



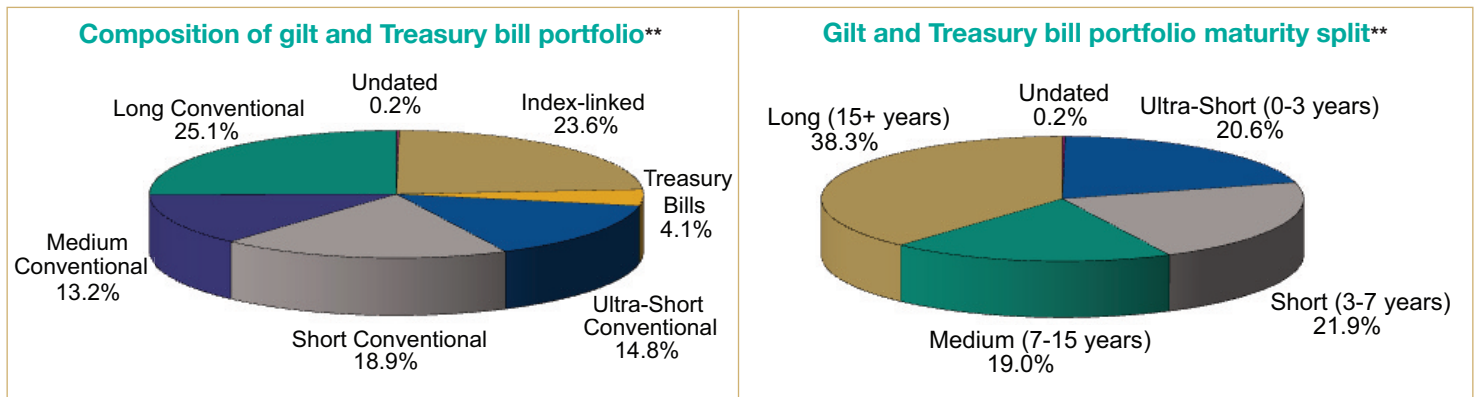
# Quarterly REVIEW

## Details of the Gilt and Treasury bill portfolio at 30 September 2014

Portfolio summary statistics	30 June 2014		30 September 2014	
	Gross	Net*	Gross	Net*
Nominal value of the gilt and Treasury bill portfolio - including inflation uplift	£1,447.51bn	£1,326.74bn	£1,465.08bn	£1,336.90bn
Nominal value of the gilt portfolio - including inflation uplift	£1,398.97bn	£1,278.19bn	£1,404.55bn	£1,276.36bn
<ul style="list-style-type: none"> <li>Conventional gilts - inc. undated gilts</li> <li>Index-linked gilts</li> </ul>	£1,063.72bn £335.25bn	£953.57bn £324.62bn	£1,058.42bn £346.13bn	£940.89bn £335.47bn
Market value of the gilt and Treasury bill portfolio - including inflation uplift	£1,634.05bn	£1,491.57bn	£1,706.46bn	£1,550.59bn
Market value of the gilt portfolio	£1,585.55bn	£1,443.06bn	£1,645.99bn	£1,490.11bn
<ul style="list-style-type: none"> <li>Conventional gilts - inc. undated gilts</li> <li>Index-linked gilts</li> </ul>	£1,181.10bn £404.44bn	£1,052.11bn £390.95bn	£1,209.31bn £436.68bn	£1,067.17bn £422.95bn
Market value weighted average portfolio yield:				
<ul style="list-style-type: none"> <li>Conventional gilts - inc. undated gilts</li> <li>Index-linked gilts</li> </ul>	2.34% -0.31%	2.34% -0.30%	2.14% -0.54%	2.13% -0.53%
Market value weighted average portfolio maturity - inc. TBills:	14.87 years	14.98 years	15.42 years	15.52 years
Market value weighted average portfolio maturity - exc. TBills:	15.32 years	15.48 years	15.98 years	16.14 years
<ul style="list-style-type: none"> <li>Conventional gilts - exc. undated gilts</li> <li>Index-linked gilts</li> </ul>	13.43 years 20.84 years	13.35 years 21.18 years	14.05 years 21.33 years	13.95 years 21.67 years
Market value weighted average portfolio modified duration:				
<ul style="list-style-type: none"> <li>Conventional gilts - inc. undated gilts</li> <li>Index-linked gilts</li> </ul>	8.92 years 19.11 years	8.87 years 19.44 years	9.45 years 19.72 years	9.39 years 20.05 years

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

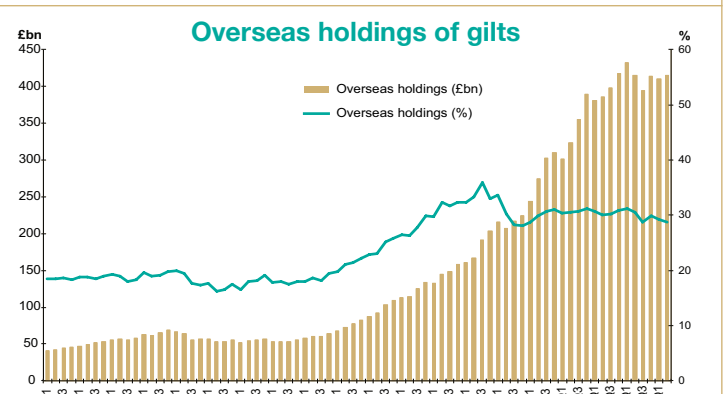
\*The 'Net' holdings category excludes gilts held by the DMO.



### Distribution of gilt holdings at at 30 June 2014 (based on market values)

(£millions)	at end	Q1 2014	Q2 2014
Overseas		409,997	414,373
Bank of England (Asset Purchase Facility)		364,847	368,789
Insurance companies and pension funds		375,708	376,045
Monetary Financial Institutions*		138,718	145,329
Other financial institutions and other		88,268	106,711
Households		24,430	30,079
Local authorities and public corporations		1,804	1,738
<b>TOTAL</b>		<b>1,403,772</b>	<b>1,443,064</b>

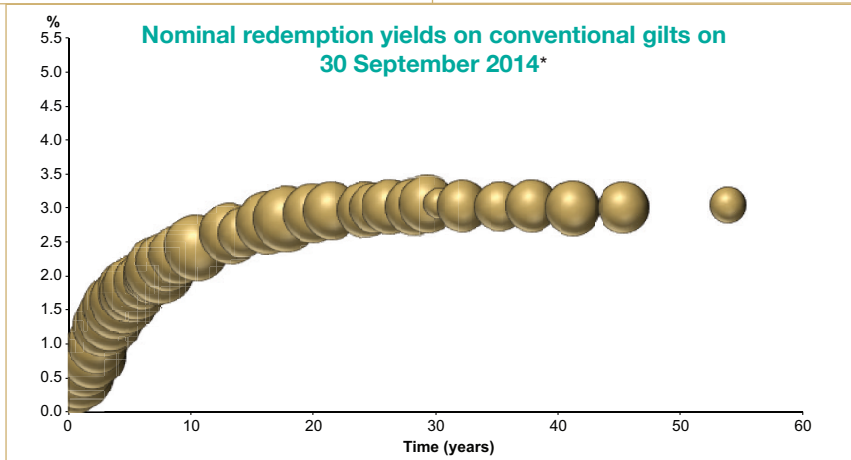
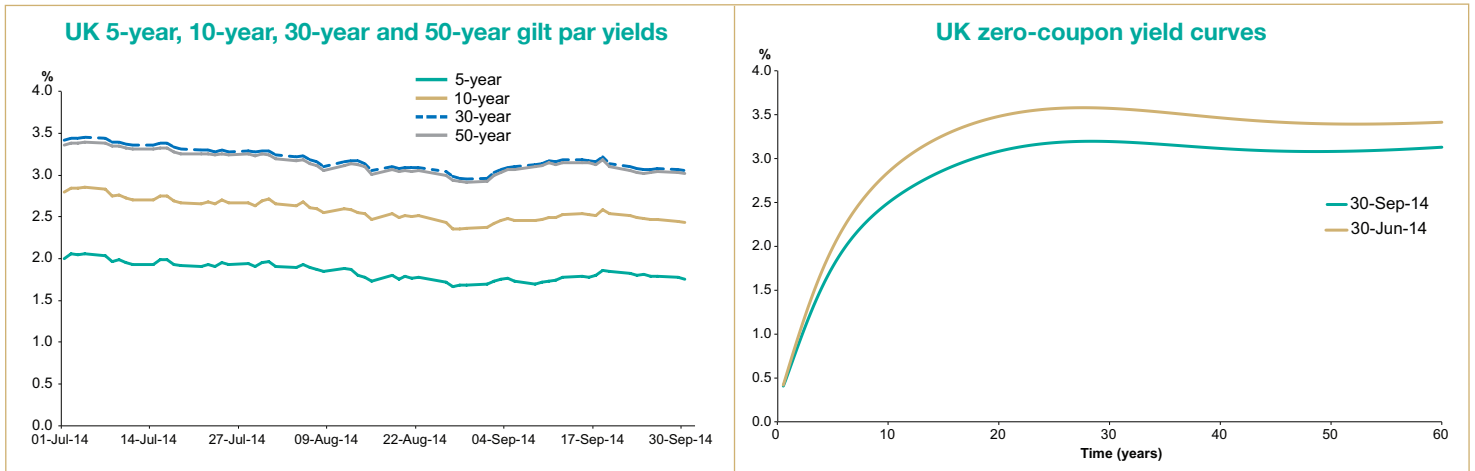
Source: ONS. These figures can be revised retrospectively.  
\*Monetary Financial Institutions\* replaced 'the Banks' and 'Building societies' categories in January 2011, and excludes BoE holdings.



Source: ONS

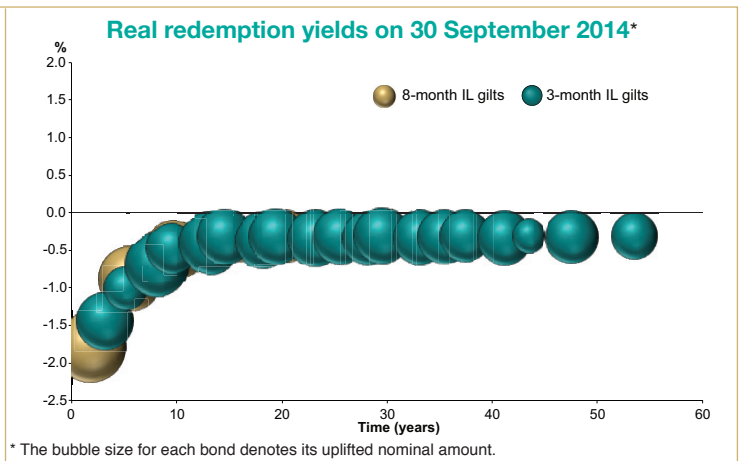
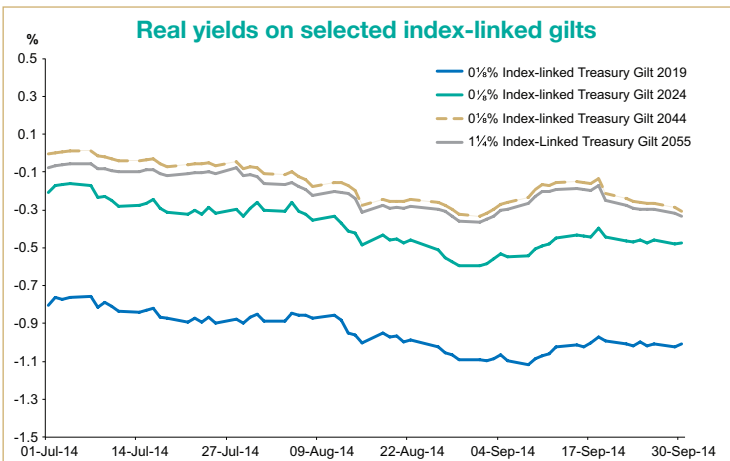
\*\* These are based on uplifted nominal values. Figures in the pie charts may not sum due to rounding.

### Conventional gilts

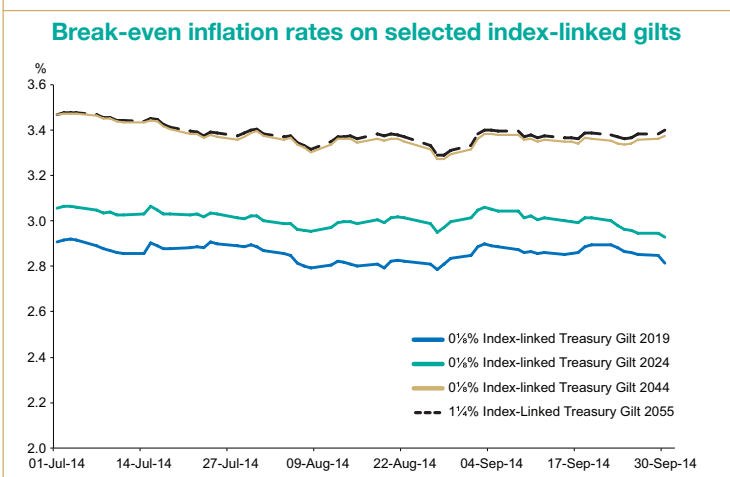


\* The bubble size for each bond denotes its nominal amount.

### Index-linked gilts



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



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

Nominal Amount : £100.00 Gilt Name	Inflation Assumptions	
	2.50%	3.00%
2½% Index-linked Treasury Stock 2016	324.73	326.72
1¼% Index-linked Treasury Gilt 2017	143.08	145.22
0¼% Index-linked Treasury Gilt 2019	116.57	119.48
2½% Index-linked Treasury Stock 2020	350.47	359.10
1¼% Index-linked Treasury Gilt 2022	152.49	158.60
0¼% Index-linked Treasury Gilt 2024	133.69	139.95
2½% Index-linked Treasury Stock 2024	330.66	345.88
1¼% Index-linked Treasury Gilt 2027	182.85	194.85
0¼% Index-linked Treasury Gilt 2029	154.46	165.67
4¼% Index-linked Treasury Stock 2030	277.21	298.57
1¼% Index-linked Treasury Gilt 2032	184.93	201.93
0¼% Index-linked Treasury Gilt 2034	178.67	196.36
2% Index-linked Treasury Stock 2035	241.09	265.41
1¼% Index-linked Treasury Gilt 2037	224.65	251.34
0¼% Index-linked Treasury Gilt 2040	222.27	251.52
0¼% Index-linked Treasury Gilt 2042	241.96	277.38
0¼% Index-linked Treasury Gilt 2044	219.14	252.86
0¼% Index-linked Treasury Gilt 2047	279.96	328.85
0¼% Index-linked Treasury Gilt 2050	288.72	343.02
0¼% Index-linked Treasury Gilt 2052	267.45	320.86
1¼% Index-linked Treasury Gilt 2055	368.78	450.40
0¼% Index-linked Treasury Gilt 2058	293.41	362.44
0¼% Index-linked Treasury Gilt 2062	351.44	442.66
0¼% Index-linked Treasury Gilt 2068	384.98	499.28

Data extracted from www.dmo.gov.uk report D9C on: 06/10/2014

## Gilt market flows (£mn)

	Gross gilt issuance (cash)	Redemptions	Coupons*	Net financing from gilts after redemptions and coupons
Apr-13	10,303	-	-246	10,057
May-13	11,283	-	-731	10,552
Jun-13	17,780	-	-6,974	10,806
Jul-13	11,922	-	-2,841	9,081
Aug-13	11,104	-11,780	-744	-1,420
Sep-13	18,284	-5,794	-10,857	1,633
Oct-13	15,707	-	-250	15,457
Nov-13	15,399	-	-630	14,769
Dec-13	7,481	-15	-7,022	444
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	-	-	-639	-
Dec-14	-	-	-7,172	-

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

## 2013-14 and 2014-15 financing requirements

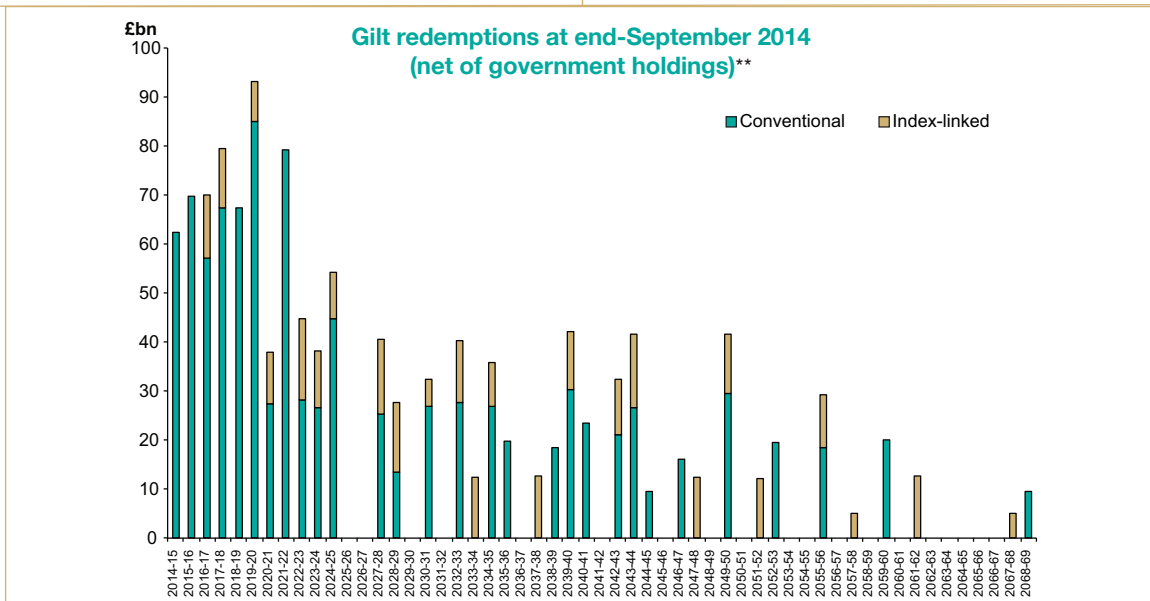
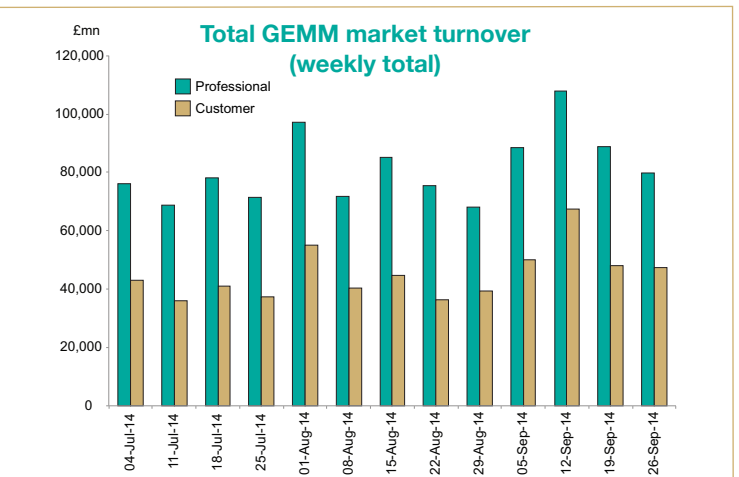
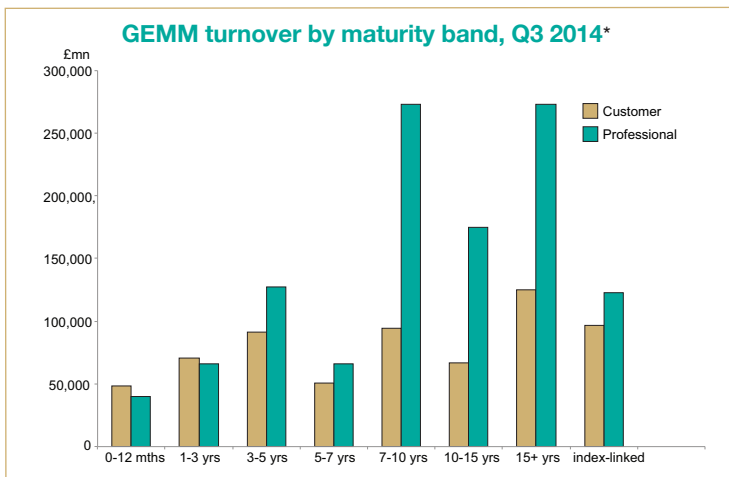
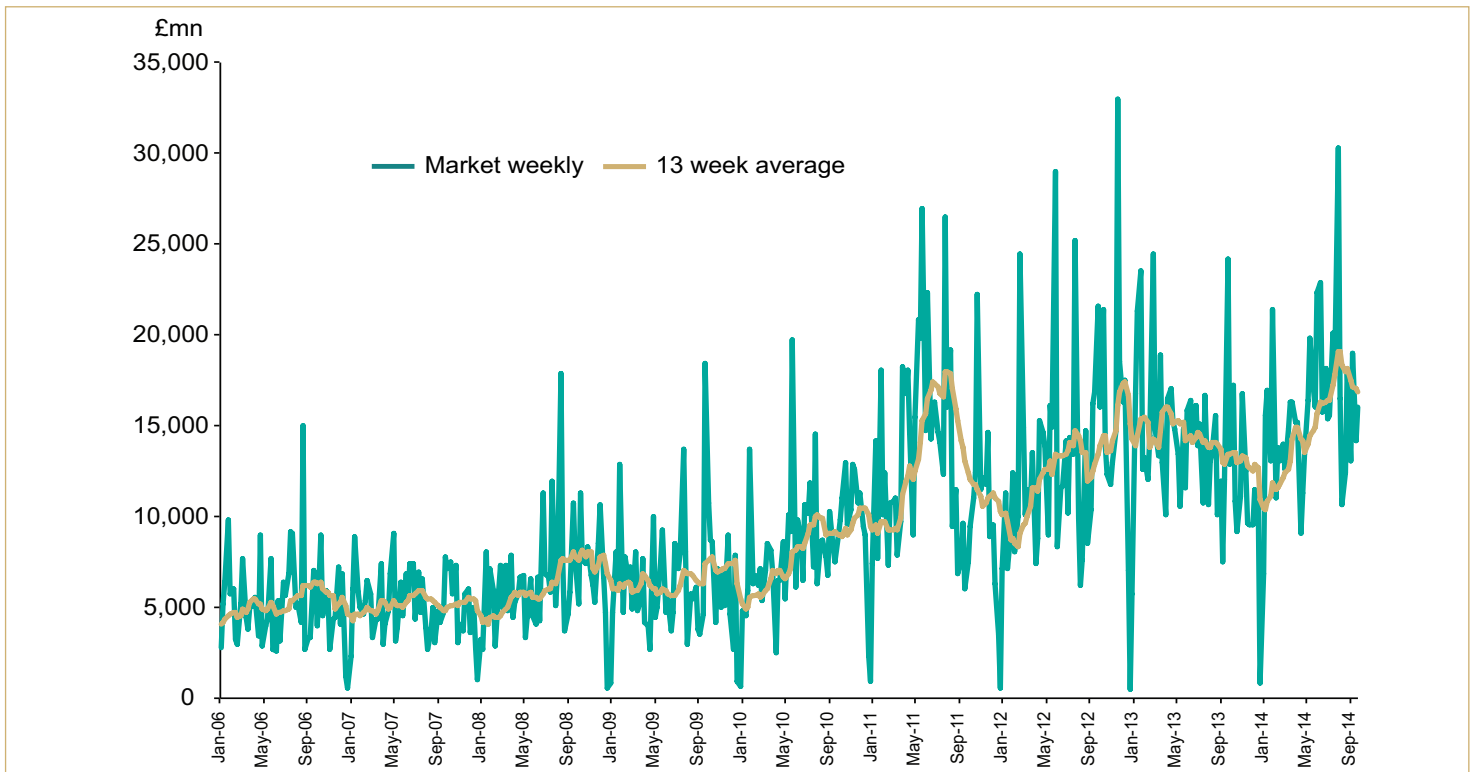
(£bn)	2013-14 (outturn)	2014-15 (Budget 2014)	2014-15*
<b>Central Government Net Cash Requirement (CGNCR) exc. NRAM and B&amp;B**</b>	<b>80.6</b>	<b>100.7</b>	<b>100.7</b>
Gilt Redemptions	51.5	62.2	62.2
Financing for the Official Reserves	6.0	6.0	6.0
Planned financing for Network Rail			6.5
Gilt secondary market purchases	0.0	0.0	0.0
Planned short-term financing adjustment	5.8	-11.1	-21.2
<b>Gross financing requirement</b>	<b>143.9</b>	<b>157.9</b>	<b>154.2</b>
Less			
Contribution from National Savings & Investments	3.4	13.0	13.0
<b>Net financing requirement</b>	<b>140.5</b>	<b>144.9</b>	<b>141.2</b>
<b>Gilt sales planned during the year</b>	<b>153.4</b>	<b>128.4</b>	<b>127.2</b>
Change in planned Treasury bill stock	5.0	16.5	14.0
Change in Ways and Means	0.0	0.0	0.0
DMO net cash position at end of financial year	21.7	0.5	0.5

Figures may not sum due to rounding.

\*as updated on 23 April 2014.

\*\*Northern Rock Asset Management (NRAM) and Bradford and Bingley (B&B).

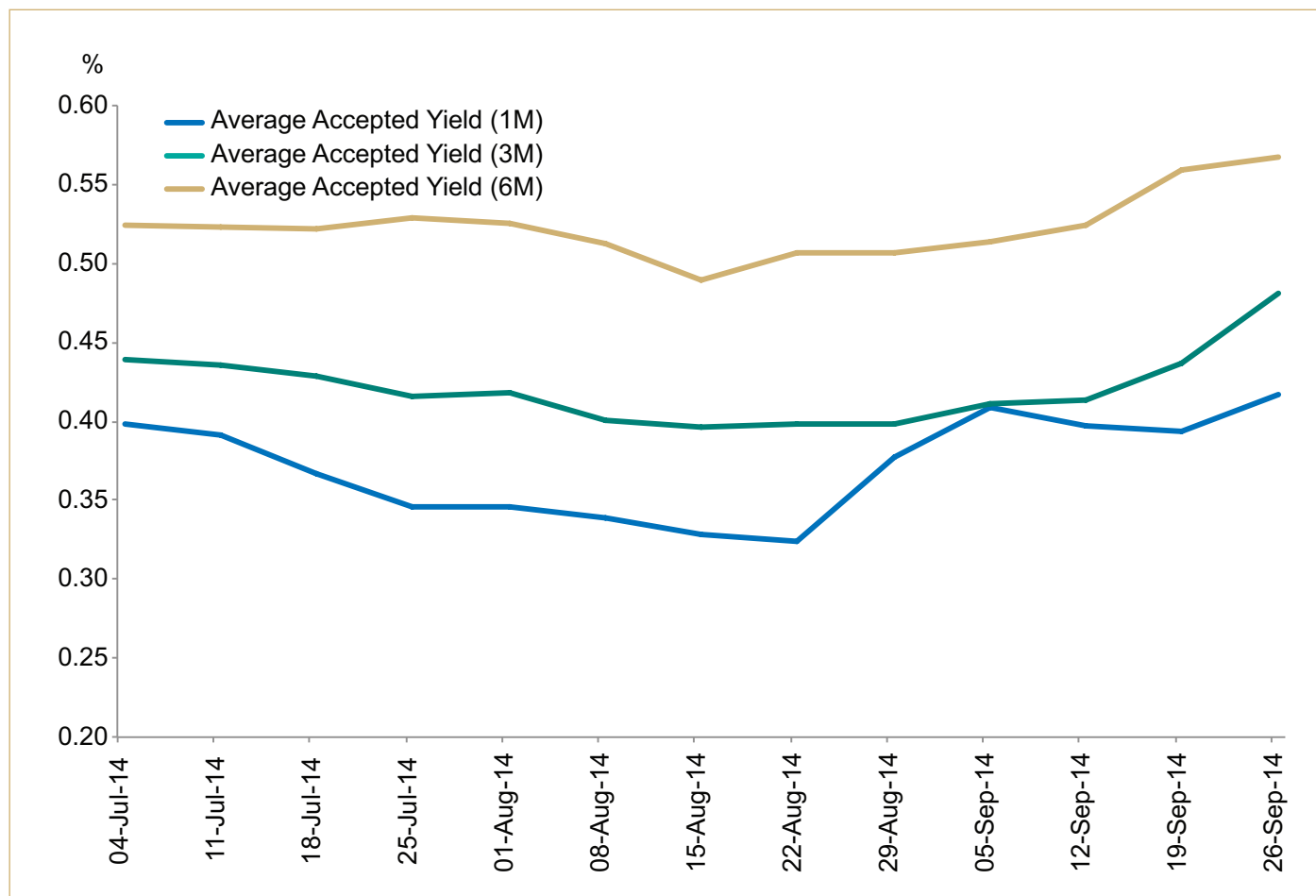
### Index-linked gilt market turnover 2006-2014



\*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 July – September 2014



## Contacts

Team	Telephone No.	Email
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Press Office	020 7862 6532	pressofficer@dmo.gsi.gov.uk
Web Team	020 7862 6594	webstrategy@dmo.gsi.gov.uk
Public Works Loan Board	020 7862 6610	pwlb@dmo.gsi.gov.uk

Updated data, press releases and other information are available on the DMO website at [www.dmo.gov.uk](http://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](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](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](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](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](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](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](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/reportView.aspx?rptCode=D1D&rptName=75321885&reportpage=D1D>

#### Published cash flows

[http://www.dmo.gov.uk/ceLogon.aspx?page=Nominal\\_IL&rptCode=D5I](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](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](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](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](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](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/Opnot20140331.pdf&page=operational\\_rules/Document](http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/Opnot20140331.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](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/guidebook20140331.pdf&page=operational\\_rules/Document](http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/guidebook20140331.pdf&page=operational_rules/Document)

**Debt & Reserves Management Report 2014-15**

[http://www.dmo.gov.uk/documentview.aspx?docname=remit/drmr1415.pdf&page=Remit/full\\_details](http://www.dmo.gov.uk/documentview.aspx?docname=remit/drmr1415.pdf&page=Remit/full_details)

**DMO Financing Remit 2014-15**

[http://www.dmo.gov.uk/documentview.aspx?docname=gilts/press/sa230414.pdf&page=Remit/full\\_details](http://www.dmo.gov.uk/documentview.aspx?docname=gilts/press/sa230414.pdf&page=Remit/full_details)

**Information Memorandum**

[http://www.dmo.gov.uk/documentview.aspx?docname=publications/operationalrules/infmemadd220813.pdf&page=operational\\_rules/Document](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>