

Press Release

Tender of 10-Year Government Bonds under the Institutional Bond Issuance Programme to be held on Wednesday, 3 August 2011

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) under the Institutional Bond Issuance Programme will be held on Wednesday, 3 August 2011, for settlement on Thursday, 4 August 2011.

A total of HK\$2.5 billion 10-Year Bonds will be tendered. The Bonds will mature on 4 August 2021 and will carry interest at the rate of 2.46% 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. Anyone wishing to apply for the Bonds on offer can do so through any of the Primary Dealers 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 Government Bond Programme's website, the Reuters screen (HKGBINDEX), and Bloomberg (GBHK <GO>) not later than 3:00 pm on the tender day.

Hong Kong Monetary Authority
25 July 2011

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

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

Issue Number : 10GB2108

Stock code : 4209 (HKGB 2.46 2108)

Tender Date and Time : Wednesday, 3 August 2011
9:30 am to 10:30 am

Issue and Settlement Date : Thursday, 4 August 2011

Amount on Offer : HK\$2.5 billion

Maturity : Ten years

Maturity Date : 4 August 2021

Interest Rate : 2.46% p.a.

Interest Payment Dates : 6 February 2012
6 August 2012
4 February 2013
5 August 2013
4 February 2014
4 August 2014
4 February 2015
4 August 2015
4 February 2016
4 August 2016
6 February 2017
4 August 2017
5 February 2018
6 August 2018
4 February 2019
5 August 2019
4 February 2020
4 August 2020
4 February 2021
4 August 2021

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 : 5 August 2011

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>
1.46	109.32	2.46	100.13
1.51	108.84	2.51	99.70
1.56	108.36	2.56	99.26
1.61	107.88	2.61	98.83
1.66	107.41	2.66	98.41
1.71	106.94	2.71	97.98
1.76	106.47	2.76	97.55
1.81	106.00	2.81	97.13
1.86	105.53	2.86	96.71
1.91	105.07	2.91	96.30
1.96	104.61	2.96	95.88
2.01	104.15	3.01	95.47
2.06	103.69	3.06	95.06
2.11	103.24	3.11	94.65
2.16	102.79	3.16	94.24
2.21	102.34	3.21	93.84
2.26	101.89	3.26	93.43
2.31	101.45	3.31	93.03
2.36	101.01	3.36	92.63
2.41	100.57	3.41	92.24
2.46	100.13	3.46	91.84

*** Disclaimer**

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Hong Kong Monetary Authority
25 July 2011