

AGENDA FOR THE CONSULTATION MEETINGS TO DISCUSS GILT ISSUANCE IN JUNE-SEPTEMBER 2009, WITH GILT MARKET INVESTORS 3.30pm AND GEMMs 5.00pm ON MONDAY 18 MAY 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 June-September 2009. 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 sarah.ellis@dmo.gsi.gov.uk (020 7862 6525) by close Friday 15 May if you would like to attend.

1. Review of gilt market operations: April-May 2009
2. Feedback on syndication 'design phase'
3. Choice of conventional and index-linked gilts for auctions scheduled in June- September 2009

Table 1 below lists the 19 scheduled auction dates and weeks in which four 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: June-September Issuance Calendar

2-Jun	Conventional
3-Jun	Conventional
9-Jun	Conventional
11-Jun	Index-linked
w/c 15-Jun	Tender
23-Jun	Conventional
1-Jul	Conventional
2-Jul	Conventional
7-Jul	Conventional
8-Jul	Index-linked
w/c 13-Jul	Tender
21-Jul	Conventional
29-Jul	Conventional
4-Aug	Conventional
w/c 10-Aug	Tender
11-Aug	Conventional
20-Aug	Index-linked
2-Sep	Conventional
3-Sep	Conventional
8-Sep	Conventional
w/c 14-Sep	Tender
17-Sep	Conventional
29-Sep	Conventional

Table 2: Suggested Maturity Split (Conventional Auctions)

2-Jun	Medium
3-Jun	Long
9-Jun	Short
11-Jun	IL
w/c 15-Jun	Tender
23-Jun	Medium
1-Jul	Short
2-Jul	Long
7-Jul	Medium
8-Jul	IL
w/c 13-Jul	Tender
21-Jul	Medium
29-Jul	Short
4-Aug	Long
w/c 10-Aug	Tender
11-Aug	Medium
20-Aug	IL
2-Sep	Short
3-Sep	Long
8-Sep	Medium
w/c 14-Sep	Tender
17-Sep	Short
29-Sep	Medium

- The DMO seeks views on the potential timing and type (long conventional or index-linked) of gilts suitable for syndicated offerings, including in particular possible new long conventional and/or index-linked gilts that could benefit from being launched by syndication.

Conventional gilt issuance

The DMO suggests holding five short-dated, seven medium-dated and four long-dated auctions in June-September 2009.

The suggested maturity schedule of conventional issuance in Table 2 reflects the DMO's aim to provide regularity in the issuance calendar across each maturity sector.

The DMO's ongoing policy is to build up new gilts to benchmark size. In decisions on the maturity of new gilts the DMO will consider the impact on the redemption profile.

- Short-dated: The DMO anticipates that there might be at least two (and possibly three) re-openings of 2¼% 2014 (to help build liquidity in the gilt). The DMO welcomes views on the number and timing of these re-openings. The DMO would also be interested in views on potential re-openings of 5¼% 2012, 4½% 2013 and/or 5% 2014 during the period, or whether there are any other suitable short-dated candidates for re-opening.
- Medium-dated: The DMO anticipates further re-openings of 4½% 2019 and 4% 2022 during the June-September period. The DMO welcomes views on the timing of these re-openings. The DMO is also minded to launch a new gilt maturing in September 2019 and then to re-open it at least once within the June to September period. Views are sought on the timing of the launch and of the re-opening(s). The DMO also welcomes views on whether there are any other medium-dated candidates for re-opening.
- Long-dated: The DMO anticipates that there might be at least two re-openings of 4¼% 2039 to help build liquidity in the gilt. Views are sought on the frequency and timing of such re-openings. Views are also sought on other candidates for long-dated gilt auctions and possible timings for these, taking into account the possibility of potential syndicated offerings during the period.

Index-linked gilt issuance

There are three index-linked auctions scheduled in June-September. The DMO welcomes views on candidates for index-linked gilt auctions and possible timings for these, taking into account the possibility of potential syndicated offerings during the period.

4. Any other business

The next consultation meetings to discuss gilt issuance in October-December 2009 will be held at 3.30pm (Gilt market investors) and 5.00pm (GEMMs) on Monday 17 August.