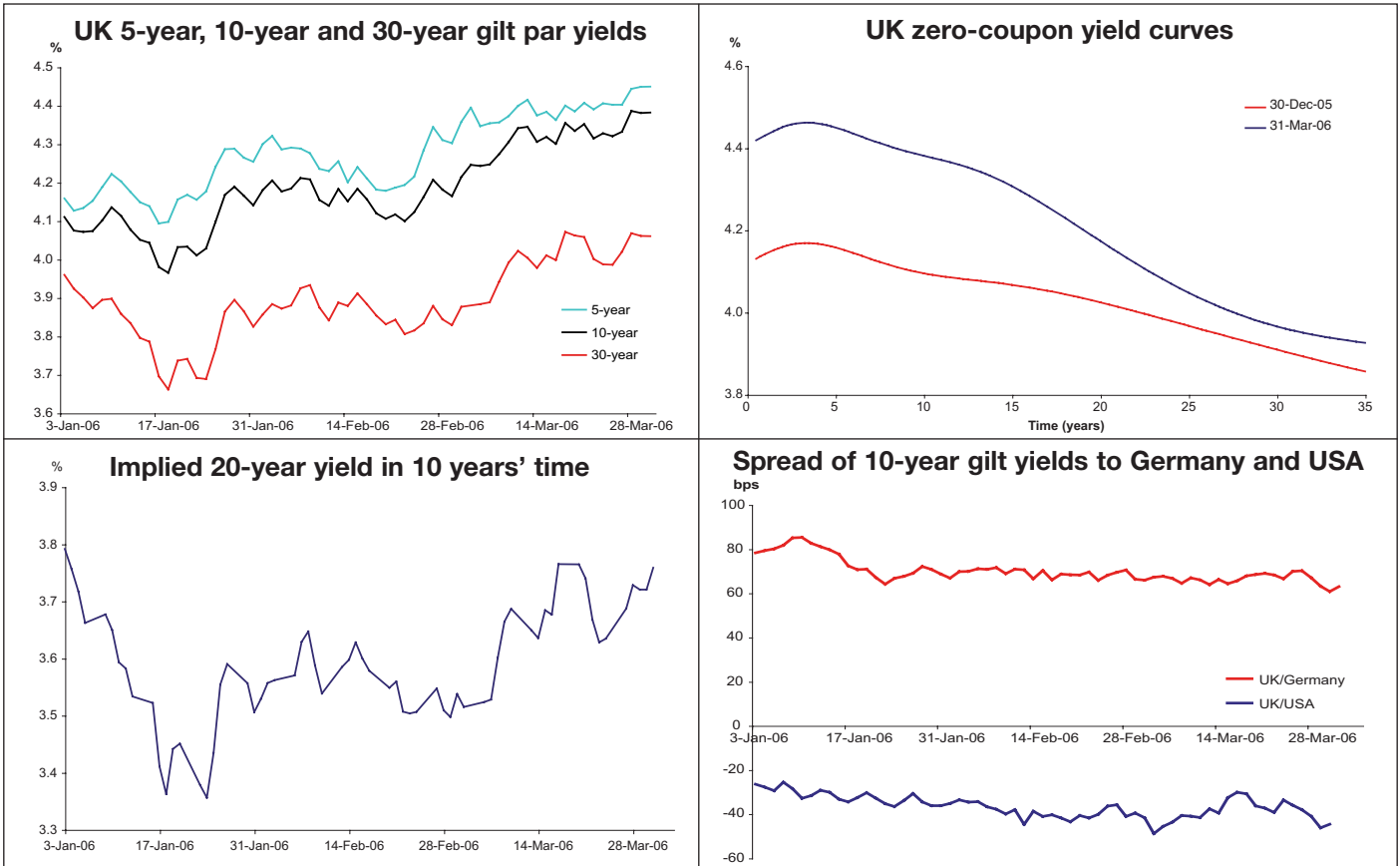
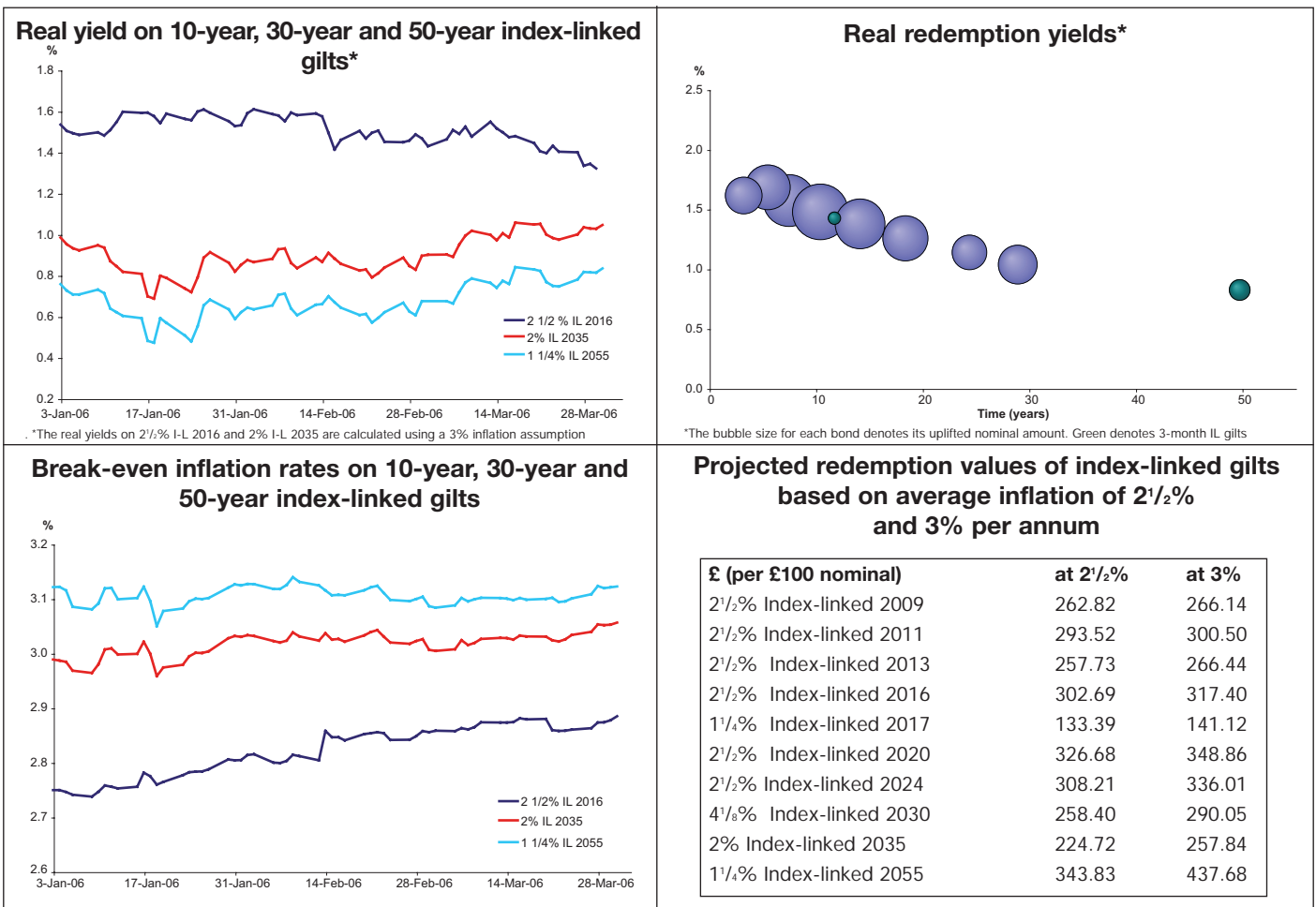




## Conventional gilts



## Index-linked gilts



## Gilt market flows (£mn)

	Gross gilt issuance (cash)	Redemptions	Coupons*	Net financing from gilts after redemptions and coupons
Mar-05	3,308	0	-2,877	431
Apr-05	6,572	-4,374	-403	1,795
May-05	3,583	0	-247	3,336
Jun-05	3,853	0	-3,818	35
Jul-05	3,249	0	-876	2,373
Aug-05	2,967	0	-599	2,368
Sep-05	6,957	-2	-3,722	3,233
Oct-05	3,417	0	-176	3,241
Nov-05	4,410	0	-256	4,154
Dec-05	3,219	-10,176	-4,066	-11,023
Jan-06	6,561	0	-1,154	5,407
Feb-06	3,732	0	-720	3,012
Mar-06	3,824	0	-3,435	389
Apr-06	N/A	0	-215	-
May-06**	N/A	0	-294	-
Jun-06	N/A	0	-3,924	-

*Figures may not sum due to rounding*  
*\*Coupon flow numbers are for the stock of debt outstanding at end-quarter*  
*\*\*This month's coupon flow includes the coupon payments on the 3-month lag index-linked gilts that were fixed by the DMO on 20 April 2006.*

Results of gilt auctions						
Auction date	Gilt	Issue amount (nominal)	Cover	Yield tail (basis points)	Average accepted price	Yield at average accepted price
10-Jan-06	4 <sup>3</sup> / <sub>4</sub> % 2020	£2,500mn	1.55	0	£107.16	4.08%
24-Jan-06	1 <sup>1</sup> / <sub>4</sub> % IL 2055	£650mn	1.75	N/A <sup>a</sup>	£135.15 <sup>b</sup>	0.46%
26-Jan-06	4 <sup>1</sup> / <sub>4</sub> % 2011	£3,000mn	1.47	1	£99.92	4.27%
07-Feb-06	1 <sup>1</sup> / <sub>4</sub> % IL 2017	£1,000mn	2.05	N/A <sup>a</sup>	£99.72 <sup>b</sup>	1.28%
16-Feb-06	4 <sup>1</sup> / <sub>4</sub> % 2055	£2,500mn	1.49	1	£109.43	3.82%
01-Mar-06	4% 2016	£3,000mn	2.02	0	£98.36	4.19%
07-Mar-06	2% IL 2035	£625mn	1.98	N/A <sup>a</sup>	£139.91	0.91% <sup>c</sup>

<sup>a</sup> Index-linked gilts are issued through a uniform price format. <sup>b</sup>This is the real clean price. <sup>c</sup>Calculated using a 3% inflation assumption.

## Outturn against the 2005-06 financing remit at 31 March 2006

(£ mn cash)	Conventional gilts			Index-linked gilts	Total
	Short (0-7 years)	Medium (7-15 years)	Long (>15 years)		
<b>Remit plans</b>	12,300	11,300	17,900	10,800	52,300
<b>Outright sales</b>	12,207	11,388	17,946	10,803	52,344

## 2005-06 and 2006-07 financing requirements

	2005-06 (Budget 05)	2005-06 (Pre-Budget Report)	2005-06 (Outturn)	2006-07 (Budget 06 as revised on 24 April 06)
<i>Figures may not sum due to rounding</i>				
(£ bn)				
<b>CGNCR forecast</b>	<b>40.2</b>	<b>43.3</b>	<b>40.8</b>	<b>41.2</b>
Redemptions	14.5	14.6	13.9	29.9
Financing for the Official Reserves	0.0	0.0	0.0	0.0
Debt buy-backs	0.0	0.0	0.1	0.0
Planned short-term financing adjustment	<b>1.3</b>	<b>-2.5</b>	<b>-2.5</b>	<b>-3.6</b>
<b>Gross financing requirement</b>	<b>56.0</b>	<b>55.4</b>	<b>52.3</b>	<b>67.5</b>
Less				
National Savings & Investments' contribution	3.5	4.2	4.8	3.0
<b>Net financing requirement</b>	<b>52.5</b>	<b>51.2</b>	<b>48.0</b>	<b>64.5</b>
<b>Gilt sales planned during the year</b>	<b>53.5</b>	<b>52.3</b>	<b>52.3</b>	<b>63.0</b>
Change in planned Treasury bill stock	-1.0	-1.1	-1.2	1.5
Change in Ways and Means	0.0	0.0	0.0	0.0
DMO net cash position at end of financial year	0.2	0.2	3.8	0.2

## Details of market activity

### Top twenty gilts traded (by market value) in the thirteen weeks to 31 March 2006

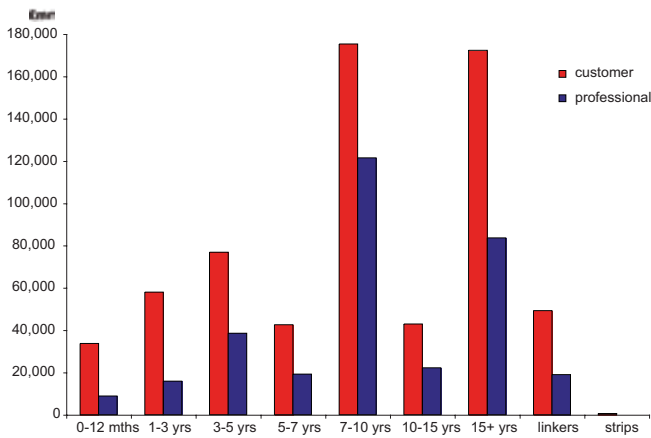
Gilt	Market value of trades (£mn)	% of value of all gilt trades	Turnover Ratio <sup>a</sup>	Number of bargains ('000s)	Average bargain size (£mn)
4¾% Treasury Stock 2015	213,149	24%	15	18	12
4¼% Treasury Stock 2036	65,766	7%	4	7	9
4% Treasury Stock 2009	45,954	5%	3	6	7
8% Treasury Stock 2015	43,143	5%	4	2	21
4¼% Treasury Stock 2010	41,805	5%	3	5	8
5% Treasury Stock 2008	39,723	4%	3	6	6
5% Treasury Stock 2012	34,110	4%	2	9	4
5% Treasury Stock 2025	32,778	4%	2	6	6
5% Treasury Stock 2014	32,402	4%	2	8	4
4¼% Treasury Stock 2032	31,296	3%	2	7	5
7½% Treasury Stock 2006	27,428	3%	2	4	7
4½% Treasury Stock 2007	26,827	3%	2	3	9
4¾% Treasury Stock 2020	26,405	3%	2	6	4
8% Treasury Stock 2021	25,896	3%	1	5	6
4¾% Treasury Stock 2038	24,597	3%	1	3	8
6% Treasury Stock 2028	20,982	2%	1	3	6
4¼% Treasury Gilt 2055	19,479	2%	2	5	4
4¼% Treasury Gilt 2011	16,750	2%	3	3	6
5¼% Treasury Stock 2009	16,106	2%	1	6	3
8¾% Treasury Stock 2017	10,297	1%	1	1	10

The top twenty gilts accounted for 89% of total market turnover.

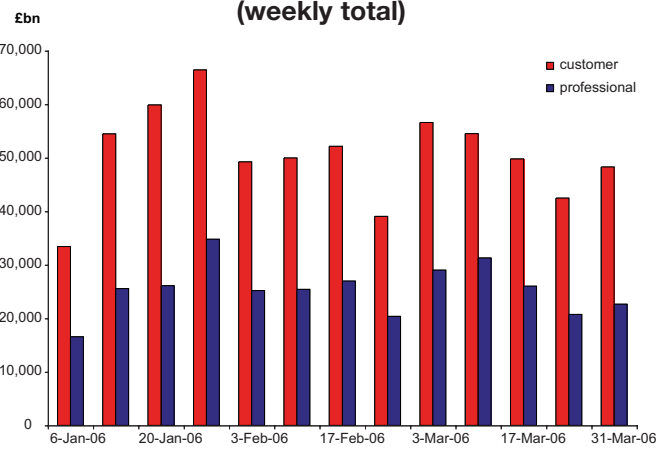
The information is based on provisional information provided by the London Stock Exchange and should only be treated as indicative.

<sup>a</sup> The total market value of the gilt traded over the quarter relative to the market value of the outstanding gilt at the end of the quarter.

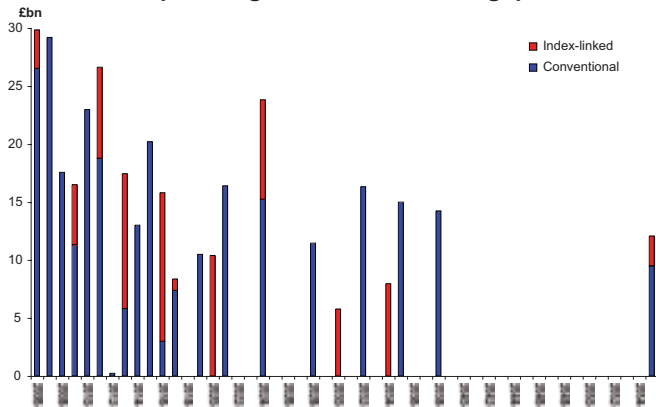
#### GEMM turnover by maturity band, Q1 2006



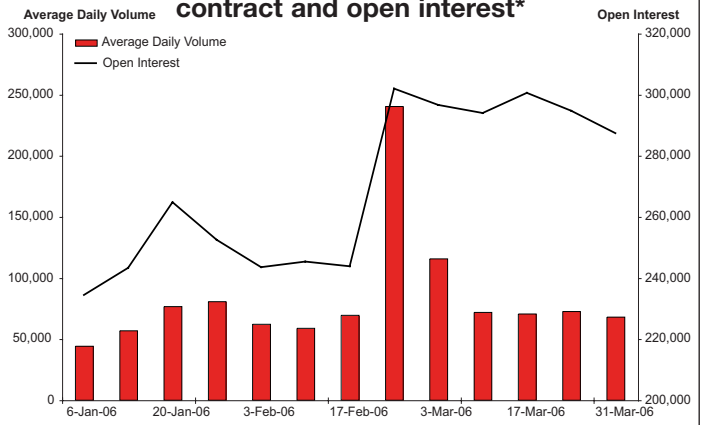
#### Total GEMM market turnover (weekly total)



#### Gilt redemptions (net of government holdings)



#### Average daily volume of the long gilt futures contract and open interest\*



\* Weekly average of the daily volume and end-week level of open interest.

Source: LIFFE

## Gilts in issue at 31 March 2006 (£mn nominal)

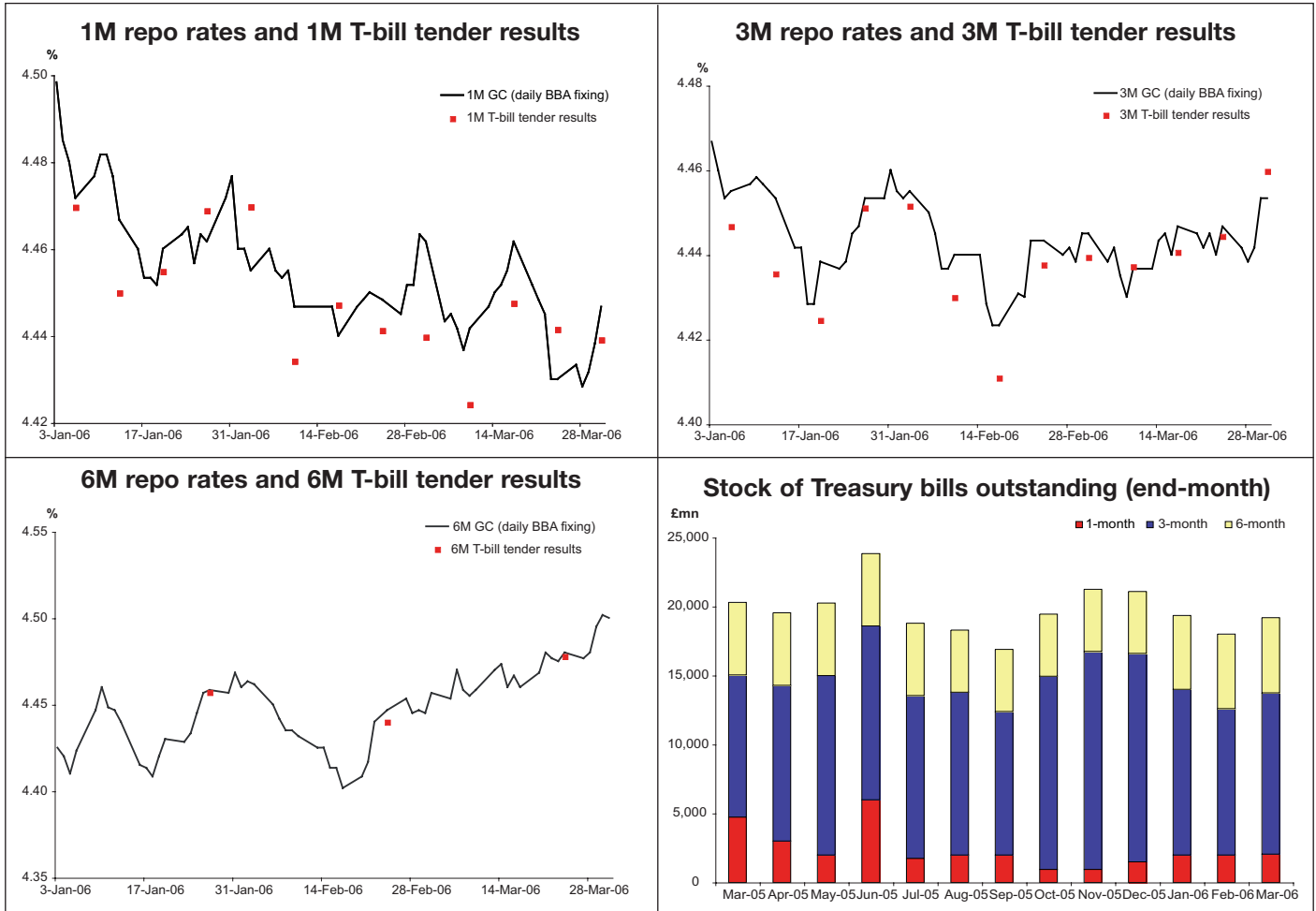
Conventional gilts	Redemption date	Amount in issue	Amount held in stripped form	DMO/CRND* Holdings
7 <sup>3</sup> / <sub>4</sub> % Treasury Stock 2006	08-Sep-06	4,064	-	548
7 <sup>1</sup> / <sub>2</sub> % Treasury Stock 2006	07-Dec-06	12,394	190	862
4 <sup>1</sup> / <sub>2</sub> % Treasury Stock 2007	07-Mar-07	12,071	13	596
8 <sup>1</sup> / <sub>2</sub> % Treasury Loan 2007	16-Jul-07	4,869	-	601
7 <sup>1</sup> / <sub>4</sub> % Treasury Stock 2007	07-Dec-07	11,655	110	795
5% Treasury Stock 2008	07-Mar-08	14,928	11	872
4% Treasury Stock 2009	07-Mar-09	16,974	40	754
5 <sup>3</sup> / <sub>4</sub> % Treasury Stock 2009	07-Dec-09	12,006	114	927
4 <sup>3</sup> / <sub>4</sub> % Treasury Stock 2010	07-Jun-10	12,774	7	539
6 <sup>1</sup> / <sub>4</sub> % Treasury Stock 2010	25-Nov-10	5,205	-	725
4 <sup>1</sup> / <sub>4</sub> % Treasury Gilt 2011	07-Mar-11	6,250	15	1
9% Conversion Loan 2011	12-Jul-11	5,664	-	473
5% Treasury Stock 2012	07-Mar-12	14,009	155	898
8% Treasury Stock 2013	27-Sep-13	6,489	-	694
5% Treasury Stock 2014	07-Sep-14	13,699	4	706
4 <sup>3</sup> / <sub>4</sub> % Treasury Stock 2015	07-Sep-15	13,647	133	655
8% Treasury Stock 2015	07-Dec-15	7,744	179	539
4% Treasury Gilt 2016	07-Sep-16	3,000	-	1
8 <sup>3</sup> / <sub>4</sub> % Treasury Stock 2017	25-Aug-17	8,136	-	765
4 <sup>3</sup> / <sub>4</sub> % Treasury Stock 2020	07-Mar-20	10,743	0	248
8% Treasury Stock 2021	07-Jun-21	17,573	310	1,178
5% Treasury Stock 2025	07-Mar-25	16,188	132	945
6% Treasury Stock 2028	07-Dec-28	12,340	214	893
4 <sup>1</sup> / <sub>4</sub> % Treasury Stock 2032	07-Jun-32	17,326	491	998
4 <sup>1</sup> / <sub>4</sub> % Treasury Stock 2036	07-Mar-36	15,668	337	672
4 <sup>3</sup> / <sub>4</sub> % Treasury Stock 2038	07-Dec-38	14,958	143	715
4 <sup>1</sup> / <sub>4</sub> % Treasury Gilt 2055	07-Dec-55	9,602	0	104
3 <sup>1</sup> / <sub>2</sub> % War Loan	Undated	1,939	-	31
Index-linked gilts	Redemption date	Amount in issue	Nominal including inflation uplift	DMO/CRND* Holdings
2% I-L Treasury Stock 2006	19-Jul-06	2,109	5,877**	109
2 <sup>1</sup> / <sub>2</sub> % I-L Treasury Stock 2009	20-May-09	3,304	8,063	280
2 <sup>1</sup> / <sub>2</sub> % I-L Treasury Stock 2011	23-Aug-11	4,631	11,939	359
2 <sup>1</sup> / <sub>2</sub> % I-L Treasury Stock 2013	16-Aug-13	7,347	15,830	530
2 <sup>1</sup> / <sub>2</sub> % I-L Treasury Stock 2016	26-Jul-16	7,696	18,123	636
1 <sup>1</sup> / <sub>4</sub> % I-L Treasury Gilt 2017	22-Nov-17	1,000	998	0
2 <sup>1</sup> / <sub>2</sub> % I-L Treasury Stock 2020	16-Apr-20	6,350	14,710	451
2 <sup>1</sup> / <sub>2</sub> % I-L Treasury Stock 2024	17-Jul-24	6,133	12,069	493
4 <sup>1</sup> / <sub>8</sub> % I-L Treasury Stock 2030	22-Jul-30	5,021	7,143	347
2% I-L Treasury Stock 2035	26-Jan-35	8,064	8,928	466
1 <sup>1</sup> / <sub>4</sub> % I-L Treasury Gilt 2055	22-Nov-55	2,613	2,630	38
Rump gilts	Redemption date	Amount in issue		DMO/CRND* Holdings
9 <sup>3</sup> / <sub>4</sub> % Conversion Stock 2006	15-Nov-06	1		0
5 <sup>1</sup> / <sub>2</sub> % Treasury Stock 2008/2012	10-Sep-08	843	-	13
9% Treasury Loan 2008	13-Oct-08	514		0
8% Treasury Stock 2009	25-Sep-09	241		1
7 <sup>3</sup> / <sub>4</sub> % Treasury Loan 2012/2015	26-Jan-12	487	-	22
9% Treasury Stock 2012	06-Aug-12	227		0
12% Exchequer Stock 2013/2017	12-Dec-13	18		0
2 <sup>1</sup> / <sub>2</sub> % Treasury Stock	Undated	458		0
4% Consolidated Loan	Undated	285		0
2 <sup>1</sup> / <sub>2</sub> % Consolidated Stock	Undated	200		1
3% Treasury Stock	Undated	44		0
3 <sup>1</sup> / <sub>2</sub> % Conversion Loan	Undated	19		5
2 <sup>1</sup> / <sub>2</sub> % Annuities	Undated	2		0
2 <sup>3</sup> / <sub>4</sub> % Annuities	Undated	1		0

*It is assumed that double-dated issues (which have not been called) currently trading above par will be redeemed at the first maturity date.*

\* Includes holdings by the Commissioners for the Reduction of the National Debt (CRND) and the DMO. Excludes holdings by local authorities, public corporations and the Bank of England.

\*\* Calculated using the November 2005 RPI.

## Money market operations



## Treasury bill tender results Q1 2006

Tender date	Tender amount (£mn)	Average yield (%)	Average price (£)	Cover	Yield tail (bp)
<b>1-month T-bills</b>					
6-Jan-06	500	4.4696	99.6583	8.34	0
13-Jan-06	500	4.4499	99.6598	7.31	1
20-Jan-06	500	4.4548	99.6594	5.83	2
27-Jan-06	500	4.4688	99.6584	5.08	2
3-Feb-06	500	4.4697	99.6583	6.07	0
10-Feb-06	500	4.4342	99.6610	7.12	2
17-Feb-06	500	4.4471	99.6600	5.21	0
24-Feb-06	500	4.4412	99.6605	6.11	1
3-Mar-06	500	4.4397	99.6606	7.86	0
10-Mar-06	500	4.4242	99.6618	6.97	3
17-Mar-06	500	4.4475	99.6479	5.68	1
24-Mar-06	550	4.4415	99.6604	6.91	1
31-Mar-06	550	4.4391	99.6485	4.47	0
<b>3 month T-bills</b>					
6-Jan-06	900	4.4467	98.9035	7.98	1
13-Jan-06	900	4.4355	98.8944	7.64	0
20-Jan-06	900	4.4245	98.9089	6.09	1
27-Jan-06	900	4.4511	98.8905	5.48	1
3-Feb-06	900	4.4515	98.9023	6.26	1
10-Feb-06	900	4.4299	98.9076	7.14	0
17-Feb-06	900	4.4109	98.9123	6.65	1
24-Feb-06	900	4.4376	98.8939	6.44	1
3-Mar-06	900	4.4394	98.9053	6.07	0
10-Mar-06	900	4.4372	98.9058	5.46	1
17-Mar-06	900	4.4406	98.9050	5.55	1
24-Mar-06	900	4.4444	98.9041	5.08	1
31-Mar-06	1,000	4.4597	98.9004	3.97	1
<b>6 month T-bills</b>					
27-Jan-06	800	4.4571	97.8259	5.53	1
24-Feb-06	800	4.4399	97.8224	6.51	1
24-Mar-06	800	4.4778	97.8160	5.59	1

## Calendar for Q2 2006

Treasury bill tenders usually take place every Friday

### April

<b>4</b>	Auction of 4¼% Treasury Gilt 2055. Announcement of the size of the auction on 11 April of 1¼% Index-linked Treasury Gilt 2017.
<b>11</b>	Auction of 1¼% Index-linked Treasury Gilt 2017.
<b>18</b>	Announcement of the size of the auction on 25 April of the new 1¼% Index-linked Treasury Gilt 2027.
<b>20</b>	Publication of the March RPI by ONS. Dividend fixing for 2½% Index-linked Treasury Stock 2009, 1¼% Index-linked Treasury Gilt 2017 and 1¼% Index-linked Treasury Gilt 2055.
<b>25</b>	Auction of the new 1¼% Index-linked Treasury Gilt 2027.

### May

<b>2</b>	Announcement of the size of the auction on 11 May of the new conventional Treasury Gilt maturing on 7 December 2046. The coupon on the new gilt will also be announced on this date.
<b>11</b>	Auction of the new current coupon conventional gilt maturing on 7 December 2046.
<b>16</b>	Announcement of the sizes of the auctions of 1¼% Index-linked Treasury Gilt 2055 on 23 May and of 4% Treasury Gilt 2016 on 25 May. Publication of the April RPI by ONS.
<b>22</b>	Quarterly consultation meetings with Investors (4.00pm) and GEMMs (5.00pm).
<b>23</b>	Auction of 1¼% Index-linked Treasury Gilt 2055. Publication at 10am of the minutes of the consultation meetings on 22 May.
<b>25</b>	Auction of 4% Treasury Gilt 2016.
<b>30</b>	Announcement of the size of the auction on 7 June of the new conventional Treasury Gilt maturing on 7 December 2046. Announcement of the gilt auction calendar for July-September 2006.

### June

<b>7</b>	Auction of the new conventional Treasury gilt maturing on 7 December 2046.
<b>13</b>	Announcement of the size of the auction of 4¼% Treasury Gilt 2011 on 22 June. Publication of the May RPI by ONS. Dividend fixings for 2½% Index-linked Treasury Stock 2016, 2½% Index-linked Treasury Stock 2024, 4⅛% Index-linked Treasury Stock 2030 and 2% Index-linked Treasury Stock 2035.
<b>20</b>	Announcement of the size of the auction on 22 June of 1¼% Index-linked Treasury Gilt 2027.
<b>22</b>	Auction of 4¼% Treasury Gilt 2011.
<b>27</b>	Auction of 1¼% Index-linked Treasury Gilt 2027.
<b>30</b>	Publication of the Treasury bill calendar for July-September 2006.

### DMO wire service pages

Information	Reuters	Bridge	Moneyline Telerate	Topic	Bloomberg
<b>Index</b>	DMO/INDEX	K:2366	21290	44799	DMO<GO>
<b>Announcements</b>	DMO/GILTS1 to 9	K:3327-K:3335	22550 to 22556	44700 to 44712	DMO1<GO>
<b>Shop window general information</b>	DMO/GILTS10	K:3336	6517	44717	DMO3<GO>
<b>Shop window 1</b>	DMO/GILTS11	K:3337	6518	44718	DMO3<GO>
<b>Benchmark prices</b>	DMO/BENCH1	K:3338	22557	44720 to 44721	DMO2<GO>
<b>GEMMA ref prices (Conventionals)</b>	GEMMA01 to 04	K:3358-K:3361	47216 to 47219	44800 to 44802	DMO5<GO>
<b>GEMMA ref prices (I-L)</b>	GEMMA07 to 08	K:3365	47223	44805	DMO5<GO>
<b>GEMMA ref prices (Strips)</b>	GEMMA13 to 22	K:3370-K:3379	21291 to 21300	44850 to 44864	DMO6<GO>
<b>Cash announcements</b>	DMO/CASH01	K:2367	15700 to 15709	44660 to 44669	DMO8<GO>
<b>T-bill tender information</b>	DMO/CASH11	K:2377	15710 to 15711	44670 to 44671	DMO9<GO>
<b>Ad-hoc tender information</b>	DMO/CASH16	K:2382	15715 to 15716	44675 to 44676	DMO10<GO>
<b>T-bill reference prices</b>	DMO/TBILLS01	K:2387	15720 to 15724	44900 to 44909	DMO11<GO>

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Updated data, press releases and other information are available on the DMO website at [www.dmo.gov.uk](http://www.dmo.gov.uk)  
Comments on this publication or the website would be welcomed by Sarah Ellis or Mark Deacon.



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