gilt 2022	Tuesday 1 February
Thursday 17 February	3¾% Treasury Gilt 2020	Tuesday 8 February
Tuesday 1 March	2% Treasury Gilt 2016	Tuesday 22 February
Thursday 3 March	4¼% Treasury Gilt 2055	Tuesday 22 February
Tuesday 8 March	0⅝% Index-linked Treasury Gilt 2042	Tuesday 1 March
Thursday 17 March	A new conventional gilt maturing on 7 September 2021	Tuesday 8 March

b) Mini-tenders

Mini-tender (week)	Details announced (at 3.30pm)
wc 21 February	Choice of gilt on Friday 11 February Size and date 24-48 hours in advance.
wc 14 March	Choice of gilt on Friday 4 March Size and date 24-48 hours in advance.

¹ Including the coupon on the new gilt to be sold on 17 March.

c) Planned syndicated offering*

Date	Gilt	Further details
Second half of January.	An Index-linked gilt maturing in the 30-50 year area.	Around 2 weeks in advance.

**Subject to confirmation depending on market conditions nearer the time.*

First dividend date

The new conventional gilt maturing on 7 September 2021, to be auctioned for the first time on 17 March 2011, will pay a short first dividend on 7 September 2011.

Notes for editors

The DMO's remit for 2010-11 was first published alongside the Budget on 24 March 2010 with gilt sales of £187.3 billion (cash) planned. Planned gilt sales were revised down by £2.1 billion, to £185.2 billion, on 22 April 2010 with the publication of the outturn of the Central Government Net Cash Requirement (CGNCR) for 2009-10. Planned gilt sales were further reduced by £20.2 billion to £165.0 billion at the Budget on 22 June 2010. Planned gilt sales were subsequently increased by £0.2 billion to £165.2 billion alongside publication by the Office for Budget Responsibility of the Economic and Fiscal Outlook on 29 November 2010.

Progress against the remit in the financial year to-date, including the current required average sizes (in cash terms) for the remaining auctions, is summarised in the table below.

Gilt sales relative to remit targets: 3 December 2010 (£ millions)					
	Conventional Gilts			Index-linked	Total
	Short	Medium	Long	gilts	
Total gilt sales to-date	41,590	29,350	32,051	25,177	128,169
Planned sales at auctions	52,700	38,200	24,100	17,000	132,000
1. Sales at auctions*	41,590	29,350	15,629	13,017	99,587
Balance of auction sales to plan	10,249	8,112	7,991	3,803	32,413
Auctions remaining	3	3	4	4	14
Auction evenflow	3,416	2,704	1,998	951	
2. Sales by syndication			12,994	9,319	22,314
Planned sales by syndication					26,200
3. Sales by tender			3,428	2,841	6,268
Planned sales by tender					7,000
Total supplementary sales			16,422	12,160	28,582
Balance to plan			-22	4,640	4,418
4. PAOF proceeds**	0	0	0	0	0
Total planned sales	52,700	38,200	40,500	33,800	165,200
<i>* including PAOF proceeds in FY to-date</i>					
<i>** Since 29 November 2010</i>					
Sales remaining to meet plan					37,031

The Post Auction Option Facility (PAOF) is the facility under which successful bidders at auctions have the option to purchase additional stock of up to 10% of their allocation at the average accepted/strike price at the auction, in a two hour window which closes at 2pm on the day of the auction.

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