

Press Release

Tender for the re-opening of 15-year Government Bonds under the Institutional Bond Issuance Programme to be held on Wednesday, 7 March 2018

The Hong Kong Monetary Authority (HKMA), as representative of the Hong Kong Special Administrative Region Government (HKSAR Government), announces today (Tuesday) that a tender of 15-year Government Bonds (Bonds) through the re-opening of existing 15-year Government Bond issue 15GB3203 under the Institutional Bond Issuance Programme will be held on Wednesday, 7 March 2018, for settlement on Thursday, 8 March 2018.

An additional amount of HK\$0.6 billion of the outstanding 15-year Bonds (issue no. 15GB3203) will be on offer. The Bonds will mature on 2 March 2032 and will carry interest at the rate of 1.89% per annum payable semi-annually in arrears. The Indicative Pricings of the Bonds on 27 February 2018 is 97.50 with an annualised yield of 2.109%.

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
27 February 2018

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

Tender information of re-opening of 15-year Government Bonds under the Institutional Bond Issuance Programme:-

Issue Number : 15GB3203 (Re-open)

Stock code : 4232 (HKGB 1.89 3203)

Tender Date and Time : Wednesday, 7 March 2018
9:30 am to 10:30 am

Issue and Settlement Date : Thursday, 8 March 2018

Amount on Offer : HK\$0.6 billion

Maturity : Fifteen years

Remaining Maturity : Approximately 13.99 years

Maturity Date : 2 March 2032

Interest Rate : 1.89% p.a., payable semi-annually in arrears

Interest Payment Dates : 3 September 2018
4 March 2019
2 September 2019
2 March 2020
2 September 2020
2 March 2021
2 September 2021
2 March 2022
2 September 2022
2 March 2023
4 September 2023
4 March 2024
2 September 2024
3 March 2025
2 September 2025
2 March 2026
2 September 2026
2 March 2027
2 September 2027
2 March 2028
4 September 2028
2 March 2029
3 September 2029
4 March 2030

2 September 2030
 3 March 2031
 2 September 2031
 2 March 2032

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 (8 March 2018) for the tender amount is HK\$15.53 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 15GB3203 (Stock code: 4232) 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>
1.109	110.13	2.109	97.49
1.159	109.46	2.159	96.90
1.209	108.79	2.209	96.32
1.259	108.12	2.259	95.74
1.309	107.46	2.309	95.17
1.359	106.80	2.359	94.60
1.409	106.15	2.409	94.03
1.459	105.50	2.459	93.47
1.509	104.86	2.509	92.91

1.559	104.22	2.559	92.36
1.609	103.59	2.609	91.81
1.659	102.96	2.659	91.26
1.709	102.33	2.709	90.72
1.759	101.71	2.759	90.18
1.809	101.10	2.809	89.64
1.859	100.49	2.859	89.11
1.909	99.88	2.909	88.58
1.959	99.27	2.959	88.06
2.009	98.68	3.009	87.54
2.059	98.08	3.059	87.02
2.109	97.49	3.109	86.51

*** Disclaimer**

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Hong Kong Monetary Authority
27 February 2018