

**AGENDA FOR THE QUARTERLY CONSULTATION MEETINGS WITH
END-INVESTORS AT 4.00pm; GEMMs AND IG GEMMs AT 5.00pm,
MONDAY 20 JUNE 2005 at: EASTCHEAP COURT, 11 PHILPOT LANE,
LONDON EC3M 8UD**

The DMO would like to invite up to 20 end investors to contribute to this quarter's discussions. 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 on 020 7862 6525 or sarah.ellis@dmo.gsi.gov.uk by close Friday 17 June.

1. Gilts market operations: April-June 2005

- Auction of £800mn (nom) of 2% Index-linked Treasury Stock 2035 on 12 April.
- Auction of £2,500mn (nom) of 5% Treasury Stock 2025 on 14 April.
- Auction of £3,000mn (nom) of 4¾% Treasury Stock 2010 on 28 April.
- Auction of £425mn (nom) of 2½% Index-linked Treasury Stock 2016 on 24 May.
- Auction of £2,500mn (nom) of 4¼% Treasury Gilt 2055 on 26 May.
- Auction of £2,750mn (nom) of 4¾% Treasury Stock 2020 on 7 June.
- Auction of 4 1/8% Index-linked Treasury Stock 2030 on 23 June.

2. Conventional gilts: timing of the opening of new benchmarks

The DMO would like to hear views on the appropriate time to issue new benchmark gilts at key maturities (5-year and 10-year). In 2005-06, the DMO expects to issue a new 5-year benchmark (maturing in 2011) and a new 10-year benchmark (maturing in 2016). When fixing maturity dates the DMO will, amongst other things, take into account the current gilt redemption profile – see Annex A. The DMO is interested to hear views on when new benchmarks should ideally be created, i.e. how long and how many times before a gilt becomes exactly five or ten years to maturity should it be opened? If it is currently considered too early in 2005-06 to issue new 5- and/or 10- year benchmarks the DMO is interested in views on which existing gilts should be re-opened in the interim?

3. Gilt operations: July-September 2005

- Choice of gilt for the conventional gilt auctions on 14 July, 2 August, 6 September and 27 September. Choice of gilt for the index-linked gilt auctions on 26 July and 22 September.

4. Any other business

Table 1: Progress against the revised 2005-06 remit

Gilts sales vs remit : 20 June 2005 (£ millions)					
<i>Figures may not sum due to rounding</i>					
	Conventional Gilts			Index-linked Gilts	TOTAL
	Shorts (1-7 yrs)	Mediums (7-15yrs)	Longs (15 yrs+)		
Outright Auction sales	3,027	2,887	5,139	1,990	13,042
Remit plans	12,100	11,100	17,900	10,000	51,100
Remaining	9,073	8,213	12,761	8,010	38,058
Auctions left	3	3	5	8	19

Annex A: Gilt redemption profile

	£bn
2005-06	14.6
2006-07	29.8
2007-08	29.2
2008-09	14.6
2009-10	16.4
2010-11	16.7
2011-12	26.5
2012-13	0.2
2013-14	15.8
2014-15	13.0
2015-16	20.2
2016-17	11.7
2017-18	7.4
2018-19	0.0
2019-20	5.3
2020-21	9.3
2021-22	16.4
2022-23	0.0
2023-24	0.0
2024-25	23.7
2025-26	0.0
2026-27	0.0
2027-28	0.0
2028-29	11.4
2029-30	0.0
2030-31	4.4
2031-32	0.0
2032-33	13.6
2033-34	0.0
2034-35	7.1
2035-36	12.2
2036-37	0.0
2037-38	0.0
2038-39	14.2
2055-56	2.5