



BANK OF ENGLAND

News release

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Bank of England Euro Bills

The Bank of England today announced the issue of Euro1,000 million nominal of Bank of England Euro Bills, for auction on a bid-yield basis on Tuesday, 9 January 2001, in the following maturities:

Euro200 million for maturity on 15 February 2001,
Euro500 million for maturity on 12 April 2001 and
Euro300 million for maturity on 12 July 2001.

An additional Euro50 million nominal of six-month Bills, maturing on 12 July 2001, will be allotted directly to the Bank of England. A copy of the auction notice published by the Bank (Appendix 1) and statistics showing the turnover of Bank of England Euro Bills by market makers (Appendix 2) are attached.

In addition, the Bank of England has today issued the attached supplement to the Information Memorandum dated 6 April 1999 for the Bank of England Euro Bill programme. The supplement comprises:

a schedule of dates on which auctions will be held during 2001;

<http://webarchive.nationalarchives.gov.uk/20100114080129/http://www.bankofengland.co.uk/publications/news/2001/auction01.pdf>

a revised list of market makers;

<http://webarchive.nationalarchives.gov.uk/20100114080129/http://www.bankofengland.co.uk/publications/news/2001/mktmkrs01.pdf>

details of arrangements for market makers to submit bids at auctions.

<http://webarchive.nationalarchives.gov.uk/20100114080129/http://www.bankofengland.co.uk/publications/news/2001/auctbidchanges.pdf>

Notes for Editors

1. The Bank of England Euro Bill programme (together with its predecessor, the UK Government Euro Treasury Bill programme) has now been running for over 12 years. The Bank of England took over from H M Treasury as the issuer of euro bills over the period April to September 1999. Bank of England Euro Bills are

similar in all their main features to the earlier UK Government Euro Treasury Bills, but are the obligations of the Bank of England rather than HM Treasury. The arrangements for the programme are described in the Bank of England Euro Bill Information Memorandum (as supplemented).

2. Auctions are held monthly; the first took place in October 1988. The specific amounts and maturities of Bills on offer at each auction will be announced at least five days in advance of each auction.

3. The proceeds of Bank of England Euro Bills are used by the Bank to finance its provision of intra-day liquidity, on a secured basis, to participants in CHAPS euro as part of the arrangements for TARGET.

4. There are currently Euro3.5 bn of Bills outstanding with the public, with maturity dates between January and June 2001. They are eligible as Tier 1 collateral within TARGET for euro intra-day liquidity and in the ESCB's open market operations. They are also eligible as collateral for repo in the Bank's sterling open market operations and for intra-day liquidity within the sterling CHAPS payments system.

5. There are eighteen Bank of England Euro Bill market makers, as listed in the attached supplement.

Key Resources

Auction Notice

<http://webarchive.nationalarchives.gov.uk/20100114080129/http://www.bankofengland.co.uk/publications/news/2001/auctnt32.pdf>

Turnover of Bank of England Euro Bills by market makers

<http://webarchive.nationalarchives.gov.uk/20100114080129/http://www.bankofengland.co.uk/publications/news/2001/uktb29.pdf>

Information Memorandum dated 6 April 1999

<http://webarchive.nationalarchives.gov.uk/20100114080129/http://www.bankofengland.co.uk/publications/news/2001/inmen994.pdf>

Bank of England Euro Bill market makers

<http://webarchive.nationalarchives.gov.uk/20100114080129/http://www.bankofengland.co.uk/publications/news/2001/mktmlkrs01.pdf>