

**AGENDA FOR THE QUARTERLY CONSULTATIONS WITH GILT MARKET INVESTORS (3.30PM) AND GEMMs (5.00PM) TO DISCUSS GILT ISSUANCE IN APRIL-JUNE 2020, ON MONDAY 16 MARCH 2020. OWING TO RECENT DEVELOPMENTS REGARDING CORONAVIRUS, THE CONSULTATIONS WILL TAKE PLACE VIA TELEPHONE CONFERENCE CALLS<sup>1</sup>.**

The DMO would like to invite up to 35 end-investors to dial into a discussion on gilt issuance in April-June 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. Dialling-in will be limited to one line per organisation. Please contact Sarah Ellis [sarah.ellis@dmo.gov.uk](mailto:sarah.ellis@dmo.gov.uk) (020 7862 6525) or Steve Whiting [steve.whiting@dmo.gov.uk](mailto:steve.whiting@dmo.gov.uk) (020 7862 6532) by close on Friday 13 March 2020 if you would like to reserve a place on the call. The dial-in details will be emailed to attendees after their participation has been confirmed. Alternatively, the DMO would be happy to receive your views on issuance via email if preferred.

- 1. Budget 2020: DMO Financing Remit 2020-21.**
- 2. Review of gilt market operations and conditions in December 2019-March 2020.**
- 3. The DMO expects to hold a syndicated offering for a conventional gilt in Q1 2020-21. Views are sought on the choice of maturity and the anticipated timing of such an offering.**
- 4. The DMO is seeking views on demand for auctions of a new conventional gilt with a maturity of between 2 and 3 years, in addition to the regular 5-year gilt issuance programme.**
- 5. Views are sought on the choice and sequencing of conventional and index-linked gilts for auction in April-June 2020, taking into account the scheduling and maturity of the gilt to be sold by syndication in the quarter.**
- 6. The DMO is seeking views on demand for issuance via gilt tenders in Q1 2020-21, including maturity/maturities and type(s) of gilt(s), as well as timing.**
- 7. Any other business.**

Table 1 below lists the 14 auctions scheduled in April-June 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 the 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 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.

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<sup>1</sup> 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 then we politely ask that you respect the privacy of this conversation and do not disseminate any information beyond the call participants.

**Table 1:  
April-June 2020  
Auction Calendar**

<b>2-Apr</b>	Conventional
<b>7-Apr</b>	Conventional
<b>15-Apr</b>	Conventional
<b>21-Apr</b>	Conventional
<b>23-Apr</b>	Conventional
<b>28-Apr</b>	Index-linked
<b>5-May</b>	Conventional
<b>14-May</b>	Conventional
<b>27-May</b>	Conventional
<b>2-June</b>	Conventional
<b>9-June</b>	Conventional
<b>16-June</b>	Conventional
<b>23-June</b>	Index-linked
<b>25-June</b>	Conventional

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

<b>2-Apr</b>	Long
<b>7-Apr</b>	Short
<b>15-Apr</b>	Medium
<b>21-Apr</b>	Short
<b>23-Apr</b>	Long
<b>28-Apr</b>	Index-linked
<b>5-May</b>	Short
<b>14-May</b>	Medium
<b>27-May</b>	Short
<b>2-June</b>	Short
<b>9-June</b>	Medium
<b>16-June</b>	Long
<b>23-June</b>	Index-linked
<b>25-June</b>	Short

### Conventional gilt issuance

- The DMO is planning six short, three medium and three long conventional auctions in April-June 2020. Views should also take into account the probability of conventional gilt issuance via syndication in the quarter.
- Short (six auctions): the DMO welcomes views on short-dated candidates for issuance in the quarter, including the possibility of a new January 2026 gilt which would become the next 5-year benchmark. In addition to the regular 5-year issuance programme, the DMO also welcomes views on the merits of launching a new gilt with a January 2023 maturity in Q1 2020-21, to be built up regularly over the coming months. Feedback should take into account the impact on the near-term redemption profile.
- Medium (three auctions): the DMO welcomes views on medium gilts for issuance in the quarter, including the possibility of the launch of a new 10-year gilt to mature in 2030.
- Long (three auctions): the DMO welcomes views on candidates for, and the sequencing of, long conventional gilt auctions in Q1 2020-21.

### Index-linked gilt issuance

- There are two index-linked gilt auctions scheduled in Q1 2020-21. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt issuance via auction in the quarter.

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The DMO will announce details of the gilt operations calendar for April-June 2020 at 7.30am on Friday 20 March 2020. The specific gilt chosen for auction on 2 April 2020 will be announced at 3.30pm on Tuesday 17 March 2020 and the auction size details at 3.30pm on Tuesday 24 March 2020.

The next consultation meetings to discuss gilt issuance in July-September 2020 are scheduled to be held at 3.30pm (end-investors) and 5.00pm (GEMMs) on Monday 18 May 2020.