

AGENDA FOR THE CONSULTATION MEETINGS WITH GILT MARKET INVESTORS (3.30PM) AND GEMMS (5.00PM) TO DISCUSS GILT ISSUANCE IN JULY-SEPTEMBER 2016, ON MONDAY 23 MAY 2016 at:

EASTCHEAP COURT, 11 PHILPOT LANE, LONDON EC3M 8UD

The DMO would like to invite up to 20 end-investors to contribute to a discussion on gilt issuance in July-September 2016. 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.gsi.gov.uk (020 7862 6525) or Steve Whiting steve.whiting@dmo.gsi.gov.uk (020 7862 6532) by close Friday 20 May 2016 if you would like to attend.

1. **Review of gilt market operations in April-May 2016.**
2. **The DMO envisages holding at least one syndication in the quarter; views are sought on the number, timing, type and maturity of gilt(s) to be sold.**
3. **Choice and sequencing of conventional and index-linked gilts for auctions in July-September 2016, taking into account recommendations on the number and scheduling of syndications.**
4. **The DMO is seeking views on the timing of and potential candidate gilts for issuance via gilt tender(s) in the remainder of Q1 and in Q2 2016-17.**
5. **Any other business.**

Table 1 below lists the eleven auctions scheduled in July-September 2016. 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, in particular the sequencing by maturity of conventional auctions, taking into account preferences over the number and timing(s) of syndications. The DMO also welcomes views on the potential for gilt tenders to be added to the operations calendar as part of the issuance programme.

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.

**Table 1:
July-September 2016
Issuance Calendar**

5-Jul	Conventional
7-Jul	Conventional
13-Jul	Index-linked
20-Jul	Conventional
2-Aug	Conventional
11-Aug	Index-linked
17-Aug	Conventional
1-Sep	Conventional
6-Sep	Conventional
14-Sep	Index-linked
20-Sep	Conventional

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

5-Jul	Short
7-Jul	Long
13-Jul	Index-linked
20-Jul	Medium
2-Aug	Short
11-Aug	Index-linked
17-Aug	Long
1-Sep	Short
6-Sep	Long
14-Sep	Index-linked
20-Sep	Medium

Conventional gilt issuance

The DMO is planning that there will be three short, two medium and three long conventional auctions in July-September 2016.

- Short (three auctions): the DMO welcomes views on short conventional candidates for auction in Q2, including the possibility of launching a new 5-year gilt, while bearing in mind the impact on the near-term redemption profile.
- Medium (two auctions): the DMO envisages re-opening 1½% 2026 twice in the quarter to continue to build this gilt further towards benchmark size. Views are welcomed on this approach, or any other medium candidates for auction.
- Long (three auctions): the DMO welcomes views on long candidates for auction in Q2, taking into account the potential for conventional issuance via syndication in Q2 2016-17.

Index-linked gilt issuance

There are three index-linked gilt auctions scheduled in July-September 2016. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt auctions in the quarter. Views should take into account the potential for index-linked issuance via syndication in Q2 2016-17.

The DMO will announce details of the gilt operations calendar for July-September 2016 at 3.30pm on Tuesday 31 May 2016.

The next consultation meetings to discuss gilt issuance in October-December 2016 are scheduled to be held at 3.30pm (end-investors) and 5.00pm (GEMMs) on Monday 22 August 2016.