

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 JANUARY TO MARCH 2024 (AND CHANGES TO THE AUCTION CALENDAR FOR DECEMBER 2023) ON MONDAY 27 NOVEMBER 2023¹

The DMO would like to invite GEMMs and gilt 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 January to March 2024, in addition to an update on gilt issuance in December 2023. Attendees may be nominated by their representative organisations or they may contact the DMO directly. Spaces at the investor discussions are allocated at the DMO's discretion. Please contact CEO-Office@dmo.gov.uk by 12:00pm on Friday 24 November 2023 if you would like to request a place, also confirming whether you wish to attend in person at the DMO's offices or remotely via MS Teams conference call. For those planning to attend 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: Autumn Statement 2023².**
2. **Review of gilt market operations and conditions in September to November 2023.**

Q3 2023-24

3. **Amongst the adjustments to the 2023-24 financing remit announced at Autumn Statement 2023 was the addition of two current coupon conventional gilt auctions to the Q3 2023-24 calendar: a long conventional auction on 13 December 2023 and a medium conventional auction on 19 December 2023. Views are sought on the specific gilts to be sold at these two additional auctions.**

Q4 2023-24

4. **Syndications. The DMO is provisionally planning to schedule two syndications in Q4 2023-24: a new long conventional gilt (potentially in the 25- to 35-year area) in January 2024 and an index-linked gilt in March 2024. Views are welcomed on the preferred maturities and timing considerations for these transactions.**
5. **Auctions. Views are sought on the choice and sequencing of conventional and index-linked gilts for auction in January to March 2024, including a new index-linked gilt auction provisionally scheduled for January 2024. Views should take into account the two syndications provisionally planned in the quarter with respect to the maturity and timing of auction choices.**
6. **Gilt tenders. The DMO is seeking views on any demand for issuance via gilt tenders in December 2023 to March 2024, including maturity/maturities and type(s) of gilt(s), as well as timing.**
7. **Any other business.**

Table 1 below sets out a proposed calendar of the 24 gilt auction dates currently scheduled in December 2023 to March 2024. This includes a possible schedule of conventional gilt

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.

² <https://www.dmo.gov.uk/media/grveqnie/sa221123.pdf>

issuance by maturity for the final two auctions in December 2023 and in January to March 2024.

The DMO welcomes market views on auction scheduling, taking into account preferences over the maturities and timings of a planned long conventional syndication in January 2024 and an index-linked syndication in March 2024. The proposed operations calendar includes one additional auction for the January to March 2024 period compared with the planned gilt auction calendar published alongside Spring Budget 2023³, as well as some other proposed changes to facilitate the proposed syndications in the quarter.

The proposed changes to the calendar may be summarised as follows:

- The index-linked auction previously scheduled on 12 March 2024 is proposed to be moved to 30 January 2024;
- The conventional auction previously scheduled on 23 January 2024 is proposed to be moved to 5 March 2024; and
- The conventional auction previously scheduled for 16 January 2024 is proposed to be moved to 17 January 2024.

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, typically with a focus on current coupon gilts, 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.

Table 1: Proposed auction calendar and maturity split for December 2023 (including two proposed additional auctions) and from January to March 2024

Auction date*	Gilt
Tuesday 5 December	0¾% Index-linked Treasury Gilt 2033**
Wednesday 6 December	0⅞% Green Gilt 2033**
Tuesday 12 December	4½% Treasury Gilt 2028**
Wednesday 13 December	A long conventional gilt
Tuesday 19 December	A medium conventional gilt
Thursday 4 January	A medium conventional gilt
Tuesday 9 January	A long conventional gilt
Wednesday 10 January	A short conventional gilt
Tuesday 16 January	An index-linked gilt
Wednesday 17 January	A medium conventional gilt
Wednesday 24 January	A short conventional gilt
Tuesday 30 January	An index-linked gilt
Tuesday 6 February	A long conventional gilt
Wednesday 7 February	A short conventional gilt
Tuesday 13 February	An index-linked gilt

³ <https://www.dmo.gov.uk/media/v3eh4qxy/sa150323.pdf>

Wednesday 14 February	A medium conventional gilt
Tuesday 20 February	A long conventional gilt
Wednesday 21 February	A short conventional gilt
Tuesday 27 February	An index-linked gilt
Wednesday 28 February	A medium conventional gilt
Tuesday 5 March	A long conventional gilt
Wednesday 6 March	A short conventional gilt
Wednesday 13 March	A medium conventional gilt
Tuesday 19 March	A short 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 January to March 2024 will include confirmation on close of bidding times.*

***The choices of gilts for sale at the auctions scheduled for 5, 6 and 12 December 2023 were published in the DMO's operations calendar announcement on 31 August 2023, which can be accessed at: <https://www.dmo.gov.uk/media/i0wefcwr/pr310823.pdf>.*

Conventional gilt auctions

The DMO is planning six short-dated, five medium-dated and four long-dated conventional auctions in the January to March 2024 period.

- **Short (six auctions):** The DMO expects to re-open 4½% Treasury Gilt 2028 at least twice in the quarter and to launch, and re-open at least once, a new gilt in the 3-year maturity area. The DMO invites views on these, and any other choices of short-dated, conventional gilts for auction in Q4 2023-24. Feedback should take into account the impact of issuance on the near-term redemption profile.
- **Medium (five auctions):** The DMO expects to re-open 4⅝% Treasury Gilt 2034 at least twice in the quarter. The DMO also anticipates re-opening 3¾% Treasury Gilt 2038 and is additionally seeking views on the launch of a new long 7-year gilt in the quarter. The DMO welcomes views on this approach and any other choices of medium conventional gilts for auction.
- **Long (four auctions):** The DMO expects to re-open 1½% Green Gilt 2053 once and 4¾% Treasury Gilt 2043 in Q4 2023-24. The DMO welcomes views on this approach and any other candidates for, and the sequencing of, long conventional gilt auctions in the quarter. Views should take into account the scheduling of a long conventional gilt syndication, provisionally planned to take place in January 2024.

Index-linked gilt auctions

There are currently four index-linked gilt auctions scheduled in Q4 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 planned index-linked syndication which is currently proposed to be held in March 2024.

The DMO will announce details of the gilt operations calendar for January to March 2024 at 7.30am on Thursday 30 November 2023. The announcement will include the choice of gilts to be auctioned on 13 December 2023 and 19 December 2023.

The next consultations to discuss gilt issuance in April to June 2024 are currently scheduled for 3.30pm (gilt market investors) and 5.00pm (GEMMs) on Monday 18 March 2024⁴.

⁴ Subject to confirmation pending any decision by the Chancellor on the timing of fiscal events.