

## **Creation of collateral for cash management operations: April 2005**

On 20 April 2005, in accordance with paragraph 6.9 of the DMO's Exchequer cash management remit for 2005-06, an additional £8,459 million (nominal) of gilts (excluding gilts maturing within one year, double-dated, undated and rump issues) plus £1,005 million of Treasury bills, maturing on 18 July 2005, will be created and issued to the DMO for use as collateral in the DMO's cash management operations.

The increase in size of individual gilts ranges from £69 million (nominal) to £462 million (nominal) for conventionals and from £72 million (nominal) to £247 million (nominal) for index-linked gilts. The amounts have been chosen to have a negligible effect on relevant indices.

This additional collateral will be held on the Debt Management Account by the DMO. Specific gilts will not be available to the repo market for a period of 3 months during which these new issues will be used only in Delivery by Value (DBV) transactions. The additional Treasury bills will only be used in DBV transactions.

A table showing the nominal amounts issued and the revised nominal amounts outstanding (rounded to the nearest £1 million) is shown below.

## Additional collateral to be issued: 20 April 2005

<u>Treasury bills</u>	<u>Nominal amount (£mn)</u>	<u>New amount outstanding (£mn)</u>
Treasury Bill Maturing 18/07/2005	1,005	2,005
<b><u>Conventional gilts</u></b>		
7 3/4 Treasury 2006	109	4,064
7 1/2 Treasury 2006	326	12,133
4 1/2 Treasury 2007	317	11,817
8 1/2 Treasury 2007	128	4,766
7 1/4 Treasury 2007	306	11,409
5 Treasury 2008	392	14,613
4 Treasury 2009	366	13,616
5 3/4 Treasury 2009	316	11,753
4 3/4 Treasury 2010	255	9,505
6 1/4 Treasury 2010	137	5,095
9 Conversion 2011	149	5,545
5 Treasury 2012	368	13,714
8 Treasury 2013	171	6,352
5 Treasury 2014	360	13,410
4 3/4 Treasury 2015	359	13,359
8 Treasury 2015	204	7,581
8 3/4 Treasury 2017	214	7,965
4 3/4 Treasury 2020	69	2,569
8 Treasury 2021	462	17,203
5 Treasury 2025	425	15,847
6 Treasury 2028	324	12,080
4 1/4 Treasury 2032	382	14,211
4 1/4 Treasury 2036	338	12,588
4 3/4 Treasury 2038	393	14,643
<b><u>Index-linked gilts</u></b>		<b><u>New amount outstanding (£mn)</u></b>
		<b>(including inflation uplift)</b>
2 I-L Treasury 2006	72	5,688
2 1/2 I-L Treasury 2009	110	7,633
2 1/2 I-L Treasury 2011	154	11,302
2 1/2 I-L Treasury 2013	226	13,914
2 1/2 I-L Treasury 2016	241	16,178
2 1/2 I-L Treasury 2020	197	13,022
2 1/2 I-L Treasury 2024	203	11,424
4 1/8 I-L Treasury 2030	139	5,632
2 I-L Treasury 2035	247	7,796