

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 JANUARY TO MARCH 2023 ON MONDAY 28 NOVEMBER 2022¹

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 January to March 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 by close on Friday 25 November 2022 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 happy to receive your views on issuance via email to policy@dmo.gov.uk if preferred.

- 1. Remit Revision: Autumn Statement 2022².**
- 2. Review of gilt market operations and conditions in September to November 2022, together with a look ahead to the remainder of Q3 2022-23.**
- 3. The DMO expects to hold a syndicated offering of a new current coupon long-dated conventional gilt in the second half of January 2023. The DMO invites views on the preferred maturity and timing of the transaction.**
- 4. Views are sought on the choice and sequencing of conventional and index-linked gilts for auction in January to March 2023. Views should take into account preferences over the maturity and timing of the planned long conventional syndication and the sequencing of two green gilt auctions (re-openings of 0⁷/₈% Green Gilt 2033 and 1¹/₂% Green Gilt 2053) to be held in the quarter³.**
- 5. The DMO is seeking views on any demand for issuance via gilt tenders in the remainder of Q3 2022-23 and Q4 2022-23, 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 January to March 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 long conventional syndication 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.

¹ 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.

² The DMO's remit revision announcement can be found at: <https://www.dmo.gov.uk/media/jhebewha/sa171122.pdf>. This announcement included the cancellation of five auctions in Q4 2022-23.

³ Planned green gilt sales in 2022-23 remain unchanged at £10.0 billion (cash), of which £6.4 billion (cash) has been raised during the financial year to-date.

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: January to March 2023 proposed auction calendar and maturity split

Auction date and close of bidding time		Gilt
Thursday 5 January	10.00am	A short conventional gilt
Tuesday 10 January	10.00am	A medium conventional gilt
Tuesday 17 January	10.00am	A short conventional gilt
Tuesday 24 January	11.30am	An index-linked gilt
Wednesday 1 February	10.00am	A medium conventional gilt
Tuesday 7 February	10.00am	A short conventional gilt
Wednesday 8 February	10.00am	A long conventional gilt
Tuesday 14 February	10.00am	A medium conventional gilt
Tuesday 21 February	11.30am	A short conventional gilt
Wednesday 22 February	10.00am	A long conventional gilt
Wednesday 1 March	10.00am	A medium conventional gilt
Thursday 2 March	10.00am	An index-linked gilt
Tuesday 7 March	10.00am	A short conventional gilt
Wednesday 8 March	10.00am	A long conventional gilt
Tuesday 14 March	10.00am	A medium conventional gilt
Wednesday 15 March	10.00am	A short conventional gilt
Tuesday 21 March	10.00am	A long conventional gilt

- The DMO is planning six short-dated, five medium-dated and four long-dated conventional auctions in the January to March 2023 period.
- Short (six auctions): The DMO expects to re-open 4½% 2027 at least twice in the quarter and invites views on this and any other choices of short-dated conventional gilts to auction in Q4 2022-23, including the launch and potentially re-opening of a new short-dated gilt in the 2- to 3-year area (the DMO's preferred maturity date is 22 October 2025). Feedback should take into account the impact of issuance on the near-term redemption profile.
- Medium (five auctions): The DMO intends to re-open 0½% Green Gilt 2033 once in the quarter and also to launch in January 2023, and later re-open, a new 10-year gilt (the DMO's preferred maturity is 31 January 2033). The DMO welcomes views on this approach and

any other choices of medium conventional gilts for auction. The DMO also welcomes views on the reopening of 3¾% 2038 in February or March 2023.

- Long (four auctions): The DMO welcomes views on candidates for, and the sequencing of, long conventional gilt auctions in the quarter, including a re-opening of 1½% Green Gilt 2053. The DMO anticipates further building up existing long gilts to benchmark sizes across the range of maturities. Views should take into account that a long conventional gilt syndication is planned to take place in the second half of January 2023.

Index-linked gilt issuance

- There are two index-linked gilt auctions scheduled in Q4 2022-23. The DMO welcomes views on candidates for, and the sequencing of, index-linked gilts for issuance via these auctions.

The DMO will announce details of the gilt operations calendar for January to March 2023 at 7.30am on Wednesday 30 November 2022.

The next consultations to discuss gilt issuance in April to June 2023 are currently scheduled for 3.30pm (gilt market investors) and 5.00pm (GEMMs) on Monday 13 March 2023⁴.

⁴ Subject to confirmation pending any decision by the Chancellor on the timing of fiscal events.