

AGENDA FOR THE CONSULTATION MEETINGS¹ WITH GILT MARKET INVESTORS (3.30PM) AND GEMMS (5.00PM) TO DISCUSS GILT ISSUANCE IN OCTOBER-DECEMBER 2017, ON MONDAY 21 AUGUST 2017 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 2017. 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.gsi.gov.uk (020 7862 6525) or Steve Whiting steve.whiting@dmo.gsi.gov.uk (020 7862 6532) by close on Friday 18 August 2017 if you would like to attend.

Q2 2017-18

1. **Review of gilt market operations and conditions in June - August 2017.**
2. **Bond choice and timing of syndication of a long conventional gilt, with a maturity in the 40 year area or longer, in the first half of September 2017. The DMO's planning assumption is that the syndication will be for a re-opening of an existing long conventional gilt or the launch of a new gilt that results in a modest extension of the curve. Further details regarding the timing of the syndication and choice of bond to be syndicated will be announced at 3.30pm on Tuesday 22 August 2017.**

Q3 2017-18

3. **The DMO expects to hold one index-linked gilt syndication in Q3 2017-18 and early views are sought on the maturity of the index-linked gilt to be sold and timing of the offering (including any interaction with the current published auction programme).**
4. **Choice and sequencing of conventional and index-linked gilts for auctions in October-December 2017, taking into account the scheduling of an index-linked syndication in the quarter.**
5. **The DMO is seeking views on demand for issuance via gilt tenders in Q3 2017-18 including maturity(ies) and type(s) of gilt(s) as well as timing.**
6. **Feedback is requested from gilt market participants on whether there is merit in the creation of new coupon series for future new conventional and/or index-linked gilts.**
7. **Any other business.**

Table 1 below lists the 10 auctions scheduled in October-December 2017. 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.

Note that operation dates in Q3 2017-18 are subject to confirmation or change, pending the Chancellor's decision on the Budgetary timetable.

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

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:
Oct-Dec 2017
Issuance Calendar

5-Oct	Conventional
10-Oct	Conventional
19-Oct	Conventional
24-Oct	Index-linked
9-Nov	Conventional
16-Nov	Conventional
21-Nov	Index-linked
5-Dec	Conventional
7-Dec	Conventional
13-Dec	Index-linked

Table 2:
Suggested Maturity Split
(Conventional Auctions)

5-Oct	Short
10-Oct	Long
19-Oct	Medium
24-Oct	Index-linked
9-Nov	Short
16-Nov	Medium
21-Nov	Index-linked
5-Dec	Short
7-Dec	Long
13-Dec	Index-linked

Conventional gilt issuance

The DMO is planning that there will be three short, two medium and two long conventional auctions in October-December 2017.

- **Short (three auctions):** the DMO envisages re-opening 0¾% 2023 at least twice in Q3 2017-18. Views are sought on this and any other short conventional candidates for issuance in the quarter, bearing in mind the impact on the near-term redemption profile.
- **Medium (two auctions):** the DMO envisages re-opening 1¼% 2027 at least once in the quarter. Views are sought on this and any other medium conventional candidates for issuance in Q3 2017-18.
- **Long (two auctions):** the DMO welcomes views on candidates for, and the sequencing of, long gilt auctions in Q3 2017-18.

Index-linked gilt issuance

There are three index-linked gilt auctions scheduled in October-December 2017. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt auctions in the quarter. Views should take into account index-linked issuance via syndication in Q3 2017-18.

The DMO will announce details of the gilt operations calendar for October-December 2017 at **7.30am** on Thursday 31 August 2017.

The next consultation meetings to discuss gilt issuance in January-March 2018 are scheduled to be held at 3.30pm (end-investors) and 5.00pm (GEMMs) on Monday 27 November 2017².

² Subject to confirmation depending on the Chancellor's decision on the Budgetary timetable.