

AGENDA FOR THE CONSULTATION MEETINGS WITH GILT MARKET INVESTORS (3.30PM) AND GEMMS (5.00PM) TO DISCUSS GILT ISSUANCE IN APRIL-JUNE 2016, TO BE HELD ON MONDAY 21 MARCH 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 April-June 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 18 March 2016 if you would like to attend.

- 1. Review of gilt market operations in January-March 2016.**
- 2. Budget 2016: DMO Financing Remit and package of measures for the 2016-17 Remit.**
- 3. The DMO anticipates holding at least one syndicated offering in Q1 2016-17 and is seeking views on the type(s) and maturity/maturities of gilt(s) to be sold, along with the timing of any such operation(s).**
- 4. Choice and sequencing of conventional and index-linked gilts for auctions in April-June 2016, taking into account the number and scheduling of syndications.**

The DMO is announcing today that the auctions scheduled for 5 April and 7 April 2016 will be for a short and medium conventional gilt respectively. Feedback on the choice of gilts will be requested at the consultation meetings. The DMO will announce the choice of gilts at 3.30pm on Tuesday 22 March 2016 and the auction size details at 3.30pm on Tuesday 29 March 2016.

- 5. The DMO is seeking views on the timing of and potential candidates for, gilt tender(s) in Q1 2016-17.**
- 6. Any other business.**

Table 1 below lists the eleven auctions scheduled in April-June 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:
April-June 2016
Issuance Calendar

5-Apr	Conventional
7-Apr	Conventional
13-Apr	Conventional
20-Apr	Index-linked
4-May	Conventional
5-May	Conventional
10-May	Index-linked
18-May	Conventional
1-Jun	Conventional
7-Jun	Conventional
9-Jun	Index-linked

Table 2:
Suggested Maturity Split
(Conventional Auctions)

5-Apr	Short
7-Apr	Medium
13-Apr	Long
20-Apr	Index-linked
4-May	Short
5-May	Long/Medium*
10-May	Index-linked
18-May	Medium/Long*
1-Jun	Short
7-Jun	Long
9-Jun	Index-linked

**Potentially subject to views on the scheduling of any conventional gilt syndication, if proposed.*

Conventional gilt issuance

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

- **Short (three auctions):** the DMO anticipates re-opening 1½% 2021 at least twice in the quarter and welcomes views on this along with any other short conventional candidates for auction in Q1 2016-17, 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 help build the gilt further towards benchmark size and welcomes views on this or any other medium conventional candidates for issuance in Q1 2016-17.
- **Long (three auctions):** the DMO welcomes views on candidates for, and the sequencing of, long gilt auctions in Q1 2016-17. Views should take into account the possibility of long conventional issuance via syndication in Q1 2016-17.

Index-linked gilt issuance

There are three index-linked gilt auctions scheduled in April-June 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 Q1 2016-17.

The DMO will announce details of the gilt operations calendar for April-June 2016 at 3.30pm on Thursday 31 March 2016.

The next consultation meetings to discuss gilt issuance in July-September 2016 are scheduled to be held at 3.30pm (end-investors) and 5.00pm (GEMMs) on Monday 23 May 2016.