

## **BANK OF ENGLAND MARKET NOTICE: DISCOUNT WINDOW FACILITY: SUMMARY OF CHANGES**

The Bank is today publishing a consolidated Market Notice for the Discount Window Facility (DWF). This consolidates in a single document the currently-effective provisions of previous Market Notices in relation to the DWF. It is available at <http://www.bankofengland.co.uk/markets/marketnotice090203b.pdf>

The consolidated Market Notice incorporates the Bank's announcement, on 19 January, that with effect from 2 February participants may apply to draw from the DWF for a term of 364 days, subject to an additional fee of 25 basis points.

There is a consequential change to the arrangements for publication of the use of the DWF. The average aggregate daily value of gilts (or cash) lent under the DWF with an initial maturity of 30 days or less during each calendar quarter will, as set out in the Bank's 16 October consultation document, be published at 10.00 on the first Tuesday following the final working day of the following calendar quarter. The average aggregate daily value of gilts (or cash) lent with an initial maturity of more than 30 days during each calendar quarter will be published at 10.00 on the first Tuesday following the final working day of the calendar quarter five quarters ahead.

The Bank has also confirmed some minor changes to the collateral eligible in the DWF and the current extended-collateral sterling long-term repo and US\$ repo operations. The Bank will accept as collateral in those facilities and operations senior bank debt guaranteed under HM Government's bank debt guarantee scheme that is denominated in Japanese yen; and senior bank debt that is guaranteed under certain non-UK sovereign bank debt guarantee schemes. The debt must be due to mature prior to the expiry date of the relevant guarantee. The margin ratios that will apply are shown in the annex to this Market Notice. The eligibility of sovereign-guaranteed bank debt schemes is reviewed at the Bank's discretion, in the light of feedback from counterparties. Eligible assets are listed in the relevant Market Notices.

Bank of England  
3 February 2009

## Annex

### Discount Window Facility: Margin ratios

	Senior bank debt guaranteed under specified government guarantee schemes
Credit rating	(Scheme-dependent)
Floating rate	1.09
Fixed interest rate under 3 years to maturity	1.09
Fixed interest rate 3-5 years to maturity	1.10

Add-ons are detailed in the consolidated DWF Market Notice published today.