



Quarterly REVIEW

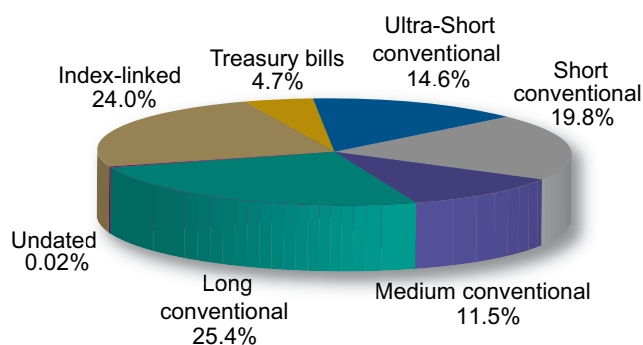
Details of the Gilt and Treasury bill portfolio at 30 June 2015

Portfolio summary statistics	31 March 2015		30 June 2015	
	Gross	Net*	Gross	Net*
Nominal value of the gilt and Treasury bill portfolio - including inflation uplift	£1,493.12bn	£1,365.85bn	£1,529.72bn	£1,402.36bn
Nominal value of the gilt portfolio - including inflation uplift	£1,427.66bn	£1,300.40bn	£1,458.43bn	£1,331.07bn
• Conventional gilts - inc. undated gilts	£1,069.88bn	£953.40bn	£1,090.82bn	£974.31bn
• Index-linked gilts	£357.78bn	£347.00bn	£367.61bn	£356.75bn
Market value of the gilt and Treasury bill portfolio	£1,875.90bn	£1,710.57bn	£1,846.29bn	£1,688.19bn
Market value of the gilt portfolio	£1,810.51bn	£1,645.18bn	£1,775.07bn	£1,616.97bn
• Conventional gilts - inc. undated gilts	£1,310.45bn	£1,159.34bn	£1,281.36bn	£1,137.24bn
• Index-linked gilts	£500.06bn	£485.84bn	£493.71bn	£479.73bn
Market value weighted average portfolio yield:				
• Conventional gilts - inc. undated gilts	1.50%	1.50%	1.83%	1.82%
• Index-linked gilts	-1.03%	-1.02%	-0.84%	-0.84%
Market value weighted average portfolio maturity - inc. TBills:	16.24 years	16.39 years	15.68 years	15.82 years
Market value weighted average portfolio maturity - exc. TBills:	16.82 years	17.03 years	16.30 years	16.51 years
• Conventional gilts - exc. undated gilts	14.77 years	14.72 years	14.15 years	14.10 years
• Index-linked gilts	22.21 years	22.54 years	21.88 years	22.21 years
Market value weighted average portfolio modified duration:				
• Conventional gilts - inc. undated gilts	10.16 years	10.14 years	9.60 years	9.57 years
• Index-linked gilts	20.81 years	21.14 years	20.48 years	20.81 years

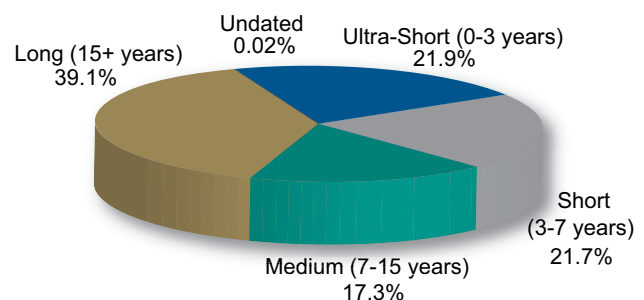
These portfolio statistics exclude the £200m UK Sovereign Sukuk issue which was launched on 25 June 2014.

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

Composition of gilt and Treasury bill portfolio**



Gilt and Treasury bill portfolio maturity split**

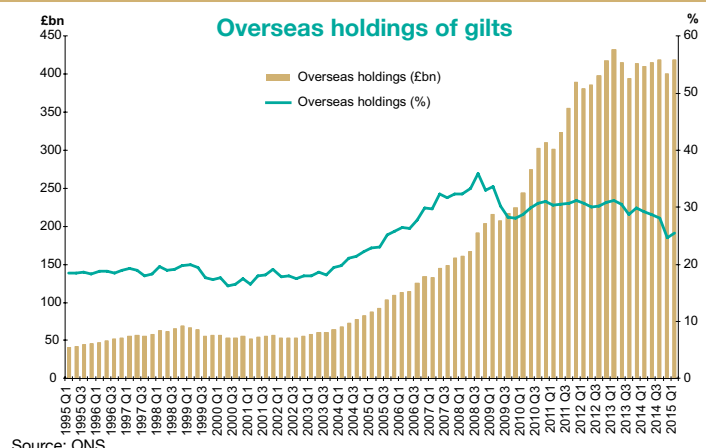


Distribution of gilt holdings at 31 March 2015 (based on market values)

(£millions) at end	Q4 2014	Q1 2015
Insurance companies and pension funds	468,340	473,938
Overseas	399,652	418,900
Bank of England (Asset Purchase Facility)	402,959	407,281
Other financial institutions and other	162,797	174,936
Monetary Financial Institutions	157,859	143,640
Households	25,835	24,964
Local authorities and public corporations	1,622	1,139
TOTAL	1,619,064	1,644,798

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.

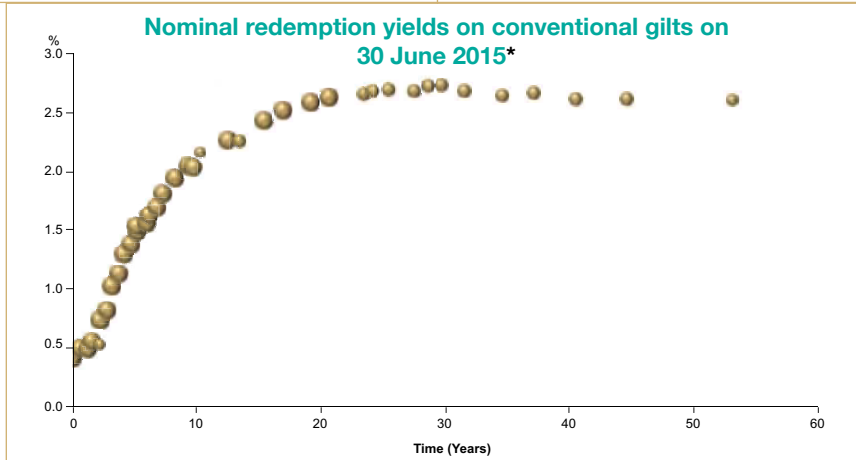
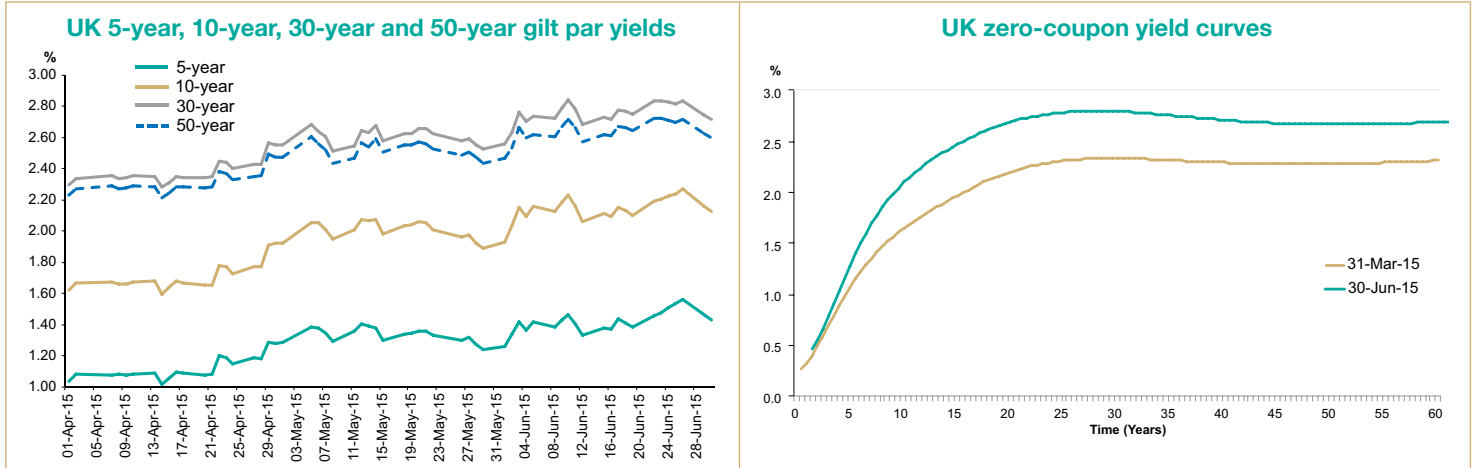
Overseas holdings of gilts



Source: ONS.

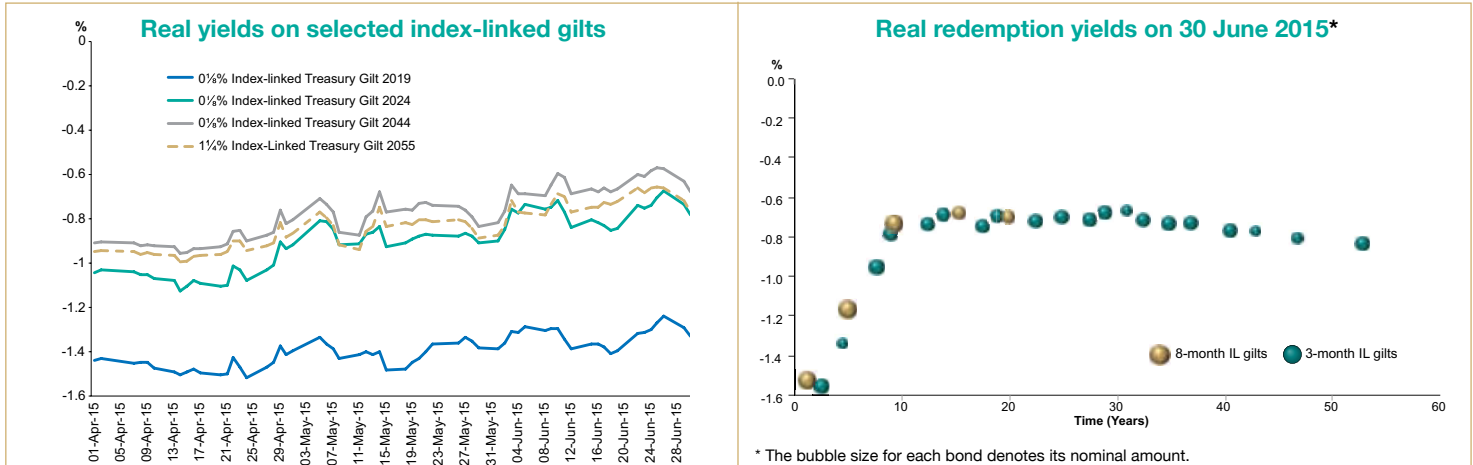
** These are based on uplifted nominal values. Figures in the pie charts may not sum due to rounding.

Conventional gilts

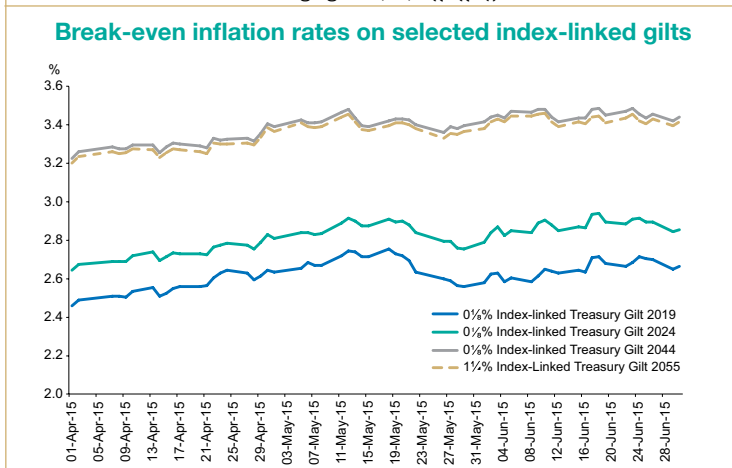


* The bubble size for each bond denotes its nominal amount.

Index-linked gilts



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



Projected redemption values of index-linked gilts based on average inflation of 2½% and 3% per annum*

Nominal Amount : £100.00	Inflation Assumptions	
	2.50%	3.00%
Gilt name	250.64	321.42
2½% Index-linked Treasury Stock 2016	320.64	321.42
1¼% Index-linked Treasury Gilt 2017	141.28	142.88
0% Index-linked Treasury Gilt 2019	115.11	117.55
2½% Index-linked Treasury Stock 2020	346.05	353.28
1% Index-linked Treasury Gilt 2022	150.58	156.03
0% Index-linked Treasury Gilt 2024	132.01	137.69
2½% Index-linked Treasury Stock 2024	326.48	340.27
1¼% Index-linked Treasury Gilt 2027	180.55	191.71
0% Index-linked Treasury Gilt 2029	152.52	162.99
4¼% Index-linked Treasury Stock 2030	273.72	293.73
1¼% Index-linked Treasury Gilt 2032	182.60	198.66
0¾% Index-linked Treasury Gilt 2034	176.43	193.19
2% Index-linked Treasury Stock 2035	238.05	261.11
1% Index-linked Treasury Gilt 2037	221.82	247.28
0% Index-linked Treasury Gilt 2040	219.47	247.45
0% Index-linked Treasury Gilt 2042	238.91	272.90
0% Index-linked Treasury Gilt 2044	216.39	248.77
0% Index-linked Treasury Gilt 2046	213.79	248.19
0¾% Index-linked Treasury Gilt 2047	276.44	323.54
0½% Index-linked Treasury Gilt 2050	285.09	337.48
0¼% Index-linked Treasury Gilt 2052	264.09	315.68
1¼% Index-linked Treasury Gilt 2055	364.15	443.12
0% Index-linked Treasury Gilt 2058	289.72	356.58
0¾% Index-linked Treasury Gilt 2062	347.02	435.50
0¾% Index-linked Treasury Gilt 2068	380.14	491.21

* Using actual value for the May 2015 RPI and projected values for future months

Gilt market flows (£mn)

	Gross gilt issuance (cash)	Redemptions	Coupons*	Net financing from gilts after redemptions and coupons
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	7,592	-21	-777	6,794
Jun-15	11,795	-	-7,160	4,635
Jul-15	12,892	-383	-4,042	8,467
Aug-15	-	-	-482	-
Sep-15	-	-31,693	-10,240	-

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 [†] March Budget	2015-16 July Budget
CGNCR exc. NRAM, B&B* and Network Rail**	92.3	85.6	71.6
Gilt Redemptions	64.5	70.2	70.2
Financing for the Official Reserves	12.7	5.3	5.3
Planned short-term financing adjustment	-30.2	-13.1	-13.1
Gross financing requirement	139.2	148.1	134.1
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
Net financing requirement	121.8	137.9	123.9
Gilt sales planned during the year	126.4	130.9	127.4
Change in planned Treasury bill stock	8.5	7.0	-3.5
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.

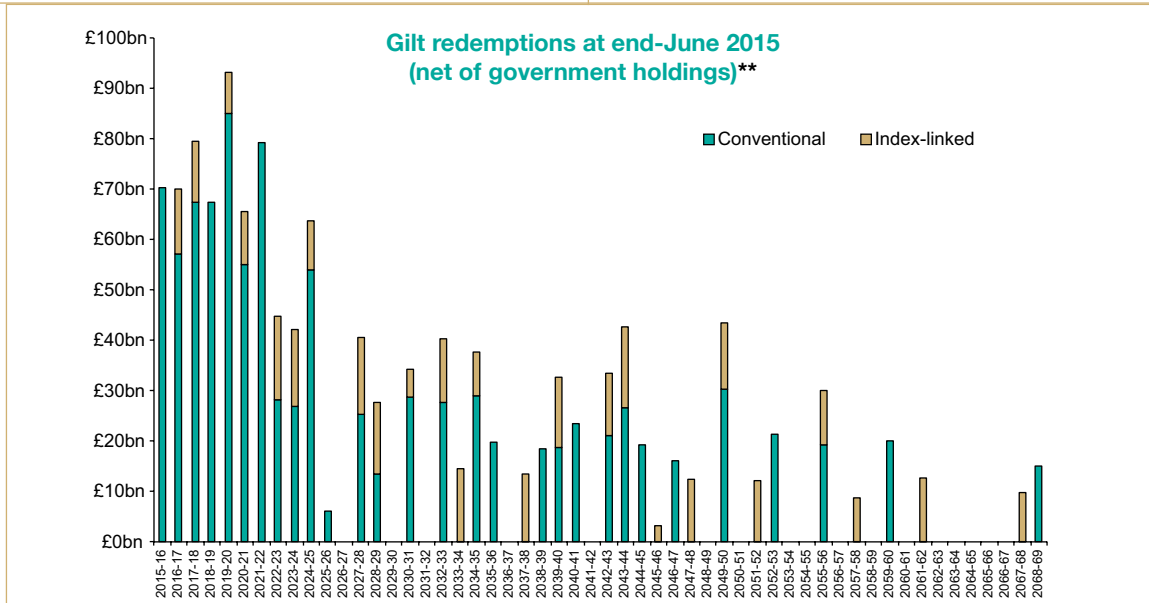
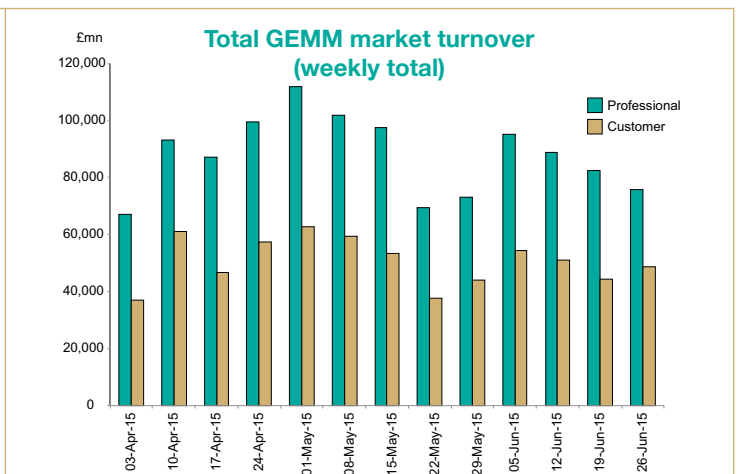
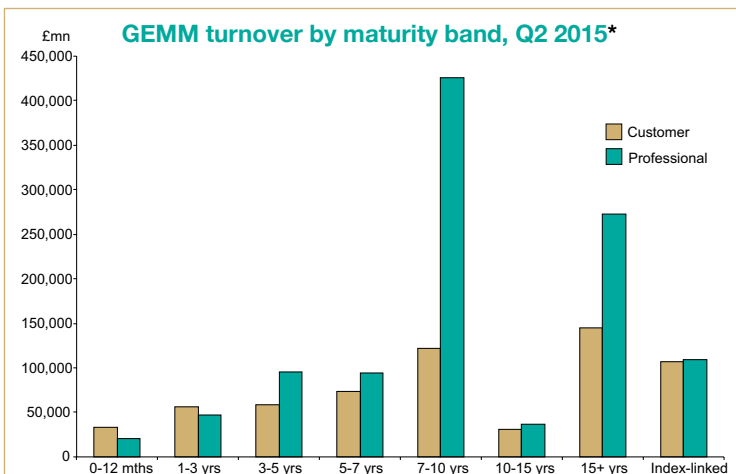
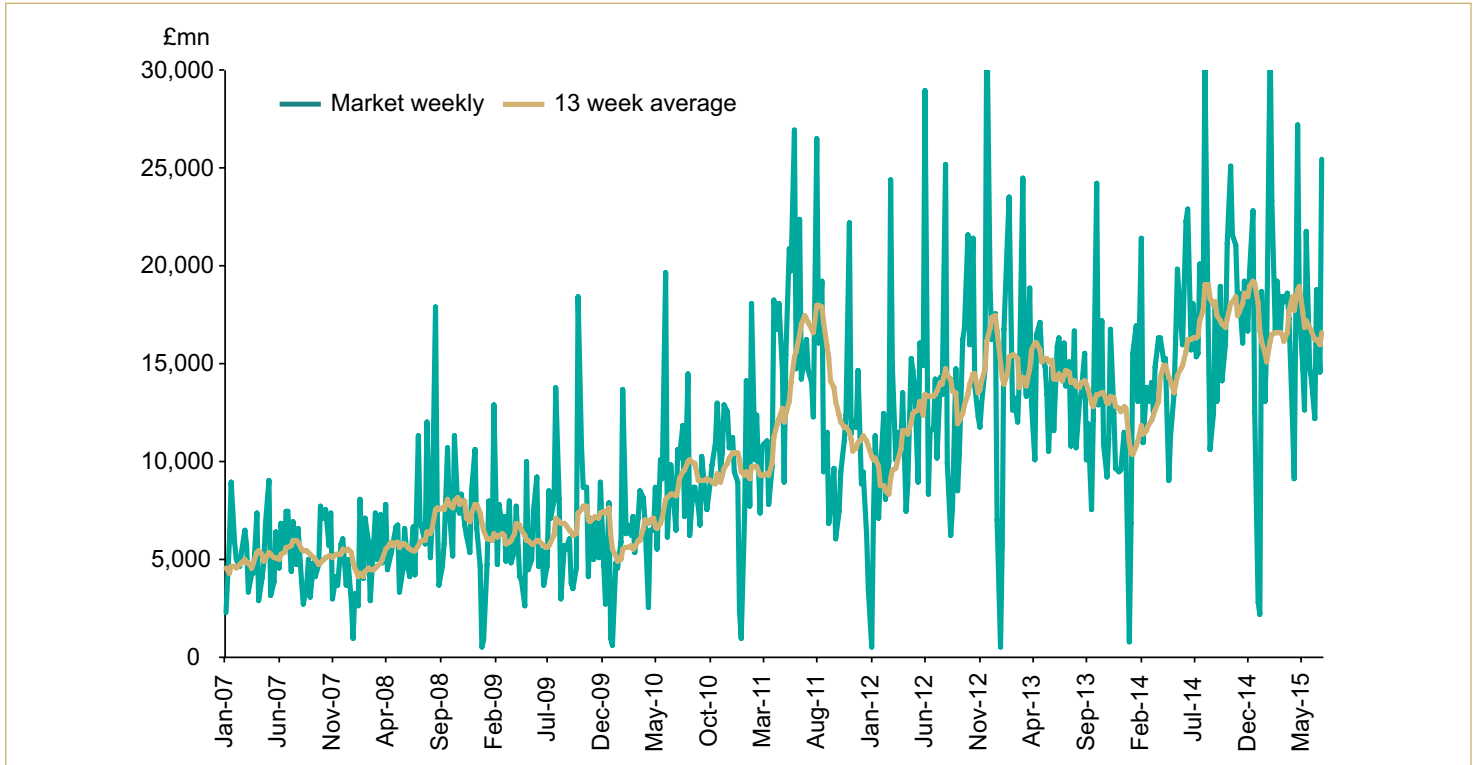
[†] as updated on 23 April 2015.

* 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. Prior to publication of the end-year outturn in April each year, this financing item will only comprise estimated revenue from coinage.

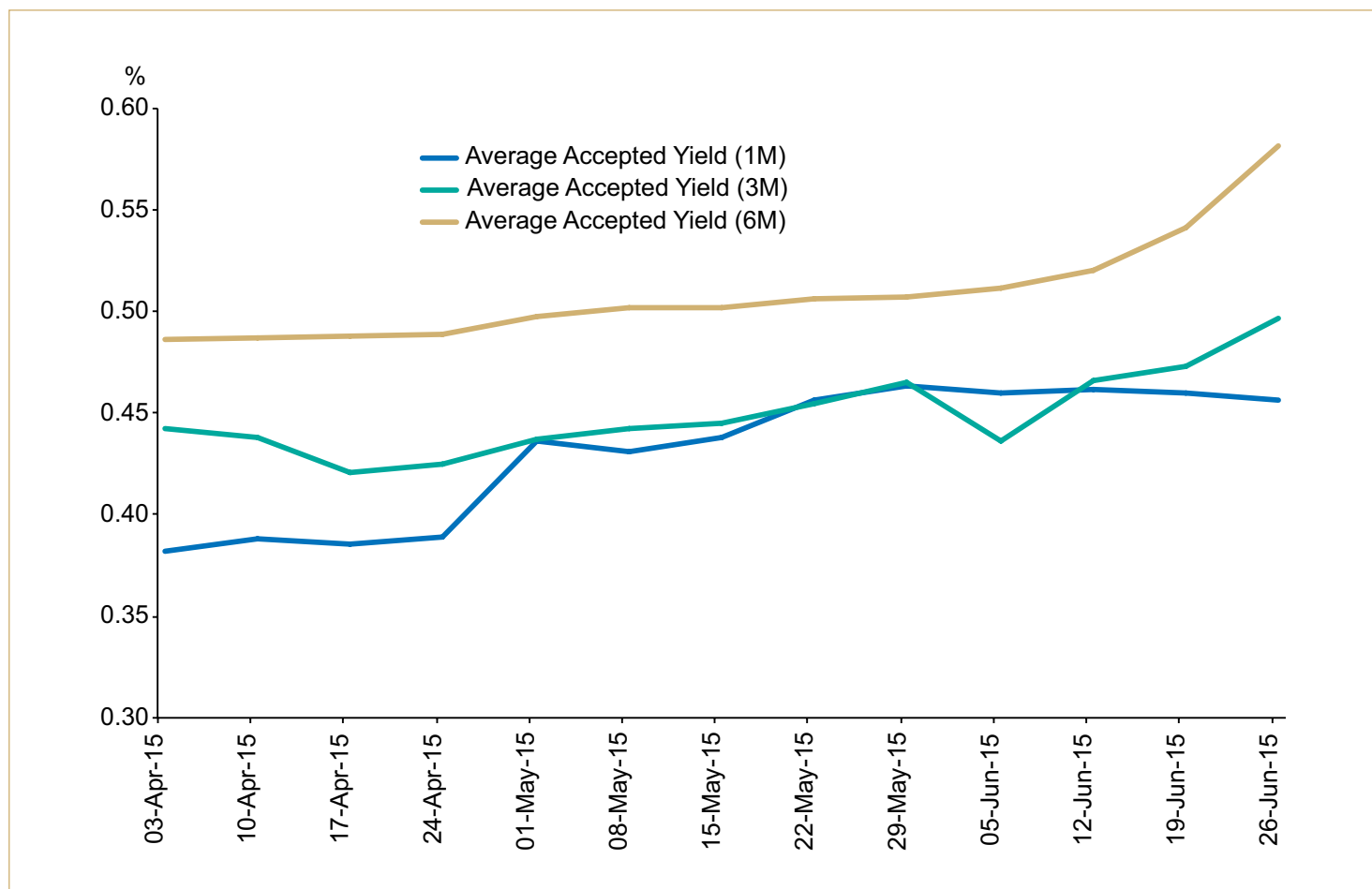
Index-linked gilt market turnover 2007 - 2015



*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 April – June 2015



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Updated data, press releases and other information are available on the DMO website at 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

Events calendar

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

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

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

Overseas holdings data

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

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

Summary of Treasury bills tender results

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

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

Historical copies of the Annual Review

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

Operational Notice – Cash market

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

DMO Financing Remit 2015-16

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

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>