

AGENDA FOR THE CONSULTATION MEETINGS¹ WITH GILT MARKET INVESTORS (3.30PM) AND GEMMs (5.00PM) TO DISCUSS GILT ISSUANCE IN OCTOBER-DECEMBER 2018, ON MONDAY 20 AUGUST 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 October-December 2018. 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 (0207 862 6525) or Steve Whiting steve.whiting@dmo.gov.uk (020 7862 6532) by close on Friday 17 August 2018 if you would like to attend.

1. **Review of gilt market operations and conditions in June-August 2018.**
2. **The DMO expects to hold a syndicated offering of a conventional gilt in Q3 2018-19 and anticipates doing so in the first half of October. Views are sought on the choice of maturity and the anticipated timing of such an offering.**
3. **Views are sought on the choice and sequencing of conventional and index-linked gilts for auctions in October-December 2018, taking into account the scheduling and maturity of gilt to be sold by syndication.**
4. **The DMO is seeking views on demand for issuance via gilt tenders over the coming months, including maturity/maturities and type(s) of gilt(s) as well as timing.**
5. **Any other business.**

Table 1 below lists the eight auctions scheduled in October-December 2018. 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 conventional 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 Q3 2018-19 are subject to confirmation or change, pending the Chancellor's decision on the timing of the Autumn Budget.

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.

**Table 1:
October-December 2018
Auction Calendar**

4-Oct	Conventional
23-Oct	Index-linked
6-Nov	Conventional
15-Nov	Conventional
20-Nov	Index-linked
4-Dec	Conventional
6-Dec	Conventional
12-Dec	Index-linked

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

4-Oct	Short
23-Oct	Index-linked
6-Nov	Medium
15-Nov	Long
20-Nov	Index-linked
4-Dec	Short
6-Dec	Long
12-Dec	Index-linked

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

Conventional gilt issuance

The DMO is planning that there will be two short, one medium and two long conventional auctions in October-December 2018.

- Short (two auctions): the DMO anticipates re-opening 1% 2024 twice in Q3 2018-19. The DMO welcomes views on this approach, and whether there are any other short-dated candidates for issuance in the quarter.
- Medium (one auction): the DMO expects 1½% 2028 to be the preferred candidate for auction in Q3 2018-19. The DMO welcomes views on this, or whether there are any other medium-dated candidates for issuance in the quarter.
- Long (two auctions): the DMO welcomes views on candidates for, and the sequencing of, long conventional gilt auctions in Q3 2018-19. Views should take into account any long conventional issuance via syndication in the quarter.

Index-linked gilt issuance

- There are three index-linked gilt auctions scheduled in Q3 2018-19. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt issuance via auction in the quarter.

The DMO will announce details of the gilt operations calendar for October-December 2018 at 7.30am on Friday 31 August 2018.

The next consultation meetings to discuss gilt issuance in January-March 2019 are scheduled to be held at 3.30pm (end-investors) and 5.00pm (GEMMs) on Monday 26 November 2018².

² Subject to confirmation pending the Chancellor's decision on the timing of the Autumn Budget.