

## **Press Release**

### **Tender for the re-opening of 10-year Government Bonds under the Institutional Bond Issuance Programme to be held on Wednesday, 14 May 2014**

The Hong Kong Monetary Authority (HKMA), as representative of the Hong Kong Special Administrative Region Government (HKSAR Government), announces today (Wednesday) that a switch tender under the Institutional Bond Issuance Programme will be held on Wednesday, 14 May 2014, for settlement on Thursday, 15 May 2014.

This switch tender will involve issue of 10-year Government Bonds through the re-opening of existing Government Bond issue 10GB2301 (Bonds) and early redemption of Government Bond issue 10GB2001.

An additional amount of HK\$0.8 billion of the Bonds will be on offer. The Bonds will mature on 17 January 2023 and will carry interest at the rate of 1.10% per annum payable semi-annually in arrears. The Bonds Fixings on 30 April 2014 is 89.92 with an annualised yield of 2.404%. Successful bidders will additionally be required to deliver Government Bond issue 10GB2001 to the HKMA for early redemption at 105.87. The nominal value of Government Bond issue 10GB2001 to be delivered by a successful bidder shall equal to the nominal value of the Bonds allotted to the bidder at this switch tender.

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 HKMA's website, 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  
30 April 2014

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

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

Issue Number : 10GB2301 (Re-open)

Stock code : 4215 (HKGB 1.10 2301)

Tender Date and Time : Wednesday, 14 May 2014  
9:30 am to 10:30 am

Issue and Settlement Date : Thursday, 15 May 2014

Amount on Offer : HK\$0.8 billion

Maturity : 10 years

Remaining Maturity : Approximately 8.68 years

Maturity Date : 17 January 2023

Interest Rate : 1.10% p.a., payable semi-annually in arrears

Interest Payment Dates : 17 July 2014  
19 January 2015  
17 July 2015  
18 January 2016  
18 July 2016  
17 January 2017  
17 July 2017  
17 January 2018  
17 July 2018  
17 January 2019  
17 July 2019  
17 January 2020  
17 July 2020  
18 January 2021  
19 July 2021  
17 January 2022  
18 July 2022  
17 January 2023

Method of Tender : Competitive tender (conducted as a switch tender)

Bond for early redemption : 10GB2001 (Stock code: 4203)

Redemption Price : 105.87

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 on Government Bond issue 10GB2301 to be paid by successful bidders on the issue date (15 May 2014) for the allotted amount is HK\$177.81 per minimum denomination of HK\$50,000.

The accrued interest on Government Bond issue 10GB2001 to be received by successful bidders on the issue date (15 May 2014) for the redeemed amount is HK\$489.67 per minimum denomination of HK\$50,000.

(The accrued interest to be paid or received for allotted or redeemed 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 10GB2301 (Stock code: 4215) listed on the Stock Exchange of Hong Kong.

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> |
|--------------------------|--------------|--------------------------|--------------|
| 1.404                    | 97.56        | 2.404                    | 89.95        |
| 1.454                    | 97.17        | 2.454                    | 89.58        |
| 1.504                    | 96.77        | 2.504                    | 89.22        |
| 1.554                    | 96.38        | 2.554                    | 88.86        |
| 1.604                    | 95.98        | 2.604                    | 88.51        |
| 1.654                    | 95.59        | 2.654                    | 88.15        |
| 1.704                    | 95.20        | 2.704                    | 87.80        |
| 1.754                    | 94.82        | 2.754                    | 87.44        |
| 1.804                    | 94.43        | 2.804                    | 87.09        |

|       |       |       |       |
|-------|-------|-------|-------|
| 1.854 | 94.05 | 2.854 | 86.74 |
| 1.904 | 93.67 | 2.904 | 86.40 |
| 1.954 | 93.29 | 2.954 | 86.05 |
| 2.004 | 92.91 | 3.004 | 85.71 |
| 2.054 | 92.53 | 3.054 | 85.36 |
| 2.104 | 92.16 | 3.104 | 85.02 |
| 2.154 | 91.78 | 3.154 | 84.68 |
| 2.204 | 91.41 | 3.204 | 84.34 |
| 2.254 | 91.04 | 3.254 | 84.01 |
| 2.304 | 90.68 | 3.304 | 83.67 |
| 2.354 | 90.31 | 3.354 | 83.34 |
| 2.404 | 89.95 | 3.404 | 83.01 |

**\* Disclaimer**

The information provided here is for reference only. Although extreme care has been taken to ensure that the information provided is accurate and up-to-date, the HKMA does not warrant that all, or any part of, the information provided is accurate in all respects. You are encouraged to conduct your own enquiries to verify any particular piece of information provided on it. The HKMA shall not be liable for any loss or damage suffered as a result of any use or reliance on any of the information provided here.

Hong Kong Monetary Authority  
30 April 2014