

Press Release

Tender for the re-opening of 10-Year Government Bonds under the Institutional Bond Issuance Programme to be held on Wednesday, 5 May 2010

The Hong Kong Monetary Authority (HKMA), as representative of the Hong Kong Special Administrative Region Government (HKSAR Government), announces today (Monday) that a tender of 10-year Government Bonds (Bonds) through the re-opening of existing Government Bond issue 10GB2001 under the Institutional Bond Issuance Programme will be held on Wednesday, 5 May 2010, for settlement on Thursday, 6 May 2010.

An additional amount of HK\$3,000 million of the outstanding 10-year Bonds (issue no. 10GB2001) will be on offer. The Bonds will mature on 13 January 2020 and will carry interest at the rate of 2.93% per annum payable semi-annually in arrears. The Bonds Fixings on 26 April 2010 is 99.96 with an annualised yield of 2.958%.

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 pm on the tender day.

Hong Kong Monetary Authority
26 April 2010

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

Tender information of re-opening of 10-Year Government Bonds under the Institutional Bond Issuance Programme:-

Issue Number : 10GB2001

Stock code : 4203 (HKGB 2.93 2001)

Tender Date and Time : Wednesday, 5 May 2010
9:30 am to 10:30 am

Issue and Settlement Date for tender amount : Thursday, 6 May 2010

Amount on Offer : HK\$3,000 million

Maturity : 10 years

Maturity Date : 13 January 2020

Interest Rate : 2.93% p.a. payable semi-annually in arrears

Interest Payment Dates : 12 July 2010
12 January 2011
12 July 2011
12 January 2012
12 July 2012
14 January 2013
12 July 2013
13 January 2014
14 July 2014
12 January 2015
13 July 2015
12 January 2016
12 July 2016
12 January 2017
12 July 2017
12 January 2018
12 July 2018
14 January 2019
12 July 2019
13 January 2020

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.

The accrued interest to be paid by successful bidders on the issue date (6 May 2010) for the tender amount is HK\$457.56 per minimum denomination of HK\$50,000.

(The accrued interest to be paid for tender amount exceeding HK\$50,000 may not be exactly equal to the figures calculated from the accrued interest per minimum denomination of HK\$50,000 due to rounding).

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 : The tender amount is fully fungible with the existing 10GB2001 (Stock code: 4203) listed on the Stock Exchange of Hong Kong.

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

<u>Yield-to-Maturity</u>	<u>Price</u>	<u>Yield-to-Maturity</u>	<u>Price</u>
1.96	108.63	2.96	99.94
2.01	108.17	3.01	99.53
2.06	107.72	3.06	99.12
2.11	107.27	3.11	98.71
2.16	106.82	3.16	98.31
2.21	106.37	3.21	97.90
2.26	105.93	3.26	97.50
2.31	105.49	3.31	97.10
2.36	105.05	3.36	96.71
2.41	104.61	3.41	96.31
2.46	104.18	3.46	95.92
2.51	103.74	3.51	95.52
2.56	103.31	3.56	95.13
2.61	102.88	3.61	94.75
2.66	102.46	3.66	94.36

2.71	102.03	3.71	93.97
2.76	101.61	3.76	93.59
2.81	101.19	3.81	93.21
2.86	100.77	3.86	92.83
2.91	100.36	3.91	92.46
2.96	99.94	3.96	92.08

*** Disclaimer**

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Hong Kong Monetary Authority
26 April 2010