

**AGENDA FOR THE CONSULTATION MEETINGS WITH GILT MARKET INVESTORS (3.30PM) AND GEMMS (5.00PM) TO DISCUSS GILT ISSUANCE IN OCTOBER-DECEMBER 2016, ON MONDAY 22 AUGUST 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 October-December 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](mailto:sarah.ellis@dmo.gsi.gov.uk) (020 7862 6525) or Steve Whiting [steve.whiting@dmo.gsi.gov.uk](mailto:steve.whiting@dmo.gsi.gov.uk) (020 7862 6532) by close Friday 19 August 2016 if you would like to attend.

**Q2 2016-17**

- 1. Review of gilt market operations and conditions in June-August 2016.**
- 2. The DMO is seeking views on the timing of, and potential candidate gilts for, issuance in the remainder of Q2.**

**Q3 2016-17**

- 3. The DMO envisages holding two syndications in the quarter; views are sought on the number, timing, type and maturity of gilt(s) to be sold.**
- 4. Choice and sequencing of conventional and index-linked gilts for auctions in October-December 2016, taking into account recommendations on the number and scheduling of syndications.**
- 5. The DMO is seeking views on the timing of, and potential candidate gilts for, issuance via gilt tender(s) in Q3 2016-17.**
- 6. Any other business.**

Table 1 below lists the eleven auctions scheduled in October-December 2016. To facilitate discussion about Q3, 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:**  
**October-December 2016**  
**Issuance Calendar**

<b>4-Oct</b>	Conventional
<b>6-Oct</b>	Conventional
<b>12-Oct</b>	Index-linked
<b>19-Oct</b>	Conventional
<b>1-Nov</b>	Conventional

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

<b>4-Oct</b>	Short
<b>6-Oct</b>	Long
<b>12-Oct</b>	Index-linked
<b>19-Oct</b>	Medium
<b>1-Nov</b>	Short

<b>8-Nov</b>	Conventional
<b>17-Nov</b>	Index-linked
<b>22-Nov</b>	Conventional
<b>6-Dec</b>	Conventional
<b>7-Dec</b>	Conventional
<b>14-Dec</b>	Conventional

<b>8-Nov</b>	Long
<b>17-Nov</b>	Index-linked
<b>22-Nov</b>	Medium
<b>6-Dec</b>	Short
<b>7-Dec</b>	Long
<b>14-Dec</b>	Medium

### **Q3 Conventional gilt issuance**

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

- Short (three auctions): the DMO envisages re-opening 0½% 2022 at least twice in the quarter to continue to build this gilt further towards benchmark size. Views are welcomed on this approach and any other short candidates for auction, while bearing in mind the impact on the near-term redemption profile.
- Medium (three auctions): the DMO envisages re-opening 1½% 2026 at least twice in the quarter to continue to build this gilt further towards benchmark size. Views are welcomed on this approach and any other medium candidates for auction.
- Long (three auctions): the DMO welcomes views on long candidates for auction in Q3, taking into account the potential for conventional issuance via syndication in Q3 2016-17.

### **Q3 Index-linked gilt issuance**

There are two index-linked gilt auctions scheduled in October-December 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 Q3 2016-17.

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The DMO expects to announce details of the gilt operations calendar for October-December 2016 at 3.30pm on Wednesday 31 August 2016.

The next consultation meetings to discuss gilt issuance in January-March 2017 are scheduled to be held at 3.30pm (end-investors) and 5.00pm (GEMMs) on Monday 21 November 2016<sup>1</sup>.

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<sup>1</sup> Subject to confirmation depending on the Chancellor's decision on the Budgetary timetable.