



United Kingdom  
Debt Management  
Office

Minster Court  
21 Mincing Lane  
London  
EC3R 7AG

T 020 7862 6500

[www.dmo.gov.uk](http://www.dmo.gov.uk)

8 February 2022

## PRESS NOTICE

### SYNDICATED LAUNCH OF £4.25 BILLION OF 1½% TREASURY GILT 2073: RESULT

The United Kingdom Debt Management Office (DMO) announces that the syndicated launch of £4.25 billion (nominal) of 1½% Treasury Gilt 2073 has been priced at £93.891 per £100 nominal, equating to a gross redemption yield of 1.2872%. The transaction will settle, and the new conventional gilt will be issued, on 9 February 2022.

Proceeds from today's transaction are expected to amount to approximately £4.0 billion (cash<sup>1</sup>) and today's sale concludes the DMO's syndication programme for 2021-22, which has raised £43.0 billion, over seven transactions. Total gilt sales in 2021-22 amount to £185.8 billion, of which long conventional gilt sales account for £52.6 billion. The DMO is planning to raise £194.8 billion via gilt sales in 2021-22.

The UK domestic market provided the main support for the issue, taking around 91% of the allocation.

Commenting on the result, Sir Robert Stheeman, the Chief Executive of the DMO, said:

*"Today we have successfully concluded our syndication programme for 2021-22 with an extremely well received launch of the new 2073 maturity gilt. Today's transaction represented the first extension of the conventional yield curve since the launch of 1½% 2071 in May 2018 and I believe that the new bond will play an important role for the gilt market, in particular for those amongst our core investor base looking to hedge very long dated liabilities.*

*I was very pleased to see such a strong and well executed transaction given the inherently high duration risk carried by the bond against what continues to be a volatile market backdrop. Reflecting on this year's programme, the seven gilt syndications we have held in 2021-22 have raised £43 billion, playing an important role in supplementing our core programme of auctions*

---

<sup>1</sup> Figures in this press notice are in cash terms unless indicated otherwise.

*and enabling us to deliver the government's financing programme in particular with respect to the supply of high duration instruments.*

*I am grateful to the five Joint Lead Managers for helping to deliver successfully today's sale and to the Co-Lead Managers group for their support and indeed to all those banks who have played their parts in the delivery of the syndication programme this year. I also appreciate the ongoing support we receive from all those gilt market participants who have supported both today's offering and the programme throughout the year. This is vital in helping to deliver government's financing remits."*

## **NOTES TO EDITORS**

The syndicated offer was managed by five Joint Bookrunners: BNP Paribas, Deutsche Bank, Goldman Sachs International, J.P. Morgan and Morgan Stanley. All other wholesale Gilt-edged Market Makers were appointed Co-Lead Managers. The composition of the syndicate was announced by the DMO on 28 January 2022.

The order book for the transaction was opened at 8.30am on 8 February 2022 with indicative price guidance for investors at a spread of 2.5 to 3.0 basis points (bp) below the yield on the reference gilt (1<sup>5</sup>/<sub>8</sub>% Treasury Gilt 2071). At 9.15am, the Joint Bookrunners announced that the price guidance was fixed at 3.0bp below the yield on the reference gilt (the tight end of the initial price guidance).

The book closed at 9.30am with 190 orders.<sup>2</sup> The nominal size of the transaction was announced as £4.25 billion nominal at 9.54am and the price was set at 12.10pm.

The one remaining long conventional gilt transaction in the 2021-22 remit is an auction of 1<sup>1</sup>/<sub>4</sub>% Treasury Gilt 2051 on 8 March 2022.

This press notice will be appearing on the DMO's website at: [www.dmo.gov.uk](http://www.dmo.gov.uk)

---

<sup>2</sup> Total orders were £40.4 billion (nominal).