

Press Release

Tender for the re-opening of 10-year Government Bonds under the Institutional Bond Issuance Programme to be held on Wednesday, 11 July 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 10-year Government Bonds (Bonds) through the re-opening of existing 10-year Government Bond issue 10GB2706 under the Institutional Bond Issuance Programme will be held on Wednesday, 11 July 2018, for settlement on Thursday, 12 July 2018.

An additional amount of HK\$1.2 billion of the outstanding 10-year Bonds (issue no. 10GB2706) will be on offer. The Bonds will mature on 29 June 2027 and will carry interest at the rate of 1.25% per annum payable semi-annually in arrears. The Indicative Pricings of the Bonds on 3 July 2018 is 92.15 with an annualised yield of 2.231%.

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, 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
3 July 2018

**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 : 10GB2706 (Re-open)

Stock code : 4235 (HKGB 1.25 2706)

Tender Date and Time : Wednesday, 11 July 2018
9:30 am to 10:30 am

Issue and Settlement Date for tender amount : Thursday, 12 July 2018

Amount on Offer : HK\$1.2 billion

Maturity : 10 years

Remaining Maturity : Approximately 8.97 years

Maturity Date : 29 June 2027

Interest Rate : 1.25% p.a. payable semi-annually in arrears

Interest Payment Dates : 31 December 2018
28 June 2019
30 December 2019
29 June 2020
29 December 2020
29 June 2021
29 December 2021
29 June 2022
29 December 2022
29 June 2023
29 December 2023
28 June 2024
30 December 2024
30 June 2025
29 December 2025
29 June 2026
29 December 2026
29 June 2027

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 (12 July 2018) for the tender amount is HK\$22.26 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 10GB2706 (Stock code: 4235) 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>
1.231	100.19	2.231	92.16
1.281	99.77	2.281	91.78
1.331	99.35	2.331	91.40
1.381	98.94	2.381	91.03
1.431	98.52	2.431	90.65
1.481	98.11	2.481	90.27
1.531	97.70	2.531	89.90
1.581	97.29	2.581	89.53
1.631	96.89	2.631	89.16
1.681	96.48	2.681	88.80
1.731	96.08	2.731	88.43
1.781	95.68	2.781	88.07
1.831	95.28	2.831	87.70
1.881	94.89	2.881	87.34
1.931	94.49	2.931	86.99
1.981	94.10	2.981	86.63

2.031	93.71	3.031	86.27
2.081	93.32	3.081	85.92
2.131	92.93	3.131	85.57
2.181	92.55	3.181	85.22
2.231	92.16	3.231	84.87

*** Disclaimer**

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Hong Kong Monetary Authority
3 July 2018