

8/02

28 March 2002

## **PRESS NOTICE**

### **GILT-EDGED AUCTIONS: APRIL-JUNE 2002**

In the first quarter of the 2002-03 financial year the UK Debt Management Office ("DMO") plans to hold three outright auctions of gilt-edged stock as set out below:

#### **Outright auctions**

- Wednesday 24 April 2002: 2½% Index-linked Treasury Stock 2020.
- Wednesday 29 May 2002: 5% Treasury Stock 2025.
- Tuesday 25 June 2002: A new current coupon conventional stock maturing on 7 March 2008.

#### **Auction pre-announcements**

The nominal amounts to be auctioned outright and the other terms of each auction, including the coupon on the new 2008 conventional stock, will be announced at 3.30pm on the following dates:

- Tuesday 16 April 2002 for the auction of 2½% Index-linked Treasury Stock 2020.
- Tuesday 21 May 2002 for the auction of 5% Treasury Stock 2025.
- Tuesday 18 June 2002 for the auction of the new current coupon conventional stock maturing on 7 March 2008.

#### **NOTE TO EDITORS**

HM Treasury's provisional remit to the DMO for 2002-03 was published in the Debt and Reserves Management Report on 14 March 2002. Gilt sales of £23.0 billion (cash) are planned, split as follows.

- Short conventionals £5.5bn
- Medium conventionals £5.5bn
- Long conventionals £7.5bn
- Index-linked £4.5bn

Twelve gilt auctions are planned on the following dates:

<b>Date</b>	<b>Type</b>
Wednesday 24 April 2002	Index-linked
Wednesday 29 May 2002	Conventional
Tuesday 25 June 2002	Conventional
Wednesday 10 July 2002	Index-linked
Wednesday 24 July 2002	Conventional
Wednesday 25 September 2002	Index-linked
Tuesday 22 October 2002*	Conventional
Thursday 24 October 2002*	Index-linked
Wednesday 27 November 2002*	Conventional
Wednesday 22 January 2003	Index-linked
Wednesday 26 February 2003*	Conventional
Wednesday 26 March 2003*	Conventional

*\*subject to confirmation.*

The gilt sales plans published on 14 March were based on a financing requirement for 2002-03 of £32.3 billion; the plans are based on CGNCR forecasts published in the Pre-Budget Report of 27 November 2001. These forecasts will be updated in the Budget on 17 April 2002 and the financing requirement and gilt sales plans may be revised then accordingly.

In the event that the Budget forecasts lead to changes in the financing requirement the first contingencies to be considered will be:

- In the event of a falling financing requirement:
  - adjusting the size of the DMO net cash position by up to £3.0 billion;
  - reducing planned long conventional issuance by up to £2.5 billion; or
  - reducing planned index-linked issuance by up to £0.75 billion.
- In the event of a rising financing requirement:
  - adjusting the size of the DMO net cash position by up to £1.0 billion;
  - increasing planned short conventional issuance by up to £2.5 billion; or
  - increasing planned medium conventional issuance by up to £2.5 billion.

Specific decisions on the exercise of contingencies would be made in the light of circumstances at the time.

### **Strippability of 5% Treasury Stock 2012 and 5% Treasury Stock 2025**

5% Treasury Stock 2012 and 5% Treasury Stock 2025 will become strippable with effect from the start of business on Tuesday 2 April 2002.

This press release will be available on the DMO web site at [www.dmo.gov.uk](http://www.dmo.gov.uk). The Debt and Reserves Management Report is also available on the DMO web site