



BANK OF ENGLAND

News release

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H M Government Gold Auction Result: 14 March 2001

The Bank of England announces that the gold on offer (approximately 25 tonnes or 803,600 ounces) has been allotted in full at a price of \$266.00 per ounce. Details of the result are as follows:

Amount of gold on offer (approx.)	803,600 oz
Amount applied for	1,800,000 oz
Times covered	2.2 times
Amount allotted to bidders	804,800 oz
Allotment price	\$266.00
Scaling factor at allotment price	41.1765%

All accepted bids which were made at prices above the allotment price have been allotted in full at the allotment price. Valid bids made at the allotment price have been allotted an amount of gold equal to the amount bid for multiplied by the above scaling factor and rounded up to the nearest 400 ounces.

By close of business in London today, applicants whose bids have been successful in whole or in part will be notified by the Bank of England of the exact weight of the gold bars allotted to them and the amount payable in respect of their purchase. Payment must be made in US dollars to the Bank of England's account at the Federal Reserve Bank of New York, no later than 12 noon New York time on 16 March 2001.

Notes for Editors

On 3 March 2000, H M Treasury announced that, the Bank of England, on behalf of HM Treasury, is to sell approximately 150 tonnes of gold from the Exchange Equalisation Account in a programme of six auctions of around 25 tonnes each in the financial year 2000/2001 on the terms and conditions set out in an Information Memorandum which was published on 3 March 2000. Five auctions were held on Tuesday 23 May, Wednesday 12 July, Tuesday 19 September, Tuesday 7 November 2000 and Tuesday 23 January 2001. This is the final auction in this financial year.

Plans for gold sales in the financial year 2001/02 were announced by HM Treasury on 7 March 2001. There will be a programme of six auctions, of around 20 tonnes each. The first auction in this series will take place on Tuesday 15 May 2001. It is intended that the remaining auctions in this programme will take place in July, September and November 2001 and in January and March 2002. These sales bring to an end the programme to restructure the United Kingdom's official reserves that was announced by HM Treasury on 7 May 1999.