



Reference Price Provision: Key Questions and Answers

The DMO has announced that it intends to cease publishing end-of-day reference prices for gilts, strips and Treasury bills, and intraday prices for gilts, with effect from Monday, 24 July 2017. From this date, FTSE Russell and Tradeweb will be the successor providers of end-of-day reference prices for gilts, strips and Treasury bills.

This document sets out a number of key questions and answers for users of the reference prices for gilts, strips and Treasury bills relating to the transition to the new price providers.

When will the transition to the new prices occur?

The transition of price provision to the successor providers, FTSE Russell and Tradeweb will occur on Monday 24 July 2017. The last day that the DMO will publish reference prices is Friday 21 July 2017.

How do I obtain the new prices?

Commercial use

For those wishing to obtain the prices for commercial purposes, they are available from Tradeweb directly through its Marks File service and are also redistributed via a number of data distributors, including Bloomberg, ICE Data Services and Thomson Reuters. For access to the prices and for more information on the use of prices for commercial purposes, users should contact Tradeweb directly on ECS@Tradeweb.com or 020 7776 3200.

Any questions relating to the provision of prices through a particular data distributor should be directed to the data distributor directly.

Non-commercial use

For non-commercial use, end-of-day prices are available without charge to the wider public from 12.00 noon on the day following initial publication. Prices are posted on Tradeweb's [InSite website](#) and up to five days of data can be downloaded at a time. Long-run time series data for single instruments are available. Those needing access to larger datasets can contact Tradeweb for bespoke arrangements.

Can I still access reference prices published before 24 July 2017?

Yes. Prices published prior to 24 July 2017 will continue to be available on the [DMO's website](#).

How much will it cost to obtain the new prices for commercial use?

For those wishing to obtain prices for commercial purposes, charges will apply. A commitment has been made by FTSE Russell and Tradeweb to the prices being available on fair, reasonable and non-discriminatory terms (FRAND). More information on the charging structure for reference prices can be obtained from Tradeweb by contacting ECS@Tradeweb.com or 020 7776 3200.

Why is the DMO ceasing to provide reference prices?

In January 2015, HM Treasury ministers set out a strategic intention for the DMO to withdraw from the provision of end-of-day reference prices. This reflected a variety of recent developments which means that it is no longer feasible for the DMO continue to provide reference prices. These include changing regulatory requirements which could lead to additional costs and obligations imposed on the DMO in order to comply with the relevant standards; the potential for a perceived conflict of interest in the DMO becoming an official administrator (in order to comply with administration best practice), whilst issuing/trading bonds and setting obligations for the Gilt-edged Market Makers (GEMMs); and issues relating to the changing obligations of the contributing GEMMs, and potential conflicts of interest that they face as contributors of prices.

How were FTSE Russell and Tradeweb selected to provide reference prices?

FTSE Russell and Tradeweb were selected as a result of an Independent Reference Prices Review (IRPR), led by Professor David Miles CBE. The Review was established by the government in January 2016 to make recommendations about the future provision of reference prices.

Following a consultation with market participants, the IRPR considered six Requests for Proposal (RFP) responses and recommended a joint proposal from FTSE and Tradeweb as the successor price provider. The Final Report of the IRPR notes: "Taking account of all the information and views shared with the Review during the course of its investigations, the Review has concluded that the joint proposal for provision of gilt and Treasury bill reference prices from FTSE Russell and Tradeweb is the strongest and that its successful implementation is likely to provide reliable prices... This conclusion reflects the Review's assessment of the type of arrangements for provision of reference prices that are likely to be reliable and sustainable."

Will FTSE Russell and Tradeweb also publish intraday prices for gilts?

FTSE Russell and Tradeweb have committed to publishing end-of-day prices only. Any decision to publish intraday prices would be a commercial decision for FTSE Russell and Tradeweb. The IRPR concluded that there were already sufficient alternatives in place to enable the DMO to cease publication of intraday prices without the need for an additional provider.

Where can I find more information?

The DMO provides a section on its website relating to price provision (See www.dmo.gov.uk). Additional questions can be directed to refprices@dmo.gsi.gov.uk.

A comprehensive description of the new solution, and related documentation, can be found on the website of [FTSE Russell](http://FTSE.Russell). Users can also contact Tradeweb directly on ECS@Tradeweb.com or 020 7776 3200.