

**AGENDA FOR THE CONSULTATION MEETINGS WITH GILT MARKET INVESTORS (3.30PM) AND GEMMS (5.00PM) TO DISCUSS GILT ISSUANCE IN JULY-SEPTEMBER 2011, TO BE HELD ON MONDAY 23 MAY 2011 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 July-September 2011. 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](mailto:sarah.ellis@dmo.gsi.gov.uk) (0845 357 6525) or Steve Whiting [steve.whiting@dmo.gsi.gov.uk](mailto:steve.whiting@dmo.gsi.gov.uk) (0845 357 6532) by close Friday 20 May 2011 if you would like to attend.

1. **Review of gilt market operations in April - June 2011.**
2. **Choice of conventional and index-linked gilts for auctions scheduled in July-September 2011.**
3. **The DMO also anticipates holding two syndicated offerings in Q2 2011-12 and is seeking views on the types of gilt and timing of these syndications, taking account of the DMO's previous announcement of its plan to schedule an index-linked operation in July.**
4. **The DMO is interested in views on the timing of a mini-tender in Q2.**

Table 1 below lists the 11 scheduled auction dates for July-September 2011. For conventional gilts, a suggested schedule for the maturity of issuance is provided in Table 2 to facilitate the discussion.

**Table 1:  
July-September  
Issuance Calendar**

<b>5-Jul</b>	Conventional
<b>6-Jul</b>	Index-linked
<b>14-Jul</b>	Conventional
<b>19-Jul</b>	Conventional
<b>2-Aug</b>	Conventional
<b>11-Aug</b>	Index-linked
<b>18-Aug</b>	Conventional
<b>23-Aug</b>	Index-linked
<b>1-Sept</b>	Conventional
<b>15-Sept</b>	Index-linked
<b>22-Sept</b>	Conventional

**Table 2:  
Suggested Maturity Split  
(Conventional Auctions)**

<b>5-Jul</b>	Medium
<b>6-Jul</b>	IL
<b>14-Jul</b>	Long
<b>19-Jul</b>	Short
<b>2-Aug</b>	Long
<b>11-Aug</b>	IL
<b>18-Aug</b>	Short
<b>23-Aug</b>	IL
<b>1-Sept</b>	Medium
<b>15-Sept</b>	IL
<b>22-Sept</b>	Short

The DMO's ongoing policy is to build up gilts to benchmark size, subject to considering the impact of issuance on the redemption profile. The suggested maturity schedule of conventional issuance in Table 2 reflects the DMO's aim to provide regularity in issuance across each maturity sector.

**Conventional gilt issuance**

The DMO is planning on the basis that there will be three short, two medium and two long conventional auctions in July-September 2011.

- Short (three auctions): The DMO is considering the launch of a new five-year benchmark gilt during the quarter. The DMO welcomes views on the maturity, timing of launch and any

re-openings of such a bond. The DMO would also welcome views on the identity and timing of any other short conventional candidates for auction in Q2, taking into account implications for the near-term redemption profile.

- Medium (two auctions): The DMO anticipates re-opening 3¾% 2021 at least once in Q2 and welcomes views on whether a further re-opening should also be scheduled, or whether there are other medium conventional candidate gilts for re-opening in Q2.
- Long (two auctions): The DMO welcomes views on the identity and timing of long conventional gilts to be auctioned in Q2, taking into account the potential for long conventional gilt issuance by syndication in the quarter.

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

There are four index-linked auctions scheduled in July-September 2011. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt issuance in Q2, taking into account the potential for index-linked gilt issuance by syndication in the quarter.

### **5. Any other business**

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The DMO will announce details of the gilt operation calendar for July-September 2011 at 3.30pm on Tuesday 31 May 2011.

The next consultation meetings to discuss gilt issuance in October-December 2011 are scheduled to be held on Monday 22 August 2011 at 3.30pm (investors) and 5.00pm (GEMMs).