



19 December 2019

PRESS NOTICE

TRANSFER OF £2.4 BILLION (CASH) OF THE UNALLOCATED PORTION OF GILT ISSUANCE TO THE CONVENTIONAL GILT AUCTION PROGRAMMES

The UK Debt Management Office (DMO) is announcing today that it is transferring £2.4 billion¹ (cash) of the remaining portion of unallocated gilt issuance for 2019-20 to the Q4 2019-20 conventional gilt auction programmes as follows:

- £1.3 billion to the short conventional gilt auction programme (increasing the size of that programme to £35.6 billion);
- £0.6 billion to the medium conventional gilt auction programme (increasing the size of that programme to £27.5 billion); and
- £0.5 billion to the long conventional gilt auction programme (increasing the size of that programme to £21.8 billion).

The residual size of the unallocated portion of gilt issuance for 2019-20 is now £0.8 billion, from an initial size of £7.3 billion².

Notes to editors

The unallocated portion of gilt issuance can be used to issue any type or maturity of gilt via any issuance method. The drawdown of the unallocated portion of issuance so far in 2019-20 is listed below:

Initial size of the unallocated portion (£bn)	7.30
IL 2036 tender, 10 April 2019	-0.48
Residual balance ahead of April remit revision	6.82
Increase at remit revision, 24 April 2019	0.20
Residual balance	7.02
Transfer to 1%% 2054 syndication, 14 May 2019	-0.40
Residual balance	6.62
Transfer to auctions, 28 June 2019	-1.10
Residual balance	5.52
4%% 2046 tender, 22 August 2019	-0.88
Residual balance	4.64
Transfer to 1%% 2054 syndication, 10 September 2019	-0.30
Residual balance	4.34
Transfer to auctions, 24 September 2019	-1.20
Residual balance	3.14
Transfer to auctions, 19 December 2019	-2.39
Residual balance	0.75

¹ Figures in this part of the Press Notice have been rounded to one decimal place.

² £200 million was subsequently added to the unallocated portion of issuance at the remit revision on 24 April 2019.

The use of the unallocated portion of issuance by type and maturity of gilt and by issuance method to-date in 2019-20, is shown in the table below:

Use of the unallocated portion by type and maturity of gilt in 2019-20		
	£bn	
Short	2.09	31.0%
Medium	1.70	25.2%
Long	2.48	36.8%
Index-linked	0.48	7.1%
	6.75	
Use of the unallocated portion by issuance method in 2019-20		
	£bn	
Auction	4.69	69.5%
Syndication	0.70	10.4%
Gilt tender	1.36	20.1%
	6.75	
<i>Figures may not sum due to rounding</i>		

The progress of gilt sales against the new remit targets and the new average (cash) sizes of gilt auctions are shown in the table below.

	Conventional Gilts			Index-linked gilts	Total
	Short	Medium	Long		
Auction proceeds to-date	27,239	19,623	16,733	9,204	72,799
PAOF proceeds to-date	2,180	2,142	556	829	5,708
Auction and PAOF proceeds to-date	29,419	21,765	17,289	10,034	78,506
Syndication sales to-date	0	0	9,382	7,787	17,170
Gilt tender sales to date	0	0	883	477	1,360
Total gilt sales to date	29,419	21,765	27,554	18,298	97,036
Auction sales required to meet plans	6,171	5,735	4,511	4,066	20,484
Number of auctions remaining	2	2	2	3	9
Average auction sizes	3,086	2,867	2,256	1,355	
Planned gilt sales at auctions	35,590	27,500	21,800	14,100	98,990
Number of auctions scheduled	11	9	9	10	39
Planned syndication sales	0	0	13,700	8,000	21,700
Syndication sales required to meet plan	0	0	4,318	213	4,530
Remaining unallocated sales					750
Total planned supplementary gilt sales					23,810
Total planned gilt sales					122,800
Required gilt sales remaining					25,764

A copy of this press notice is available on the DMO's website: www.dmo.gov.uk