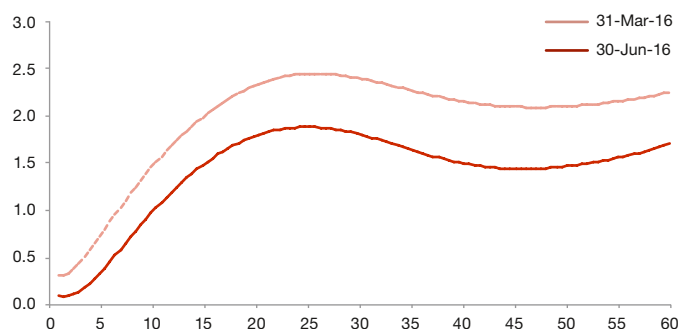


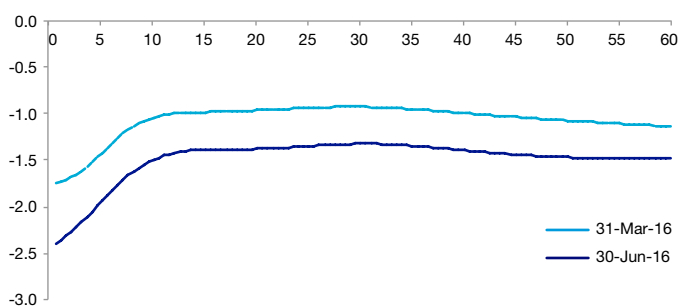
Gilt Market

	31 March 2016	30 June 2016		31 March 2016	30 June 2016
Gross Values			Net Values		
Portfolio market value			Portfolio market value		
• Portfolio	£1,941.65bn	£2,093.74bn	• Portfolio	£1,789.47bn	£1,933.03bn
• Conventional gilts	£1,324.91bn	£1,429.00bn	• Conventional gilts	£1,186.80bn	£1,283.75bn
• Index-linked gilts	£538.49bn	£599.56bn	• Index-linked gilts	£524.41bn	£584.10bn
• Treasury bills	£78.25bn	£65.18bn	• Treasury bills	£78.25bn	£65.18bn
Average portfolio yield			Average portfolio yield		
• Conventional gilts	1.37%	0.95%	• Conventional gilts	1.36%	0.94%
• Index-linked gilts	-1.05%	-1.48%	• Index-linked gilts	-1.05%	-1.48%
Average modified duration			Average modified duration		
• Conventional gilts	10.24 years	10.80 years	• Conventional gilts	10.20 years	10.80 years
• Index-linked gilts	22.00 years	22.70 years	• Index-linked gilts	22.24 years	22.94 years

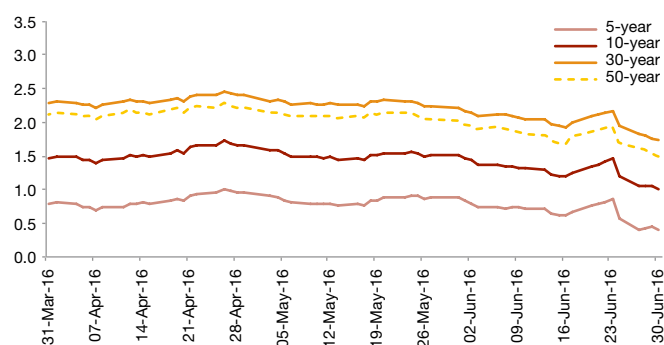
Nominal spot yield curve



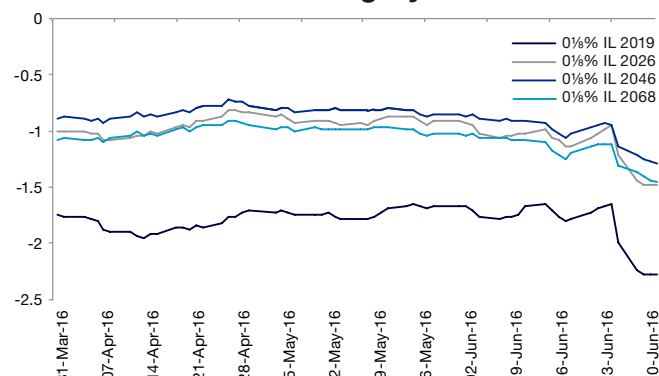
Real spot yield curve



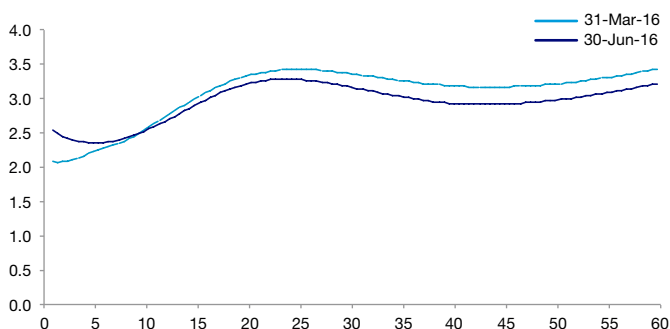
Conventional gilt yields



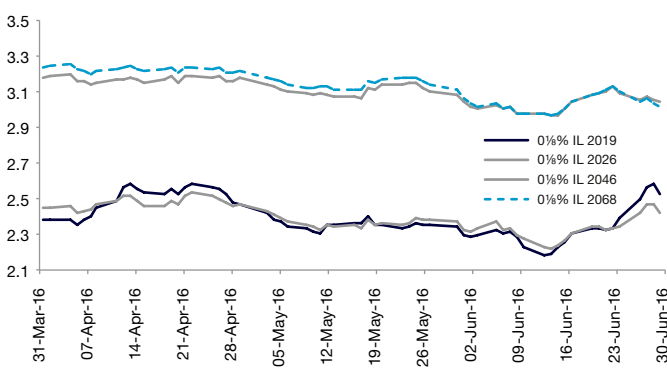
Index-linked gilt yields



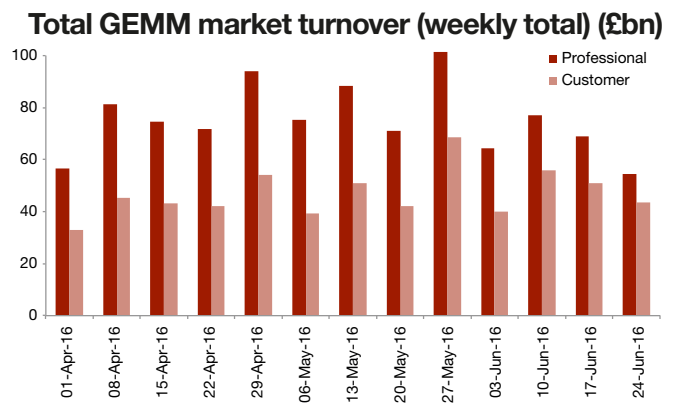
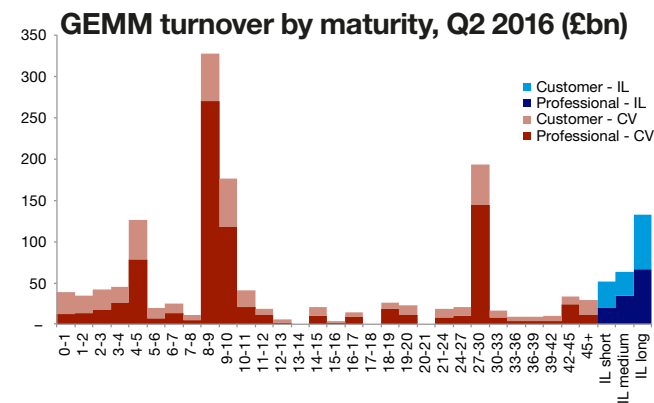
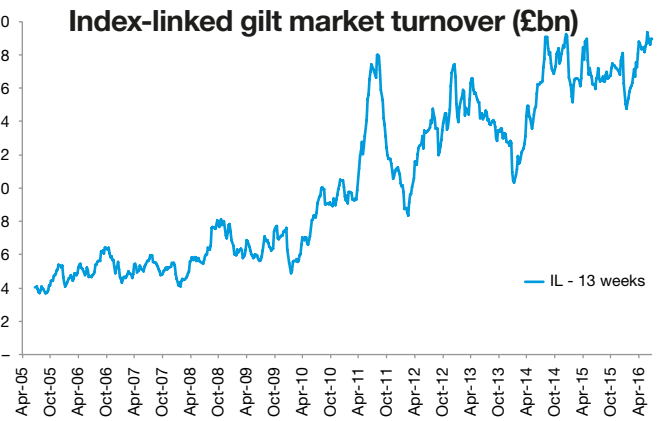
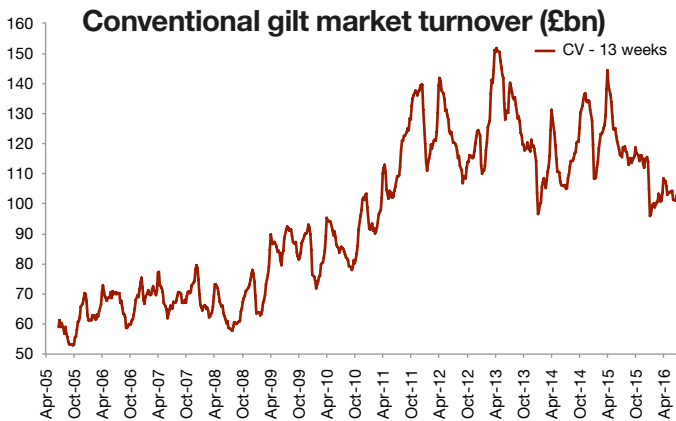
Inflation spot curve



Break-even inflation rates



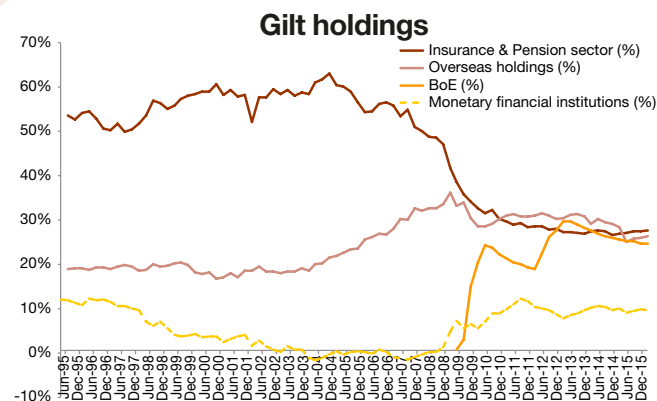
Turnover



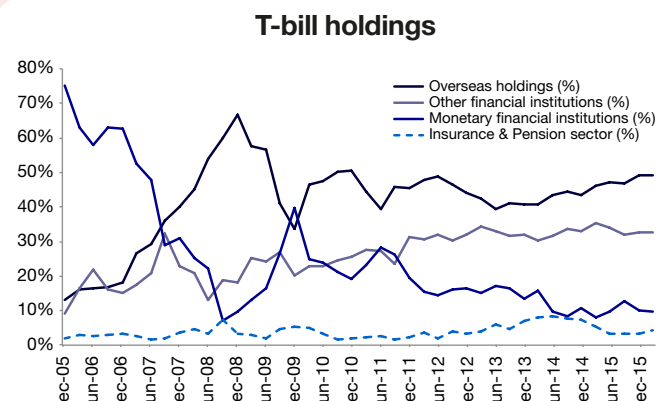
Turnover figures are based on market values and appear as reported to the DMO by Gilt-edged Market Makers (GEMMs). Professional turnover is defined as turnover with counterparties who are Inter Dealer Brokers (IDBs), other GEMMs, DMO or Bank of England. Professional turnover volumes do not account for the effect of possible double counting due to trading with IDBs.

Gilt and Treasury Bill Holdings

Gilt holdings (£mn, market values)	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q1 2016 (%)
Overseas	412,506	426,918	448,769	462,112	27.0
Insurance companies and pension funds	438,005	449,423	439,748	459,247	26.8
Bank of England (Asset Purchase Facility)	391,365	400,501	394,740	409,288	23.9
Monetary financial institutions	143,317	151,047	149,233	154,407	9.0
Other financial institutions and other	158,991	147,512	136,593	150,289	8.8
Households	70,918	72,766	71,200	74,357	4.3
Local authorities and public corporations	1,500	1,088	1,041	1,122	0.1
TOTAL	1,616,602	1,649,255	1,641,324	1,710,822	100



Source: ONS. These figures can be revised retrospectively.



Source: ONS. These figures can be revised retrospectively.

Financing Programme

Financing requirements

(£bn)	2015-16 (outturn)	2016-17 Budget	2016-17† (April revision)
CGNCR exc. NRAM, B&B* and Network Rail**	78.4	62.1	62.1
Gilt redemptions	70.2	69.9	69.9
Financing for the Official Reserves	5.2	6.0	6.0
Planned short-term financing adjustment	-13.1	-2.5	-0.4
Gross financing requirement	140.8	135.6	137.7
Less			
Contribution from National Savings & Investments	11.3	6.0	6.0
Other financing items***	1.1	0.2	0.2
Net financing requirement	128.4	129.4	131.5
Gilt sales planned during the year	127.7	129.4	131.5
Change in planned Treasury bill stock	1.0	0.0	0.0
DMO net cash position at end of financial year	0.9	0.5	0.5

Figures may not sum due to rounding.

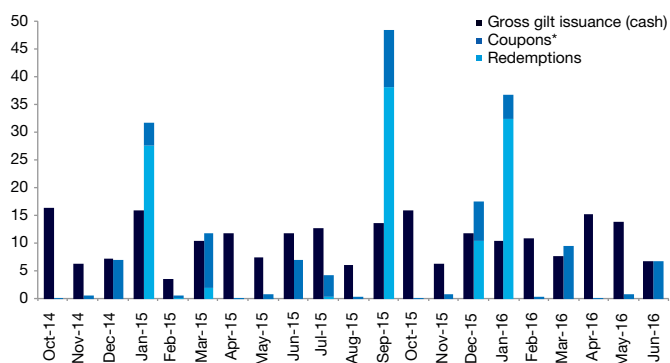
† as updated on 21 April 2016.

* Northern Rock Asset Management (NRAM) and Bradford and Bingley (B&B).

** The Exchequer's requirement for financing £6.5bn of lending to Network Rail was included in the CGNCR in April 2014.

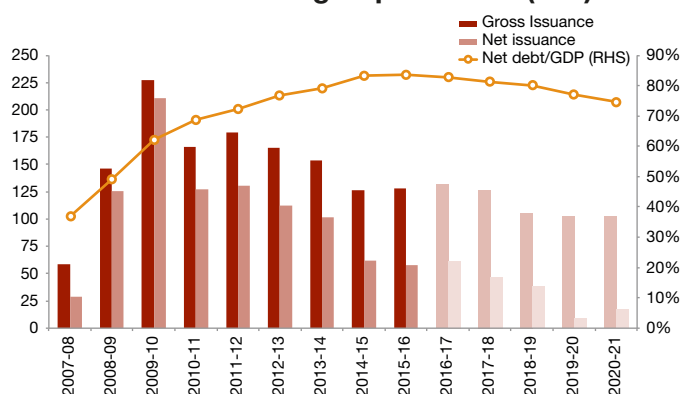
*** Includes non-governmental deposits, coinage and Certificates of Tax Deposit. Prior to publication of the end-year outturn in April each year, this financing item will only comprise estimated revenue from coinage.

Gilt market flows (£bn)



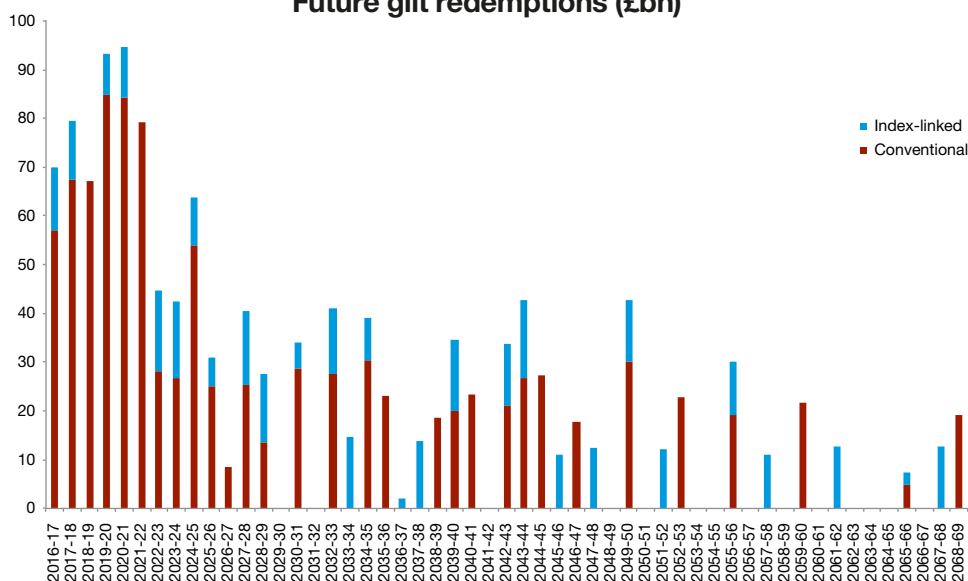
Future coupon flow numbers are for the stock of debt outstanding at end-quarter. Redemption figures are net of official holdings.

Annual financing requirements (£bn)



Values based on Budget 2016 estimates and projections. Sources: DMO, ONS

Future gilt redemptions (£bn)



The redemption totals for index-linked gilts in this chart do not reflect the full value of inflation uplift. They are calculated in a way consistent with the formulation of the Government's financing requirement; i.e. that part of the accrued inflation uplift on any redeeming gilts that represents the return to investors is included in the CGNCR in that redemption year, and the remainder is included in the redemption total for the year in which the relevant gilts redeem. "Government holdings" is defined as gilts held by the DMO.

Gilt Operations

Auction calendar – July-September 2016

Auction date	Gilt	Announcement of further details
Tuesday 5 July 2016	1½% Treasury Gilt 2021	Tuesday 28 June 2016
Thursday 7 July 2016	1½% Treasury Gilt 2026	Tuesday 28 June 2016
Wednesday 13 July 2016	0½% Index-linked Treasury Gilt 2026	Tuesday 5 July 2016
Wednesday 20 July 2016	4¼% Treasury Gilt 2039	Tuesday 12 July 2016
Tuesday 2 August 2016	0½% Treasury Gilt 2022	Tuesday 26 July 2016
Thursday 11 August 2016	0½% Index-linked Treasury Gilt 2036	Tuesday 2 August 2016
Wednesday 17 August 2016	4¼% Treasury Gilt 2055	Tuesday 9 August 2016
Thursday 1 September 2016	0½% Treasury Gilt 2022	Tuesday 23 August 2016
Tuesday 6 September 2016	1½% Treasury Gilt 2026	Tuesday 30 August 2016
Wednesday 14 September 2016	0½% Index-linked Treasury Gilt 2046	Tuesday 6 September 2016
Tuesday 20 September 2016	A new conventional gilt maturing on 22 July 2047	Tuesday 13 September 2016

Gilt operations overview

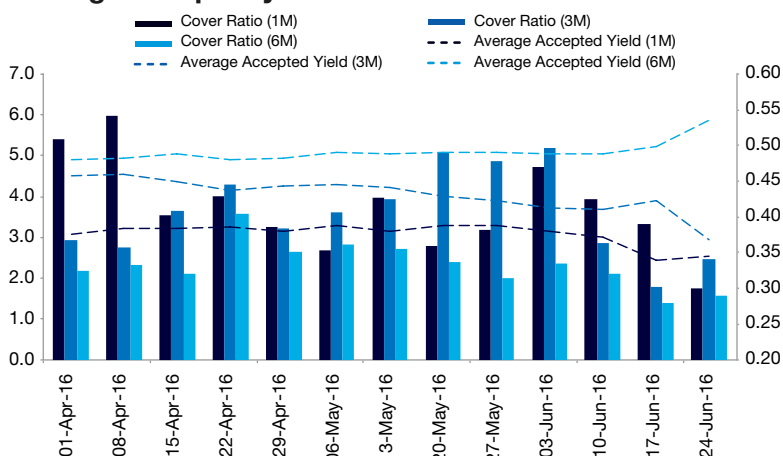
Operation date	Gilt name	Amount issued (£mn)		Cash raised (£mn)	Average accepted yield (%)	Yield Tail (bps)	Bid-to-cover ratio
		Outright	PAOF				
Auctions							
05-Apr-16	1½% Treasury Gilt 2021	2,750	412.5	3,266.3	0.80	0.31	2.01
07-Apr-16	1½% Treasury Gilt 2026	2,500	375.0	2,871.2	1.51	0.18	1.96
13-Apr-16	3½% Treasury Gilt 2045	1,750	262.5	2,496.8	2.35	0.36	2.08
20-Apr-16	0½% Index-linked Treasury Gilt 2026	1,400	25.2	1,596.5	-0.97	-	2.00
04-May-16	1½% Treasury Gilt 2021	2,750	412.5	3,247.0	0.92	0.34	2.11
05-May-16	1½% Treasury Gilt 2026	2,500	37.0	2,833.1	1.66	0.18	1.79
10-May-16	0½% Index-linked Treasury Gilt 2058	700	55.7	1,169.5	-0.90	-	1.57
18-May-16	4¼% Treasury Stock 2036	1,500	-	2,017.4	2.11	0.69	1.72
01-Jun-16	1½% Treasury Gilt 2021	2,750	412.5	3,253.9	0.86	0.59	1.60
07-Jun-16	4¼% Treasury Gilt 2046	1,500	207.0	2,533.2	2.10	1.49	1.37
09-Jun-16	0½% Index-linked Treasury Gilt 2036	900	2.7	1,132.8	-0.97	-	1.75
Syndications							
26-Apr-16	2½% Treasury Gilt 2065	4,750	-	5,033.3	2.29	-	-
24-May-16	0½% Index-linked Treasury Gilt 2046	3,500	-	4,655.2	-0.81	-	-

Treasury Bill Operations

Amount issued at T-bill tenders

Tender date	1-month	3-months	6-months
01-Apr-16	£0.5bn	£1.5bn	£2.0bn
08-Apr-16	£0.5bn	£1.5bn	£2.0bn
15-Apr-16	£0.5bn	£1.5bn	£2.0bn
22-Apr-16	£0.5bn	£1.0bn	£2.0bn
29-Apr-16	£0.5bn	£1.0bn	£2.0bn
06-May-16	£0.5bn	£1.0bn	£2.5bn
13-May-16	£0.5bn	£1.0bn	£2.5bn
20-May-16	£0.5bn	£1.0bn	£2.5bn
27-May-16	£0.5bn	£1.0bn	£2.5bn
03-Jun-16	£0.5bn	£1.0bn	£2.5bn
10-Jun-16	£0.5bn	£2.5bn	£2.5bn
17-Jun-16	£0.5bn	£2.5bn	£2.5bn
24-Jun-16	£0.5bn	£1.5bn	£1.5bn

Average accepted yields and cover ratios at T-bill tenders



Annex A - Gilts in Issue

A. Conventional gilts in issue on 30 June 2016

	ISIN code	Maturity date	Coupon dates	Total amount in issue (£mn nominal)
Short				
4% Treasury Gilt 2016	GB00B0V3WX43	07-Sept-16	7 Mar/Sep	35,113.7
1¾% Treasury Gilt 2017	GB00B3Z3K594	22-Jan-17	22 Jan/Jul	28,897.2
8¾% Treasury Stock 2017	GB0008931148	25-Aug-17	25 Feb/Aug	11,025.0
1% Treasury Gilt 2017	GB00B7F9S958	07-Sept-17	7 Mar/Sep	31,689.1
5% Treasury Gilt 2018	GB00B1VWPC84	07-Mar-18	7 Mar/Sep	34,861.1
1¼% Treasury Gilt 2018	GB00B8KP6M44	22-Jul-18	22 Jan/Jul	34,471.4
4½% Treasury Gilt 2019	GB00B39R3F84	07-Mar-19	7 Mar/Sep	35,962.4
1¾% Treasury Gilt 2019	GB00BDV0F150	22-Jul-19	22 Jan/Jul	30,212.4
3¾% Treasury Gilt 2019	GB00B4YRFP41	07-Sept-19	7 Mar/Sep	28,433.8
4¾% Treasury Stock 2020	GB00B058DQ55	07-Mar-20	7 Mar/Sep	32,953.5
2% Treasury Gilt 2020	GB00BN65R198	22-Jul-20	22 Jan/Jul	31,810.8
3¾% Treasury Gilt 2020	GB00B582JV65	07-Sept-20	7 Mar/Sep	24,320.1
1½% Treasury Gilt 2021	GB00BY5F581	22-Jan-21	22 Jan/Jul	29,235.1
8% Treasury Stock 2021	GB0009997999	07-Jun-21	7 Jun/Dec	23,815.0
3¾% Treasury Gilt 2021	GB00B4RMG977	07-Sept-21	7 Mar/Sep	28,081.8
4% Treasury Gilt 2022	GB00B3KJDQ49	07-Mar-22	7 Mar/Sep	37,542.6
1¾% Treasury Gilt 2022	GB00B7L9SL19	07-Sept-22	7 Mar/Sep	28,740.7
Medium				
2¼% Treasury Gilt 2023	GB00B7Z53659	07-Sept-23	7 Mar/Sep	27,184.14
2¾% Treasury Gilt 2024	GB00BHBFH458	07-Sept-24	7 Mar/Sep	26,628.0
5% Treasury Stock 2025	GB0030880693	07-Mar-25	7 Mar/Sep	34,702.5
2% Treasury Gilt 2025	GB00BTHH2R79	07-Sept-25	7 Mar/Sep	25,172.3
1½% Treasury Gilt 2026	GB00BYZW3G56	22-Jul-26	22 Jan/Jul	8,500.0
4¼% Treasury Gilt 2027	GB00B16NNR78	07-Dec-27	7 Jun/Dec	30,673.4
6% Treasury Stock 2028	GB0002404191	07-Dec-28	7 Jun/Dec	18,824.7
4¾% Treasury Gilt 2030	GB00B24FF097	07-Dec-30	7 Jun/Dec	33,281.5
Long				
4¼% Treasury Stock 2032	GB0004893086	07-Jun-32	7 Jun/Dec	35,062.5
4½% Treasury Gilt 2034	GB00B52WS153	07-Sept-34	7 Mar/Sep	31,444.8
4¼% Treasury Stock 2036	GB0032452392	07-Mar-36	7 Mar/Sep	29,444.9
4¾% Treasury Stock 2038	GB00B00NY175	07-Dec-38	7 Jun/Dec	24,932.4
4¼% Treasury Gilt 2039	GB00B3KJDS62	07-Sept-39	7 Mar/Sep	21,038.6
4¼% Treasury Gilt 2040	GB00B6460505	07-Dec-40	7 Jun/Dec	24,581.1
4½% Treasury Gilt 2042	GB00B1VWPJ53	07-Dec-42	7 Jun/Dec	26,351.5
3¼% Treasury Gilt 2044	GB00B84Z9V04	22-Jan-44	22 Jan/Jul	27,051.7
3½% Treasury Gilt 2045	GB00BN65R313	22-Jan-45	22 Jan/Jul	27,327.7
4¼% Treasury Gilt 2046	GB00B128DP45	07-Dec-46	7 Jun/Dec	22,861.7
4¼% Treasury Gilt 2049	GB00B39R3707	07-Dec-49	7 Jun/Dec	19,561.1
3¾% Treasury Gilt 2052	GB00B6RNH572	22-Jul-52	22 Jan/Jul	23,339.7
4¼% Treasury Gilt 2055	GB00B06YGN05	07-Dec-55	7 Jun/Dec	24,480.8
4% Treasury Gilt 2060	GB00B54QLM75	22-Jan-60	22 Jan/Jul	22,466.8
2½% Treasury Gilt 2065	GB00BYYMZX75	22-Jul-65	22 Jan/Jul	9,500.0
3½% Treasury Gilt 2068	GB00BBJNQY21	22-Jul-68	22 Jan/Jul	19,278.0

Annex A - Gilts in Issue

B. Index-linked gilts in issue on 30 June 2016

	ISIN code	Maturity date	Coupon dates	Total amount in issue (£mn nominal)	Index Ratio	Total uplifted amount (£mn nominal)
Index-linked gilts – 3-month indexation lag						
1¼% Index-linked Treasury Gilt 2017	GB00B0V3WQ75	22-Nov-17	22 May/Nov	11,845.5	1.35	15,983
0½% Index-linked Treasury Gilt 2019	GB00BBDR7T29	22-Nov-19	22 May/Nov	8,182.9	1.05	8,562.7
1½% Index-linked Treasury Gilt 2022	GB00B1Z5HQ14	22-Nov-22	22 May/Nov	15,743.2	1.27	20,010.3
0½% Index-linked Treasury Gilt 2024	GB00B85SFQ54	22-Mar-24	22 Mar/Sep	15,243.9	1.01	16,437.5
0½% Index-linked Treasury Gilt 2026	GB00BYY5F144	22-Mar-26	22 Mar/Sep	5,854.8	1.35	5,926.4
1¼% Index-linked Treasury Gilt 2027	GB00B128DH60	22-Nov-27	22 May/Nov	14,170.2	1¼%	19,086.7
0½% Index-linked Treasury Gilt 2029	GB00B3Y1JG82	22-Mar-29	22 Mar/Sep	14,229.2	1.10	19,086.7
1¼% Index-linked Treasury Gilt 2032	GB00B3D4VD98	22-Nov-32	22 May/Nov	13,459.6	1.20	16,203.6
0¾% Index-linked Treasury Gilt 2034	GB00B46CGH68	22-Mar-34	22 Mar/Sep	14,570.3	1.13	16,400.5
0½% Index-linked Treasury Gilt 2036	GB00BYZW3J87	22-Nov-36	22 May/Nov	1,955.8	1.01	1,966.2
1½% Index-linked Treasury Gilt 2037	GB00B1L6W962	22-Nov-37	22 May/Nov	13,065.9	1.29	16,887.5
0½% Index-linked Treasury Gilt 2040	GB00B3LZBF68	22-Mar-40	22 Mar/Sep	13,690.0	1.21	16,527.4
0½% Index-linked Treasury Gilt 2042	GB00B3MYD345	22-Nov-42	22 May/Nov	11,909.3	1.23	14,652.2
0½% Index-linked Treasury Gilt 2044	GB00B7RN0G65	22-Mar-44	22 Mar/Sep	15,725.5	1.08	16,956.5
0½% Index-linked Treasury Gilt 2046	GB00BYMWG366	22-Mar-46	22 Mar/Sep	10,990.0	1.01	11,143.8
0¾% Index-linked Treasury Gilt 2047	GB00B24FFM16	22-Nov-47	22 May/Nov	11,686.6	1.26	14,703.4
0½% Index-linked Treasury Gilt 2050	GB00B421JZ66	22-Mar-50	22 Mar/Sep	12,221.2	1.22	14,970.1
0¼% Index-linked Treasury Gilt 2052	GB00B73ZYW09	22-Mar-52	22 Mar/Sep	11,966.0	1.08	12,922.6
1¼% Index-linked Treasury Gilt 2055	GB00B0CNHZ09	22-Nov-55	22 May/Nov	10,169.2	1.36	13,830.5
0½% Index-linked Treasury Gilt 2058	GB00BP9DLZ64	22-Mar-58	22 Mar/Sep	10,953.3	1.02	11,189.2
0¾% Index-linked Treasury Gilt 2062	GB00B4PTCY75	22-Mar-62	22 Mar/Sep	12,479.7	1.11	13,832.9
0½% Index-linked Treasury Gilt 2065	GB00BD9MZZ71	22-Nov-65	22 May/Nov	2,750.0	1.00	2,760.2
0½% Index-linked Treasury Gilt 2068	GB00BDX8CX8	22-Mar-68	22 Mar/Sep	12,600.0	1.05	13,190.4
Index-linked gilts – 8-month indexation lag						
2½% Index-linked Treasury Stock 2016	GB0009075325	26-Jul-16	26 Jan/Jul	7,899.3	3.18	25,114.1
2½% Index-linked Treasury Stock 2020	GB0009081828	16-Apr-20	16 Apr/Oct	6,579.0	3.13	20,577.8
2½% Index-linked Treasury Stock 2024	GB0008983024	17-Jul-24	17 Jan/Jul	6,821.2	2.66	18,123.7
4½% Index-linked Treasury Stock 2030	GB0008932666	22-Jul-30	22 Jan/Jul	4,841.2	1.92	9,299.0
2% Index-linked Treasury Stock 2035	GB0031790826	26-Jan-35	26 Jan/Jul	9,084.0	1.49	13,578.9

Annex B – Operations Calendar 2016-17

Q1	2016			Q2				Q3				Q4			
	April	May	June		July	August	September		October	November	December		January	February	March
1			1½% 2021	1			0½% 2022	1		CV		1			
2				2		0½% 2022		2				2			CV
3				3				3				3			
4		1½% 2021		4				4	CV			4			
5	1½% 2021	1½% 2026		5	1½% 2021			5				5	CV		
6				6			1½% 2026	6	CV		CV	6			
7	1½% 2026		4¼% 2046	7	1½% 2026			7			CV	7		CV	CV
8				8				8		CV		8			
9			IL 2036	9				9				9		CV	IL
10		IL 2058		10				10				10	IL		
11				11		IL 2036		11				11			
12				12	4% 2060			12	IL			12			
13	3½% 2045			13	IL 2026			13				13			
14				14			IL 2046	14			CV	14			CV
15				15				15				15		IL	
16				16				16				16			
17				17		4¼% 2055		17		IL		17			
18		4¼% 2036		18				18				18	CV		
19				19				19	CV			19			
20	IL 2026			20	4¼% 2039		New 2047	20				20			
21				21				21				21		CV	
22				22				22		CV		22			
23				23				23				23			
24		IL 2046		24				24				24			
25				25				25				25			
26	2½% 2065			26	IL 2065			26				26			
27				27				27				27			
28				28				28				28			
29				29				29				29			
30				30				30				30			
31				31				31				31			

Announced gilts (by auction):

Short CV	Medium CV
Long CV	IL

Gilt auctions to be announced:

CV
IL

Gilts sold by gilt tender:

Gilt Tender
Syndication