

**AGENDA FOR THE QUARTERLY CONSULTATIONS WITH GILT MARKET INVESTORS (3.30PM) AND GEMMs (5.00PM) TO DISCUSS GILT ISSUANCE IN JUNE-SEPTEMBER 2021, ON MONDAY 17 MAY 2021. THE CONSULTATIONS WILL TAKE PLACE VIA VIDEO CONFERENCE CALL<sup>1</sup>.**

The DMO would like to invite GEMMs and investors to join a discussion that will take place via an MS Teams conference call on gilt issuance in June-September 2021. 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](mailto:CEO-Office@dmo.gov.uk) by close on Friday 14 May 2021 if you would like to reserve a place. The meeting access details will be emailed to attendees in advance. Alternatively, the DMO would be happy to receive your views on issuance via email to [Policy@dmo.gov.uk](mailto:Policy@dmo.gov.uk) if preferred.

- 1. Remit Revision: April 2021.**
- 2. Review of gilt market operations and conditions in March to May 2021.**
- 3. The DMO anticipates holding one conventional gilt syndicated offering in the period June to September 2021, subject to market and demand conditions. The DMO would like to hear views on the possibility of launching by syndication a new conventional gilt in the 15- to 22-year area, or any other preferred maturity, in late June or July 2021.**
- 4. In addition, green gilt issuance is also a possibility in the June to September 2021 period. The DMO welcomes views on the maturity/maturities of any such green gilt issue(s) and the timing and sequencing of any transaction(s), subject to market and demand conditions.**
- 5. Views are sought on the choice and sequencing of conventional and index-linked gilts for auction in July to September 2021, taking into account the type and maturity of gilt(s) to be sold via syndication, together with the timing(s) of any such operation(s).**
- 6. The DMO is seeking views on demand for issuance via gilt tenders in the period June to September 2021, including maturity/maturities and type(s) of gilt(s), as well as timing.**
- 7. Any other business.**

Table 1 below sets out a proposed gilt auction calendar for the nineteen auctions scheduled in July to September 2021, including a possible schedule of conventional gilt issuance by maturity. The DMO welcomes market views on auction scheduling, taking into account preferences over the type(s), maturity/maturities, and timing of gilt(s) to be sold via syndication, together with any recommendations, at this stage, for gilt tenders.

Note that the gilt auction calendar may be altered, for example, to accommodate the Chancellor's decisions on the fiscal event timetable, any significant data releases or market-sensitive events announced subsequently and/or 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 out an example of the DMO's preference to provide regularity of issuance by maturity and type of gilt.

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<sup>1</sup> 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.

**TABLE 1: PROPOSED JULY TO SEPTEMBER 2021 AUCTION CALENDAR AND MATURITY SPLIT**

<b>Auction date and close of bidding time</b>	<b>Gilt</b>
Thursday 1 July 10.00am	A short conventional gilt
Tuesday 6 July 10.00am	A medium conventional gilt
11.30am	A long conventional gilt
Wednesday 7 July 10.00am	An index-linked gilt
Tuesday 13 July 10.00am	A long conventional gilt
Tuesday 27 July 10.00am	A short conventional gilt
Tuesday 3 August 10.00am	A long conventional gilt
Tuesday 10 August 10.00am	A medium conventional gilt
Wednesday 11 August 10.00am	An index-linked gilt
Tuesday 17 August 10.00am	A long conventional gilt
Tuesday 24 August 10.00am	A short conventional gilt
Wednesday 1 September 10.00am	A medium conventional
Tuesday 7 September 10.00am	A short conventional gilt
11.30am	A long conventional gilt
Wednesday 8 September 10.00am	An index-linked gilt
Tuesday 14 September 10.00am	A short conventional gilt
Wednesday 15 September 10.00am	A medium conventional gilt
Wednesday 22 September 10.00am	An index-linked gilt
Tuesday 28 September 10.00am	A long conventional gilt

- The DMO is planning five short, four medium and six long conventional auctions in July-September 2021. Views on gilt auction scheduling should take into account the likelihood of conventional gilt issuance and the possibility of green gilt issuance via syndication in the quarter.
- Short (five auctions): the DMO expects to re-open 0<sup>3</sup>% 2026 at least twice in the quarter. The DMO welcomes views on this and other new or existing short-dated candidate gilts for issuance in the quarter. Feedback should take into account the impact of issuance on the near-term redemption profile.
- Medium (four auctions): the DMO anticipates continuing to build to benchmark size 0<sup>4</sup>% 2031 through at least two re-openings in the quarter. The DMO welcomes views on this and other medium candidates for issuance in the quarter, including the possibility of launching a successor gilt to the current coupon 0<sup>5</sup>% 2035, either by auction or by syndication (see above).

- Long (six auctions): the DMO welcomes views on candidates for, and the sequencing of, long conventional gilt auctions in the quarter. The DMO anticipates further building up existing long gilts to benchmark size across the range of maturities. Hence, feedback is sought specifically on re-openings of 0<sup>7</sup>/<sub>8</sub>% 2046, 1<sup>1</sup>/<sub>4</sub>% 2051, 0<sup>1</sup>/<sub>2</sub>% 2061 and 1<sup>5</sup>/<sub>8</sub>% 2071 and/or any other long conventional gilts. Views should take into account the possibility of long conventional gilt issuance via syndication in the quarter.

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

- There are four index-linked gilt auctions scheduled in July to September 2021. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt issuance via auction.

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The DMO will announce details of the gilt operations calendar for July to September 2021 at 7.30am on Friday 28 May 2021.

The next consultations to discuss gilt issuance in October to December 2021 are currently scheduled for 3.30pm (end-investors) and 5.00pm (GEMMs) on Monday 23 August 2021.