

## **PRESS NOTICE**

### **ISSUE BY SYNDICATED OFFERING OF 4¼% TREASURY GILT 2040**

The United Kingdom Debt Management Office ("the DMO") announces that the new conventional gilt maturing on 7 December 2040, to be sold by syndicated offering, will have a coupon of 4¼%. The new gilt will pay a short first dividend on 7 December 2010 and will not become strippable until so specified in a notice issued by the DMO.

The ISIN code on the new gilt will be GB00B6460505. The SEDOL code will be B-646-050. Once the forthcoming offer has been launched, with the permission of the London Stock Exchange, "When Issued" trading in the new gilt will be permitted under London Stock Exchange Rule 1530, from the time that final pricing of the offer is published and the gilt is pronounced 'free to trade', until the close of business on that same day, which will be the day prior to settlement of the syndicated offer and the day the new gilt is issued. The TIDM code to be used for trade reporting any such WI trades will be SYND.

The DMO expects the sale of 4¼% Treasury Gilt 2040 to be conducted in the week beginning 28 June, subject to market conditions. Further details about the conduct of the offer will be announced in due course.

### **NOTES TO EDITORS**

The DMO financing remit for 2010-11 as originally published alongside Budget 2010 on 24 March 2010, included the provision for a programme of up to 10 syndicated offerings to be held in 2010-11 to raise £29.2 billion (through sales of long-dated conventional and index-linked

gilts) as part of an overall gilt sales target of £187.3 billion<sup>1</sup>. At the Budget on 22 June 2010, planned gilt sales were reduced by £20.2 billion to £165.0 billion. Planned sales from the syndication programme were reduced by £3.2 billion to £26.0 billion and the DMO currently envisages holding up to eight syndicated offerings in 2010-11.

The first syndicated offer of the 2010-11 programme was held on 26 May 2010 with the sale of £4.0 billion (nominal) of 0½% Index-linked Treasury Gilt 2050; the proceeds of that sale were £3.76 billion.

On 28 May 2010 the DMO announced plans to hold three syndicated offerings in the June-September 2010 period, subject to confirmation depending on market conditions nearer the time:

- Second half of June: a conventional gilt maturing in the 30-year area.
- Second half of July: an index-linked gilt maturing in the 20 to 30 year area.
- Second half of September: a long-dated conventional or an index-linked gilt.

On 11 June 2010 the DMO announced that the Joint Bookrunners on the forthcoming syndicated offering are Barclays Capital, Morgan Stanley, Nomura International plc and RBC Capital Markets. The DMO also announced on 11 June that all other panel member conventional Gilt-edged Market-Makers have been invited to be Co-Lead Managers.

On 16 June the DMO announced that the gilt to be sold at the next syndicated offer would be a new conventional gilt maturing on 7 December 2040.

This press notice will be appearing on the DMO's website at: [www.dmo.gov.uk](http://www.dmo.gov.uk)

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<sup>1</sup> This total was revised down to £185.2 billion on 22 April as a result of the publication of the CGNCR outturn for 2009-10.

