

AGENDA FOR THE CONSULTATION MEETINGS¹ WITH GILT MARKET INVESTORS (3.30PM) AND GEMMs (5.00PM) TO DISCUSS GILT ISSUANCE IN JANUARY TO MARCH 2020 TO BE HELD ON MONDAY 18 NOVEMBER 2019 at:

EASTCHEAP COURT, 11 PHILPOT LANE, LONDON EC3M 8UD

The DMO would like to invite GEMMs and up to 20 end-investors to contribute to a discussion on gilt issuance in January-March 2020. 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. Places will be limited to one person per organisation. Please contact Sarah Ellis (sarah.ellis@dmo.gov.uk or 020 7862 6525) or Steve Whiting (steve.whiting@dmo.gov.uk or 020 7862 6532) by close of business on Friday 15 November 2019 if you would like to attend.

Q3 2019-20

- 1. Adjustment to the 2019-20 financing remit: on 12 November 2019 the DMO announced a £5 billion increase in planned gilt sales in 2019-20 and the scheduling of two additional conventional gilt auctions on Thursday 5 December 2019 and Tuesday 17 December 2019. Views are sought on the maturities and sequencing of the gilts to be sold at these additional auctions.**
- 2. Review of gilt market operations and conditions in September-November 2019.**

Q4 2019-20

- 3. The DMO is currently planning to hold a conventional gilt syndication in January-March 2020. Views are sought on the recommended maturity of the gilt to be sold and the timing for the transaction.**
- 4. Views are sought on the choice and sequencing of conventional and index-linked gilts for auction in January-March 2020, taking into account the planned scheduling of a conventional syndication and choices of gilts to be issued at the two additional conventional auctions in December 2019.**
- 5. The DMO is actively seeking views on demand for issuance via gilt tenders in the remainder of Q3 and in Q4 2019-20, including maturity/maturities and type(s) of gilt(s), as well as timing. Feedback is welcome, both at the meeting and/or bilaterally.**
- 6. Any other business.**

Table 1 below lists the nine auctions scheduled in January-March 2020. To facilitate discussion, a possible schedule of conventional gilt issuance by maturity is provided in Table 2. The DMO welcomes market views on auction scheduling, taking into account preferences over the timing and maturity of a conventional gilt to be sold via syndication and 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 a syndicated offering.

The DMO's ongoing policy is to build up gilts to benchmark size, taking into account the impact of issuance on the government's redemption profile. The schedule of issuance in Table 2 is 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.

**Table 1:
January-March 2020
Auction Calendar**

7-Jan	Conventional
9-Jan	Index-linked
14-Jan	Conventional
21-Jan	Conventional
4-Feb	Index-linked
25-Feb	Conventional
4-Mar	Conventional
12-Mar	Index-linked
17-Mar	Conventional

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

7-Jan	Medium
9-Jan	Index-linked
14-Jan	Short
21-Jan	Long
4-Feb	Index-linked
25-Feb	Medium
4-Mar	Short
12-Mar	Index-linked
17-Mar	Long

Conventional gilt issuance

The DMO is planning to hold two short, two medium and two long conventional auctions in January-March 2020. Views should take into account any recommendations regarding the choice of conventional gilts to issue at the two new auctions in December 2019.

- Short (two auctions): the DMO envisages re-opening 0½% 2025 at least once in the quarter to continue to build the bond up to benchmark size. The DMO also welcomes views on other short-dated candidates for auction in Q4 2019-20.
- Medium (two auctions): the DMO expects to re-open 0¾% 2029 at least once in the coming quarter. Views are sought on this approach and any other medium-dated candidates for issuance in the quarter.
- Long (two auctions): the DMO welcomes views on candidates for, and the sequencing of, long conventional gilt auctions in Q4 2019-20, including the possibility of the launch of a new long gilt by auction in this quarter. Views should take into account any recommendations regarding the choice of conventional gilt for syndication in the quarter.

Index-linked gilt issuance

- There are three index-linked gilt auctions scheduled in Q4 2019-20. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt issuance via auction in the quarter.

The DMO will announce the specific maturities of the gilts to be auctioned on Thursday 5 December 2019 and Tuesday 17 December 2019 at 3.30pm on Wednesday 20 November 2019 and details of the gilt operations calendar for January-March 2020 will be published at 7.30am on Friday 29 November 2019.

The next consultation meetings to discuss gilt issuance in April-June 2020 are currently scheduled to be held at 3.30pm (end-investors) and 5.00pm (GEMMs) on Monday 16 March 2020².

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