

Press Release

Tender for the re-opening of 10-Year Government Bonds under the Institutional Bond Issuance Programme to be held on Wednesday, 2 November 2016

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 5-year Government Bonds (Bonds) through the re-opening of existing 10-year Government Bond issue 10GB2108 under the Institutional Bond Issuance Programme will be held on Wednesday, 2 November 2016, for settlement on Thursday, 3 November 2016.

An additional amount of HK\$2.5 billion of the outstanding 10-Year Bonds (issue no. 10GB2108) will be on offer. 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. The Bonds Fixings on 24 October 2016 is 108.34 with an annualised yield of 0.685%.

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 (GBHK <GO>) not later than 3:00 pm on the tender day.

Hong Kong Monetary Authority
24 October 2016

**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	: 10GB2108 (Re-open)
Stock code	: 4209 (HKGB 2.46 2108)
Tender Date and Time	: Wednesday, 2 November 2016 9:30 am to 10:30 am
Issue and Settlement Date	: Thursday, 3 November 2016
Amount on Offer	: HK\$2.5 billion
Maturity	: 5 years
Remaining Maturity	Approximately 4.75 years
Maturity Date	: 4 August 2021
Interest Rate	: 2.46% p.a., payable semi-annually in arrears
Interest Payment Dates	: 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.

The accrued interest to be paid by successful bidders on the issue date (3 November 2016) for the tender amount is HK\$306.66 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 10GB2108 (Stock code: 4209) 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>
-0.315	113.29	0.685	108.29
-0.265	113.04	0.735	108.04
-0.215	112.78	0.785	107.80
-0.165	112.53	0.835	107.56
-0.115	112.27	0.885	107.32
-0.065	112.02	0.935	107.08
-0.015	111.76	0.985	106.84
0.035	111.51	1.035	106.60
0.085	111.26	1.085	106.36
0.135	111.01	1.135	106.13
0.185	110.76	1.185	105.89
0.235	110.51	1.235	105.65
0.285	110.26	1.285	105.42
0.335	110.01	1.335	105.18
0.385	109.76	1.385	104.95
0.435	109.51	1.435	104.71
0.485	109.27	1.485	104.48
0.535	109.02	1.535	104.25
0.585	108.78	1.585	104.02
0.635	108.53	1.635	103.79
0.685	108.29	1.685	103.56

*** Disclaimer**

The information provided here is for reference only.

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Hong Kong Monetary Authority

24 October 2016