

DMO FINANCING REMIT: IMPACT OF THE FINANCIAL INTERVENTION PACKAGE: 19 JANUARY 2009

There is no impact on the gilt financing remit as a consequence of today's announcement of additional financing for the UK banking sector. The gilt sales target of £146.4 billion and the Q4 gilt operations calendar remain unchanged and, in particular, the mini-tender for £1.25 billion (nominal) of 4¼% Treasury Gilt 2027 will proceed as planned this morning.

It is intended that the additional financing announced today to support the asset purchase facility will initially be raised by the DMO through a combination of Treasury bill sales and cash management operations. In the longer term the DMO expects this to be financed by Treasury bill sales. The DMO will continue to work very closely with its market counterparties in the weeks ahead to ensure the effective delivery of this programme.