

**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 OCTOBER TO DECEMBER 2023 ON TUESDAY 29 AUGUST 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 October to December 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 Thursday 24 August 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. Review of gilt market operations and conditions in June to August 2023.**
- 2. Syndications. The DMO is currently planning on scheduling one conventional syndicated offering in the quarter, and may also consider the scheduling of an index-linked gilt syndication in Q3 2023-24 as well. Views are welcomed on potential demand for one or two syndications in the quarter, including preferred maturity and timing considerations for these transactions.**
- 3. Auctions. Views are sought on the choice and sequencing of conventional and index-linked gilts for auction in October to December 2023. Views should take into account preferences over the maturity and timing of the conventional syndication and the possibility of an index-linked syndication in the quarter.**
- 4. Gilt tenders. The DMO is seeking views on any demand for issuance via gilt tenders in September to December 2023, including maturity/maturities and type(s) of gilt(s), as well as timing.**
- 5. Any other business.**

Table 1 below sets out a proposed calendar of the 15 gilt auction dates currently scheduled in October to December 2023, including a possible schedule of conventional gilt issuance by maturity. The DMO welcomes market views on auction scheduling, taking into account preferences over the maturity and timing of the planned conventional syndication and the possibility of an index-linked syndication 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.

The DMO's ongoing policy is to build up gilts to benchmark size, typically with a focus on current coupon gilts, 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.

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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.

**Table 1: October to December 2023 proposed auction calendar and maturity split**

<b>Auction date*</b>	<b>Gilt</b>
Tuesday 3 October	A long conventional gilt
Wednesday 4 October	A short conventional gilt
Tuesday 10 October	An index-linked gilt
Wednesday 11 October	A medium conventional gilt
Tuesday 17 October	A long conventional gilt
Tuesday 24 October	An index-linked gilt
Wednesday 25 October	A medium conventional gilt
Wednesday 1 November	A short conventional gilt
Tuesday 7 November	A medium conventional gilt
Tuesday 21 November	An index-linked gilt
Tuesday 28 November	A long conventional gilt
Wednesday 29 November	A short conventional gilt
Tuesday 5 December	An index-linked gilt
Wednesday 6 December	A medium conventional gilt
Tuesday 12 December	A short conventional gilt

*\*The close of the auction bidding window typically takes place 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 October to December 2023 will include confirmation on close of bidding times.*

### **Conventional gilt auctions**

The DMO is planning four short-dated, four medium-dated and three long-dated conventional auctions in the October to December 2023 period. Views should also take into account the likely scheduling of a conventional gilt syndication in the quarter.

- **Short (four auctions):** The DMO expects to re-open both 3½% Treasury Gilt 2025 and 4½% Treasury Gilt 2028 at least once each in the quarter. The DMO invites views on these and any other choices of short-dated conventional gilts for auction in Q3 2023-24. Feedback should take into account the impact of issuance on the near-term redemption profile.
- **Medium (four auctions):** The DMO expects to launch and re-open (at least once) in the quarter a new 10-year gilt (potentially with a maturity date of 31 January 2034). The DMO welcomes views on this approach and any other choices of medium conventional gilts for auction, including a possible re-opening of 0½% Green Gilt 2033 in Q3 2023-24.

- Long (three auctions): The DMO expects to re-open 3¾% Treasury Gilt 2053 at least once in the quarter. The DMO also expects to re-open 1½% Green Gilt 2053 in Q3 2023-24 as well. The DMO welcomes views on both approaches as well as views on other candidates for, and the sequencing of, long conventional gilt auctions in the quarter.

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

There are currently four index-linked gilt auctions scheduled in Q3 2023-24, although one may be replaced with a syndication, subject to market feedback (see above). The DMO welcomes views on candidates for, and the sequencing of, index-linked gilts for issuance via auction.

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The DMO will announce details of the gilt operations calendar for October to December 2023 at 7.30am on Thursday 31 August 2023.

The next consultations to discuss gilt issuance in January to March 2024 are currently scheduled for 3.30pm (gilt market investors) and 5.00pm (GEMMs) on Monday 27 November 2023<sup>2</sup>.

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<sup>2</sup> Subject to confirmation pending any decision by the Chancellor on the timing of fiscal events.