

DMO Collateral announcement 29 September 2006

The DMO announces that it will **not** be creating a combination of gilts and Treasury bills for use as collateral in its cash management operations in October 2006.

Paragraph 6.10 of the 2006-07 DMO Exchequer Cash Management remit provides for the issue on the third Wednesday of April, July and October 2006 and January 2007, of a combination of gilts and Treasury bills to be used only as collateral in the DMO's cash management operations. Collateral has not been created for this purpose to-date in 2006-07.

Paragraph 6.10 of the DMO Exchequer Cash Management remit requires that the DMO gives advance notice whether any collateral is to be created or not.