

Press Release

Tender of 5-Year Government Bonds under the Institutional Bond Issuance Programme to be held on Monday, 2 November 2009

The Hong Kong Monetary Authority (HKMA), as representative of the Hong Kong Special Administrative Region Government (HKSAR Government), announces today (Wednesday) that a tender of 5-year Government Bonds (Bonds) under the Institutional Bond Issuance Programme will be held on Monday, 2 November 2009, for settlement on Tuesday, 3 November 2009.

A total of HK\$2,000 million 5-year Bonds will be tendered. The Bonds will mature on 3 November 2014 and will carry interest at the rate of 2.07% per annum payable semi-annually in arrears.

Under the Institutional Bond Issuance Programme, tender is open only to Recognized Dealers which are appointed as Primary Dealers. Any tender applications for the Bonds must be submitted through a Primary Dealer on the current published list, which can be obtained from the Government Bond Programme's website at <http://www.hkgb.gov.hk>. Each tender must be for an amount of HK\$50,000 or integral multiples thereof.

Tender results will be published on the HKMA's website, the Government Bond Programme's website, the Reuters screen (HKGBINDEX), and Bloomberg not later than 3:00 p.m. on the tender day.

Hong Kong Monetary Authority
21 October 2009

**HKSAR GOVERNMENT
INSTITUTIONAL BOND ISSUANCE PROGRAMME
TENDER INFORMATION**

Tender information of 5-Year Government Bonds under the Institutional Bond Issuance Programme:-

Issue Number : 05GB1411

Stock code : 4202 (HKGB 2.07 1411)

Tender Date and Time : Monday, 2 November 2009
9:30 a.m. to 10:30 a.m.

Issue and Settlement Date : Tuesday, 3 November 2009

Amount on Offer : HK\$2,000 million

Maturity : Five years

Maturity Date : 3 November 2014

Interest Rate : 2.07% p.a.

Interest Payment Dates : 3 May 2010
3 Nov 2010
3 May 2011
3 Nov 2011
3 May 2012
5 Nov 2012
3 May 2013
4 Nov 2013
5 May 2014
3 Nov 2014

Method of Tender : Competitive tender

Tender Amount : Each competitive tender must be for an amount of HK\$50,000 or integral multiples thereof. Any tender applications for the Bonds must be submitted through a Primary Dealer on the current published list.

Other details : Please see Information Memorandum available on the Government Bond Programme's website at <http://www.hkgb.gov.hk> or approach Primary Dealers.

Expected commencement date of dealing on the Stock Exchange of Hong Kong Limited : 4 November 2009

Price/Yield Table of the new Government Bonds at tender for reference* only:-

<u>Yield-to-Maturity</u>	<u>Price</u>	<u>Yield-to-Maturity</u>	<u>Price</u>
1.07	104.87	2.07	100.05
1.12	104.62	2.12	99.82
1.17	104.38	2.17	99.58
1.22	104.13	2.22	99.35
1.27	103.88	2.27	99.12
1.32	103.64	2.32	98.89
1.37	103.39	2.37	98.66
1.42	103.15	2.42	98.43
1.47	102.91	2.47	98.20
1.52	102.67	2.52	97.97
1.57	102.43	2.57	97.74
1.62	102.18	2.62	97.52
1.67	101.94	2.67	97.29
1.72	101.71	2.72	97.06
1.77	101.47	2.77	96.84
1.82	101.23	2.82	96.61
1.87	100.99	2.87	96.39
1.92	100.76	2.92	96.17
1.97	100.52	2.97	95.94
2.02	100.28	3.02	95.72
2.07	100.05	3.07	95.50

*** Disclaimer**

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21 October 2009