

**AGENDA FOR THE CONSULTATION MEETINGS<sup>1</sup> WITH GILT MARKET INVESTORS (3.30PM) AND GEMMs (5.00PM) TO DISCUSS GILT ISSUANCE IN JANUARY - MARCH 2019, ON MONDAY 26 NOVEMBER 2018 at:**

**EASTCHEAP COURT, 11 PHILPOT LANE, LONDON EC3M 8UD**

The DMO would like to invite up to 20 end-investors to contribute to a discussion on gilt issuance in January-March 2019. Attendees may be nominated by their representative organisations or they may contact the DMO directly. Spaces are allocated on a first come, first served basis, at the DMO's discretion. Places will be limited to one person per organisation. Please contact Sarah Ellis [sarah.ellis@dmo.gov.uk](mailto:sarah.ellis@dmo.gov.uk) (0207 862 6525) or Steve Whiting [steve.whiting@dmo.gov.uk](mailto:steve.whiting@dmo.gov.uk) (020 7862 6532) by close on Friday 23 November 2018 if you would like to attend.

- 1. Autumn Budget 2018: Remit revision.**
- 2. Review of gilt market operations and conditions in September - November 2018.**
- 3. The DMO expects to hold a syndicated offering of an index-linked gilt in the period from January to March 2019. Views are sought on the choice of maturity and the anticipated timing of such an offering.**
- 4. Views are sought on the choice and sequencing of conventional and index-linked gilts for auctions in January - March 2019, taking into account the scheduling and maturity of index-linked gilt to be sold by syndication in the quarter.**
- 5. The DMO is seeking views on demand for issuance via gilt tenders in the remainder of the financial year, including maturity/maturities and type(s) of gilt(s) as well as timing.**
- 6. Any other business.**

Table 1 below lists the nine auctions scheduled in January - March 2019. To facilitate discussion, a possible schedule of conventional gilt issuance by maturity is provided in Table 2. The DMO welcomes market views on auction scheduling, in particular the sequencing by maturity of conventional auctions, taking into account preferences over the timing and maturity of the index-linked gilt to be sold via syndication. The DMO also welcomes views on the potential for gilt tenders to be added to the operations calendar as part of the issuance programme.

Note that operation dates in Q4 2018-19 are subject to confirmation or change, pending the Chancellor's decision on the timing of Spring Statement 2019.

The DMO's ongoing policy is to build up gilts to benchmark size, taking into account the impact of issuance on the redemption profile. The schedule of issuance in Table 2 is an example of the DMO's preference to provide regularity of issuance by maturity and type.

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<sup>1</sup> Attendees are reminded that it is their responsibility to comply with competition laws and all other applicable laws.

**Table 1:  
January-March 2019  
Auction Calendar**

|               |              |
|---------------|--------------|
| <b>8-Jan</b>  | Conventional |
| <b>17-Jan</b> | Conventional |
| <b>22-Jan</b> | Conventional |
| <b>14-Feb</b> | Conventional |
| <b>21-Feb</b> | Conventional |
| <b>26-Feb</b> | Index-linked |
| <b>6-Mar</b>  | Conventional |
| <b>14-Mar</b> | Conventional |
| <b>26-Mar</b> | Index-linked |

**Table 2:  
Suggested Maturity Split  
(Conventional Auctions)**

|               |              |
|---------------|--------------|
| <b>8-Jan</b>  | Medium       |
| <b>17-Jan</b> | Short        |
| <b>22-Jan</b> | Long         |
| <b>14-Feb</b> | Medium       |
| <b>21-Feb</b> | Long         |
| <b>26-Feb</b> | Index-linked |
| <b>6-Mar</b>  | Short        |
| <b>14-Mar</b> | Long         |
| <b>26-Mar</b> | Index-linked |

### Conventional gilt issuance

The DMO is planning that there will be two short, two medium and three long conventional auctions in January - March 2019.

- Short (two auctions): the DMO anticipates re-opening 1% 2024 twice in Q4 2018-19. The DMO welcomes views on this approach, and whether there are any other short-dated candidates for issuance in the quarter.
- Medium (two auctions): the DMO expects to re-open 1% 2028 at least once in Q4 2018-19. The DMO welcomes views on this, and whether there are other medium-dated candidates for issuance in the quarter.
- Long (three auctions): the DMO welcomes views on candidates for, and the sequencing of, long conventional gilt auctions in Q4 2018-19.

### Index-linked gilt issuance

- There are two index-linked gilt auctions scheduled in Q4 2018-19. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt issuance via auction in the quarter. Views should take into account the probability of index-linked issuance via syndication in the quarter.

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The DMO will announce details of the gilt operations calendar for January - March 2019 at 7.30am on Friday 30 November 2018.

The next consultation meetings to discuss gilt issuance in April-June 2019 are scheduled to be held at 3.30pm (end-investors) and 5.00pm (GEMMs) on Monday 18 March 2019<sup>2</sup>.

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<sup>2</sup> Subject to confirmation pending the Chancellor's decision on the timing of Spring Statement 2019.