

**AGENDA FOR THE QUARTERLY CONSULTATIONS WITH GILT MARKET INVESTORS (3.30PM) AND GEMMs (5.00PM) TO DISCUSS GILT ISSUANCE IN APRIL - JUNE 2021, ON MONDAY 8 MARCH 2021. THE CONSULTATIONS WILL TAKE PLACE VIA VIDEO CONFERENCE CALL<sup>1</sup>.**

For the investor call, the DMO would like to invite up to 35 investors to join a discussion that will take place via MS Teams on gilt issuance in April-June 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. Participation will be limited to one line per organisation. Please contact [CEO-Office@dmo.gov.uk](mailto:CEO-Office@dmo.gov.uk) by close on Friday 5 March 2021 if you would like to reserve a place on the call. The meeting access details will be emailed to attendees in advance. Alternatively, the DMO would be happy to receive your views on issuance via email to [policy@dmo.gov.uk](mailto:policy@dmo.gov.uk) if preferred.

- 1. Budget 2021: DMO Financing Remit 2021-22.**
- 2. Review of gilt market operations and conditions in December 2020 to March 2021.**
- 3. The DMO currently plans to schedule at least two syndicated offerings in April to June 2021. In particular, it would like to receive feedback on the possibility of launching by syndication a new conventional gilt maturing in the 30-year area in April 2021, and a new index-linked gilt maturing in the 20- to 25-year area in May 2021, subject to demand and market conditions.**
- 4. Views are sought on the choice and sequencing of conventional and index-linked gilts for auction in April-June 2021, taking into account the scheduling and maturities of the gilts anticipated to be sold by syndication in the quarter, together with the timings of these operations.**
- 5. The DMO is seeking views on demand for issuance via gilt tenders in Q1 2021-22, including maturity/maturities and type(s) of gilt(s), as well as timing.**
- 6. Any other business.**

Table 1 below lists the 24 auctions scheduled in April-June 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 syndicated offerings.

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 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.

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<sup>1</sup> Attendees are reminded that it is their responsibility to comply with competition laws and all other applicable laws. If any attendees are participating 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 APRIL TO JUNE 2021 AUCTION CALENDAR AND MATURITY SPLIT**

<b>Auction date and close of bidding time</b>		<b>Gilt</b>
Wednesday 7 April	10.00am	A short conventional gilt
	11.30am	A long conventional gilt
Thursday 8 April	10.00am	A medium conventional gilt
Tuesday 13 April	10.00am	A long conventional gilt
Wednesday 14 April	10.00am	An index-linked gilt
Tuesday 20 April	10.00am	A short conventional gilt
Wednesday 21 April	10.00am	A medium conventional gilt
Wednesday 28 April	10.00am	An index-linked gilt
Wednesday 5 May	10.00am	A medium conventional gilt
	11.30am	A long conventional gilt
Tuesday 11 May	10.00am	A short conventional gilt
	11.30am	A long conventional gilt
Tuesday 18 May	10.00am	A short conventional gilt
	11.30am	A long conventional gilt
Wednesday 19 May	10.00am	A medium conventional gilt
Wednesday 2 June	10.00am	A medium conventional gilt
	11.30am	A long conventional gilt
Tuesday 8 June	10.00am	A short conventional gilt
	11.30am	A long conventional gilt
Wednesday 9 June	10.00am	An index-linked gilt
Tuesday 15 June	10.00am	A short conventional gilt
	11.30am	A long conventional gilt
Wednesday 16 June	10.00am	A medium conventional gilt
Wednesday 23 June	10.00am	An index-linked gilt

## Conventional gilt issuance

- The DMO is planning six short, six medium and eight long conventional auctions in April-June 2021. Views on gilt auctions should take into account the likelihood of long conventional gilt issuance via syndication(s) in the quarter.
- Short (six auctions): The DMO expects to re-open 0 $\frac{3}{8}$ % 2026 at least twice in the quarter. The DMO also anticipates continuing to build up 0 $\frac{1}{8}$ % 2024. Views are welcomed on these and other short-dated candidates for issuance in the quarter, noting that feedback should take into account the impact on the near-term redemption profile.
- Medium (six auctions): The DMO anticipates at least two re-openings each of 0 $\frac{1}{4}$ % 2031 and 0 $\frac{5}{8}$ % 2035 in Q1 2021-22. Suggestions are welcomed on these and any other medium candidates for issuance in the quarter.
- Long (eight auctions): The DMO welcomes views on candidates for, and the sequencing of, long conventional gilt auctions in the quarter. The DMO anticipates further building up existing long gilts to benchmark size across the range of maturities. Hence, feedback is sought specifically on potential re-openings of 1 $\frac{1}{4}$ % 2041, 0 $\frac{7}{8}$ % 2046, 0 $\frac{1}{2}$ % 2061, 1 $\frac{5}{8}$ % 2071 and any others. Feedback should take into account the likelihood of long conventional gilt issuance via syndication(s) in the quarter.

## Index-linked gilt issuance

- There are four index-linked gilt auctions scheduled in Q1 2021-22. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt issuance via auction in the quarter. Views should also take into account the possibility of index-linked gilt issuance via syndication in the quarter.

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The DMO will announce details of the gilt operations calendar for April-June 2021 at 7.30am on Friday 12 March 2021.

The next consultation meetings to discuss gilt issuance in July-September 2021 are scheduled to be held at 3.30pm (investors) and 5.00pm (GEMMs) on Monday 17 May 2021.