

Press Release

Tender for the re-opening of 10-year Government Bonds under the Institutional Bond Issuance Programme to be held on Wednesday, 19 October 2022

The Hong Kong Monetary Authority (HKMA), as representative of the Hong Kong Special Administrative Region Government (HKSAR Government), announced today (10 October) that a switch tender under the Institutional Bond Issuance Programme will be held on Wednesday, 19 October 2022, for settlement on Thursday, 20 October 2022.

The switch tender will involve issue of 10-year Government Bonds through the re-opening of existing Government Bond issue 10GB2601 (Bonds) and early redemption of Government Bond issue 15GB3603.

An additional amount of HK\$0.6 billion of the outstanding 10-year Bonds (issue no. 10GB2601) will be on offer. The Bonds will mature on 21 January 2026 and will carry interest at the rate of 1.68% per annum payable semi-annually in arrears. The Indicative Pricings of the Bonds on 10 October 2022 is 93.10 with an annualised yield of 3.981%. Successful bidders will additionally be required to deliver Government Bond issue 15GB3603 to the HKMA for early redemption at 78.51. The nominal value of Government Bond issue 15GB3603 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 Hong Kong Government Bonds 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 Hong Kong Government Bonds website, the Refinitiv screen (HKGBINDEX), and Bloomberg (GBHK <GO>) not later than 3:00 pm on the tender day.

Hong Kong Monetary Authority
10 October 2022

**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 : 10GB2601 (Re-open)

Stock code : 4230 (HKGB 1.68 2601)

Tender Date and Time : Wednesday, 19 October 2022
9:30 am to 10:30 am

Issue and Settlement Date : Thursday, 20 October 2022

Amount on Offer : HK\$0.6 billion

Maturity : 3 years

Remaining Maturity : Approximately 3.26 years

Maturity Date : 21 January 2026

Interest Rate : 1.68% p.a. payable semi-annually in arrears

Interest Payment Dates : 26 January 2023
21 July 2023
22 January 2024
22 July 2024
21 January 2025
21 July 2025
21 January 2026

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

Bond for early redemption : 15GB3603 (Stock code: 4244)

Redemption Price : 78.51

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

10GB2601 to be paid by successful bidders on the issue date (20 October 2022) for the allotted amount is HK\$209.42 per minimum denomination of HK\$50,000.

The accrued interest on Government Bond issue 15GB3603 to be received by successful bidders on the issue date (20 October 2022) for the redeemed amount is HK\$98.01 per minimum denomination of HK\$50,000.

(The accrued interest to be paid 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 Hong Kong Government Bonds 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 10GB2601 (Stock code: 4230) listed on the Stock Exchange of Hong Kong.

Price/Yield Table of the Government Bonds at tender for reference* only:

<u>Yield-to-Maturity</u>	<u>Price</u>	<u>Yield-to-Maturity</u>	<u>Price</u>
2.981	96.06	3.981	93.16
3.031	95.91	4.031	93.02
3.081	95.77	4.081	92.88
3.131	95.62	4.131	92.73
3.181	95.47	4.181	92.59
3.231	95.33	4.231	92.45
3.281	95.18	4.281	92.31
3.331	95.03	4.331	92.17
3.381	94.89	4.381	92.03
3.431	94.74	4.431	91.89
3.481	94.60	4.481	91.75
3.531	94.45	4.531	91.61
3.581	94.31	4.581	91.47
3.631	94.16	4.631	91.33
3.681	94.02	4.681	91.20
3.731	93.87	4.731	91.06
3.781	93.73	4.781	90.92
3.831	93.59	4.831	90.78

3.881	93.44	4.881	90.65
3.931	93.30	4.931	90.51
3.981	93.16	4.981	90.37

*** Disclaimer**

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Hong Kong Monetary Authority
10 October 2022