

## **AGENDA FOR THE QUARTERLY CONSULTATIONS (IN PERSON AND VIA VIDEO CONFERENCE CALL) WITH GILT MARKET INVESTORS (3.30PM) AND GEMMs (5.00PM) TO DISCUSS GILT ISSUANCE IN APRIL TO JUNE 2023 ON MONDAY 20 MARCH 2023<sup>1</sup>**

The DMO would like to invite GEMMs and investors to join discussions (to take place in the DMO's offices at *The Minster Building, 21 Mincing Lane, London EC3R 7AG* and via MS Teams conference calls) on gilt issuance in April to June 2023. 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. Please contact [CEO-Office@dmo.gov.uk](mailto:CEO-Office@dmo.gov.uk) by close on Friday 17 March 2023 if you would like to reserve a place, also confirming whether you will be attending in person at the DMO's offices or remotely via MS Teams conference call. For those attending remotely, the meeting access details will be emailed in advance. Alternatively, the DMO would be pleased to receive your views on issuance via email to [policy@dmo.gov.uk](mailto:policy@dmo.gov.uk) if preferred.

- 1. Spring Budget 2023: DMO Financing Remit 2023-24.**
- 2. Review of gilt market operations and conditions in December 2022 to March 2023.**
- 3. Syndications. The DMO expects to hold two syndicated offerings in the quarter: the first in the second half of April 2023, which could be for a new or existing medium or long index-linked gilt, subject to market views; and the other in May 2023 for which the planning assumption is the launch of a new long conventional gilt. The DMO invites views on the preferred maturities and timings of these proposed transactions.**
- 4. Auctions. Views are sought on the choice and sequencing of conventional and index-linked gilts for auction in April to June 2023. Views should take into account preferences over the maturity and timing of planned index-linked and long conventional gilt syndications in the quarter.**
- 5. Gilt tenders. The DMO is seeking views on any demand for issuance via gilt tenders in Q1 2023-24, including maturity/maturities and type(s) of gilt(s), as well as timing.**
- 6. Any other business.**

Table 1 below sets out a proposed calendar of the 17 gilt auction dates scheduled in April to June 2023, including specific proposals for gilts to auction in the first week of April and a possible scheduling of conventional gilt issuance by maturity for the rest of the quarter. The DMO welcomes market views on the proposals for gilts to be auctioned in the first week of April, as well as auction scheduling for the rest of the quarter, taking into account preferences over the maturities and timing of the index-linked and long conventional syndications planned to be held in the quarter.

Note that the gilt auction calendar may also be altered, for example, to accommodate any decisions by the Chancellor on the fiscal event timetable, any significant data releases or market sensitive events announced subsequently, as well as to accommodate the scheduling of syndicated offerings.

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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 participants are dialling in from recorded lines, we politely ask that you respect the privacy of this conversation and do not disseminate any information beyond the call participants.

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.

**Table 1: April to June 2023 proposed auction calendar and maturity split**

<b>Auction date*</b>	<b>Gilt</b>
Tuesday 4 April**	1½% Treasury Gilt 2039
Wednesday 5 April**	3½% Treasury Gilt 2025 or 0½% Treasury Gilt 2029
Wednesday 12 April	An index-linked gilt
Thursday 13 April	A medium conventional gilt
Tuesday 18 April	A long conventional gilt
Wednesday 19 April	A short conventional gilt
Wednesday 3 May	A short conventional gilt
Wednesday 10 May	A medium conventional gilt
Wednesday 17 May	A short conventional gilt
Tuesday 23 May	An index-linked gilt
Wednesday 24 May	A medium conventional gilt
Tuesday 6 June	A long conventional gilt
Wednesday 7 June	A short conventional gilt
Tuesday 13 June	A medium conventional gilt
Tuesday 20 June	A short conventional gilt
Tuesday 27 June	An index-linked gilt
Wednesday 28 June	A medium conventional gilt

*\*The close of auction bidding windows is typically at 10.00am (London time), although there may be exceptions on key data release days when the close of bidding time may be 11.30am. The finalised gilt issuance calendar for April to June 2023 will include confirmation on close of bidding times.*

*\*\*The choice of gilts to be auctioned on Tuesday 4 April 2023 and Wednesday 5 April 2023 will be announced on Monday 20 March 2023 at 7.30am, following market feedback requested to be provided to the DMO by 5.00pm on Thursday 16 March 2023.*

### **Conventional gilt auctions**

The DMO is planning six short-dated, five medium-dated and three long-dated conventional auctions in the April to June 2023 period.

- **Short (six auctions):** The DMO expects to re-open either 3½% Treasury Gilt 2025 or 0½% Treasury Gilt 2029 at the auction on Wednesday 5 April 2023 and welcomes early feedback on this proposal. Over the course of the quarter, the DMO anticipates re-openings of 3½% Treasury Gilt 2025, 4⅛% Treasury Gilt 2027 and 0½% Treasury Gilt 2029 at least once each in the period, along with the launch and possible re-opening by auction later in the quarter of a new short-dated gilt in the 4- to 5-year area. The DMO invites views on these and any other choices of short-dated conventional gilts for auction in Q1 2023-24. Feedback should take into account the impact of issuance on the near-term redemption profile.
- **Medium (five auctions):** The DMO intends to re-open 3¼% Treasury Gilt 2033 at least twice and 3¾% Treasury Gilt 2038 at least once in the quarter, along with a re-opening of 0⅞% Green Gilt 2033. The DMO welcomes views on this approach and any other choices of medium conventional gilts for auction.
- **Long (three auctions):** The DMO expects to re-open 1⅛% Treasury Gilt 2039 at the auction on Tuesday 4 April 2023 and welcomes early feedback on this proposal, as well as on candidates for, and the sequencing of, other long conventional gilt auctions in the remainder of the quarter. The DMO anticipates further building up existing long-dated gilts to benchmark sizes across the range of existing maturities, including re-opening 3¾% Treasury Gilt 2053 at least once in the quarter. Views should also take into account the scheduling of a long conventional gilt syndication, which is planned to take place in May 2023.

### **Index-linked gilt auctions**

There are three index-linked gilt auctions scheduled in Q1 2023-24. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilts for issuance via these auctions, including the possible launch (and potential subsequent re-opening) of a new index-linked gilt in the 10-year area via this distribution method rather than via a syndication. Views should take into account the likely choice of gilt for the index-linked gilt syndication planned to take place in the second half of April 2023.

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The DMO will announce the choices of gilts to be sold at the auctions on Tuesday 4 and Wednesday 5 April 2023 at 7.30am on Monday 20 March 2023.

The DMO will announce details of the full gilt operations calendar for April to June 2023 at 7.30am on Friday 24 March 2023.

The next consultations to discuss gilt issuance in July to September 2023 are currently scheduled for 3.30pm (gilt market investors) and 5.00pm (GEMMs) on Monday 22 May 2023.