



BANK OF ENGLAND

News release

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Floating Rate Treasury Stock 2001

In accordance with the terms of the prospectus for the above stock dated 18 June 1996, the Bank of England announces that the rate of interest per annum to be used to determine the interest payment due on 10 October 2000 is 5.93900%. The amount of interest payable on that date will be £1.4970 per £100 nominal of stock.

The rate of interest per annum for the next interest period, and the amount of interest payable on 10 January 2001, will be announced as soon as practicable after 11.00 am on 9 October 2000.

Note to Editors

The annual rate of interest payable in respect of the stock for each interest period is 1/8% below the arithmetic mean (rounded, if necessary) of the bid rates for three month deposits in sterling, calculated with reference to rates quoted from a panel of the twenty banks with the largest sterling eligible liabilities, as determined by the Bank of England.

The interest amount is calculated by multiplying the annual rate of interest per £100 nominal of stock by the actual number of days in the interest period concerned, dividing by 365 and rounding the resulting figure to the nearest fourth decimal place.

Interest is payable three months after the preceding interest payment date. If any interest payment date falls on a non-business day, it is postponed to the next business day unless it would thereby fall in the next calendar month.

Examples of accrued interest calculations for trading in the secondary market are contained within an Operational Circular (dated 26 November 1998) published by the UK Debt Management Office.