

PRESS NOTICE

GILT AUCTIONS: OCTOBER-DECEMBER 2008

In the third quarter of the 2008-09 financial year, the UK Debt Management Office plans to hold ten outright auctions of gilts, as set out below.

Auction date¹	Gilt	Details² announced (at 3.30pm)
Wednesday 1 October	4¼% Treasury Gilt 2049	Tuesday 23 September
Tuesday 7 October	1⅞% Index-linked Treasury Gilt 2022	Tuesday 30 September
Thursday 16 October	4½% Treasury Gilt 2013	Tuesday 7 October
Tuesday 28 October	New index-linked gilt maturing on 22 November 2032	Tuesday 21 October
Tuesday 4 November	4¾% Treasury Gilt 2030	Tuesday 28 October
Thursday 20 November	The new conventional gilt maturing on 7 March 2019 ³	Tuesday 11 November
Tuesday 25 November	0¾% Index-linked Treasury Gilt 2047	Tuesday 18 November
Tuesday 2 December	4¼% Treasury Gilt 2049	Tuesday 25 November
Tuesday 9 December	Re-opening of the new index-linked gilt maturing on 22 November 2032	Tuesday 2 December
Thursday 11 December	4½% Treasury Gilt 2013	Tuesday 2 December

Commenting on the Q3 issuance calendar, Robert Stheeman, Chief Executive of the DMO said:

"In framing the auction calendar we have, once again, been driven by our commitment to transparency and openness in our debt management policy. We have also tried to be as responsive as we can to market requirements.

Reflecting this, we will build up the new 2049 maturity conventional gilt, being auctioned for the first time next Tuesday, with two further auctions in the next quarter to help build it up to benchmark size reasonably quickly. Our commitment to building up benchmark issues is also reflected in our decision to auction the five-year conventional benchmark twice in Q3.

¹ These auction dates are subject to confirmation pending the Chancellor's decision on the timing of the Pre-Budget Report.

² Including the coupon on the new index-linked gilt to be auctioned on 28 October.

³ To be auctioned for the first time on 25 September (coupon to be announced on 16 September).

Amongst index-linked gilts, we will be launching a new 2032 maturity to bridge the gap between the 2027 and 2037 gilts. This new issue will be the seventh index-linked gilt to use a three month indexation lag. These new style gilts were first issued by the DMO in 2005 and currently comprise nearly 30% of the index-linked gilt market”.

First dividend periods

The new index-linked gilt maturing on 22 November 2032 will pay a long first dividend on 22 May 2009.

NOTES TO EDITORS

Gilt sales in 2008-09 are currently £33.1 billion (cash) relative to the £80.0 billion target, as summarised in the table below.

Gilt sales v remit at 29 August 2008 (£ millions)					
	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Gilt sales to date	10,938	5,007	8,803	8,317	33,064
Total planned sales	25,000	12,800	24,200	18,000	80,000
Total auctions planned	7	5	11	18	41
Sales remaining	14,062	7,793	15,397	9,683	46,936
Auctions remaining	4	3	7	10	24