



# Quarterly REVIEW

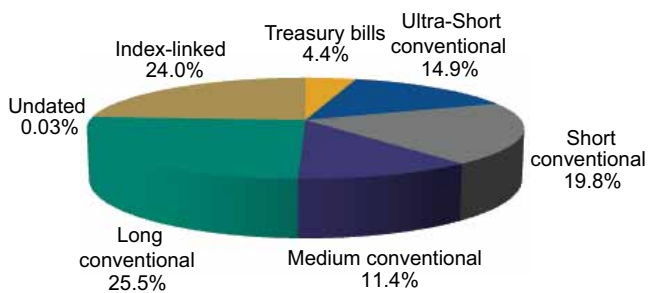
## Details of the Gilt and Treasury bill portfolio at 31 March 2015

Portfolio summary statistics	31 December 2014		31 March 2015	
	Gross	Net*	Gross	Net*
Nominal value of the gilt and Treasury bill portfolio - including inflation uplift	£1,498.78bn	£1,370.37bn	£1,493.12bn	£1,365.85bn
Nominal value of the gilt portfolio - including inflation uplift	£1,435.79bn	£1,307.37bn	£1,427.66bn	£1,300.40bn
• Conventional gilts - inc. undated gilts	£1,082.27bn	£964.63bn	£1,069.88bn	£953.40bn
• Index-linked gilts	£353.52bn	£342.74bn	£357.78bn	£347.00bn
Market value of the gilt and Treasury bill portfolio	£1,846.34bn	£1,682.00bn	£1,875.90bn	£1,710.57bn
Market value of the gilt portfolio	£1,783.40bn	£1,619.06bn	£1,810.51bn	£1,645.18bn
• Conventional gilts - inc. undated gilts	£1,305.20bn	£1,155.10bn	£1,310.45bn	£1,159.34bn
• Index-linked gilts	£478.20bn	£463.96bn	£500.06bn	£485.84bn
Market value weighted average portfolio yield:				
• Conventional gilts - inc. undated gilts	1.61%	1.60%	1.50%	1.50%
• Index-linked gilts	-0.88%	-0.88%	-1.03%	-1.02%
Market value weighted average portfolio maturity - inc. TBills:	15.84 years	15.96 years	16.24 years	16.39 years
Market value weighted average portfolio maturity - exc. TBills:	16.39 years	16.57 years	16.82 years	17.03 years
• Conventional gilts - exc. undated gilts	14.41 years	14.33 years	14.77 years	14.72 years
• Index-linked gilts	21.80 years	22.13 years	22.21 years	22.54 years
Market value weighted average portfolio modified duration:				
• Conventional gilts - inc. undated gilts	9.83 years	9.78 years	10.16 years	10.14 years
• Index-linked gilts	20.32 years	20.65 years	20.81 years	21.14 years

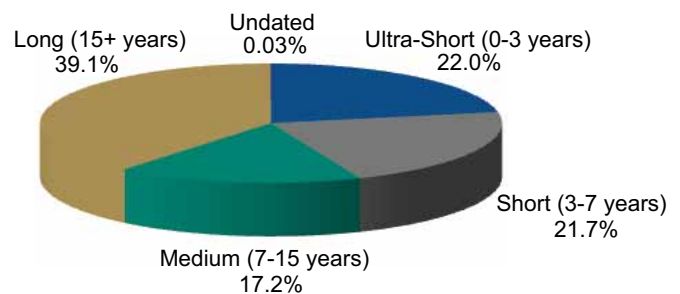
These portfolio statistics exclude the £200m UK Sovereign Sukuk issue which was launched on 25 June 2014.

\*The 'Net' holdings category excludes gilts held by the DMO.

Composition of gilt and Treasury bill portfolio\*\*



Gilt and Treasury bill portfolio maturity split\*\*

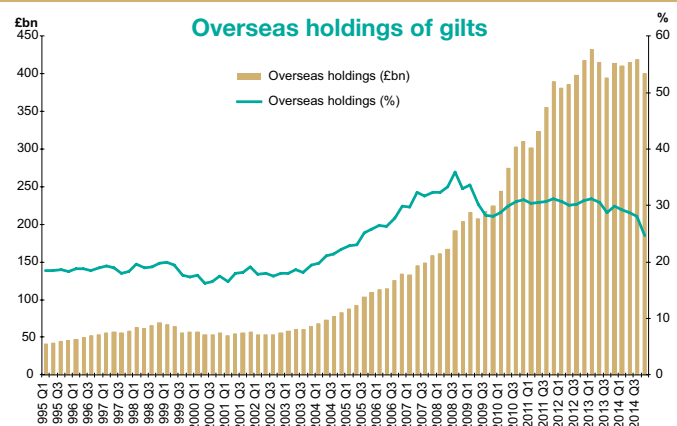


Distribution of gilt holdings at 31 December 2014 (based on market values)

(£millions) at end	Q3 2014	Q4 2014
Insurance companies and pension funds	425,292	468,338
Bank of England (Asset Purchase Facility)	376,141	402,959
Overseas	418,292	399,652
Other financial institutions and other	111,353	161,655
Monetary Financial Institutions	140,793	157,859
Households	19,640	24,924
Local authorities and public corporations	1,864	1,622
<b>TOTAL</b>	<b>1,493,375</b>	<b>1,617,009</b>

Source: ONS. These figures can be revised retrospectively.  
\*Monetary Financial Institutions' replaced the 'Banks' and 'Building societies' categories in January 2011, and excludes BoE holdings.

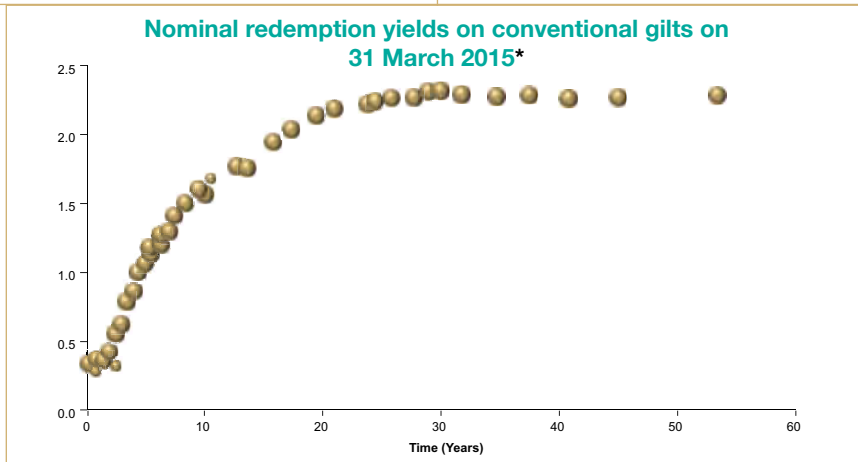
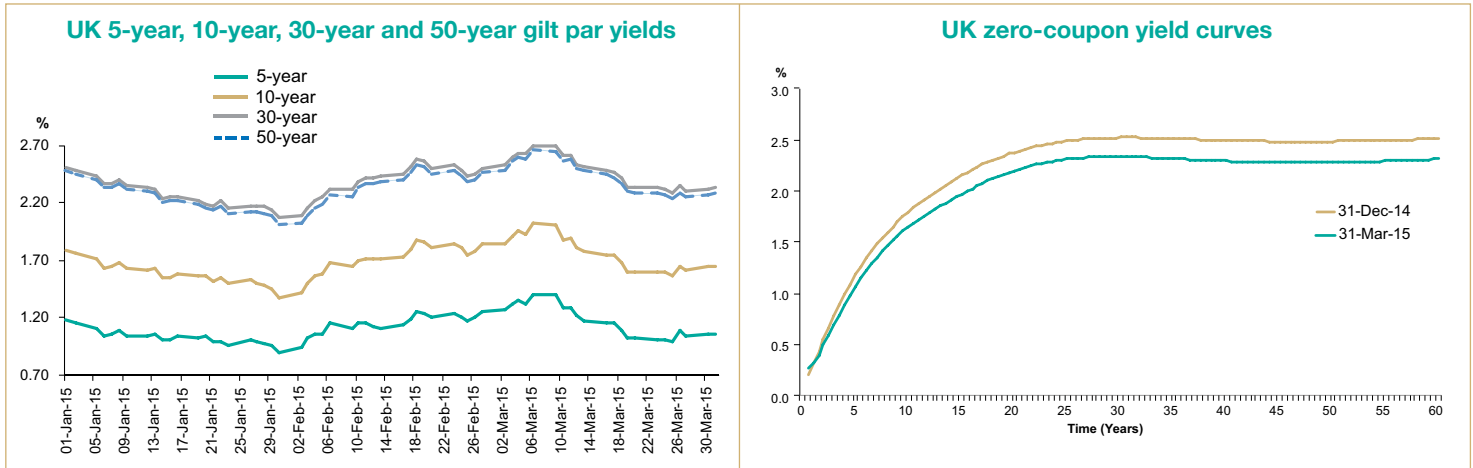
Overseas holdings of gilts



Source: ONS.

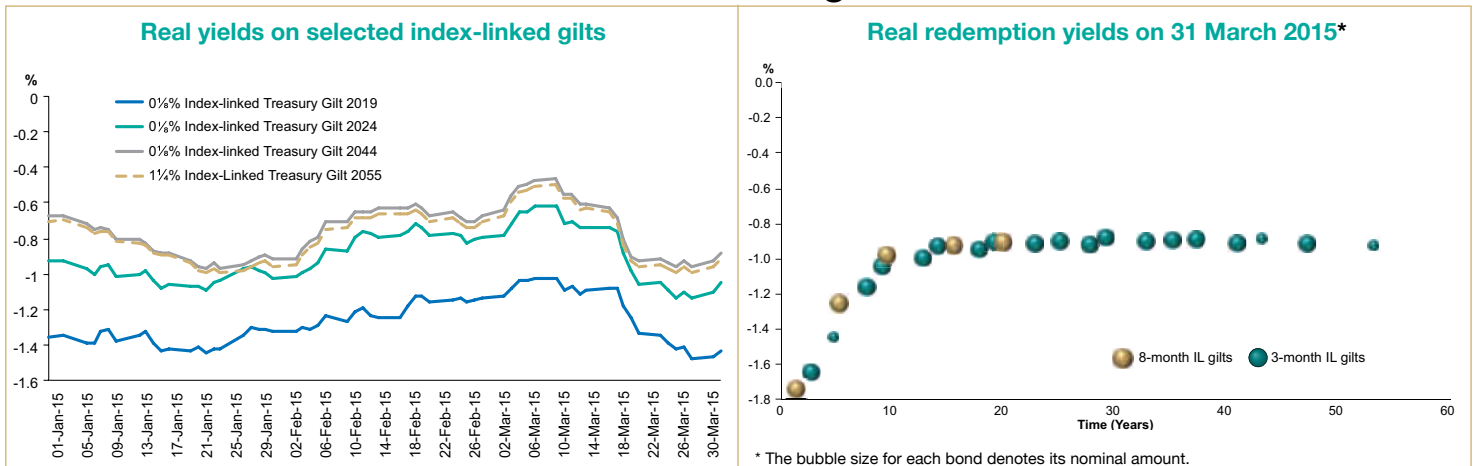
\*\* These are based on uplifted nominal values. Figures in the pie charts may not sum due to rounding.

### Conventional gilts

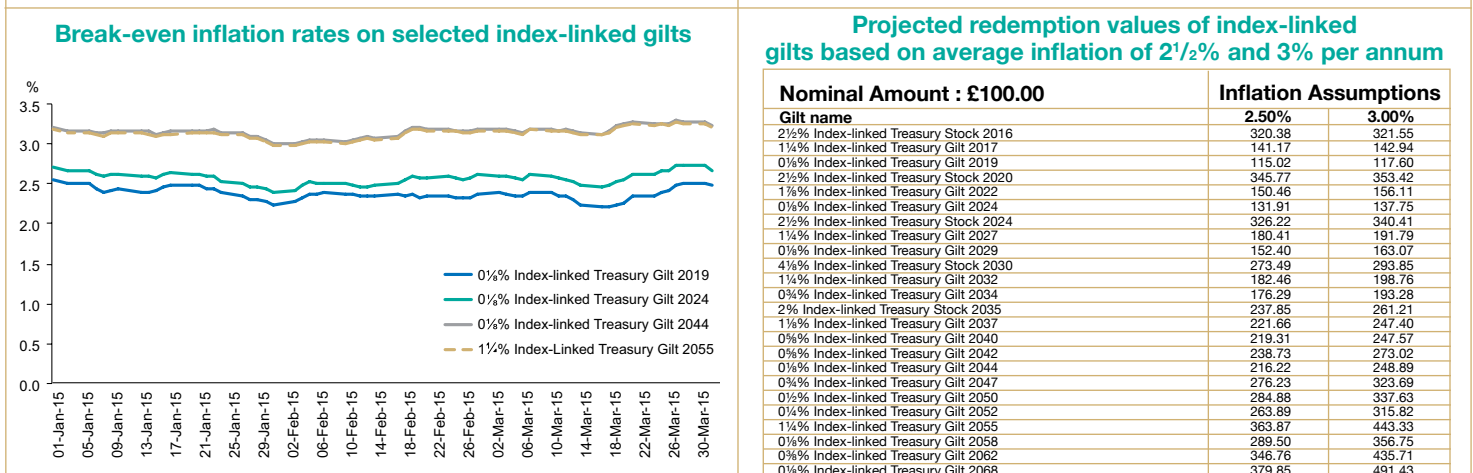


\* The bubble size for each bond denotes its nominal amount.

### Index-linked gilts



\* The bubble size for each bond denotes its nominal amount.



## Gilt market flows (£mn)

	Gross gilt issuance (cash)	Redemptions	Coupons*	Net financing from gilts after redemptions and coupons
Oct-13	15,707	-	-250	15,457
Nov-13	15,399	-	-630	14,769
Dec-13	7,481	-15	-7,022	444
Jan-14	11,943	-	-3,320	8,623
Feb-14	11,938	-	-480	11,458
Mar-14	10,248	-33,865	-10,687	-34,305
Apr-14	11,641	-	-253	11,388
May-14	5,412	-	-758	4,654
Jun-14	13,831	-	-7,021	6,810
Jul-14	16,897	-	-3,629	13,268
Aug-14	9,703	-	-480	9,223
Sep-14	8,768	-34,540	-10,743	-36,515
Oct-14	16,436	-	-257	16,179
Nov-14	6,458	-	-639	5,819
Dec-14	7,285	-	-7,172	113
Jan-15	15,923	-27,785	-4,149	-16,011
Feb -15	3,590	-218	-487	2,885
Mar-15	10,476	-1,908	-10,062	-1,494
Apr-15	11,810	-11	-259	11,540
May-15	-	-21	-777	-
Jun-15	-	-	-7,160	-

Figures may not sum due to rounding.

\*Fixed coupon flow numbers are for the stock of debt outstanding at end quarter. Redemption figures are net of official holdings

## 2014-15 and 2015-16 financing requirements

(£bn)	2014-15 (outturn)	2015-16 (Budget 2015)	2015-16 <sup>†</sup>
<b>CGNCR exc. NRAM, B&amp;B* and Network Rail**</b>	<b>92.3</b>	<b>78.9</b>	<b>78.9</b>
UKAR Adjustments	0.0	6.7	6.7
Gilt Redemptions	64.5	70.2	70.2
Financing for the Official Reserves	12.7	6.0	5.3
Gilt secondary market purchases	0.0	0.0	0.0
Planned short-term financing adjustment	-30.2	-11.3	-13.1
<b>Gross financing requirement</b>	<b>139.2</b>	<b>150.6</b>	<b>148.1</b>
Less			
Contribution from National Savings & Investments	18.2	10.0	10.0
Sukuk	0.2	0.0	0.0
Renminbi	0.3	0.0	0.0
Other financing items***	-1.4	0.2	0.2
<b>Net financing requirement</b>	<b>121.8</b>	<b>140.4</b>	<b>137.9</b>
<b>Gilt sales planned during the year</b>	<b>126.4</b>	<b>133.4</b>	<b>130.9</b>
Change in planned Treasury bill stock	8.5	7.0	7.0
Change in Ways and Means	0.0	0.0	0.0
DMO net cash position at end of financial year	13.6	0.5	0.5

Figures may not sum due to rounding.

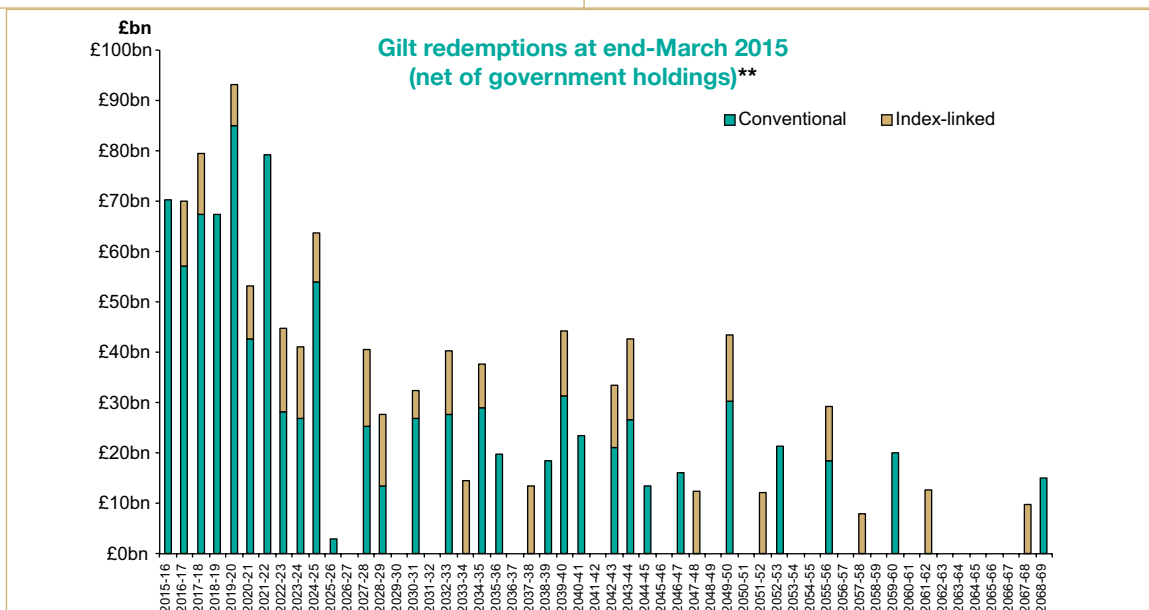
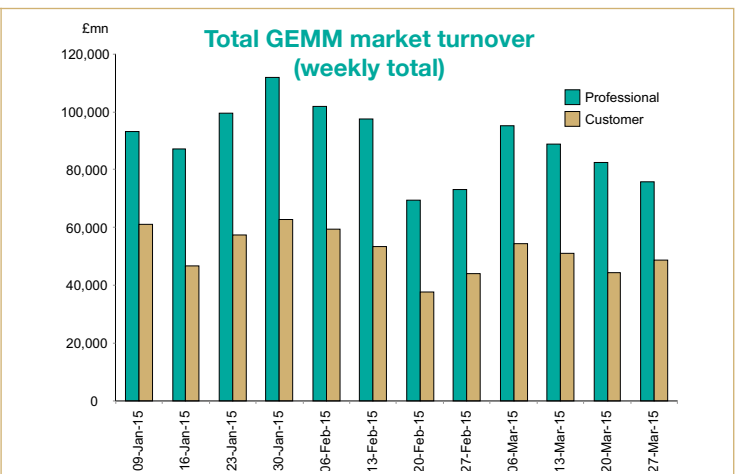
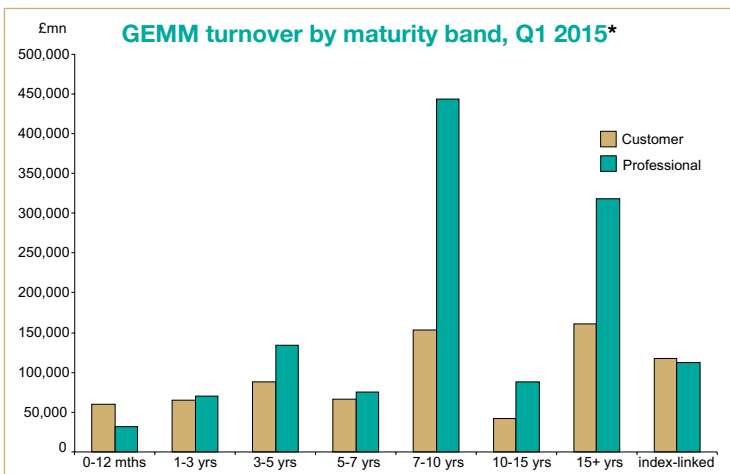
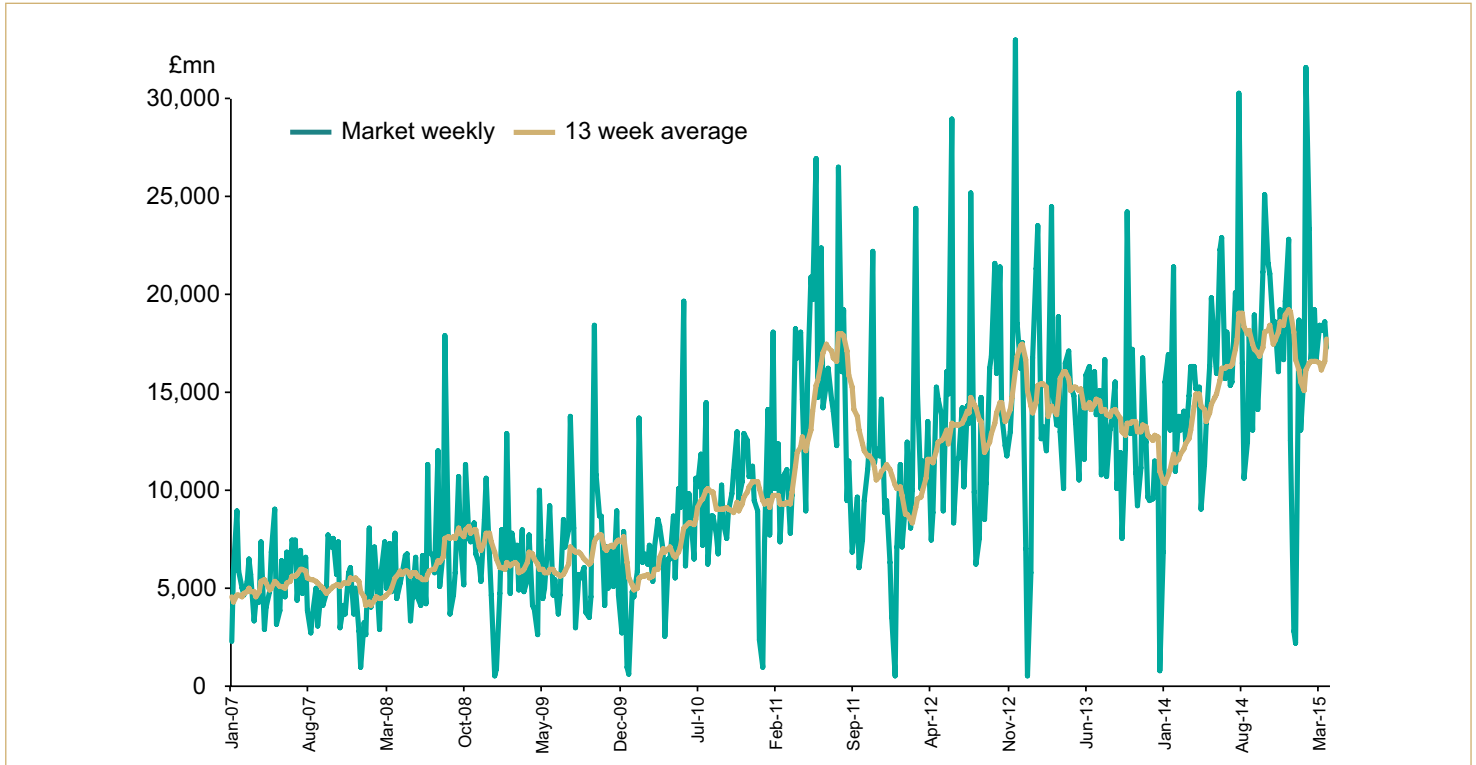
<sup>†</sup> as updated on 23 April 2015.

\* Northern Rock Asset Management (NRAM) and Bradford and Bingley (B&B).

\*\* The Exchequer's requirement for financing £6.5bn of lending to Network Rail was included in CGNCR in April 2014.

\*\*\* Includes non-governmental deposits, coinage and certificate of tax deposits.

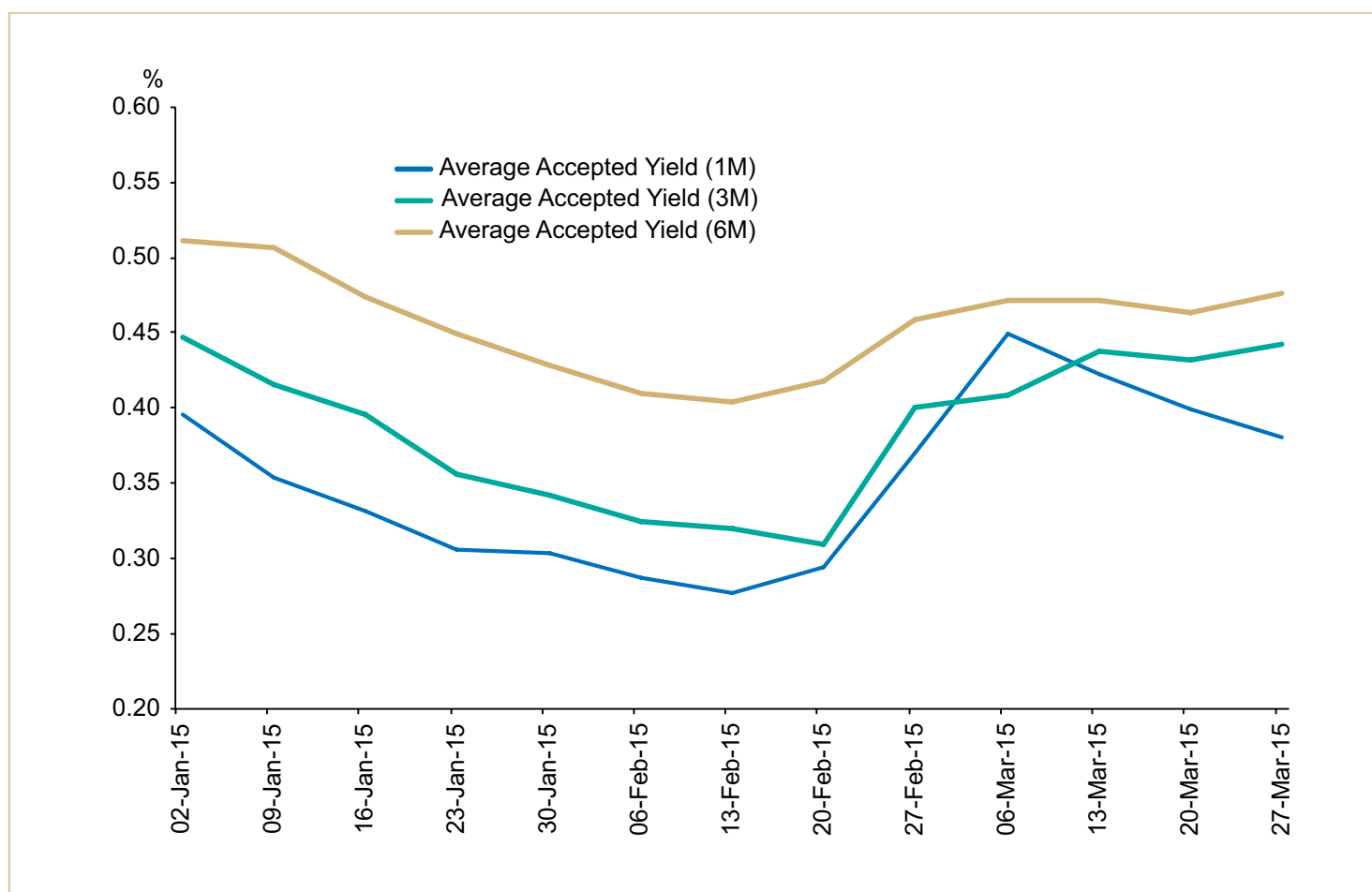
### Index-linked gilt market turnover 2007 - 2015



\*Professional turnover is defined as turnover with counterparties who are Broker Dealers (BDs), other Gilt-edged Market Makers (GEMMs), DMO or Bank of England. Customers are all others (including businesses with related entities).

\*\* The redemption totals for index-linked gilts in this chart do not reflect the full value of inflation uplift. They are calculated in a way consistent with the formulation of the Government's financing requirement i.e. that part of the accrued inflation uplift on any redeeming gilts that represents the return to investors is included in the CGNCR in that redemption year, and the remainder is included in the redemption total for the year in which the relevant gilts redeems. 'Government holdings' is defined as gilts held by the DMO.

## Treasury bill tender results January – March 2015



## Contacts

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Public Works Loan Board	020 7862 6610	pwlb@dmo.gsi.gov.uk

Updated data, press releases and other information are available on the DMO website at [www.dmo.gov.uk](http://www.dmo.gov.uk). Please send any queries to one of the email addresses above.

## DMO website: Useful links

### What's New

[http://www.dmo.gov.uk/ceLogon.aspx?page=Press\\_New&rptcode=D8D](http://www.dmo.gov.uk/ceLogon.aspx?page=Press_New&rptcode=D8D)

### Events calendar

[http://www.dmo.gov.uk/ceLogon.aspx?page=Events\\_Calendar&rptCode=D5J](http://www.dmo.gov.uk/ceLogon.aspx?page=Events_Calendar&rptCode=D5J)

### Gilt market

#### Gilt prices page

[http://www.dmo.gov.uk/index.aspx?page=Gilts/Daily\\_Prices](http://www.dmo.gov.uk/index.aspx?page=Gilts/Daily_Prices)

#### Gilts in issue

[http://www.dmo.gov.uk/index.aspx?page=Gilts/Gilts\\_In\\_Issue](http://www.dmo.gov.uk/index.aspx?page=Gilts/Gilts_In_Issue)

#### Summary of results from all DMO gilt operations

[http://www.dmo.gov.uk/ceLogon.aspx?page=Summary\\_of\\_results&rptCode=D2.1prof7](http://www.dmo.gov.uk/ceLogon.aspx?page=Summary_of_results&rptCode=D2.1prof7)

#### Cash sales versus the remit (updated after each operation)

<http://www.dmo.gov.uk/index.aspx?page=Remit/Information>

#### Gilt issuance history

[http://www.dmo.gov.uk/index.aspx?page=Gilts/Gilts\\_In\\_Issue](http://www.dmo.gov.uk/index.aspx?page=Gilts/Gilts_In_Issue)

#### Overseas holdings data

[http://www.dmo.gov.uk/ceLogon.aspx?page=Gilts/Overseas\\_Holdings&rptCode=D5N](http://www.dmo.gov.uk/ceLogon.aspx?page=Gilts/Overseas_Holdings&rptCode=D5N)

### Index-linked gilts

#### Index-linked gilts in issue

<http://www.dmo.gov.uk/ceLogon.aspx?page=D1D&rptcode=D1D>

#### Published cash flows

[http://www.dmo.gov.uk/ceLogon.aspx?page=Nominal\\_IL&rptCode=D5I](http://www.dmo.gov.uk/ceLogon.aspx?page=Nominal_IL&rptCode=D5I)

#### Daily index ratios

<http://www.dmo.gov.uk/ceLogon.aspx?page=D10C&rptcode=D10C>

### Money markets

#### Treasury bill prices

[http://www.dmo.gov.uk/ceLogon.aspx?page=tbills/Daily\\_Prices\\_Yields&rptCode=D3A](http://www.dmo.gov.uk/ceLogon.aspx?page=tbills/Daily_Prices_Yields&rptCode=D3A)

#### Summary of Treasury bills tender results

[http://www.dmo.gov.uk/index.aspx?page=tbills/tbill\\_tenders](http://www.dmo.gov.uk/index.aspx?page=tbills/tbill_tenders)

#### Treasury bill issuance history

[http://www.dmo.gov.uk/ceLogon.aspx?page=tbills/Portfolio\\_Composition&rptcode=D2.2G](http://www.dmo.gov.uk/ceLogon.aspx?page=tbills/Portfolio_Composition&rptcode=D2.2G)

### National Loan Guarantee Scheme

<http://www.dmo.gov.uk/index.aspx?page=CGS/NLGS2012>

### Key documents

#### Historical copies of the Quarterly Review

[http://www.dmo.gov.uk/index.aspx?page=publications/Quarterly\\_Reviews](http://www.dmo.gov.uk/index.aspx?page=publications/Quarterly_Reviews)

#### Historical copies of the Annual Review

[http://www.dmo.gov.uk/index.aspx?page=publications/Annual\\_Reviews](http://www.dmo.gov.uk/index.aspx?page=publications/Annual_Reviews)

## DMO website: Useful links

### **Operational Notice – Gilt market**

[http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/Opnot20150401.pdf&page=operational\\_rules/Document](http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/Opnot20150401.pdf&page=operational_rules/Document)

### **Operational Notice – Cash market**

[http://www.dmo.gov.uk/documentview.aspx?docname=publications/moneymarkets/cmopnot310314.pdf&page=money\\_markets/publication](http://www.dmo.gov.uk/documentview.aspx?docname=publications/moneymarkets/cmopnot310314.pdf&page=money_markets/publication)

### **Guidebook – GEMMs**

<http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/guidebook20150401.pdf>

### **Debt & Reserves Management Report 2015-16**

[http://www.dmo.gov.uk/documentview.aspx?docname=remit/drmr1516.pdf&page=Remit/full\\_details](http://www.dmo.gov.uk/documentview.aspx?docname=remit/drmr1516.pdf&page=Remit/full_details)

### **DMO Financing Remit 2015-16**

[http://www.dmo.gov.uk/documentview.aspx?docname=gilts/press/sa230415.pdf&page=Remit/full\\_details](http://www.dmo.gov.uk/documentview.aspx?docname=gilts/press/sa230415.pdf&page=Remit/full_details)

### **Information Memorandum**

[http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmemadd220813.pdf&page=operational\\_rules/Document](http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmemadd220813.pdf&page=operational_rules/Document)

### **Gilt prospectuses**

<http://www.dmo.gov.uk/ceLogon.aspx?page=Prospectuses&rptcode=D8E>

### **Formulae for calculating gilt price from yields**

<http://www.dmo.gov.uk/documentview.aspx?docname=/giltsmarket/formulae/yldeqns.pdf&page=Gilts/Formulae>

### **Public Works Loan Board (PWLB)**

<http://www.dmo.gov.uk/index.aspx?page=PWLB/Introduction>