



QUARTERLY *Review*

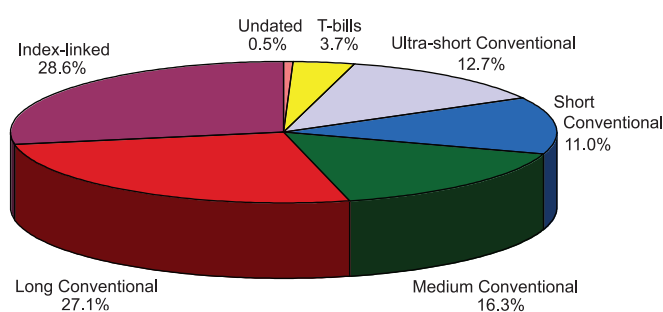
The United Kingdom Debt Management Office is an Executive Agency of HM Treasury

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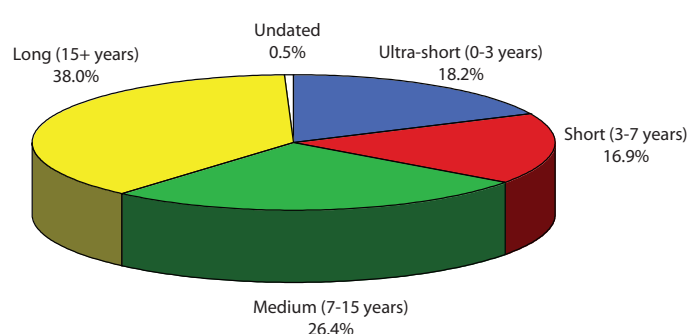
Details of the debt portfolio at 30 June 2008

Gilt portfolio summary statistics	31 March 2008	30 June 2008
Nominal value of the gilt portfolio (including inflation uplift)	£478.77 bn	£513.28 bn
• Conventional gilts (inc undated gilts)	£337.25 bn	£360.83 bn
• Index-linked gilts	£141.52 bn	£152.45 bn
Market value of the gilt portfolio	£525.94 bn	£542.93 bn
• Conventional gilts (inc undated gilts)	£360.16 bn	£366.19 bn
• Index-linked gilts	£165.77 bn	£176.74 bn
Weighted average market yields:		
• Conventional gilts (inc undated gilts)	4.25%	5.03%
• Index-linked gilts	0.88%	1.15%
Portfolio average maturity:	14.79 years	14.63 years
• Conventional gilts (exc undated gilts)	14.74 years	14.77 years
• Index-linked gilts	14.91 years	14.31 years
Average modified duration:		
• Conventional gilts (inc undated gilts)	9.04 years	8.71 years
• Index-linked gilts	12.49 years	12.73 years
Average nominal amount outstanding of largest 20 gilts (including inflation uplift)	£15.21 bn	£15.80 bn

Composition of debt portfolio*



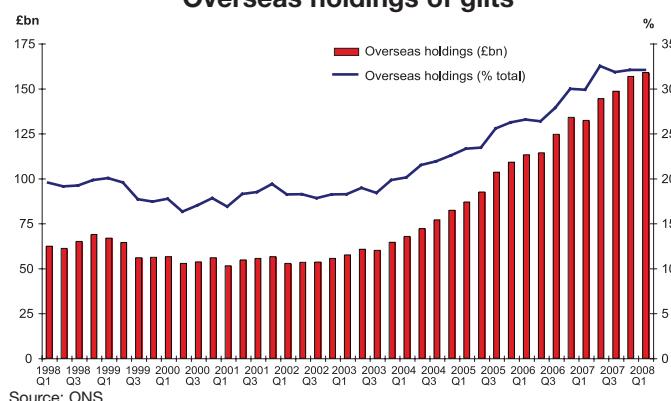
Debt portfolio maturity split*



Distribution of gilt holdings at 31 March 2008

(£ millions)	at end Q4 2007	Q1 2008
Insurance Companies and Pension Funds	232,101	229,901
Overseas	156,694	158,869
Other Financial Institutions and Others	84,755	85,697
Households	21,136	24,203
Building Societies	5,003	4,870
Local Authorities and Public Corporations	837	860
Banks**	-10,527	-7,651
TOTAL	489,999	496,749

Overseas holdings of gilts



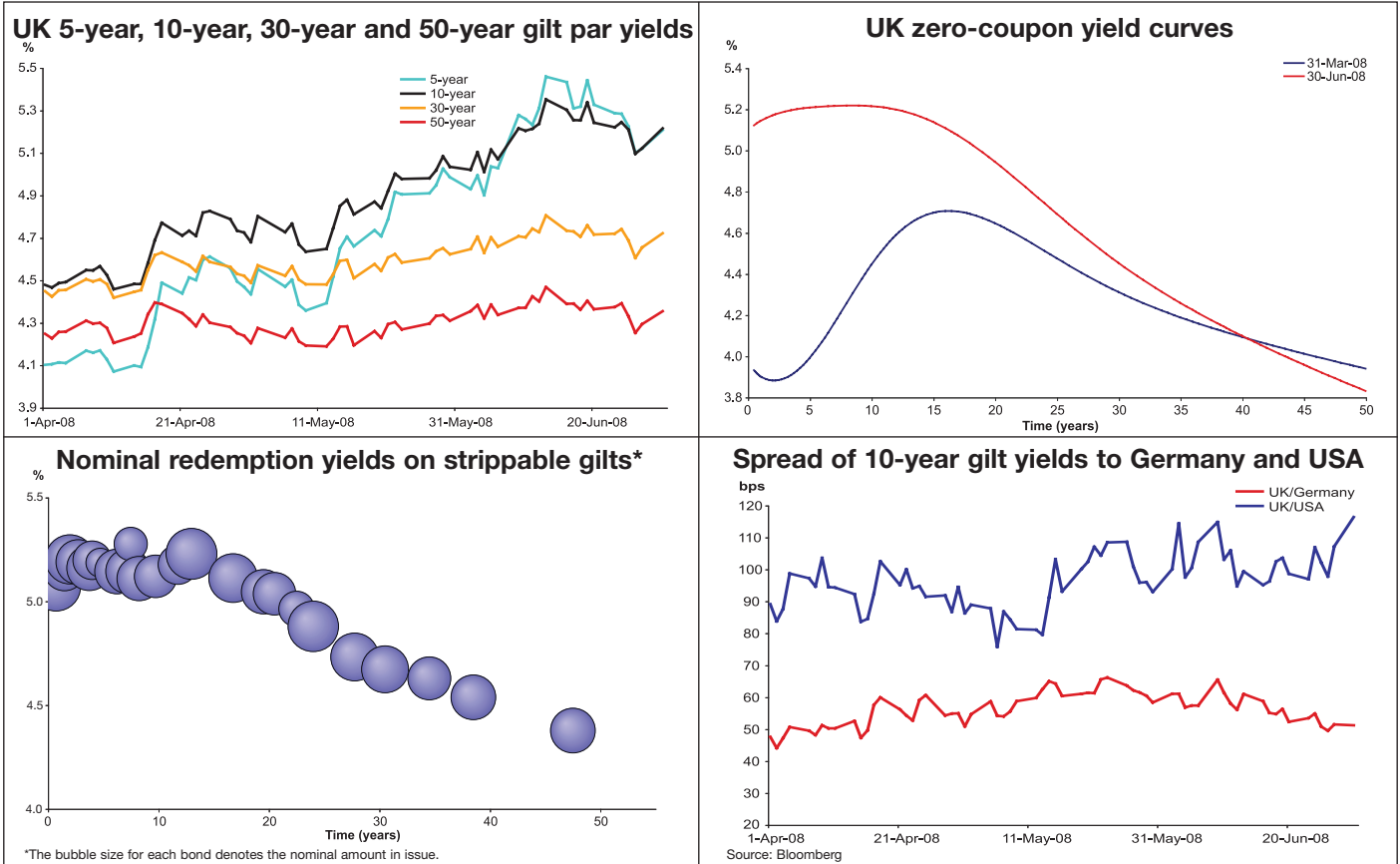
Source: ONS. These figures can be revised retrospectively.

Source: ONS

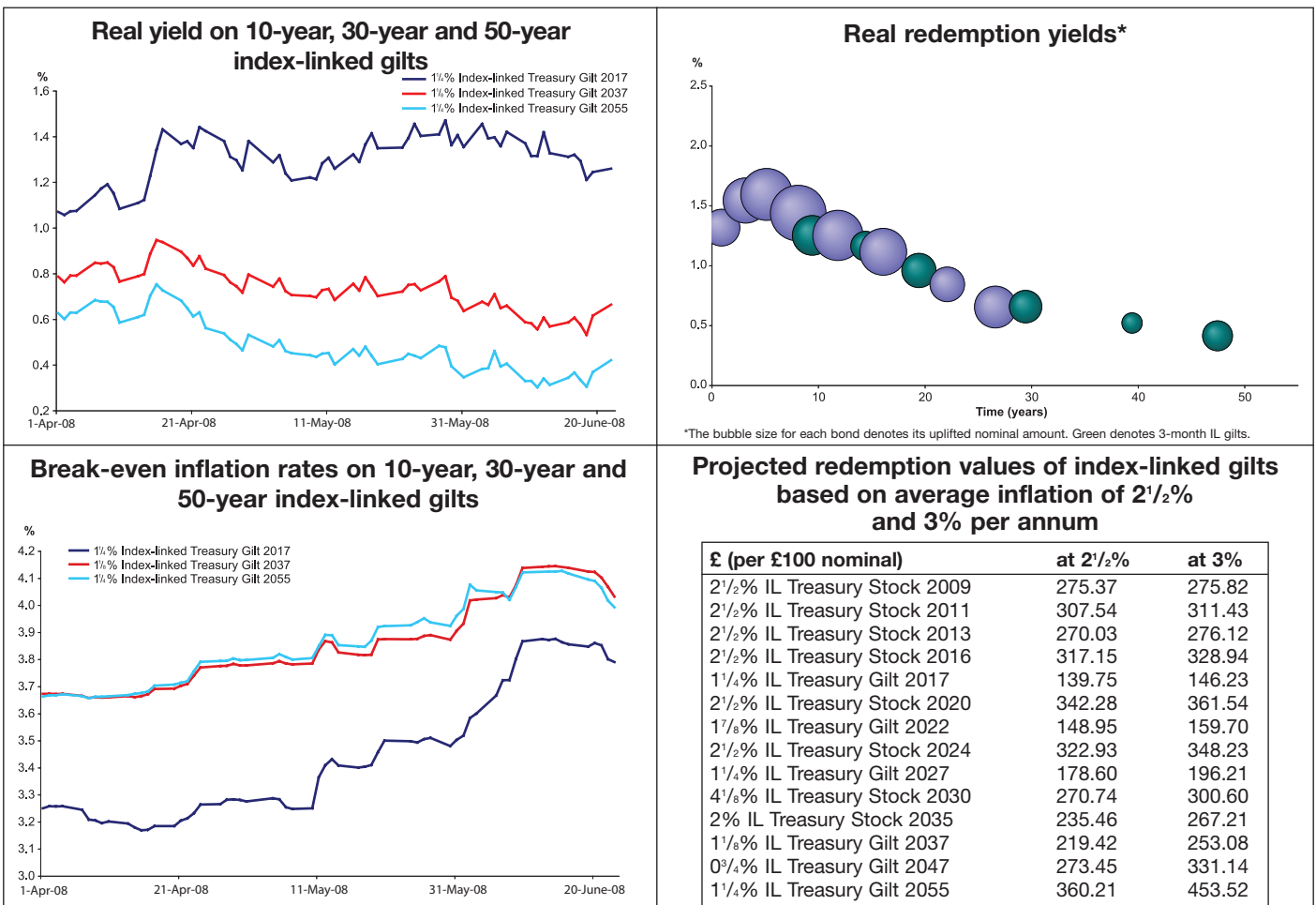
* Figures in the pie charts may not sum due to rounding.

** Repo position.

Conventional gilts



Index-linked gilts



Gilt market flows (£mn)

	Gross gilt issuance (cash)	Redemptions	Coupons*	Net financing from gilts after redemptions and coupons
Apr-07	4,019	0	-217	3,802
May-07	5,558	0	-389	5,169
Jun-07	5,630	0	-4,071	1,559
Jul-07	4,231	-4,269	-1,150	-1,188
Aug-07	2,453	0	-737	1,716
Sep-07	5,468	0	-3,645	1,823
Oct-07	4,471	0	-221	4,250
Nov-07	7,525	0	-444	7,081
Dec-07	3,591	-10,860	-4,426	-11,695
Jan-08	4,321	0	-963	3,268
Feb-08	5,540	0	-753	4,787
Mar-08	5,692	-14,063	-3,857	-12,228
Apr-08	8,027	0	-225	-7,802
May-08	3,549	0	-522	-3,027
Jun-08	7,522	0	-4,639	-2,883
Jul-08	N/A	0	-1,007	-
Aug-08	N/A	0	-780	-
Sep-08	N/A	-692	-3,774	-

Figures may not sum due to rounding.

*Coupon flow numbers are for the stock of debt outstanding at end-quarter.

Results of gilt auctions

Auction date	Gilt	Issue amount (nominal)	Cover	Yield tail (basis points)	Average accepted price	Yield at average accepted price
3-Apr-08	4 ³ / ₄ % 2010	£3,750mn	2.63	0.5	£101.51	4.015%
8-Apr-08	1 ¹ / ₄ % IL 2017	£1,200mn	1.64	N/A ^a	£100.49 ^b	1.196%
17-Apr-08	4 ¹ / ₂ % 2042	£2,250mn	1.69	0.9	£98.86	4.566%
24-Apr-08	0 ³ / ₄ % IL 2047	£675mn	2.28	N/A ^a	£101.08 ^b	0.719%
15-May-08	5% 2018	£2,500mn	2.05	0.3	£100.67	4.912%
22-May-08	1 ¹ / ₈ % IL 2037	£900mn	1.99	N/A ^a	£109.55 ^b	0.763%
3-Jun-08	4 ¹ / ₄ % 2055	£2,250mn	1.49	0.7	£97.06	4.398%
10-Jun-08	1 ⁷ / ₈ % IL 2022	£1,100mn	1.58	N/A ^a	£107.41 ^b	1.310%
12-Jun-08	4 ¹ / ₂ % 2013	£3,500mn	1.91	0.7	£96.56	5.330%
24-Jun-08	0 ³ / ₄ % IL 2047	£650mn	1.64	N/A ^a	£110.62 ^b	0.455%

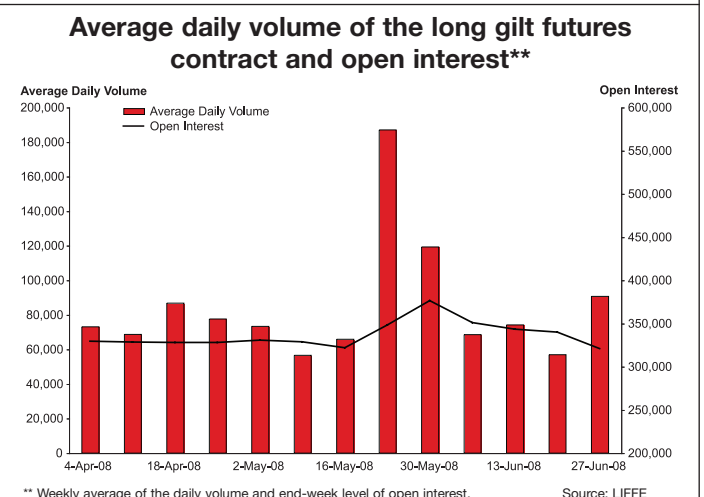
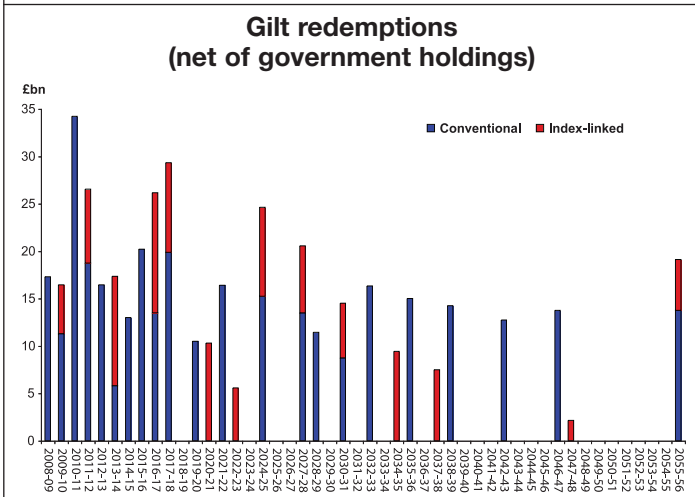
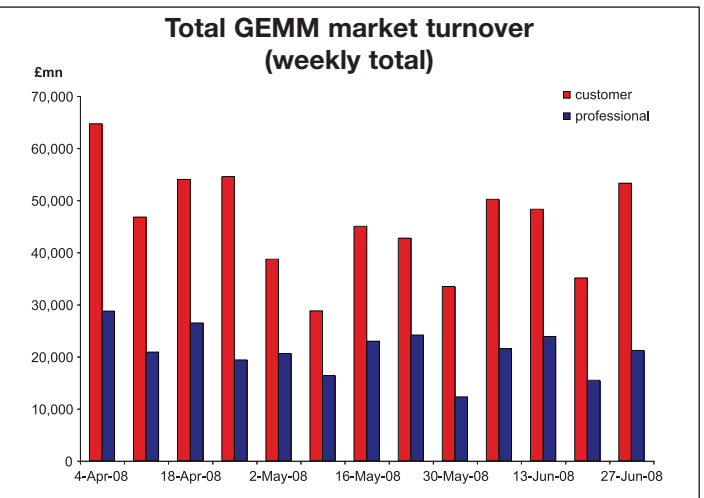
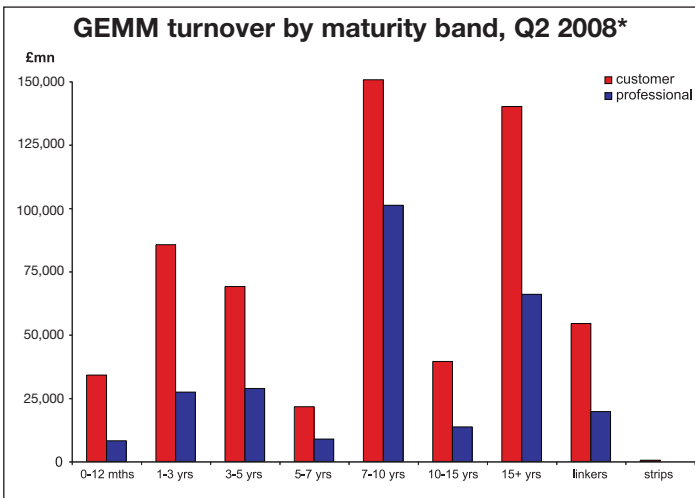
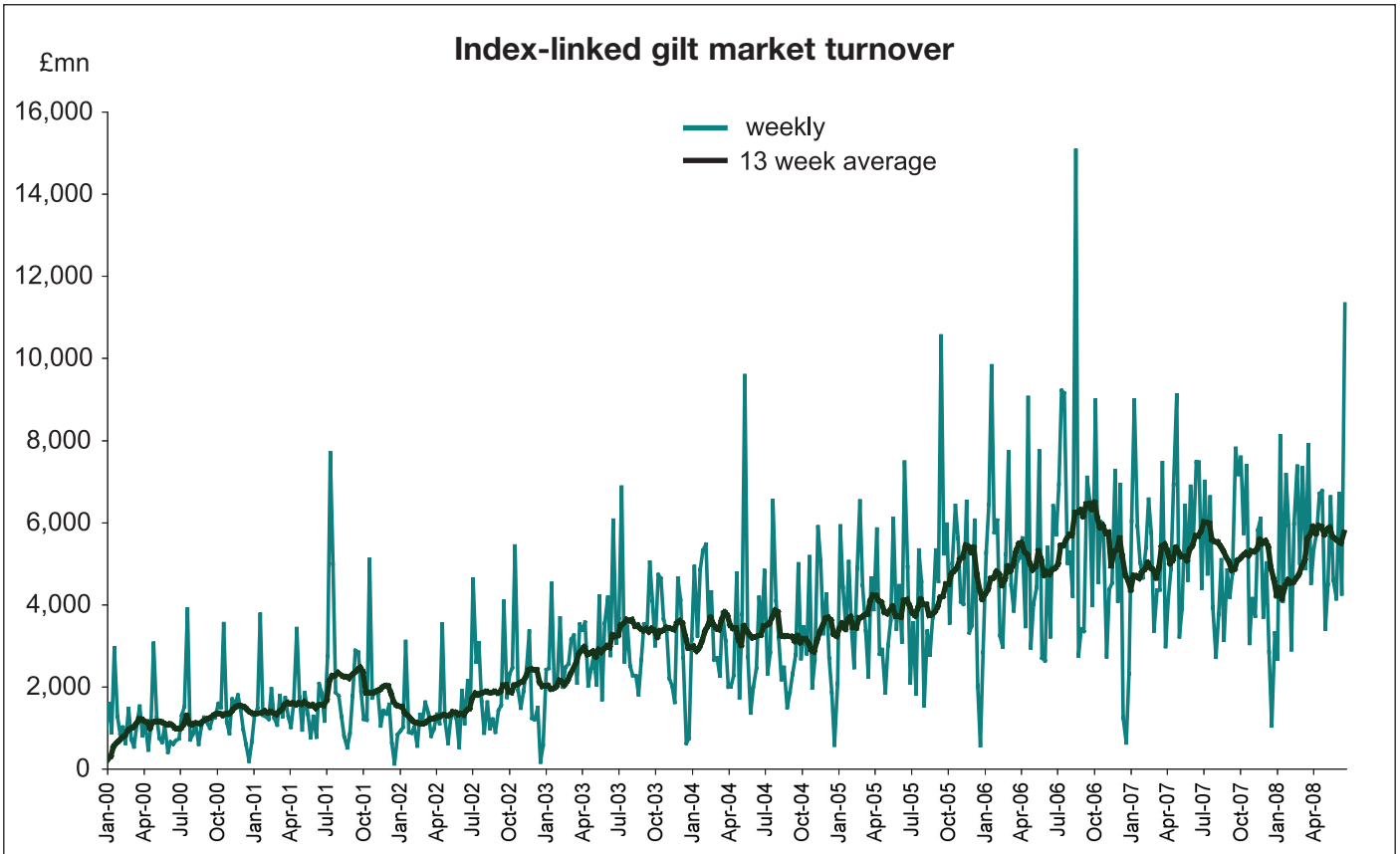
^a Index-linked gilts are issued through a uniform price format. ^b This is the real clean price.

Progress against the 2008-09 financing remit to end-June 2008

(£mn cash)	Conventional gilts			Index-linked gilts	Total
	Short (0-7 years)	Medium (7-15 years)	Long (>15 years)		
Outright sales	7,180	2,516	4,407	4,994	19,097
Remit plans	25,000	12,800	24,200	18,000	80,000

2007-08 and 2008-09 financing requirements

<i>Figures may not sum due to rounding</i>	2007-08 (Budget 2007)	2007-08 (Budget 2008)	2007-08 (outturn)	2008-09 (Budget 2008)	2008-09 (April 2008)
(£bn)					
CGNCR forecast	37.6	37.7	32.6	59.3	59.3
Redemptions	29.2	29.2	29.2	17.3	17.3
Financing for the Official Reserves	0.0	0.0	0.0	2.0	2.0
Debt buy-backs	0.0	0.1	0.1	0.0	0.0
Planned short-term financing adjustment	-4.2	-4.1	-4.1	4.2	-2.5
Gross financing requirement	62.6	62.9	57.8	82.8	76.1
Less					
National Savings & Investments' contribution	2.8	5.6	5.8	4.0	4.0
Net financing requirement	59.8	57.3	52.0	78.8	72.1
Gilt sales planned during the year	58.4	58.5	58.5	80.0	80.0
Change in planned Treasury bill stock	1.4	0.6	2.0	5.8	-0.9
Change in Ways and Means	0.0	-6.0	-6.0	-7.0	-7.0
DMO net cash position at end of financial year	0.5	-3.7	3.0	0.5	0.5



*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).

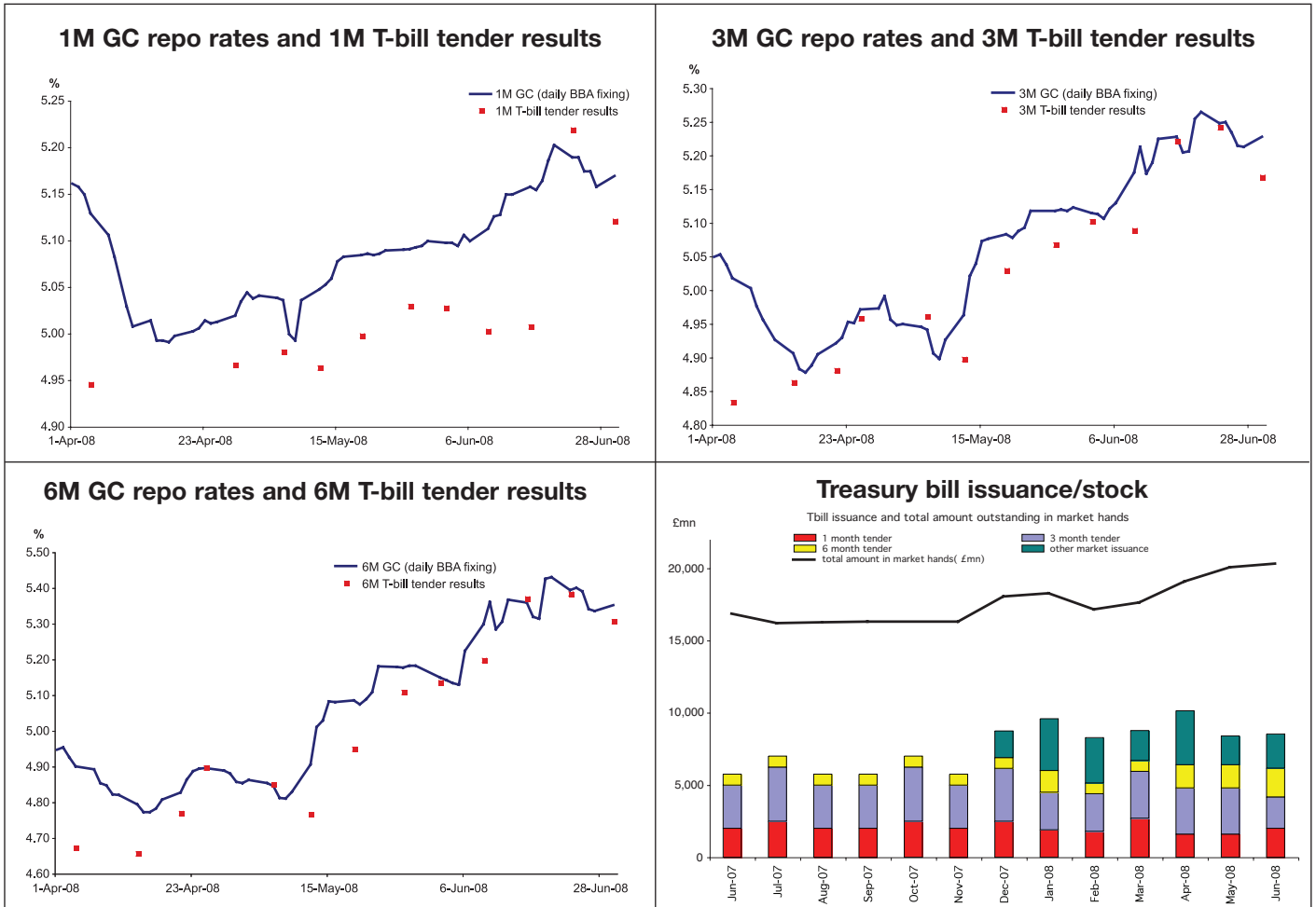
Gilts in issue at 30 June 2008 (£mn nominal)

Conventional gilts	Redemption date	First issue date	Amount in issue	Amount held in stripped form	DMO/CRND* Holdings
Shorts: (maturity of up to 7 years)					
4% Treasury Stock 2009	7-Mar-2009	14-May-2003	17,141	150	912
5 ³ / ₄ % Treasury Stock 2009	7-Dec-2009	30-Jul-1998	12,479	53	1,394
4 ³ / ₄ % Treasury Stock 2010	7-Jun-2010	19-Nov-2004	17,137	42	1,148
6 ¹ / ₄ % Treasury Stock 2010	25-Nov-2010	27-Jan-1994	5,410	-	928
4 ¹ / ₄ % Treasury Gilt 2011	7-Mar-2011	9-Nov-2005	14,292	10	547
9% Conversion Loan 2011	12-Jul-2011	12-Jul-1987	5,887	-	696
5% Treasury Stock 2012	7-Mar-2012	25-May-2001	14,561	97	1,450
5 ¹ / ₄ % Treasury Gilt 2012	7-Jun-2012	16-Mar-2007	10,654	2	406
4 ¹ / ₂ % Treasury Gilt 2013	7-Mar-2013	5-Mar-2008	6,073	0	77
8% Treasury Stock 2013	27-Sep-2013	1-Apr-1993	6,745	-	950
5% Treasury Stock 2014	7-Sep-2014	25-Jul-2002	14,239	50	1,246
Mediums: (maturity of 7 to 15 years)					
4 ³ / ₄ % Treasury Stock 2015	7-Sep-2015	26-Sep-2003	14,185	42	1,191
8% Treasury Stock 2015	7-Dec-2015	26-Jan-1995	8,049	78	844
4% Treasury Gilt 2016	7-Sep-2016	2-Mar-2006	14,032	186	541
8 ³ / ₄ % Treasury Stock 2017	25-Aug-2017	30-Apr-1992	8,456	-	1,085
5% Treasury Gilt 2018	7-Mar-2018	25-May-2007	12,869	18	373
4 ³ / ₄ % Treasury Stock 2020	7-Mar-2020	29-Mar-2005	11,166	71	671
8% Treasury Stock 2021	7-Jun-2021	29-Feb-1996	18,265	442	1,870
Longs: (maturity of over 15 years)					
5% Treasury Stock 2025	7-Mar-2025	27-Sep-2001	16,826	147	1,583
4 ¹ / ₄ % Treasury Gilt 2027	7-Dec-2027	6-Sep-2006	14,032	9	535
6% Treasury Stock 2028	7-Dec-2028	29-Jan-1998	12,827	330	1,380
4 ³ / ₄ % Treasury Gilt 2030	7-Dec-2030	3-Oct-2007	9,075	5	327
4 ¹ / ₄ % Treasury Stock 2032	7-Jun-2032	25-May-2000	18,009	326	1,681
4 ¹ / ₄ % Treasury Stock 2036	7-Mar-2036	27-Feb-2003	16,285	438	1,289
4 ³ / ₄ % Treasury Stock 2038	7-Dec-2038	23-Apr-2004	15,547	208	1,305
4 ¹ / ₂ % Treasury Gilt 2042	7-Dec-2042	6-Jun-2007	13,144	3	397
4 ¹ / ₄ % Treasury Gilt 2046	7-Dec-2046	12-May-2006	14,292	15	544
4 ¹ / ₄ % Treasury Gilt 2055	7-Dec-2055	27-May-2005	14,309	25	562
3 ¹ / ₂ % War Loan	Undated	1-Dec-1932	1,939	-	31
Index-linked gilts: 3-month lag					
Index-linked gilts: 3-month lag	Redemption date	First issue date	Amount in issue	Nominal including inflation uplift	DMO/CRND* Holdings
1 ¹ / ₄ % I-L Treasury Gilt 2017	22-Nov-2017	8-Feb-2006	9,634	10,642	338
1 ⁷ / ₈ % I-L Treasury Gilt 2022	22-Nov-2022	11-Jul-2007	5,704	5,935	157
1 ¹ / ₄ % I-L Treasury Gilt 2027	22-Nov-2027	26-Apr-2006	7,172	7,909	249
1 ¹ / ₈ % I-L Treasury Gilt 2037	22-Nov-2037	21-Feb-2007	6,752	7,144	204
0 ³ / ₄ % I-L Treasury Gilt 2047	22-Nov-2047	21-Nov-2007	2,848	2,933	49
1 ¹ / ₄ % I-L Treasury Gilt 2055	22-Nov-2055	23-Sep-2005	5,484	6,106	235
Index-linked gilts: 8-month lag					
Index-linked gilts: 8-month lag	Redemption date	First issue date	Amount in issue	Nominal including inflation uplift	DMO/CRND* Holdings
2 ¹ / ₂ % I-L Treasury Stock 2009	20-May-2009	19-Oct-1982	3,427	9,090	403
2 ¹ / ₂ % I-L Treasury Stock 2011	23-Aug-2011	28-Jan-1982	4,803	13,459	531
2 ¹ / ₂ % I-L Treasury Stock 2013	16-Aug-2013	21-Feb-1985	7,620	17,845	803
2 ¹ / ₂ % I-L Treasury Stock 2016	26-Jul-2016	19-Jan-1983	7,982	20,430	922
2 ¹ / ₂ % I-L Treasury Stock 2020	16-Apr-2020	12-Oct-1983	6,585	16,580	686
2 ¹ / ₂ % I-L Treasury Stock 2024	17-Jul-2024	30-Dec-1986	6,827	14,602	738
4 ¹ / ₈ % I-L Treasury Stock 2030	22-Jul-2030	12-Jun-1992	5,207	8,051	533
2% I-L Treasury Stock 2035	26-Jan-2035	11-Jul-2002	9,738	11,718	816
Rump gilts					
Rump gilts	Redemption date	First issue date	Amount in issue		DMO/CRND* Holdings
5 ¹ / ₂ % Treasury Stock 2008-2012	10-Sep-2008	5-Oct-1960	692		5
9% Treasury Loan 2008	13-Oct-2008	11-Feb-1987	379		1
8% Treasury Stock 2009	25-Sep-2009	23-Apr-1986	223		4
7 ³ / ₄ % Treasury Loan 2012-2015	26-Jan-2012	26-Jan-1972	441		2
9% Treasury Stock 2012	6-Aug-2012	7-Feb-1992	211		0
12% Exchequer Stock 2013-2017	12-Dec-2013	15-Jun-1978	17		0
2 ¹ / ₂ % Treasury Stock	Undated	28-Oct-1946	426		1
4% Consolidated Loan	Undated	16-Mar-1932	273		2
2 ¹ / ₂ % Consolidated Stock	Undated	5-Apr-1888	186		1
3% Treasury Stock	Undated	1-Mar-1946	41		1
3 ¹ / ₂ % Conversion Loan	Undated	1-Apr-1921	18		6
2 ¹ / ₂ % Annuities	Undated	13-Jun-1853	1		0
2 ³ / ₄ % Annuities	Undated	17-Oct-1884	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, but excludes holdings by local authorities, public corporations and the Bank of England.*

Money market operations



Treasury bill tender results Q2 2008*

Tender date	Tender amount (£mn)	Average yield (%)	Average price (£)	Cover	Yield tail (bp)
1 Month T-bills					
4-Apr-2008	400	4.9455	99.6086	4.49	3
11-Apr-2008	400	4.8539	99.6290	3.73	8
18-Apr-2008	400	4.8974	99.6257	3.18	10
25-Apr-2008	400	4.9662	99.6070	2.51	5
2-May-2008	400	4.9802	99.6330	2.58	7
9-May-2008	400	4.9631	99.6207	3.11	3
16-May-2008	400	4.9977	99.6181	4.07	3
23-May-2008	400	5.0295	99.6293	5.18	3
30-May-2008	400	5.0275	99.6158	3.34	1
6-Jun-2008	400	5.0027	99.6177	2.60	1
13-Jun-2008	400	5.0072	99.6174	1.84	2
20-Jun-2008	400	5.2119	99.6018	1.64	5
27-Jun-2008	400	5.1208	99.6087	4.11	4
3 Month T-bills					
4-Apr-2008	800	4.8329	98.8094	3.12	2
11-Apr-2008	800	4.8628	98.8021	2.51	4
18-Apr-2008	800	4.8807	98.7978	2.79	4
25-Apr-2008	800	4.9572	98.7792	1.88	4
2-May-2008	800	4.9606	98.7916	2.39	4
9-May-2008	800	4.8974	98.7937	1.58	7
16-May-2008	800	5.0293	98.7616	2.02	1
23-May-2008	800	5.0672	98.7524	2.42	1
30-May-2008	800	5.1020	98.7440	0.72**	9
6-Jun-2008	400	5.0888	98.7472	3.25	0
13-Jun-2008	400	5.2213	98.7150	1.59	10
20-Jun-2008	400	5.2412	98.7101	3.72	1
27-Jun-2008	400	5.1679	98.7280	4.15	2

*6-month Treasury bill tender results are listed on page 8

** £574 million issued.

Calendar for Q3 2008

Treasury bill tenders usually take place every Friday.
Unless specified otherwise DMO announcements take place at 3.30pm.

July

1	Announcement of the size of the auction on 8 July of 1 ¹ / ₈ % Index-linked Treasury Gilt 2037.
2	Auction of 4 ¹ / ₂ % Treasury Gilt 2042.
8	Auction of 1 ¹ / ₈ % Index-linked Treasury Gilt 2037. Announcement of the size of the auction on 17 July of 5% Treasury Stock 2012.
15	Announcement of the size of the auction on 24 July of 1 ¹ / ₄ % Index-linked Treasury Gilt 2027. Publication of the June 2008 RPI by ONS. Dividend fixings for 2 ¹ / ₂ % Index-linked Treasury Stock 2011 and 2 ¹ / ₂ % Index-linked Treasury Stock 2013. Publication of the 2 August – 1 September index ratios for index-linked gilts with a 3-month indexation lag.
17	Auction of 5% Treasury Stock 2012.
22	Announcement of the size of the auction on 29 July of 5% Treasury Gilt 2018.
24	Auction of 1 ¹ / ₄ % Index-linked Treasury Gilt 2027.
29	Auction of 5% Treasury Gilt 2018. Announcement of the size of the auction on 5 August of 4 ³ / ₄ % Treasury Gilt 2030.

August

5	Auction of 4 ³ / ₄ % Treasury Gilt 2030. Announcement of the size of the auction on 14 August of 1 ¹ / ₈ % Index-linked Treasury Gilt 2037.
12	Publication of the July 2008 RPI by ONS. Publication of the 2 September – 1 October index ratios for index-linked gilts with a 3-month indexation lag.
14	Auction of 1 ¹ / ₈ % Index-linked Treasury Gilt 2037.
18	DMO quarterly consultation meetings with end-investors (3.30pm) and GEMMs (5.00pm).
19	Publication at 9am of the quarterly consultation meeting minutes.
26	Announcement of the size of the auction on 2 September of a new conventional gilt maturing on 7 December 2049. The coupon on the new gilt is also announced on this day.
30	Publication of the gilt auction calendar for October-December 2008.

September

2	Auction of a new conventional gilt maturing on 7 December 2049. Announcement of the size of the auction on 10 September of 4 ¹ / ₂ % Treasury Gilt 2013.
10	Auction of 4 ¹ / ₂ % Treasury Gilt 2013.
16	Announcement of the size of the auctions on 23 September of 1 ¹ / ₄ % Index-linked Treasury Gilt 2055 and on 25 September of a new conventional gilt maturing on 7 March 2019. The coupon on the new gilt is also announced on this day. Publication of the August 2008 RPI by ONS. Dividend fixing for 2 ¹ / ₂ % Index-linked Treasury Stock 2020. Publication of the 2 October – 1 November index ratios for index-linked gilts with a 3-month indexation lag.
23	Auction of 1 ¹ / ₄ % Index-linked Treasury Gilt 2055.
25	Auction of a new conventional gilt maturing on 7 March 2019.
26	Publication of the Treasury bill calendar for October-December 2008.

DMO wire service pages

Information	Reuters	Thomson/Topic	Bloomberg
Index	DMO/INDEX	44799	DMO<GO>
Announcements	DMO/GILTS1 to 9	44700 to 44712	DMO1<GO>
Shop window general information	DMO/GILTS10	44717	DMO3<GO>
Shop window 1	DMO/GILTS11	44718	DMO3<GO>
Intra-day prices (Conventionals)	DMO/BENCH1	44720 to 44721	DMO2<GO>
GEMMA ref prices (Conventionals)	GEMMA01 to 04	44800 to 44802	DMO4<GO>
GEMMA ref prices (3-month I-L)	GEMMA07	44809	DMO5<GO>
GEMMA ref prices (8-month I-L)	GEMMA08	44805	DMO6<GO>
GEMMA ref prices (Strips)	GEMMA13 to 25	44850 to 44869	DMO7<GO>
Cash announcements	DMO/CASH01 to 10	44660 to 44669	DMO8<GO>
T-bill tender information	DMO/CASH11 to 15	44670 to 44674	DMO9<GO>
Ad-hoc tender information	DMO/CASH16 to 17	44675 to 44676	DMO10<GO>
T-bill reference prices	DMO/TBILLS01 to 04	44900 to 44903	DMO11<GO>

Contacts

Name	Position	Telephone No.	E-mail
Robert Steheman	Chief Executive	0845 357 6533	robert.steheman@dmo.gsi.gov.uk
Jo Whelan	Deputy Chief Executive	0845 357 6531	jo.whelan@dmo.gsi.gov.uk
Jim Juffs	Chief Operating Officer	0845 357 6520	jim.juffs@dmo.gsi.gov.uk
Joanne Perez	Joint Head of Policy, Markets & Research	0845 357 6539	joanne.perez@dmo.gsi.gov.uk
Martin Duffell	Head of Dealing	0845 357 6517	martin.duffell@dmo.gsi.gov.uk
Gurminder Bhachu	Co-Head of Policy Team	0845 357 6512	gurminder.bhachu@dmo.gsi.gov.uk
Tim Riddington	Co-Head of Policy Team	0845 357 6623	tim.riddington@dmo.gsi.gov.uk
Steve Whiting	Press Officer	0845 357 6532	steve.whiting@dmo.gsi.gov.uk
Sarah Ellis	Deputy Press Officer	0845 357 6525	sarah.ellis@dmo.gsi.gov.uk
Mark Deacon	Senior Quantitative Analyst	0845 357 6516	mark.deacon@dmo.gsi.gov.uk
James Knight	Senior Policy Advisor	0845 357 6571	james.knight@dmo.gsi.gov.uk

Updated data, press releases and other information are available on the DMO website at www.dmo.gov.uk
Comments on this publication would be welcomed by Sarah Ellis.

Treasury bill tender results Q2 2008

Tender date	Tender amount (£mn)	Average yield (%)	Average price (£)	Cover	Yield tail (bp)
6 Month T-bills					
4-Apr-2008	400	4.6713	97.7238	3.06	3
11-Apr-2008	400	4.6558	97.7311	4.06	4
18-Apr-2008	400	4.7690	97.6773	2.76	4
25-Apr-2008	400	4.8959	97.6170	2.51	2
2-May-2008	400	4.8490	97.6519	2.63	2
9-May-2008	400	4.7657	97.6789	2.46	2
16-May-2008	400	4.9485	97.5920	3.29	8
23-May-2008	400	5.1076	97.5298	2.88	1
30-May-2008	400	5.1357	97.5031	1.53	4
6-Jun-2008	400	5.1977	97.4737	2.94	0
13-Jun-2008	400	5.3704	97.3920	1.83	8
20-Jun-2008	400	5.3837	97.3857	3.37	4
27-Jun-2008	400	5.3059	97.4225	3.29	2

