



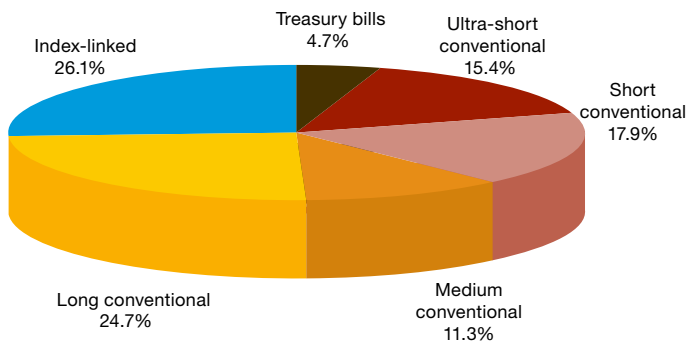
Portfolio Overview

Details of the gilt and Treasury bill portfolio

	31 December 2015	31 March 2016	30 June 2016	30 September 2016
Gross Values				
Uplifted nominal value of the portfolio	£1,553.33bn	£1,540.48bn	£1,562.61bn	£1,544.29bn
• Conventional gilts	£1,089.99bn	£1,075.65bn	£1,100.86bn	£1,097.09bn
• Index-linked gilts	£380.57bn	£386.52bn	£396.50bn	£379.70bn
• Treasury bills	£82.76bn	£78.32bn	£65.25bn	£67.50bn
Average maturity of the portfolio*	15.84 years	16.47 years	17.19 years	17.99 years
• Gilt portfolio	16.56 years	17.15 years	17.74 years	18.56 years
• Conventional gilts	14.54 years	15.09 years	15.59 years	15.97 years
• Index-linked gilts	21.75 years	22.21 years	22.84 years	24.42 years
Net Values**				
Uplifted nominal value of the portfolio	£1,435.96bn	£1,424.65bn	£1,445.93bn	£1,426.03bn
• Conventional gilts	£983.50bn	£970.72bn	£995.92bn	£986.84bn
• Index-linked gilts	£369.69bn	£375.62bn	£384.76bn	£371.69bn
• Treasury bills	£82.76bn	£78.32bn	£65.25bn	£67.50bn
Average maturity of the portfolio*	15.93 years	16.59 years	17.36 years	18.15 years
• Gilt portfolio	16.73 years	17.34 years	17.96 years	18.78 years
• Conventional gilts	14.46 years	15.04 years	15.58 years	15.92 years
• Index-linked gilts	22.08 years	22.54 years	23.19 years	24.65 years

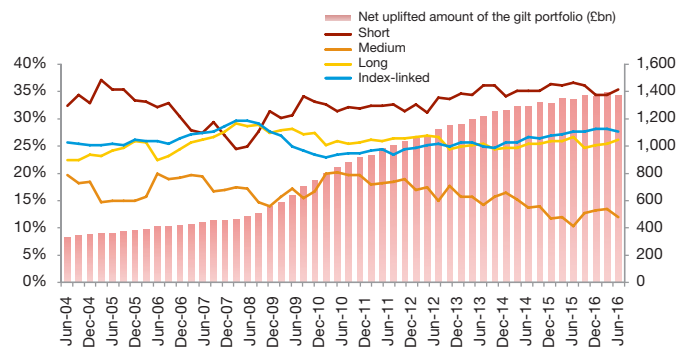
These portfolio statistics exclude the £200m UK Sovereign Sukuk issue which was launched on 25 June 2014. Treasury bills issued for cash management purposes are excluded from these statistics from June 2016. The stock of debt-related T-bills at end-March 2016 was £66.00bn. * Based on market values ** The "net values" category excludes gilts held by the DMO.

Composition of gilt and Treasury bill portfolio



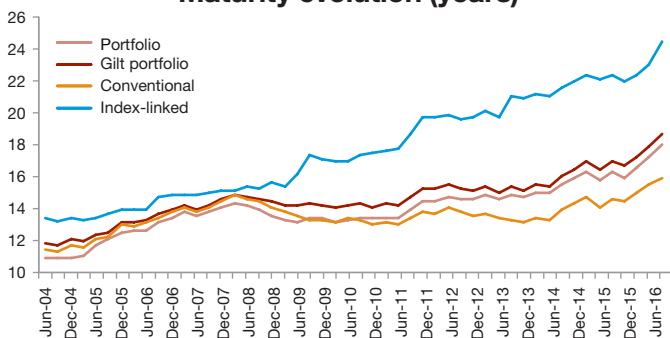
Based on net uplifted values

Evolution of gilt portfolio composition



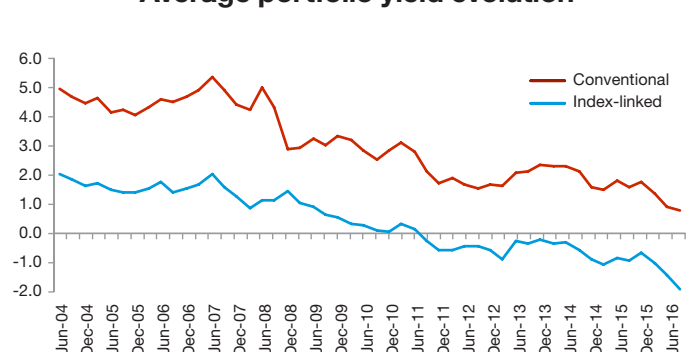
Based on net uplifted values

Maturity evolution (years)



Based on net market values

Average portfolio yield evolution

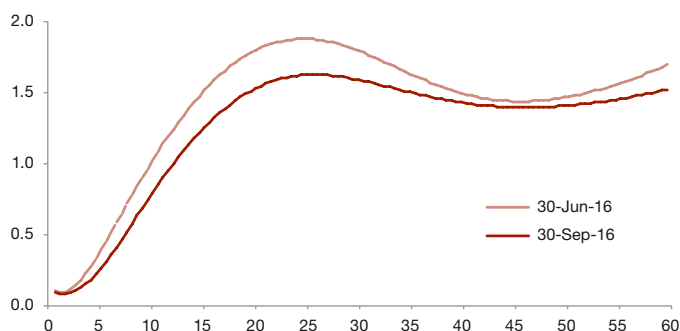


Based on net market values

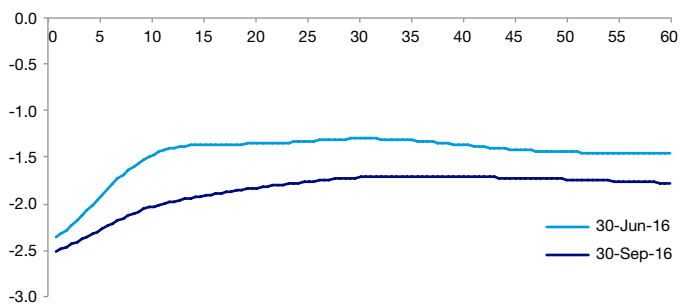
Gilt Market

	30 June 2016	30 September 2016		30 June 2016	30 September 2016
Gross Values			Net Values		
Portfolio market value			Portfolio market value		
• Portfolio	£2,093.74bn	£2,162.25bn	• Portfolio	£1,933.03bn	£1,993.01bn
• Conventional gilts	£1,429.00bn	£1,452.63bn	• Conventional gilts	£1,283.75bn	£1,295.69bn
• Index-linked gilts	£599.56bn	£642.15bn	• Index-linked gilts	£584.10bn	£629.85bn
• Treasury bills	£65.18bn	£67.46bn	• Treasury bills	£65.18bn	£67.46bn
Average portfolio yield			Average portfolio yield		
• Conventional gilts	0.95%	0.82%	• Conventional gilts	0.94%	0.81%
• Index-linked gilts	-1.48%	-1.89%	• Index-linked gilts	-1.48%	-1.89%
Average modified duration			Average modified duration		
• Conventional gilts	10.80 years	11.36 years	• Conventional gilts	10.80 years	11.33 years
• Index-linked gilts	22.70 years	23.41 years	• Index-linked gilts	22.94 years	23.65 years

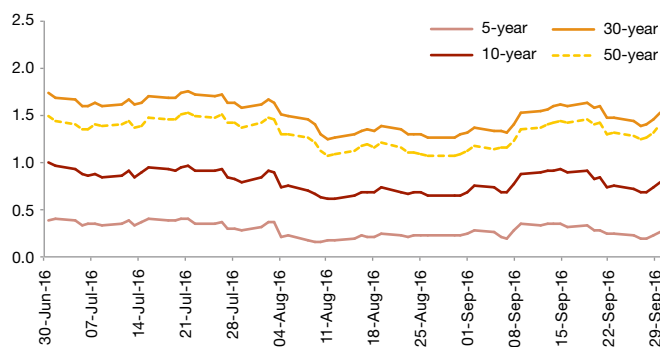
Nominal spot yield curve



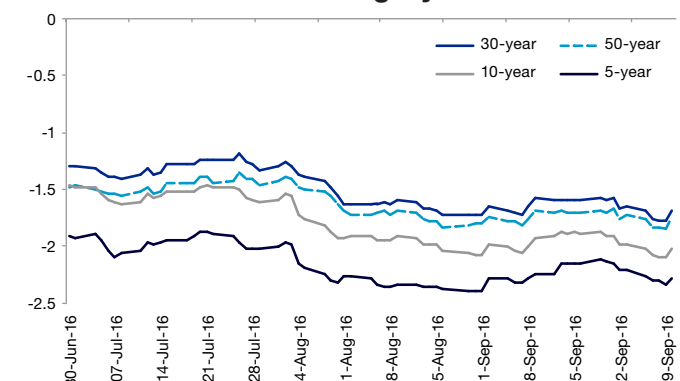
Real spot yield curve



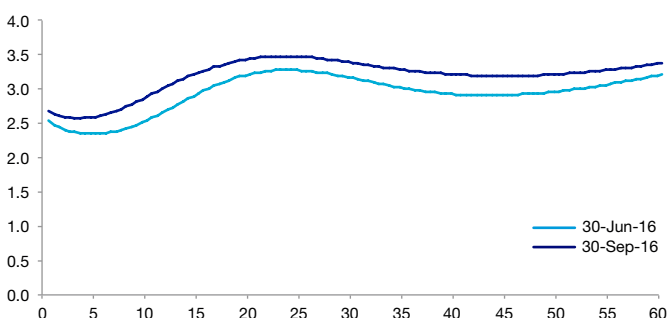
Conventional gilt yields



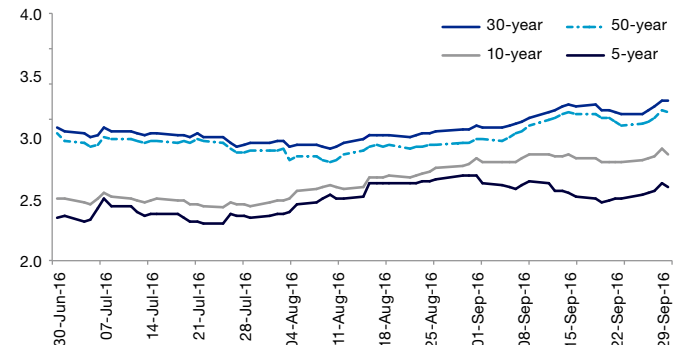
Index-linked gilt yields



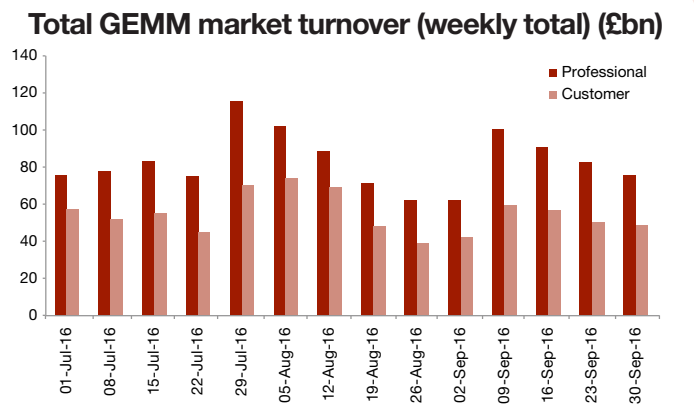
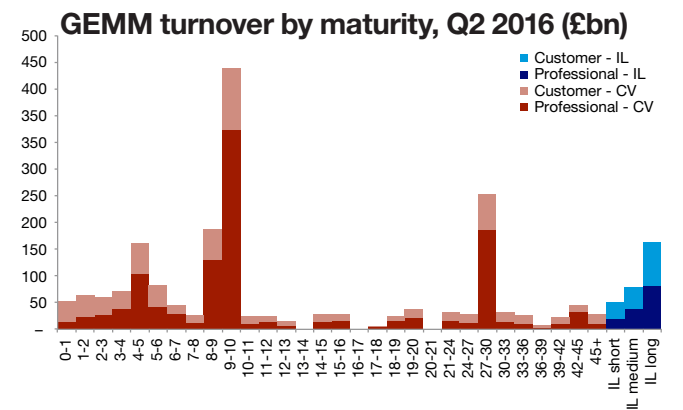
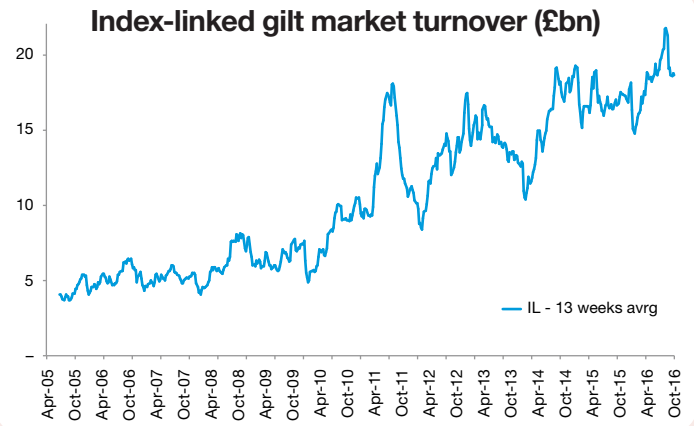
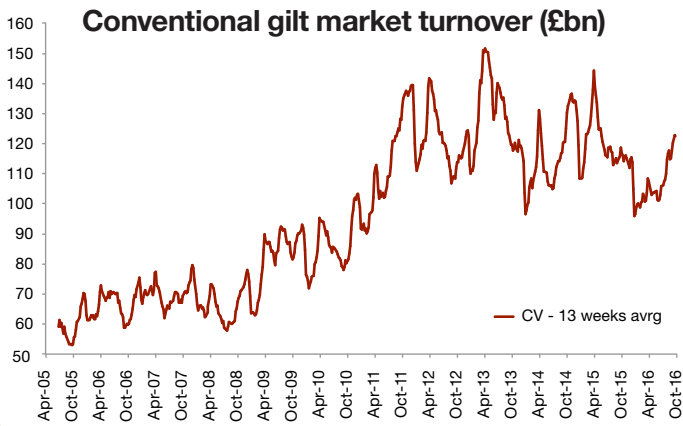
Inflation spot curve



Break-even inflation rates



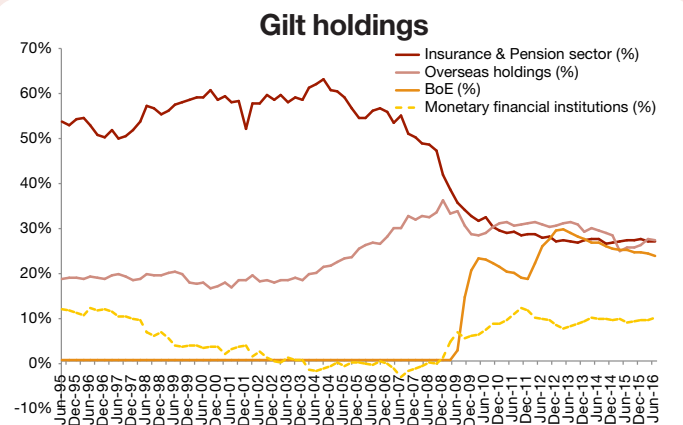
Turnover



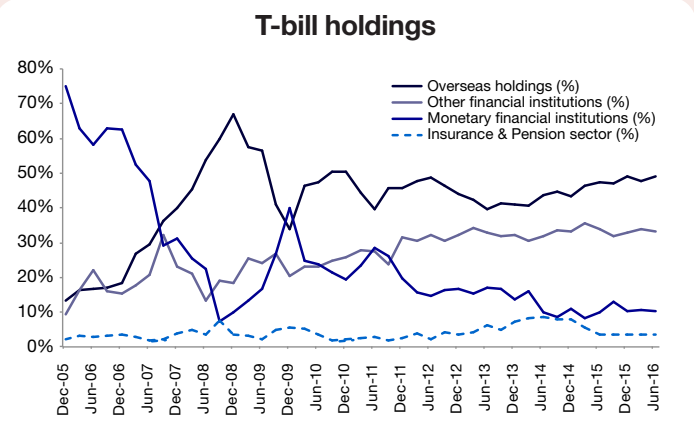
Turnover figures are based on market values and appear as reported to the DMO by Gilt-edged Market Makers (GEMMs). Professional turnover is defined as turnover with counterparties who are Inter Dealer Brokers (IDBs), other GEMMs, DMO or Bank of England. Professional turnover volumes do not account for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

Gilt and Treasury Bill Holdings

Gilt holdings (£mn, market values)	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q2 2016 (%)
Insurance companies and pension funds	449,423	439,748	457,470	505,686	27.1
Overseas	426,918	448,769	462,112	503,117	26.9
Bank of England (Asset Purchase Facility)	400,501	394,740	400,773	429,323	23.0
Other financial institutions and other	147,512	136,593	152,357	189,149	10.1
Monetary financial institutions	151,047	149,233	162,922	157,275	8.4
Households	72,766	71,200	74,070	81,876	4.4
Local authorities and public corporations	1,088	1,041	1,122	1,015	0.1
TOTAL	1,649,255	1,641,324	1,710,826	1,867,441	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.

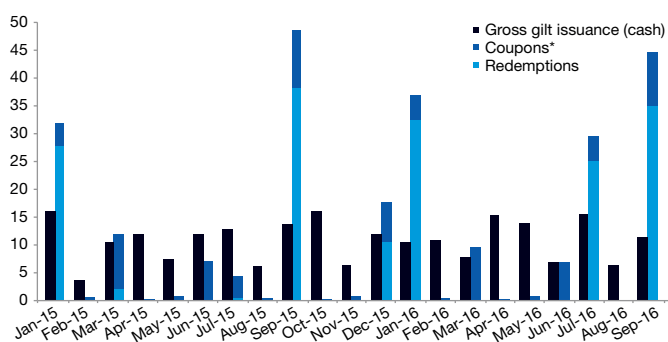
† as updated on 21 April 2016.

* 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.

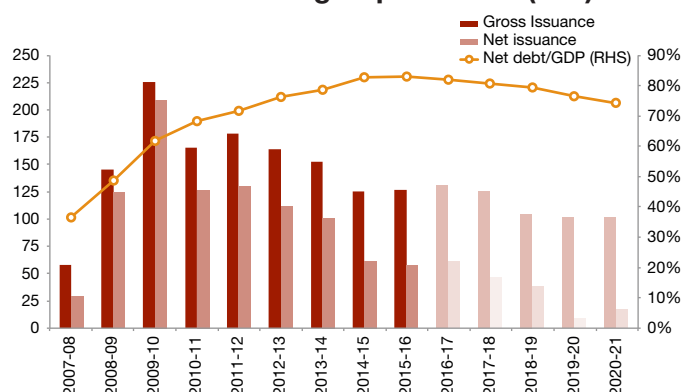
*** Includes non-governmental deposits, coinage and Certificates of Tax Deposit. Prior to publication of the end-year outturn in April each year, this financing item will only comprise estimated.

Gilt market flows (£bn)



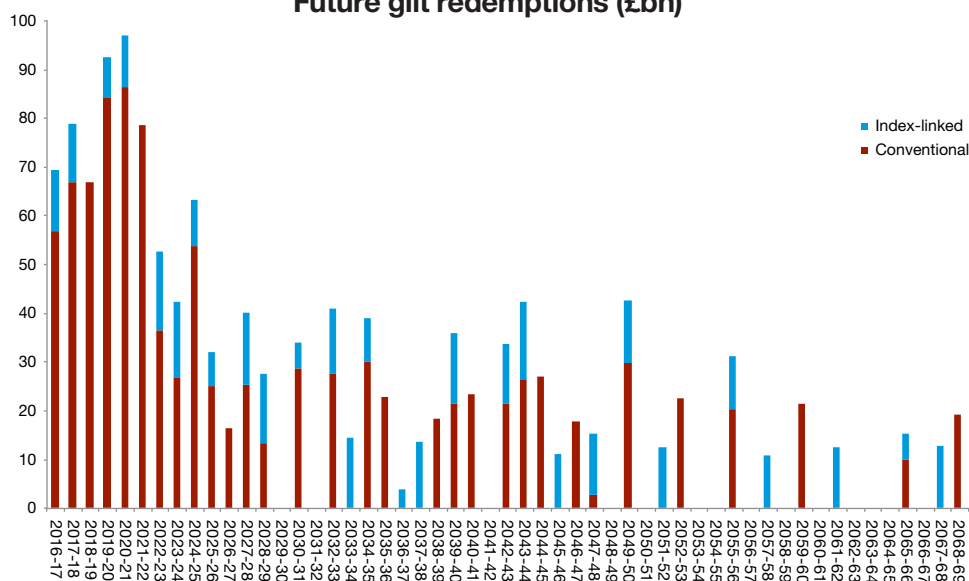
Future coupon flow numbers are for the stock of debt outstanding at end-quarter. Redemption figures are net of official holdings.

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 – October-December 2016

Auction date	Gilt	Announcement of further details
Tuesday 4 October 2016	0½% Treasury Gilt 2022	Tuesday 27 September 2016
Thursday 6 October 2016	1½% Treasury Gilt 2047	Tuesday 27 September 2016
Wednesday 12 October 2016	0⅞% Index-linked Treasury Gilt 2036	Tuesday 4 October 2016
Wednesday 19 October 2016	1½% Treasury Gilt 2026	Tuesday 11 October 2016
Tuesday 1 November 2016	0½% Treasury Gilt 2022	Tuesday 25 October 2016
Tuesday 8 November 2016	A new conventional gilt maturing on 7 September 2037	Tuesday 1 November 2016
Thursday 17 November 2016	0⅞% Index-linked Treasury Gilt 2026	Tuesday 8 November 2016
Tuesday 22 November 2016	1½% Treasury Gilt 2026	Tuesday 15 November 2016
Tuesday 6 December 2016	0½% Treasury Gilt 2022	Tuesday 29 November 2016
Wednesday 7 December 2016	1½% Treasury Gilt 2047	Tuesday 29 November 2016
Wednesday 14 December 2016	1½% Treasury Gilt 2026	Tuesday 6 December 2016

Gilt operations overview

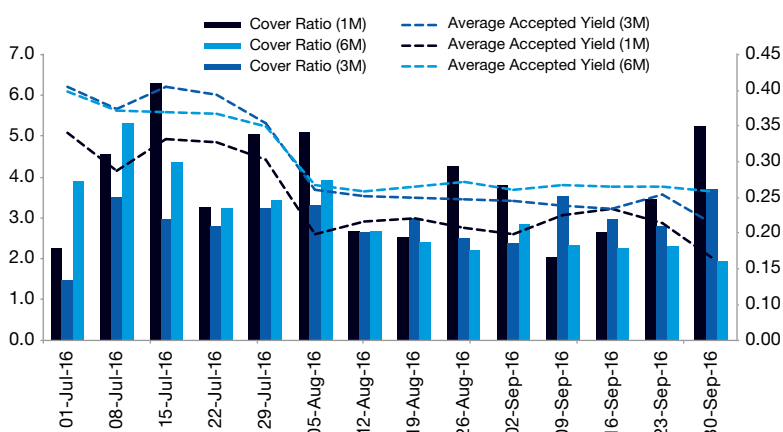
Operation date	Gilt name	Amount issued (£mn)		Cash raised (£mn)	Average accepted yield (%)	Yield Tail (bps)	Bid-to-cover ratio
		Outright	PAOF				
Auctions							
05-Jul-16	1½% Treasury Gilt 2021	2,500.0	375.0	3,020.3	0.38	0.54	1.80
07-Jul-16	1½% Treasury Gilt 2026	2,250.0	334.3	2,729.7	0.91	0.16	2.33
13-Jul-16	0⅞% Index-linked Treasury Gilt 2026	1,250.0	-	1,493.6	-1.58	-	2.01
20-Jul-16	4¼% Treasury Gilt 2039	1,500.0	-	2,251.6	1.64	1.87	1.50
02-Aug-16	0½% Treasury Gilt 2022	2,500.0	-	2,494.2	0.54	0.38	2.28
11-Aug-16	0⅞% Index-linked Treasury Gilt 2036	850.0	104.6	1,397.6	-1.72	-	1.61
17-Aug-16	4¼% Treasury Gilt 2055	1,250.0	-	2,433.5	1.21	0.68	1.70
01-Sep-16	0½% Treasury Gilt 2022	2,750.0	400.1	3,174.1	0.37	0.27	2.33
06-Sep-16	1½% Treasury Gilt 2026	2,500.0	375.0	3,098.4	0.68	0.71	1.73
14-Sep-16	0⅞% Index-linked Treasury Gilt 2046	800.0	-	1,350.8	-1.60	-	1.57
20-Sep-16	1½% Treasury Gilt 2047	2,500.0	375.0	2,854.7	1.53	1.01	1.92
Gilt Tenders							
12-Jul-16	4% Treasury Gilt 2060	500.0	-	912.5	1.44	-	2.30
27-Sep-16	0¼% Index-linked Treasury Gilt 2052	400.0	-	872.0	-1.77	-	3.12
Syndications							
26-Jul-16	0⅞% Index-linked Treasury Gilt 2065	2,500.0	-	5,058.4	-1.32	-	-

Treasury Bill Operations

Amount issued at T-bill tenders

Tender date	1-month	3-months	6-months
01-Jul-16	£0.5bn	£2.5bn	£2.5bn
08-Jul-16	£0.5bn	£2.5bn	£3.0bn
15-Jul-16	£0.5bn	£2.5bn	£3.0bn
22-Jul-16	£0.5bn	£2.5bn	£3.0bn
29-Jul-16	£0.5bn	£2.5bn	£3.0bn
05-Aug-16	£0.5bn	£2.5bn	£3.0bn
12-Aug-16	£0.5bn	£2.5bn	£3.0bn
19-Aug-16	£0.5bn	£2.5bn	£3.0bn
26-Aug-16	£0.5bn	£2.5bn	£3.0bn
02-Sep-16	£0.5bn	£2.5bn	£3.0bn
09-Sep-16	£1.5bn	£1.5bn	£3.0bn
16-Sep-16	£1.5bn	£1.5bn	£3.0bn
23-Sep-16	£1.5bn	£1.5bn	£3.0bn
30-Sep-16	£0.5bn	£1.5bn	£3.0bn

Average accepted yields and cover ratios at T-bill tenders



Annex A - Gilts in Issue

A. Conventional gilts in issue on 30 September 2016

	ISIN code	Maturity date	Coupon dates	Total amount in issue (£mn nominal)
Short				
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	11,144.0
1% Treasury Gilt 2017	GB00B7F9S958	7-Sep-17	7 Mar/Sep	32,031.1
5% Treasury Gilt 2018	GB00B1VWPC84	7-Mar-18	7 Mar/Sep	35,237.1
1¼% Treasury Gilt 2018	GB00B8KP6M44	22-Jul-18	22 Jan/Jul	34,843.4
4½% Treasury Gilt 2019	GB00B39R3F84	7-Mar-19	7 Mar/Sep	36,350.4
1¾% Treasury Gilt 2019	GB00BDV0F150	22-Jul-19	22 Jan/Jul	30,538.4
3¾% Treasury Gilt 2019	GB00B4YRFP41	7-Sep-19	7 Mar/Sep	28,739.8
4¾% Treasury Stock 2020	GB00B058DQ55	7-Mar-20	7 Mar/Sep	33,308.5
2% Treasury Gilt 2020	GB00BN65R198	22-Jul-20	22 Jan/Jul	32,153.8
3¾% Treasury Gilt 2020	GB00B582JV65	7-Sep-20	7 Mar/Sep	24,582.1
1½% Treasury Gilt 2021	GB00BY5F581	22-Jan-21	22 Jan/Jul	32,456.1
8% Treasury Stock 2021	GB0009997999	7-Jun-21	7 Jun/Dec	24,072.0
3¾% Treasury Gilt 2021	GB00B4RMG977	7-Sep-21	7 Mar/Sep	28,384.8
4% Treasury Gilt 2022	GB00B3KJDQ49	7-Mar-22	7 Mar/Sep	37,947.6
0½% Treasury Gilt 2022	GB00BD0PCK97	22-Jul-22	22 Jan/Jul	5,650.9
1¾% Treasury Gilt 2022	GB00B7L9SL19	7-Sep-22	7 Mar/Sep	29,050.7
2¼% Treasury Gilt 2023	GB00B7Z53659	7-Sep-23	7 Mar/Sep	27,477.1
Medium				
2¾% Treasury Gilt 2024	GB00BHBHFH458	7-Sep-24	7 Mar/Sep	26,915.0
5% Treasury Stock 2025	GB0030880693	7-Mar-25	7 Mar/Sep	35,076.5
2% Treasury Gilt 2025	GB00BTHH2R79	7-Sep-25	7 Mar/Sep	25,443.3
1½% Treasury Gilt 2026	GB00BYZW3G56	22-Jul-26	22 Jan/Jul	14,078.3
4¼% Treasury Gilt 2027	GB00B16NNR78	7-Dec-27	7 Jun/Dec	31,004.4
6% Treasury Stock 2028	GB0002404191	7-Dec-28	7 Jun/Dec	19,027.7
4¾% Treasury Gilt 2030	GB00B24FF097	7-Dec-30	7 Jun/Dec	33,640.5
Long				
4¼% Treasury Stock 2032	GB0004893086	7-Jun-32	7 Jun/Dec	35,440.5
4½% Treasury Gilt 2034	GB00B52WS153	7-Sep-34	7 Mar/Sep	31,783.8
4¼% Treasury Stock 2036	GB0032452392	7-Mar-36	7 Mar/Sep	29,761.9
4¾% Treasury Stock 2038	GB00B00NY175	7-Dec-38	7 Jun/Dec	25,201.4
4¼% Treasury Gilt 2039	GB00B3KJDS62	7-Sep-39	7 Mar/Sep	22,765.6
4¼% Treasury Gilt 2040	GB00B6460505	7-Dec-40	7 Jun/Dec	24,846.1
4½% Treasury Gilt 2042	GB00B1VWPJ53	7-Dec-42	7 Jun/Dec	26,635.5
3¼% Treasury Gilt 2044	GB00B84Z9V04	22-Jan-44	22 Jan/Jul	27,343.7
3½% Treasury Gilt 2045	GB00BN65R313	22-Jan-45	22 Jan/Jul	27,622.7
4¼% Treasury Gilt 2046	GB00B128DP45	7-Dec-46	7 Jun/Dec	23,107.7
1½% Treasury Gilt 2047	GB00BDCHBW80	22-Jul-47	22 Jan/Jul	2,875.0
4¼% Treasury Gilt 2049	GB00B39R3707	7-Dec-49	7 Jun/Dec	19,772.1
3¾% Treasury Gilt 2052	GB00B6RNH572	22-Jul-52	22 Jan/Jul	23,591.7
4¼% Treasury Gilt 2055	GB00B06YGN05	7-Dec-55	7 Jun/Dec	25,994.8
4% Treasury Gilt 2060	GB00B54QLM75	22-Jan-60	22 Jan/Jul	23,208.8
2½% Treasury Gilt 2065	GB00BYYMZX75	22-Jul-65	22 Jan/Jul	9,602.0
3½% Treasury Gilt 2068	GB00BBJNQY21	22-Jul-68	22 Jan/Jul	19,486.0

Annex A - Gilts in Issue

B. Index-linked gilts in issue on 30 September 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	1.36	16,109.8
0½% Index-linked Treasury Gilt 2019	GB00BBDR7T29	22-Nov-19	22 May/Nov	8,182.9	1.05	8,630.3
1½% Index-linked Treasury Gilt 2022	GB00B1Z5HQ14	22-Nov-22	22 May/Nov	15,743.2	1.28	20,168.3
0½% Index-linked Treasury Gilt 2024	GB00B85SFQ54	22-Mar-24	22 Mar/Sep	15,243.9	1.09	16,567.2
0½% Index-linked Treasury Gilt 2026	GB00BY5F144	22-Mar-26	22 Mar/Sep	7,104.8	1.02	7,248.4
1¼% Index-linked Treasury Gilt 2027	GB00B128DH60	22-Nov-27	22 May/Nov	14,170.2	1.36	19,237.5
0½% Index-linked Treasury Gilt 2029	GB00B3Y1JG82	22-Mar-29	22 Mar/Sep	14,229.2	1.11	15,790.2
1¼% Index-linked Treasury Gilt 2032	GB00B3D4VD98	22-Nov-32	22 May/Nov	13,459.6	1.21	16,331.6
0¾% Index-linked Treasury Gilt 2034	GB00B46CGH68	22-Mar-34	22 Mar/Sep	14,570.3	1.13	16,530.0
0½% Index-linked Treasury Gilt 2036	GB00BYZW3J87	22-Nov-36	22 May/Nov	2,910.4	1.01	2,949.0
1½% Index-linked Treasury Gilt 2037	GB00B1L6W962	22-Nov-37	22 May/Nov	13,065.7	1.30	17,020.8
0½% Index-linked Treasury Gilt 2040	GB00B3LZBF68	22-Mar-40	22 Mar/Sep	13,690.0	1.22	16,658.0
0½% Index-linked Treasury Gilt 2042	GB00B3MYD345	22-Nov-42	22 May/Nov	11,909.3	1.24	14,768.0
0½% Index-linked Treasury Gilt 2044	GB00B7RN0G65	22-Mar-44	22 Mar/Sep	15,725.5	1.09	17,090.5
0½% Index-linked Treasury Gilt 2046	GB00BYMVG366	22-Mar-46	22 Mar/Sep	11,790.0	1.02	12,049.5
0¾% Index-linked Treasury Gilt 2047	GB00B24FFM16	22-Nov-47	22 May/Nov	11,686.6	1.27	14,819.6
0½% Index-linked Treasury Gilt 2050	GB00B421JZ66	22-Mar-50	22 Mar/Sep	12,221.2	1.23	15,088.3
0¼% Index-linked Treasury Gilt 2052	GB00B73ZYW09	22-Mar-52	22 Mar/Sep	12,366.0	1.09	13,460.0
1¼% Index-linked Treasury Gilt 2055	GB00B0CNHZ09	22-Nov-55	22 May/Nov	10,169.2	1.37	13,939.7
0½% Index-linked Treasury Gilt 2058	GB00BP9DLZ64	22-Mar-58	22 Mar/Sep	10,953.3	1.03	11,277.6
0¾% Index-linked Treasury Gilt 2062	GB00B4PTCY75	22-Mar-62	22 Mar/Sep	12,479.7	1.12	13,942.1
0½% Index-linked Treasury Gilt 2065	GB00BD9MZZ71	22-Nov-65	22 May/Nov	5,250.0	1.01	5,311.1
0½% Index-linked Treasury Gilt 2068	GB00BDX8CX86	22-Mar-68	22 Mar/Sep	12,600.0	1.06	13,294.5
Index-linked gilts – 8-month indexation lag						
2½% Index-linked Treasury Stock 2020	GB0009081828	16-Apr-20	16 Apr/Oct	6,579.0	3.12	20,522.2
2½% Index-linked Treasury Stock 2024	GB0008983024	17-Jul-24	17 Jan/Jul	6,821.2	2.65	18,074.8
4½% Index-linked Treasury Stock 2030	GB0008932666	22-Jul-30	22 Jan/Jul	4,841.2	1.92	9,274.0
2% Index-linked Treasury Stock 2035	GB0031790826	26-Jan-35	26 Jan/Jul	9,084.0	1.49	13,542.3

Annex B – Operations Calendar 2016-17

Q1	2016			Q				Q3				Q4	2017		
	April	May	June		July	August	September		October	November	December		January	February	March
1			1½% 2021	1			0½% 2022	1		0½% 2022		1			
2				2		0½% 2022		2				2			CV
3				3				3				3			
4		1½% 2021		4				4	0½% 2022			4			
5	1½% 2021	1½% 2026		5	1½% 2021			5				5	CV		
6				6			1½% 2026	6	1½% 2047		0½% 2022	6			
7	1½% 2026		4¼% 2046	7	1½% 2026			7			1½% 2047	7		CV	CV
8				8				8		New 2037		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 2036			12			
13	3½% 2045			13	IL 2026			13				13			
14				14			IL 2046	14			1½% 2026	14			CV
15				15				15				15		IL	
16				16				16				16			
17				17		4¼% 2055		17		IL 2026		17			
18		4¼% 2036		18				18				18	CV		
19				19				19	1½% 2026			19			
20	IL 2026			20	4¼% 2039		1½% 2047	20				20			
21				21				21				21		CV	
22				22				22		1½% 2026		22			
23				23				23				23			
24		IL 2046		24				24				24			
25				25				25	2½% 2065			25			
26	2½% 2065			26	IL 2065			26				26			
27				27			IL 2052	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