

PRESS NOTICE

31 March 1999

10/99

GILT- EDGED AUCTIONS: APRIL TO JUNE 1999

In the first quarter of 1999-2000 there will be three auctions of gilt-edged stock by the Debt Management Office ("DMO"), as set out below:

- Wednesday 28 April 1999: 4 1/8% Index-linked Treasury Stock 2030.
- Wednesday 26 May 1999: 6% Treasury Stock 2028.
- Tuesday 22 June 1999: a new short-dated strippable stock, maturing on 7 June 2004.

Following feedback at the recent consultation meetings with market participants, the June 1999 auction date has been brought forward by one day to 22 June to avoid the publication, on the morning of 23 June, of the minutes of the June MPC meeting. The new date replaces that which appeared in the DMO Remit and the Debt Management Report 1999-2000.

The amount of each stock to be auctioned and the terms of the auctions will be announced by the DMO at 3.30pm on the Tuesday of the weeks preceding the three auctions (20 April, 18 May and 15 June). The coupon on the new short-dated stock (which will be strippable from the date of issue) will be announced by the DMO on 15 June.

Details of progress with gilt sales in 1998-99 and forecasts for 1999-2000 were published by the DMO on 18 March. Copies of that announcement are available on request from the DMO, as are copies of the record of the quarterly consultation meetings with the gilt-edged market makers and end investors, being published today.

NOTE TO EDITORS

HM Treasury's Remit to the DMO was published on 9 March. More background on UK Government debt, and the gilt sales requirement for 1999-2000 was included in the Debt Management Report, published by HM Treasury on 17 March. The forecast gilt financing requirement for 1999-2000 is £17.3 billion. Nine gilt-edged auctions are planned; four index-linked, to be held in the first month of each quarter, and five conventional, in May, June, September and November 1999 and March 2000.

The June auction date was originally brought forward from the customary final week of the month to avoid the need to settle over the end-quarter. However, gilt market participants indicated a clear preference for avoiding an auction on the morning of the publication of the June MPC minutes, which are issued at 9.30 am, one hour before the close of the gilt-edged auction bidding process.

**This press release will also be appearing on the DMO website at:
<http://www.dmo.gov.uk> (as will the record of the quarterly consultation meetings).**