

AGENDA FOR THE QUARTERLY CONSULTATIONS (VIA VIDEO CONFERENCE CALL) WITH GILT MARKET INVESTORS (3.30PM) AND GEMMs (5.00PM) TO DISCUSS GILT ISSUANCE IN OCTOBER-DECEMBER 2021, ON MONDAY 23 AUGUST 2021¹

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 September 2021 and in the period October-December 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 by close on Friday 20 August 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 if preferred.

- 1. Review of gilt market operations and conditions in June to August 2021.**
- 2. The DMO plans to issue two green gilts in 2021. The first transaction will take place in September and the DMO plans that the second transaction will take place in mid to late October. Views are sought on the maturities, the sequencing and precise timings of these transactions. Feedback should also take into account the wider gilt financing programme over the September-December 2021 period.**
- 3. The DMO currently anticipates holding one index-linked gilt syndicated offering in Q3 2021-22. The DMO is keen to hear views on the specific maturity of the index-linked gilt to be sold, including the possibility that it will be for a new index-linked gilt, and on the timing of the transaction.**
- 4. Views are sought on the choice and sequencing of conventional and index-linked gilts for auction in October to December 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).**
- 5. The DMO is seeking views on demand for issuance via gilt tenders in the period August-December 2021, including maturity/maturities and type(s) of gilt(s), as well as timing.**
- 6. Any other business.**

Table 1 below sets out a proposed gilt auction calendar for the 20 auctions scheduled in October to December 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.

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.

Table 1: Proposed October to December 2021 auction calendar and maturity split

Auction date and close of bidding time	Gilt
Tuesday 5 October	10.00am 11.30am
	A short conventional gilt A long conventional gilt
Wednesday 6 October	10.00am
	A medium conventional gilt
Tuesday 12 October	10.00am
	A long conventional gilt
Wednesday 13 October	10.00am
	An index-linked gilt
Second half of October	Two conventional gilt auctions (one short, and one medium or long gilt, pending feedback and decisions on green gilt issuance)
Tuesday 2 November	10.00am 11.30am
	A short conventional gilt A long conventional gilt
Wednesday 3 November	10.00am
	A medium conventional gilt
Tuesday 9 November	10.00am
	A long conventional gilt
Wednesday 10 November	10.00am
	An index-linked gilt
Tuesday 16 November	10.00am 11.30am
	A short conventional gilt A long conventional gilt
Wednesday 17 November	10.00am
	A medium conventional gilt
Wednesday 1 December	10.00am
	A long conventional gilt
Thursday 2 December	10.00am
	A short conventional gilt
Tuesday 7 December	10.00am
	A long conventional gilt
Wednesday 8 December	10.00am
	An index-linked gilt
Tuesday 14 December	10.00am
	A medium conventional gilt

- The DMO is planning five short, up to five medium and up to eight long conventional auctions in October-December 2021. Views on gilt auction scheduling should take into account the likelihood of a planned index-linked gilt syndication and green gilt issuance in the quarter.
- Short (five auctions): the DMO expects to re-open 0¼% 2025 at least twice and 0¾% 2026 at least once in the quarter. The DMO welcomes views on this and other 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 (up to five auctions): the DMO anticipates re-opening the new 31 January 2029 maturity gilt (to be launched in September) at least twice in the quarter. The DMO welcomes views on this and other medium candidates for issuance in the quarter, including the launch of a new 10-year benchmark gilt.

- Long (up to eight auctions): the DMO welcomes views on candidates for, and the sequencing of, long conventional gilt auctions in the quarter. The DMO anticipates re-opening 1½% 2039, 0⅞% 2046, and 1¼% 2051 in the quarter at least once, and welcomes views on these and other long-dated candidates.

Index-linked gilt issuance

- There are three index-linked gilt auctions scheduled in October to December 2021. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt issuance via auction. Views should take into account the possibility of index-linked gilt issuance via syndication in the quarter.

The DMO will announce details of the gilt operations calendar for October to December 2021 at 7.30am on Tuesday 31 August 2021.

The next consultations to discuss gilt issuance in January to March 2022 are currently scheduled for 3.30pm (end-investors) and 5.00pm (GEMMs) on Monday 22 November 2021².

² Subject to confirmation pending the Chancellor's decision on the timing of fiscal events.