

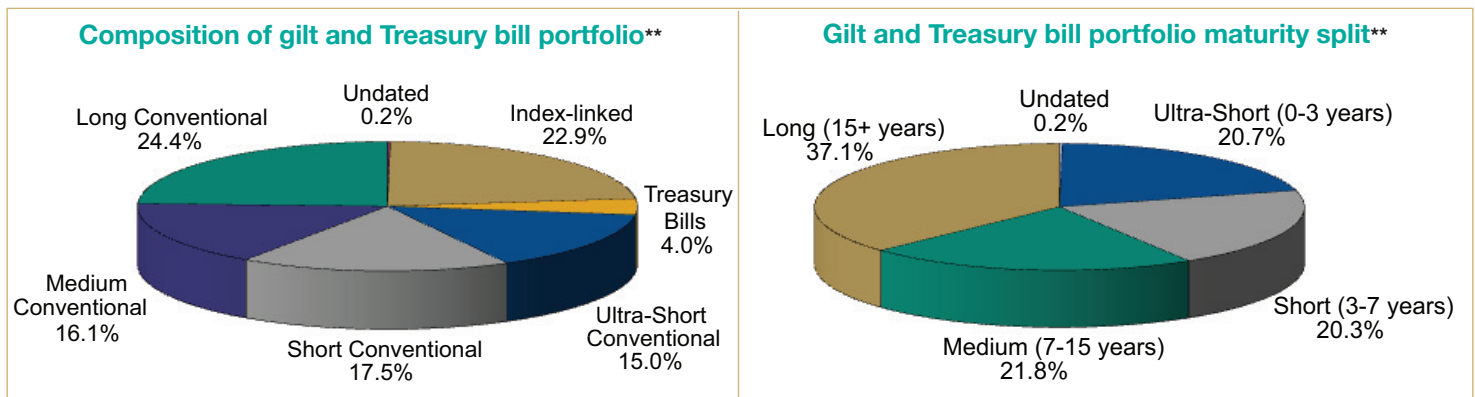


# Quarterly REVIEW

## Details of the Gilt and Treasury bill portfolio at 31 March 2014

Portfolio summary statistics	31 December 2013		31 March 2014	
	Gross	Net*	Gross	Net*
Nominal value of the gilt and Treasury bill portfolio - including inflation uplift	£1,402.64bn	£1,280.75bn	£1,421.92bn	£1,301.24bn
Nominal value of the gilt portfolio - including inflation uplift	£1,365.21bn	£1,243.31bn	£1,365.02bn	£1,244.35bn
<ul style="list-style-type: none"> <li>Conventional gilts - inc. undated gilts</li> <li>Index-linked gilts</li> </ul>	£1,050.21bn £315.00bn	£938.83bn £304.48bn	£1,039.04bn £325.98bn	£928.90bn £315.45bn
Market value of the gilt and Treasury bill portfolio - including inflation uplift	£1,562.25bn	£1,420.49bn	£1,603.00bn	£1,460.62bn
Market value of the gilt portfolio	£1,524.84bn	£1,383.09bn	£1,546.15bn	£1,403.77bn
<ul style="list-style-type: none"> <li>Conventional gilts - inc. undated gilts</li> <li>Index-linked gilts</li> </ul>	£1,151.20bn £373.64bn	£1,022.72bn £360.37bn	£1,150.62bn £395.54bn	£1,021.69bn £382.08bn
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>	2.41% -0.20%	2.39% -0.19%	2.33% -0.35%	2.32% -0.34%
Market value weighted average portfolio maturity - inc. TBills:	14.72 years	14.80 years	14.91 years	15.00 years
Market value weighted average portfolio maturity - exc. TBills:	15.07 years	15.19 years	15.45 years	15.60 years
<ul style="list-style-type: none"> <li>Conventional gilts - exc. undated gilts</li> <li>Index-linked gilts</li> </ul>	13.25 years 20.68 years	13.13 years 21.02 years	13.55 years 20.98 years	13.46 years 21.33 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>	8.69 years 18.81 years	8.62 years 19.15 years	8.96 years 19.21 years	8.91 years 19.55 years

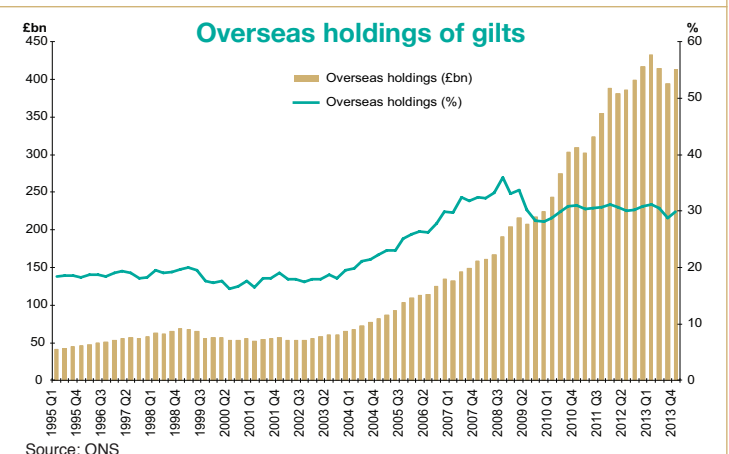
\*The 'Net' holdings category excludes gilts held by the DMO.



### Distribution of gilt holdings at 31 December 2013 (based on market values)

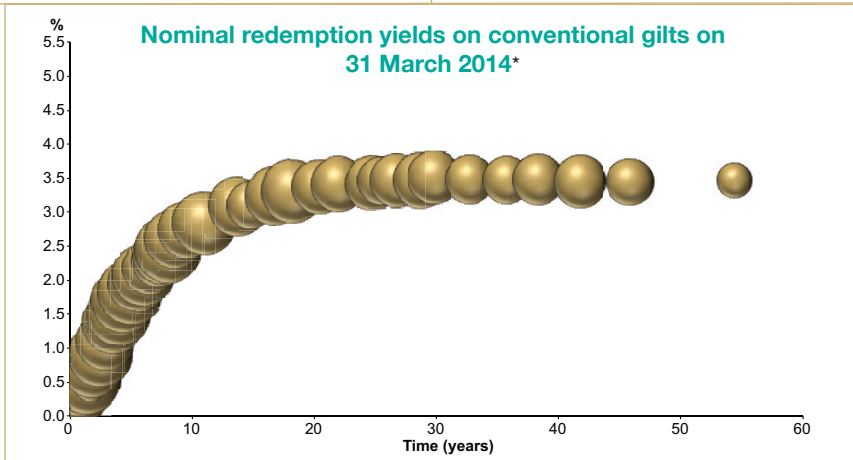
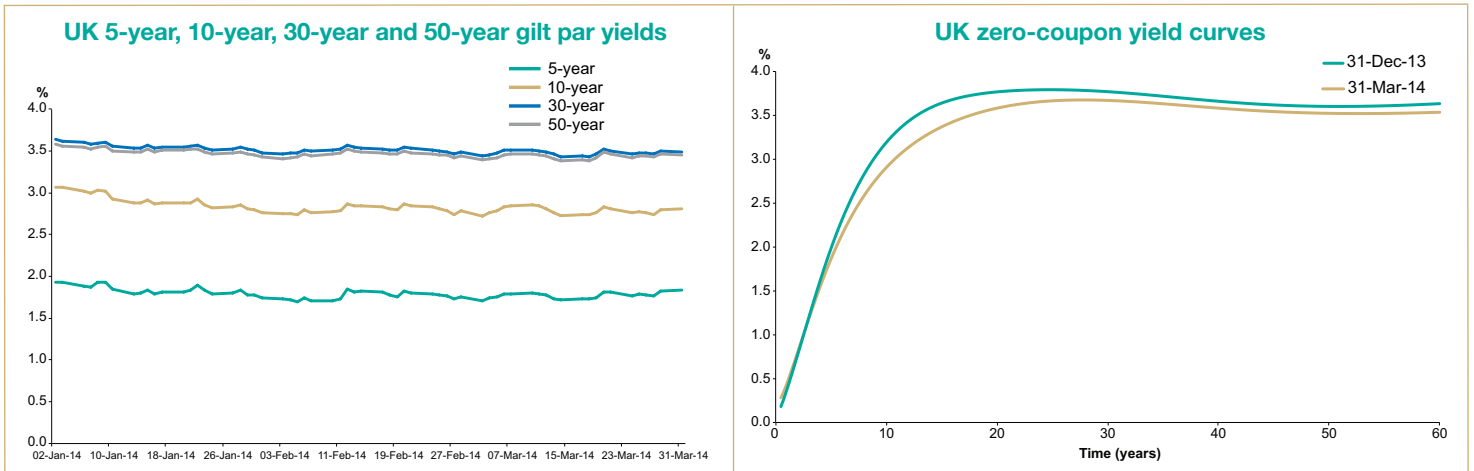
(£millions)	at end	Q3 2013	Q4 2013
Overseas		393,937	413,104
Bank of England (Asset Purchase Facility)		373,561	367,486
Insurance companies and pension funds		370,019	365,027
Monetary Financial Institutions*		122,458	133,349
Other financial institutions and other		88,779	89,882
Households		16,882	12,093
Local authorities and public corporations		2,206	2,155
<b>TOTAL</b>		<b>1,367,842</b>	<b>1,383,096</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.



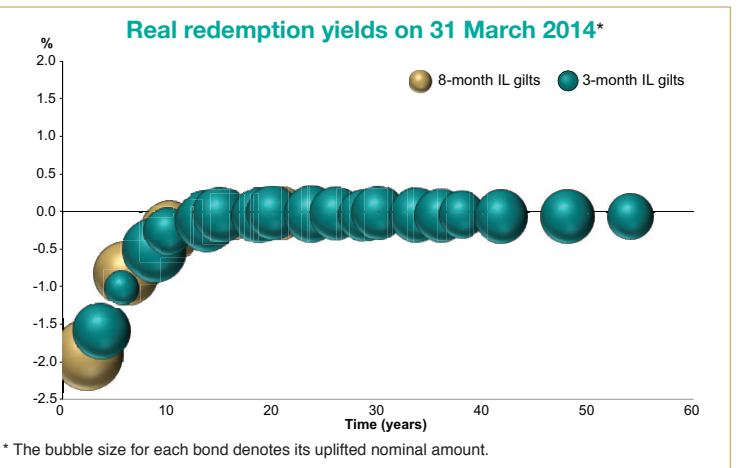
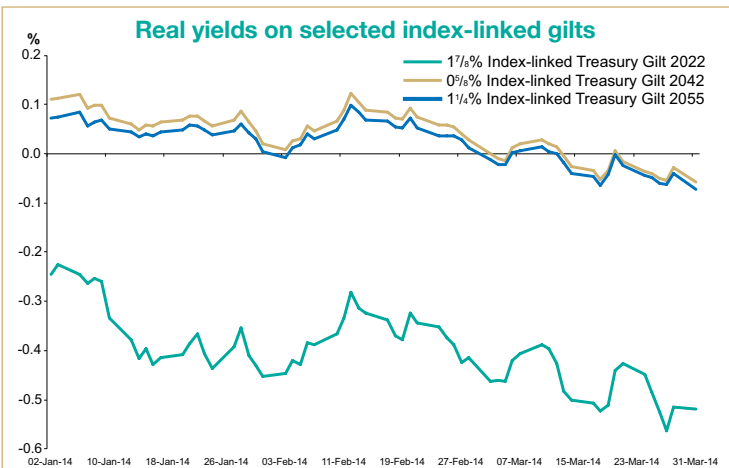
\*\* These are based on uplifted nominal values. Figures in the pie charts may not sum due to rounding.

### Conventional gilts

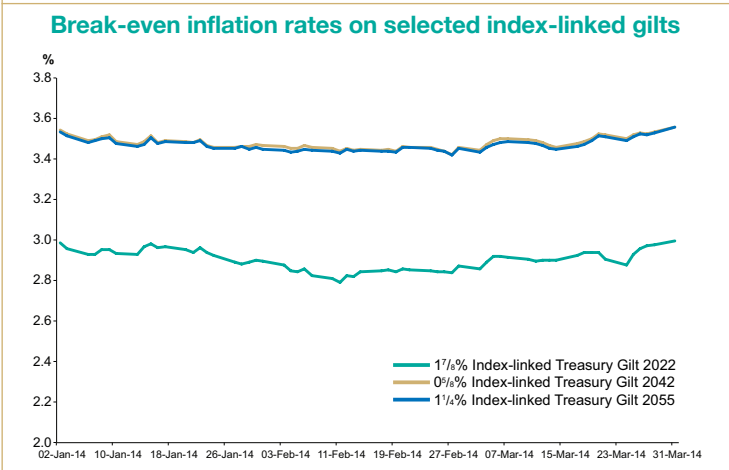


\* The bubble size for each bond denotes its nominal amount.

### 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 2 1/2% and 3% per annum**

Nominal Amount : £100.00 Gilt Name	Inflation Assumptions	
	2.50%	3.00%
2 1/8% Index-linked Treasury Stock 2016	325.19	327.97
1 3/4% Index-linked Treasury Gilt 2017	143.29	145.80
0 3/4% Index-linked Treasury Gilt 2019	116.75	119.95
2 1/2% Index-linked Treasury Stock 2020	350.96	360.48
1 7/8% Index-linked Treasury Gilt 2022	152.72	159.22
0 1/4% Index-linked Treasury Gilt 2024	133.89	140.50
2 1/2% Index-linked Treasury Stock 2024	331.12	347.21
1 1/4% Index-linked Treasury Gilt 2027	183.12	195.62
0 7/8% Index-linked Treasury Gilt 2029	154.69	166.32
4 1/4% Index-linked Treasury Stock 2030	277.60	299.71
1 1/4% Index-linked Treasury Gilt 2032	185.20	202.73
0 3/4% Index-linked Treasury Gilt 2034	178.94	197.14
2% Index-linked Treasury Stock 2035	241.43	266.43
1 1/4% Index-linked Treasury Gilt 2037	224.98	252.34
0 3/8% Index-linked Treasury Gilt 2040	222.60	252.51
0 3/8% Index-linked Treasury Gilt 2042	242.32	278.48
0 1/4% Index-linked Treasury Gilt 2044	219.47	253.86
0 3/4% Index-linked Treasury Gilt 2047	280.38	330.16
0 1/2% Index-linked Treasury Gilt 2050	289.15	344.37
0 1/4% Index-linked Treasury Gilt 2052	267.85	322.13
1 1/4% Index-linked Treasury Gilt 2055	369.33	452.18
0 3/8% Index-linked Treasury Gilt 2062	351.97	444.41
0 1/4% Index-linked Treasury Gilt 2068	385.55	501.25

Data extracted from www.dmo.gov.uk report D9C on: 08/04/2014

## Gilt market flows (£mn)

	Gross gilt issuance (cash)	Redemptions	Coupons*	Net financing from gilts after redemptions and coupons
Oct-12	18,588	0	-243	18,345
Nov-12	14,832	0	-744	14,088
Dec-12	4,748	0	-6,937	-2,189
Jan-13	13,097	0	-2,516	10,581
Feb-13	12,043	0	-739	11,304
Mar-13	8,423	-29,845	-11,520	-32,942
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	-33,866	-10,687	-34,305
Apr-14	-	-	-253	-
May-14	-	-	-758	-
Jun-14	-	-	-7021	-

Figures may not sum due to rounding.

\*Future 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

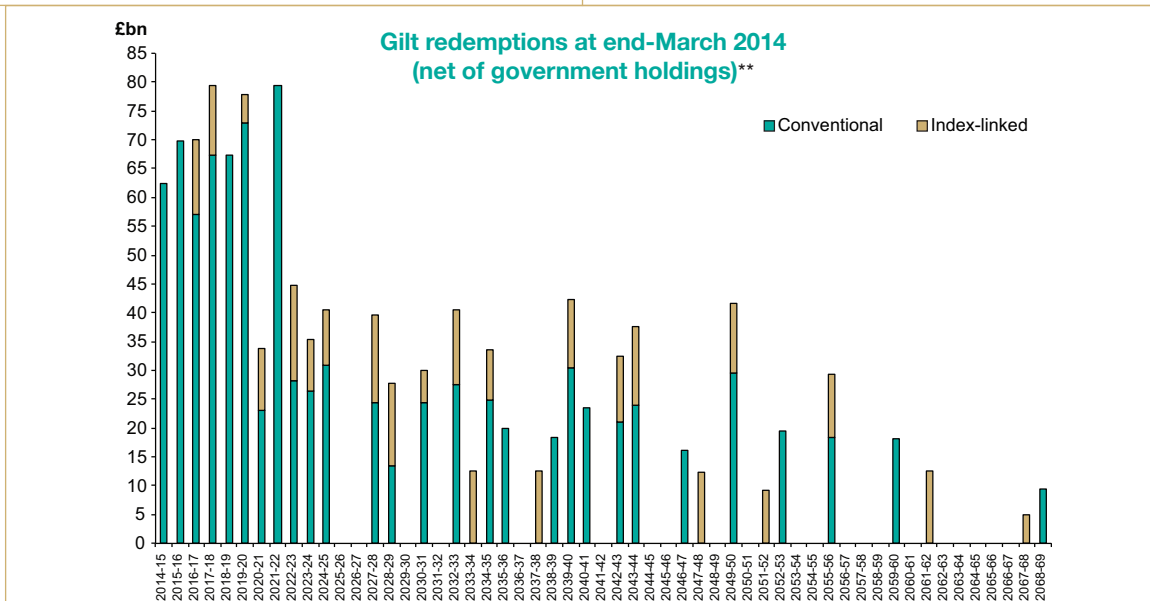
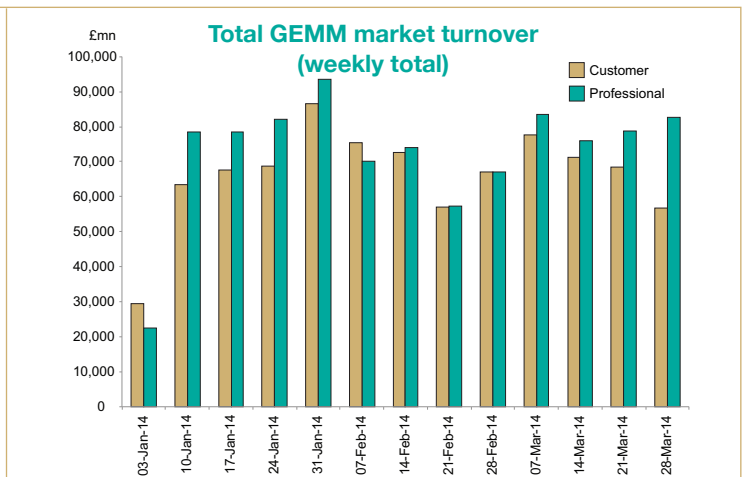
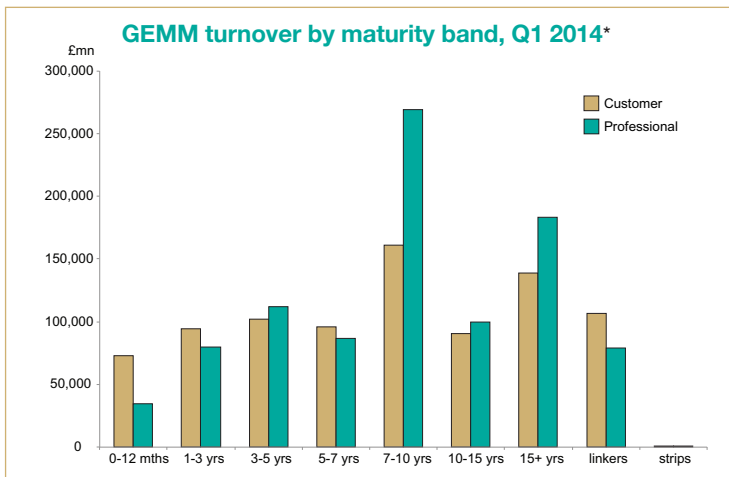
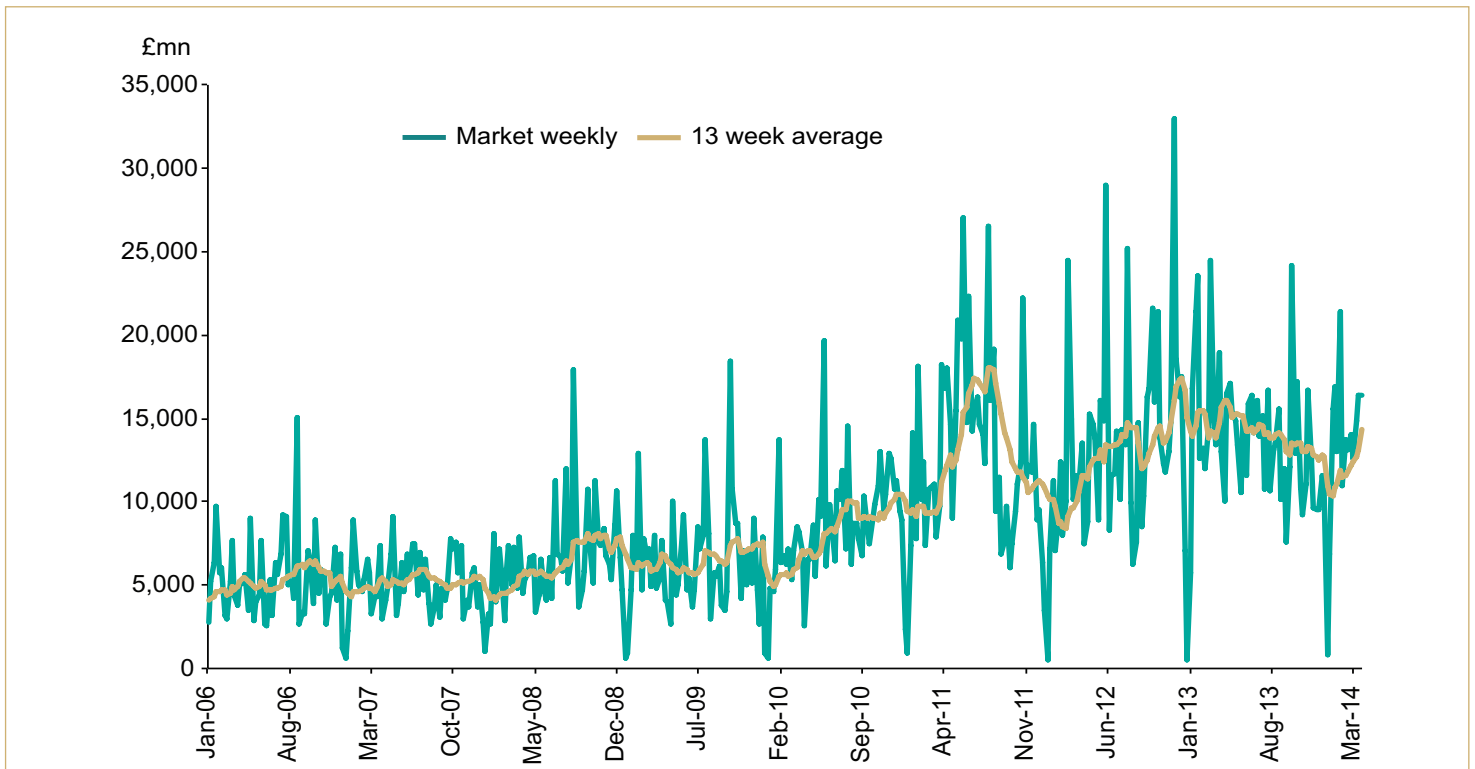
(£bn)	2014-15 (Budget 2014)	2013-14 (outturn)	2014-15*
<b>Central Government Net Cash Requirement (CGNCR) exc. NRAM and B&amp;B**</b>	<b>100.7</b>	<b>80.6</b>	<b>100.7</b>
Gilt Redemptions	62.2	51.5	62.2
Financing for the Official Reserves	6.0	6.0	6.0
Planned financing for Network Rail			6.5
Gilt secondary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

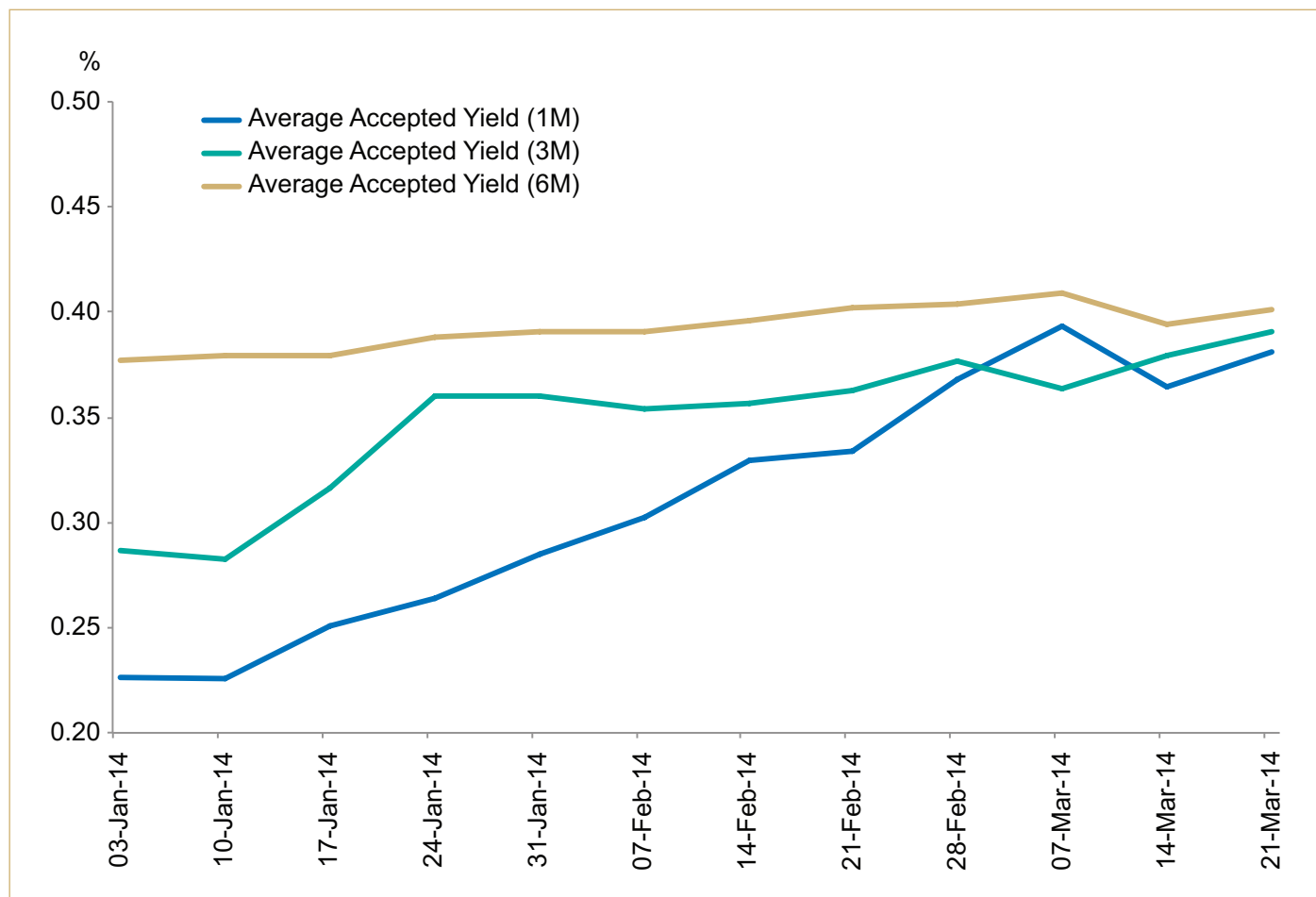
### Index-linked gilt market turnover 2006-2014



\*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 January – March 2014



## Contacts

Team	Telephone No.	Email
Policy Team	020 7862 6532	policy@dmo.gsi.gov.uk
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Research Team	020 7862 6516	research@dmo.gsi.gov.uk
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 Website 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)

### Guarantee schemes

<http://www.dmo.gov.uk/index.aspx?page=CGS/CGSIntro>

### 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 Website 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>