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PRESS NOTICE

SYNDICATED RE-OPENING OF 0 $\frac{1}{8}$ % INDEX-LINKED TREASURY GILT 2041: APPOINTMENT OF SYNDICATE

The United Kingdom Debt Management Office (DMO) announces the appointment of a syndicate to sell by subscription the forthcoming re-opening of 0 $\frac{1}{8}$ % Index-linked Treasury Gilt 2041.

Joint Bookrunners: BNP Paribas, Deutsche Bank, HSBC and NatWest Markets.

Co-Lead Managers: All other panel member Index-linked Gilt-edged Market Makers (IL GEMMs) have been invited to be Co-Lead Managers.

The DMO has appointed a panel comprising exclusively wholesale GEMM firms from which it will choose syndicate members to conduct its programme of five planned syndications in the financial year 2019-20. The programme is currently planned to raise £21.7 billion.

This transaction will be the fourth syndication to be held in 2019-20 and the DMO is currently planning to schedule the sale in the week commencing 18 November 2019, subject to market and demand conditions. Further details of the sale will be announced in due course.

Notes for editors

The DMO's financing remit for 2019-20, published alongside the Spring Statement on 13 March 2019, included the provision for a programme of syndicated offerings to be held in 2019-20 aiming to raise £21.0 billion¹ (split between £13.0 billion of long conventional gilts

¹ Figures in this Press Notice are in cash terms unless stated otherwise.

and £8.0 billion of index-linked gilts). The DMO also announced that it envisaged holding five syndicated offerings (three of long conventional gilts and two of index-linked gilts) in 2019-20. Sales of £3.8 billion are required to meet the current index-linked gilt syndication plan.

At the remit revision announced alongside the publication of the 2018-19 CGNCR (ex NRAM, B&B and NR)² outturn on 24 April 2019, the total of planned gilt sales in 2019-20 rose by £3.7 billion to £117.8 billion; however, the planned syndication programme in 2019-20 remained unchanged from that announced at the Spring Statement 2019.

The remit for 2019-20 also included an initially unallocated portion of gilt issuance. The remit provides that this portion can be used to issue any type or maturity of gilt via any issuance method. To-date £0.7 billion of the unallocated portion has been transferred to the long conventional syndication programme³, increasing the size of that programme to £13.7 billion and the size of the overall syndication programme to £21.7 billion. The residual balance of the unallocated portion of gilt issuance is £3.1 billion.

The results of the three syndications held to-date in 2019-20 are summarised in the table below:

Date	Gilt	Size (£mn nom)	Issue Price (£)	Issue Yield (%)	Proceeds (£mn cash)
14 May 2019	1½% Treasury Gilt 2054	4,750	100.607	1.603	4,768
09 Jul 2019	0½% Index-linked Treasury Gilt 2041	2,500	162.728	-2.094	4,186
10 Sep 2019	1½% Treasury Gilt 2054	4,000	115.557	1.091	4,614
<i>Figures may not sum due to rounding</i>					13,569

On 30 August 2019, the DMO announced plans to hold a syndication of either a conventional or an index-linked gilt in November 2019, subject to market and demand conditions.

On 30 October 2019, the DMO announced that it was planning to sell via syndication either 0½% Index-linked Treasury Gilt 2041 or a new index-linked gilt maturing on 10 August 2035 in the week commencing 18 November 2019 and sought market feedback on the choice of gilt to be sold.

On 5 November 2019, the DMO confirmed that, following feedback from market participants, it is planning to re-open 0½% Index-linked Treasury Gilt 2041 in the week commencing 18 November 2019.

This Press Notice will be appearing on the DMO's website at: www.dmo.gov.uk

² Central Government Net Cash Requirement (excluding NRAM, Bradford & Bingley (B&B) and Network Rail (NR)).

³ £400 million on 14 May 2019 and £300 million on 10 September 2019, each to successive syndications of 1½% Treasury Gilt 2054.