

AGENDA FOR THE CONSULTATIONS WITH GILT MARKET INVESTORS (3.30PM) AND GEMMs (5.00PM) TO DISCUSS GILT ISSUANCE IN JANUARY-MARCH 2021, ON MONDAY 30 NOVEMBER 2020. THE CONSULTATIONS WILL TAKE PLACE VIA CONFERENCE CALLS¹.

For the end-investor meeting, the DMO would like to invite up to 35 end-investors to join a discussion on gilt issuance in January-March 2021. 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. Spaces will be limited to one telephone line per organisation. Please email policy@dmo.gov.uk by close on Friday 27 November 2020 if you would like to reserve a place on the call. Dial-in details will be emailed to attendees in advance of the call. Alternatively, the DMO would be happy to receive your views on issuance via email if preferred.

- 1. Remit Revision: covering the remainder of the financial year 2020-21.**
- 2. Review of gilt market operations and conditions in August to November 2020.**
- 3. The DMO currently plans to schedule at least one syndicated offering in January to March 2021. Views are sought on the type and maturity of gilt(s) to be sold and the anticipated timing(s) of such (an) offering(s). The DMO is keen to hear specific views on the launch by syndication of a new conventional gilt maturing in the 25- to 30-year area in January 2021. The DMO would also like to hear views on the possibility of scheduling an index-linked gilt syndication in the quarter, subject to demand and market conditions.**
- 4. Views are sought on the choice and sequencing of conventional and index-linked gilts for auction in January to March 2021, taking into account the type and maturity of gilt(s) to be sold via syndication, together with the timing of any such operation(s).**
- 5. The DMO is seeking views on demand for issuance via gilt tenders in the period December 2020 to March 2021, including maturity/maturities and type(s) of gilt(s), as well as timing.**
- 6. Any other business.**

Table 1 below sets out a proposed gilt auction calendar for the 28 auctions scheduled in January to March 2021, including a possible schedule of conventional gilt issuance by maturity. The DMO welcomes market views on auction scheduling, taking into account preferences on the type(s), maturity/maturities, and timing of gilt(s) to be sold via syndication, together with 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 gilt redemption profile. The proposed schedule of issuance in Table 1 sets out 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. 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: PROPOSED JANUARY TO MARCH 2021 AUCTION CALENDAR AND MATURITY SPLIT

Auction date and close of bidding time		Gilt
Wednesday 6 January	10.00am	A medium conventional gilt
Tuesday 12 January	10.00am	A short conventional gilt
	11.30am	A long conventional gilt
Wednesday 13 January	10.00am	An index-linked gilt
Thursday 21 January	10.00am	A short conventional gilt
Tuesday 26 January	10.00am	A medium conventional gilt
	11.30am	A long conventional gilt
Wednesday 27 January	10.00am	An index-linked gilt
Tuesday 2 February	10.00am	A short conventional gilt
	11.30am	A long conventional gilt
Wednesday 3 February	10.00am	A medium conventional gilt
Tuesday 9 February	10.00am	A long conventional gilt
Wednesday 10 February	10.00am	An index-linked gilt
Tuesday 16 February	10.00am	A short conventional gilt
	11.30am	A long conventional gilt
Wednesday 17 February	10.00am	A medium conventional gilt
Tuesday 23 February	10.00am	A long conventional gilt
Wednesday 24 February	10.00am	An index-linked gilt
Tuesday 2 March	10.00am	A short conventional gilt
	11.30am	A long conventional gilt
Wednesday 3 March	10.00am	A medium conventional gilt
Tuesday 9 March	10.00am	A long conventional gilt
Wednesday 10 March	10.00am	An index-linked gilt
Tuesday 16 March	10.00am	A short conventional gilt
	11.30am	A long conventional gilt
Wednesday 17 March	10.00am	A medium conventional gilt
Tuesday 23 March	10.00am	A long conventional gilt
Wednesday 24 March	10.00am	An index-linked gilt

- The DMO is planning six short, six medium and ten long conventional auctions in January to March 2021. Views on gilt auction scheduling should take into account the likelihood of conventional gilt issuance via syndication in the quarter.
- Short (six auctions): the DMO expects to re-open 0¼% 2026 at least once in the quarter. The DMO also anticipates launching a new 5-year gilt in January to March 2021 and views are sought, including about the appropriate maturity month for the new gilt. In addition to the regular 5-year issuance programme, the DMO expects to continue to build up 0¼% 2024 over the period. The DMO also welcomes views on other short-dated candidates for issuance in the quarter. Feedback should take into account the impact on the near-term redemption profile.
- Medium (six auctions): the DMO anticipates continuing to build up 0¼% 2031 and 0½% 2035 towards benchmark size in January to March 2021. The DMO also welcomes views on any other medium candidates for issuance in the quarter.
- Long (ten auctions): the DMO expects to continue to build up existing long gilts to benchmark size across the range of maturities through the auction programme, and welcomes views on candidates for, and the sequencing of, long conventional gilt auctions in January to March 2021. Views should take into account the possibility of long conventional gilt issuance via syndication in the quarter.

Index-linked gilt issuance

- There are six index-linked gilt auctions scheduled in January to March 2021. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt issuance via auction, including the possibility of launching a new medium maturity index-linked gilt in the quarter. Views should also take into account the possibility of index-linked gilt issuance via syndication in the quarter.

The DMO will announce details of the gilt operations calendar for January to March 2021 at 7.30am on Friday 4 December 2020.

The next consultations to discuss gilt issuance in April to June 2021 are currently scheduled to be held at 3.30pm (end-investors) and 5.00pm (GEMMs) on 22 March 2021².

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