

AGENDA FOR THE QUARTERLY CONSULTATION MEETING WITH GILT MARKET INVESTORS, 3.30pm; AND GEMMs, 5.00pm - TUESDAY 28 AUGUST 2007 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 next quarter's gilt issuance. 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 Sarah Ellis or Steve Whiting on 0845 357 6501 or sarah.ellis@dmo.gsi.gov.uk / steve.whiting@dmo.gsi.gov.uk by close Friday 24 August if you would like to attend.

1. Gilt market operations: July-September 2007

2. Choice of conventional and index-linked gilts for auctions scheduled in October-December 2007¹

Conventional	Index-linked
02-October	10-October
01-November	24-October
06-November	20-November
28-November	12-December
04-December	

Conventional issuance

The DMO's ongoing policy is to build up new benchmark gilts and we expect to re-open 5¼% Treasury Gilt 2012 and 5% Treasury Gilt 2018 respectively in the quarter. Within long maturities the DMO will aim to re-open 4½% Treasury Gilt 2042 in Q3 but also envisages issuing a new long-dated conventional gilt in the next quarter. Attendees are invited to express views on the maturity of such a new long-dated gilt and, in particular, whether they have a preference for a new issue in the 20- or 40-year sectors.

Index-linked issuance

The DMO expects to continue to build up new benchmark bonds at key maturities across the real yield curve. The DMO would expect to begin the quarter with a re-opening of the 2022 maturity. Views will be sought from attendees on the maturity and scheduling of long-dated auction(s) and, in particular, the case for launching a new long-dated issue at around the 40-year maturity.

Any other business

Current developments in the Government's feasibility study on Islamic finance and next steps.

Progress v the current remit

Gilt sales v remit at 21 August 2007 (£ millions).					
	Conventional Gilts			Index-linked gilts	Total
	Short (1-7 yrs)	Medium (7-15yrs)	Long (15 yrs+)		
Gilt sales to date	2,442	4,918	8,465	6,067	21,891
Total planned sales	10,000	10,000	23,400	15,000	58,400
Sales remaining	7,558	5,082	14,935	8,933	36,509
Auctions remaining	3	2	7	9	21

¹ All auction dates are subject to confirmation following the Chancellor's decisions on the Budgetary timetable.