

31 August 2012

PRESS NOTICE

GILT OPERATIONS IN OCTOBER-DECEMBER 2012 AND FURTHER DETAILS OF THE PLANNED SYNDICATED OFFERING IN SEPTEMBER

DMO TO CANCEL GOVERNMENT HOLDINGS OF THE ROYAL MAIL PENSION PLAN GILTS ON 22 NOVEMBER 2012

In the period October-December 2012 the UK Debt Management Office ("the DMO") plans to hold 10 outright auctions and two syndicated offerings of gilts as set out in the tables below.

The DMO is also announcing today that the next syndicated gilt offering will be the sale of an index-linked gilt maturing in the 35-50 year area; the maturity date of the bond to be sold will be announced at 3.30pm on 7 September 2012. The offering will take place in the week commencing 24 September 2012 (subject to market conditions).

Gilt auctions

Auction date*	Gilt	Details announced**
Tuesday 2 October	1¾% Treasury Gilt 2022	Tuesday 25 September
Tuesday 9 October	4¼% Treasury Stock 2032	Tuesday 2 October
Thursday 11 October	A new index-linked gilt maturing on 22 March 2024	Tuesday 2 October
Thursday 18 October	4½% Treasury Gilt 2019	Tuesday 9 October
Thursday 1 November	0¾% Index-linked Treasury Gilt 2047	Tuesday 23 October
Tuesday 6 November	1¾% Treasury Gilt 2022	Tuesday 30 October
Thursday 15 November	3¾% Treasury Gilt 2052	Tuesday 6 November
Tuesday 20 November	1% Treasury Gilt 2017	Tuesday 13 November
Wednesday 5 December	1¾% Treasury Gilt 2022	Tuesday 27 November
Thursday 13 December	A re-opening of the new index-linked gilt maturing on 22 March 2024	Tuesday 4 December

* Dates subject to confirmation pending the Chancellor's decision on the Budgetary timetable.

** Including the coupon on the new index-linked gilt to be auctioned for the first time on 11 October (which will pay a short first dividend on 22 March 2013).



a) Planned syndicated gilt offerings*

Date	Gilt	Further details
Week commencing 24 September	An index-linked gilt maturing in the 35-50 year area.	Maturity date of the gilt announced at 3.30pm on 7 September.
Second half of October	A new conventional gilt maturing in the 30-year area.	Around one month in advance.
Second half of November	An index-linked gilt.	Around one month in advance.

* Subject to confirmation depending on market conditions nearer the time.

Gilt mini-tenders

The DMO will consider scheduling up to two gilt mini-tenders in October-December 2012. The scheduling of mini-tenders will take place during the year depending on market demand and the progress of the syndication programme. Mini-tenders will be added to the calendar with at least seven working days notice, after market consultation.

Royal Mail Pension Plan (RMPP): Gilt cancellation

The DMO will cancel the entirety of the Government's holdings of RMPP gilts on 22 November 2012. Details of the RMPP gilt portfolio were published in a press release on 21 May 2012, available at:

<http://www.dmo.gov.uk/documentview.aspx?docName=/gilts/press/pr210512.pdf>

Notes for editors

The DMO's financing remit for 2012-13 was published alongside Budget 2012 on 21 March 2012. Gilt sales of £167.7 billion (cash) were planned, but this total was revised to £164.4 billion at the remit revision coinciding with the publication on 24 April 2012 of the outturn of the Central Government Net Cash Requirement for 2011-12. Gilt sales to end August 2012 are £76.9 billion.

The progress of gilt sales in the financial year to-date relative to remit targets and the currently required average auction sizes (in cash terms) is shown in the table below.



Gilt sales relative to remit plans at 31 August 2012 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Auction sales to-date	22,826	14,049	12,873	6,629	56,377
PAOF proceeds to-date	930	1,252	838	345	3,365
Syndication sales to-date			5,053	8,754	13,808
Mini-tender sales to date	3,310	0	0	0	3,310
Total gilt sales to date	27,065	15,301	18,765	15,728	76,860
Auction sales required to meet plans (excludes PAOF proceeds)	27,574	20,451	10,827	9,671	68,523
Number of auctions remaining	6	6	5	7	24
Currently required average auction sizes	4,596	3,409	2,165	1,382	
Syndication sales required to meet plan			8,447	10,746	19,192
Mini-tender sales required to meet plan					3,190
Planned gilt sales at auctions	50,400	34,500	23,700	16,300	124,900
Number of auctions scheduled	11	10	11	12	44
Planned gilt sales by syndication			13,500	19,500	33,000
Planned sales by mini-tender					6,500
Total planned supplementary gilt sales					39,500
Total planned gilt sales					164,400

This press notice will be appearing on the DMO's website at: www.dmo.gov.uk

