

27 June 2008

PRESS NOTICE

STERLING TREASURY BILL TENDERS: JULY-SEPTEMBER 2008 AND ANNOUNCEMENT OF NON CREATION OF COLLATERAL

In the second quarter of the 2008-09 financial year the United Kingdom Debt Management Office (DMO) will hold weekly tenders at which the Treasury bills on offer will include one-month (approximately 28 days), three-month (approximately 91 days) and six-month bills (approximately 182 days).

The precise quantities and maturities of Treasury bills on offer will be announced with the results of the tender in the week prior to the relevant tender. The tender and settlement dates for the tenders to be held in the period July-September 2008 are set out below. The tender on Friday 22 August will settle on the Tuesday 26 August due to the Bank Holiday.

<u>Tender date</u>	<u>Settlement date</u>
4 July	7 July
11 July	14 July
18 July	21 July
25 July	28 July
1 August	4 August
8 August	11 August
15 August	18 August
22 August	26 August
29 August	1 September

<u>Tender date</u>	<u>Settlement date</u>
5 September	8 September
12 September	15 September
19 September	22 September
26 September	29 September

The next quarterly notice outlining the maturities of Treasury bills to be made available at tenders in the period from October - December 2008 will be issued at 3.30pm on Friday 26 September 2008.

NON CREATION OF COLLATERAL FOR CASH MANAGEMENT OPERATIONS

Please note that the DMO is also announcing that it will **not** be creating a combination of gilts and Treasury bills in July for use as collateral in its cash management operations.

NOTES TO EDITORS

Each quarter the DMO publishes a timetable of Treasury bill tenders for the quarter ahead, and an indication of likely maturities. It was announced on 18 April 2008 that the stock of Treasury bills in market hands is planned to fall by £0.9 billion in 2008-09, taking the planned level of the Treasury bill stock at end-March 2009 to £16.7 billion.

Provisions relating to the creation of collateral are set out in paragraph 6.9 of the DMO Exchequer cash management remit 2008-09, which requires the DMO to give advance notice of whether any collateral is to be created or not.

Further information on Treasury bill issuance may be found in the Exchequer Cash Management Operational Notice, which was published by the DMO on 11 September 2003.

The Operational Notice and this press release are available on the DMO's website: www.dmo.gov.uk.