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PRESS NOTICE

SYNDICATED RE-OPENING OF 2½% TREASURY GILT 2065 IN THE WEEK COMMENCING 4 SEPTEMBER 2017

The UK Debt Management Office (DMO) is announcing today that the third syndication of the 2017-18 programme will be a re-opening of 2½% Treasury Gilt 2065 (ISIN code: GB00BYYMZX75).

The transaction is planned to take place in the week commencing 4 September 2017, subject to market and demand conditions.

Further details of the sale, including the composition of the syndicate, will be announced in due course.

Notes for editors

The DMO's financing remit for 2017-18, published alongside the Spring Budget on 8 March 2017, included the provision for a programme of syndicated offerings to be held in 2017-18 aiming to raise a minimum of £21.0 billion (split £12.0 billion of index-linked gilts and £9.0 billion of long conventional gilts). The DMO also announced that it envisaged holding five syndicated offerings (two of long conventional gilts and three of index-linked gilts) in 2017-18.

The remit for 2017-18 included an initially unallocated portion of gilt issuance of £6.6 billion, which was reduced to £6.5 billion at the remit revision alongside the publication of the 2016-17 CGNCR¹ outturn in April 2017. This portion can be used to issue any type or maturity of gilt via any issuance method. It is expected that the unallocated portion will primarily be used to increase the size of syndicated offerings (where warranted by the size and quality of demand); and/or to increase average sizes of gilt auctions (for example, if they are reduced by the take-up of the Post

¹ Central Government Net Cash Requirement.

Auction Option Facility (PAOF)). The unallocated portion can also be used to schedule gilt tenders.

The results of the first two syndications in the 2017-18 programme are summarised in the table below.

Date	Gilt	Size (£mn nom)	Issue Price (£)	Issue Yield (%)	Proceeds (£mn cash)
16-May-17	1¾% Treasury Gilt 2057	5,000	101.744	1.690	5,077
11-Jul-17	0½% Index-linked Treasury Gilt 2056	2,500	177.716	-1.361	4,540
<i>Figures may not sum due to rounding.</i>					9,618

Given the strength and quality of demand at both these transactions, £0.5 billion (cash) was moved from the unallocated portion of issuance to each of the long conventional and index-linked syndication programmes, increasing the minimum size of the overall syndication programme by £1.0 billion to £22.0 billion. The remaining unallocated portion of issuance has, accordingly, been reduced to £5.5 billion.

2½% Treasury Gilt 2065 currently has £15.3 billion (nominal) in issue; it was launched by syndication on 20 October 2015, re-opened by syndications on 26 April 2016 and 25 October 2016 and auctioned on 12 April 2017.

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