

**AGENDA FOR THE CONSULTATION MEETINGS WITH GILT MARKET INVESTORS (3.30PM) AND GEMMS (5.00PM) TO DISCUSS GILT ISSUANCE IN JANUARY-MARCH 2017, ON MONDAY 28 NOVEMBER 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 January-March 2017. 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 on Friday 25 November 2016 if you would like to attend.

**Q3 2016-17**

- 1. Autumn Statement 2016: Remit Revision.**
- 2. Review of gilt market operations and conditions in September-November 2016.**
- 3. To note that the DMO announced on 23 November that an additional auction of an index-linked gilt will be held on 14 December 2016 (the auction of 1½% Treasury Gilt 2026 previously scheduled for that date has been moved to 6 December). Feedback is requested by close Thursday 24 November on the choice of index-linked gilt to be sold at this operation. The bond to be sold will be announced on Friday 25 November at 3.30pm.**

**Q4 2016-17**

- 4. The DMO anticipates holding two syndications in the coming quarter (one each of a conventional and an index-linked gilt) and is seeking views on the choice of gilts, sequencing and timing of such operations.**
- 5. Choice and sequencing of conventional and index-linked gilts for auctions in January-March 2017.**
- 6. The DMO is seeking views on the timing of, and potential candidate gilts for, issuance via gilt tender(s) in the remainder of the financial year.**
- 7. Any other business.**

Table 1 below lists the fourteen auctions scheduled in January-March 2017. To facilitate discussion about Q4 2016-17, 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 timings 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:**  
**January-March 2017**  
**Issuance Calendar<sup>†</sup>**

5-Jan	Conventional
10-Jan	Index-linked
<b>12-Jan</b>	<b>Conventional</b>
18-Jan	Conventional
<b>31-Jan</b>	<b>Conventional</b>
7-Feb	Conventional
9-Feb	Conventional
15-Feb	Index-linked
21-Feb	Conventional
2-Mar	Conventional
7-Mar	Conventional
9-Mar	Index-linked
14-Mar	Conventional
<b>28-Mar</b>	<b>Conventional</b>

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

5-Jan	Long
10-Jan	Index-linked
<b>12-Jan</b>	<b>Medium</b>
18-Jan	Short
<b>31-Jan</b>	<b>Medium</b>
7-Feb	Short
9-Feb	Long
15-Feb	Index-linked
21-Feb	Medium
2-Mar	Short
7-Mar	Long
9-Mar	Index-linked
14-Mar	Medium
<b>28-Mar</b>	<b>Short</b>

### Conventional gilt issuance

The DMO is planning that there will be four short, four medium and three long conventional gilt auctions in January-March 2017.

- Short (four auctions): the DMO anticipates re-opening 0½% 2022 at least twice in the quarter. 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 (four auctions): the DMO envisages further re-opening(s) of 1½% 2026 in the quarter. Views are sought on this and any other existing or new medium conventional candidate gilts for auction in Q4 2016-17.
- Long (three auctions): the DMO expects to re-open 1¾% 2037 and 1½% 2047 at least once each in the quarter. Views are welcomed on any other long candidates for, and the sequencing of, long gilt auctions. Views should take into account the conventional syndication planned for Q4 2016-17.

### Index-linked gilt issuance

Three index-linked gilt auctions are scheduled in January-March 2017. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilt issuance via auction in the quarter. Views should take account of the index-linked syndication planned for Q4 2016-17.

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The DMO will announce details of the gilt operations calendar for January-March 2017 at 3.30pm on Friday 2 December 2016.

The next consultation meetings to discuss gilt issuance in April-June 2017 are scheduled to be held at 3.30pm (end-investors) and 5.00pm (GEMMs) on Monday 20 March 2017<sup>2</sup>.

<sup>†</sup> Auctions in bold were added to the schedule as a result of the DMO remit revision at Autumn Statement 2016.

<sup>2</sup> Subject to confirmation depending on the Chancellor's decision on the timing of the next fiscal event.