

AGENDA FOR THE CONSULTATION MEETINGS WITH GILT MARKET INVESTORS (3.30PM) AND GEMMS (5.00PM) TO DISCUSS GILT ISSUANCE IN OCTOBER-DECEMBER 2011, TO BE HELD ON MONDAY 22 AUGUST 2011 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 October-December 2011. 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 sarah.ellis@dmo.gsi.gov.uk (0845 357 6525) or Steve Whiting steve.whiting@dmo.gsi.gov.uk (0845 357 6532) by close Friday 19 August 2011 if you would like to attend.

1. **Review of gilt market operations in July and August 2011.**
2. **Choice of long conventional gilt for syndication in September. Subject to market views, the DMO is minded to launch a new 30-year conventional¹ and is seeking views on this preference, and on the timing of the offering.**
3. **Market views on gilts to be syndicated in Q3 2011-12. The DMO anticipates holding two syndicated offerings in Q3 2011-12, both of which it is currently planning to be of index-linked gilts and is seeking views on potential candidates for issuance and timing of these offerings.**
4. **Choice of conventional and index-linked gilts for auctions scheduled in October-December 2011.**

Table 1 below lists the 11 scheduled auction dates for October-December 2011. For conventional gilts, a suggested schedule for the maturity of issuance is provided in Table 2 to facilitate the discussion, with views particularly sought on the maturities to be auctioned on 6 and 15 December.

**Table 1:
October-December
Issuance Calendar**

4-Oct	Conventional
11-Oct	Index-linked
13-Oct	Conventional
20-Oct	Conventional
3-Nov	Conventional
8-Nov	Index-linked
17-Nov	Conventional
1-Dec	Conventional
6-Dec	Conventional
7-Dec	Index-linked
15-Dec	Conventional

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

4-Oct	Medium
11-Oct	IL
13-Oct	Long
20-Oct	Short
3-Nov	Long
8-Nov	IL
17-Nov	Short
1-Dec	Medium
6-Dec	Short
7-Dec	IL
15-Dec	Long

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 suggested maturity schedule of conventional issuance in Table 2 reflects the DMO's aim to provide regularity in issuance across each maturity sector.

¹ It was previously announced in the Q2 2011-12 operations calendar that the planning assumption was to hold a syndicated offering of a long-dated conventional gilt in the second half of September.

Conventional gilt issuance

The DMO is planning on the basis that there will be three short, two medium and three long conventional auctions in October to December 2011.

- Short (three auctions): the DMO anticipates at least two re-openings of the new 5-year benchmark 1¾% 2017 and welcomes views on the frequency and timing of these re-openings. The DMO also welcomes views on other short conventional candidates for auction in Q3, taking into account implications for the near-term redemption profile.
- Medium (two auctions): the DMO anticipates re-opening 3¾% 2021 at least once in Q3 and welcomes views on whether it should be auctioned twice or whether there are other medium conventional gilts preferred for re-opening in Q3.
- Long (three auctions): the DMO welcomes views on the identity and timing of long conventional gilts to be auctioned in Q3, taking into account that a new 30-year conventional gilt may have been issued by syndication in September.

Index-linked gilt issuance

There are three index-linked auctions scheduled in October-December 2011. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt issuance in this period, taking into account the planned index-linked gilt issuance by syndication in the quarter.

5. **The DMO is interested in views on the timing of up to two mini-tenders in Q3 2011-12.**
6. **Publication of new GEMM Guidebook, Information Memorandum and supplementary documents.**
7. **Any other business**

The DMO will announce details of the gilt operations calendar for October-December 2011 at 3.30pm on Wednesday 31 August 2011.

The next consultation meetings to discuss gilt issuance in January-March 2012 are scheduled to be held on Monday 21 November 2011 at 3.30pm (investors) and 5.00pm (GEMMs).