

AGENDA FOR THE QUARTERLY CONSULTATIONS (IN PERSON AND VIA VIDEO CONFERENCE CALL) WITH GILT MARKET INVESTORS (3.30PM) AND GEMMs (5.00PM) TO DISCUSS GILT ISSUANCE IN JULY TO SEPTEMBER 2023 ON MONDAY 22 MAY 2023¹

The DMO would like to invite GEMMs and investors to join discussions (to take place in the DMO's offices at *The Minster Building, 21 Mincing Lane, London EC3R 7AG* and via MS Teams conference calls) on gilt issuance in July to September 2023. 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. Please contact CEO-Office@dmo.gov.uk by close on Friday 19 May 2023 if you would like to reserve a place, also confirming whether you will be attending in person at the DMO's offices or remotely via MS Teams conference call. For those attending remotely, the meeting access details will be emailed in advance. Alternatively, the DMO would be pleased to receive your views on issuance via email to policy@dmo.gov.uk if preferred.

- 1. Remit revision: April 2023**
- 2. Review of gilt market operations and conditions in April and May 2023.**
- 3. Syndications. The DMO is currently planning to hold two syndicated offerings in the quarter: one in the first half of July 2023, for a new or existing index-linked gilt, subject to market views; and the other in the first half of September 2023 for a long conventional gilt. The DMO invites views on the preferred maturities and timings of these proposed transactions.**
- 4. Auctions. Views are sought on the choice and sequencing of conventional and index-linked gilts for auction in July to September 2023. Views should take into account preferences over the maturity and timing of planned index-linked and long conventional gilt syndications in the quarter.**
- 5. Gilt tenders. The DMO is seeking views on any demand for issuance via gilt tenders in Q2 2023-24, including maturity/maturities and type(s) of gilt(s), as well as timing.**
- 6. Any other business.**

Table 1 below sets out a proposed calendar of the sixteen gilt auction dates scheduled in July to September 2023, including a possible schedule of conventional gilt issuance by maturity. The DMO welcomes market views on auction scheduling, taking into account preferences over the maturities and timing of the index-linked and long conventional syndications planned to be held in the quarter.

Note that the gilt auction calendar may also be altered, for example, to accommodate any decisions by the Chancellor on the fiscal event timetable, any significant data releases or market sensitive events announced subsequently, as well as to accommodate the scheduling of syndicated offerings.

The DMO's ongoing policy is to build up gilts to benchmark size, taking into account the impact of issuance on the gilt redemption profile. The proposed schedule of issuance in Table 1 sets

¹ Attendees are reminded that it is their responsibility to comply with competition laws and all other applicable laws. If any participants are dialling in from recorded lines, we politely ask that you respect the privacy of this conversation and do not disseminate any information beyond the call participants.

out an example of the DMO's preference to provide regularity of issuance by maturity and type of gilt.

Table 1: July to September 2023 proposed auction calendar and maturity split

Auction date*	Gilt
Tuesday 4 July	A long conventional gilt
Wednesday 5 July	A short conventional gilt
Wednesday 12 July	A medium conventional gilt
Tuesday 18 July	A long conventional gilt
Wednesday 19 July	A short conventional gilt
Tuesday 25 July	A medium conventional gilt
Tuesday 1 August	A short conventional gilt
Tuesday 8 August	An index-linked gilt
Wednesday 9 August	A medium conventional gilt
Tuesday 15 August	A long conventional gilt
Tuesday 22 August	An index-linked gilt
Wednesday 6 September	A short conventional gilt
Tuesday 12 September	An index-linked gilt
Wednesday 13 September	A medium conventional gilt
Tuesday 19 September	A long conventional gilt
Tuesday 26 September	A medium conventional gilt

**The close of the auction bidding window typically takes place at 10.00am (London time), although there may be exceptions on key data release days when the close of bidding time may be 11.30am. The finalised gilt issuance calendar for July to September 2023 will include confirmation on close of bidding times.*

Conventional gilt auctions

The DMO is planning four short-dated, five medium-dated and four long-dated conventional auctions in the July to September 2023 period.

- **Short (four auctions):** The DMO expects to re-open 3½% Treasury Gilt 2025, the new gilt maturing on 7 June 2028 (which will be auctioned for the first time on 20 June 2023) and 0½% Treasury Gilt 2029 at least once each in the quarter. The DMO invites views on these and any other choices of short-dated conventional gilts for auction in Q2 2023-24. Feedback should take into account the impact of issuance on the near-term redemption profile.
- **Medium (five auctions):** The DMO intends to re-open 3¼% Treasury Gilt 2033 at least twice and 3¾% Treasury Gilt 2038 once in the quarter, and is also considering a re-opening of

0 $\frac{7}{8}$ % Green Gilt 2033. The DMO welcomes views on this approach and any other choices of medium conventional gilts for auction in Q2 2023-24.

- Long (four auctions): The DMO welcomes views on candidates for, and the sequencing of, long conventional gilt auctions in the quarter. The DMO anticipates re-opening 3 $\frac{3}{4}$ % Treasury Gilt 2053 up to two times in the quarter, and is also considering a re-opening of 1 $\frac{1}{2}$ % Green Gilt 2053. The DMO invites views on these and any other choices of long conventional gilts for auction in Q2 2023-24. Views should also take into account the likely scheduling of a long conventional gilt syndication in the quarter.

Index-linked gilt auctions

There are three index-linked gilt auctions scheduled in Q2 2023-24. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilts for issuance via auction. Views should take into account the expected scheduling of an index-linked gilt syndication early in the quarter.

The DMO will announce details of the full gilt operations calendar for July to September 2023 at 7.30am on Wednesday 31 May 2023.

The next consultations to discuss gilt issuance in October to December 2023 are currently scheduled for 3.30pm (gilt market investors) and 5.00pm (GEMMs) on Tuesday 29 August 2023.