

## CGNCR outturn 2002-03: revision to the financing remit

The outturn CGNCR for 2002-03 has been published this morning and, at £21.5 billion, it is £0.1 billion higher than the forecast published in the Budget on 9 April. Consequently, a number of small revisions to the financing arithmetic are necessary and as a result planned Treasury bill sales in 2003-04 have been increased by £0.1 billion. There are no changes to planned gilt sales in 2003-04. The changes have been:

- the net financing requirement for 2002-03 has risen by £0.1 billion to £38.4 billion;
- this increase has been accommodated by a higher run-down in the DMO net cash position in 2002-03. The run-down has risen by £0.1 billion to £6.8 billion leaving a correspondingly lower end-March 2002 cash position of £4.4 billion;
- the contribution from the cash position to financing in 2003-04 has consequently fallen by £0.1 billion and this shortfall has been made good by a £0.1 billion increase in planned Treasury bill sales in 2003-04, taking them to £3.3 billion and the planned end-March 2004 stock to £18.3 billion.

### The updated financing arithmetic

The financing arithmetic (£ billions)	2002-03 Outturn	2003-04 Budget 2003 revised
<b>CGNCR forecast</b>	<b>21.5</b>	<b>35.3</b>
Gilt redemptions	17.0	21.1
Buy-backs	0.4	0.0
<b>Financing Requirement</b>	<b>38.9</b>	<b>56.4</b>
<i>less</i>		
National Savings and Investments	0.7	1.5
DMO cash deposit at Bank of England	-0.2	0.1
<b>Net Financing Requirement</b>	<b>38.4</b>	<b>54.8</b>
<b>1. Planned gilts sales</b>	<b>26.3</b>	<b>47.4</b>
<i>of which:</i>		
Short conventional	8.4	16.4
Medium conventional	5.6	13.2
Long conventional	7.7	11.3
Index-linked	4.6	6.5
<b>2. Planned net short-term debt sales</b>	<b>12.1</b>	<b>7.4</b>
<i>of which:</i>		
Change in Ways & Means	0.0	0.0
Change in T bill stock	5.3	3.3
Change in DMO net cash position**	6.8	4.1
<b>Short term debt levels</b>		
Ways & Means at end of FY	13.4	13.4
T bill stock at end of FY	15.0	18.3
DMO net cash position***	4.4	0.2
** excluding changes in the DMO's deposit at the Bank of England		
*** including the DMO cash deposit at the Bank of England		