

**AGENDA FOR THE CONSULTATION MEETING WITH END-INVESTORS (3.30PM) AND GEMMs (5.00PM) TO DISCUSS GILT ISSUANCE IN APRIL-JUNE 2010, TO BE HELD ON MONDAY 29 MARCH 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 April-June 2010. Attendees may be nominated by their representative organisations (e.g. NAPF, ABI etc.) 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 Steve Whiting [steve.whiting@dmo.gsi.gov.uk](mailto:steve.whiting@dmo.gsi.gov.uk) (020 7862 6532) or Sarah Ellis [sarah.ellis@dmo.gsi.gov.uk](mailto:sarah.ellis@dmo.gsi.gov.uk) (020 7862 6525) by close Friday 26 March 2010 if you would like to attend.

- 1. Review of gilt market operations in January-March 2010**
- 2. Budget 2010: DMO Financing Remit 2010-11**
- 3. Choice of conventional and index-linked gilts for auctions scheduled in April-June 2010. The DMO also anticipates holding up to two syndicated offerings in Q1 2010-11 and is seeking views on the timing and type of gilts suitable for syndication.**

Table 1 below lists the 14 scheduled auction dates and weeks in which three gilt mini-tenders could potentially be held. For conventional gilts, a suggested schedule for the maturity of issuance is provided in Table 2 to facilitate the discussion.

**Table 1:  
April-June  
Issuance Calendar**

<b>7-Apr<sup>1</sup></b>	Conventional
<b>13-Apr</b>	Conventional
<b>15-Apr</b>	Index-linked
<b>w/c 19-Apr</b>	Tender
<b>22-Apr</b>	Conventional
<b>27-Apr</b>	Index-linked
<b>5-May</b>	Conventional
<b>11-May</b>	Conventional
<b>13-May</b>	Index-linked
<b>w/c 17-May</b>	Tender
<b>20-May</b>	Conventional
<b>2-Jun</b>	Conventional
<b>3-Jun</b>	Conventional
<b>8-Jun</b>	Index-linked
<b>9-Jun</b>	Conventional
<b>w/c 14-Jun</b>	Tender
<b>17-Jun</b>	Conventional

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

<b>7-Apr<sup>1</sup></b>	Short
<b>13-Apr</b>	Long
<b>15-Apr</b>	IL
<b>w/c 19-Apr</b>	Tender
<b>22-Apr</b>	Medium
<b>27-Apr</b>	IL
<b>5-May</b>	Short
<b>11-May</b>	Long
<b>13-May</b>	IL
<b>w/c 17-May</b>	Tender
<b>20-May</b>	Medium
<b>2-Jun</b>	Short
<b>3-Jun</b>	Long
<b>8-Jun</b>	IL
<b>9-Jun</b>	Medium
<b>w/c 14-Jun</b>	Tender
<b>17-Jun</b>	Short

<sup>1</sup> Early feedback is requested on the choice of short-dated bond for the 7 April auction (to be announced at 3.30pm on Friday 26 March). Please e-mail views on this to [policy@dmo.gsi.gov.uk](mailto:policy@dmo.gsi.gov.uk) by close Thursday 25 March.

The DMO's ongoing policy is to build up gilts to benchmark size, subject to considering the impact of issuance on the redemption profile. The suggested maturity schedule of conventional issuance in Table 2 reflects the DMO's aim to provide regularity in issuance across each maturity sector.

### **Conventional gilt issuance**

The DMO is planning on the basis that there will be four short-dated, three medium-dated and three long-dated auctions in April-June 2010.

- Short-dated (four auctions; feedback will be sought on three of these at the meeting<sup>2</sup>): The DMO considers there is merit in re-opening bonds in the 5-year maturity area including the current 5-year benchmark 2¾% 2015. The DMO welcomes views on the number and sequencing of re-openings in the 5-year area as well as the identity and timing of other candidates for short-dated issuance in Q1, taking into account implications for the near-term redemption profile.
- Medium-dated (three auctions): The DMO anticipates launching a new 10-year benchmark (2020 maturity) gilt in Q1 2010-11, and welcomes views on the maturity date and timing of this new issue. The DMO also seeks views on other medium-dated candidates for issuance in the quarter.
- Long-dated (three auctions): The DMO is minded to re-open 4½% 2034 and 4¼% 2039 at least once each in Q1 and welcomes views on the number and sequencing of re-openings of these bonds. The DMO is also seeking views on the identity and timing of any other candidates for long-dated issuance in Q1 taking into account the potential for long-dated issuance by syndication during the quarter.

### **Index-linked gilt issuance**

There are four index-linked auctions scheduled in April-June 2010. The DMO welcomes views on candidates for and sequencing of index-linked gilt auctions in the quarter, taking into account the potential for index-linked gilt issuance by syndication during the quarter.

### **4. Any other business**

**The next consultation meetings to discuss gilt issuance in July-September 2010 will be held at 3.30pm (investors) and 5.00pm (GEMMs) on Monday 24 May.**

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<sup>2</sup> See footnote 1.