

The European Venues and Intermediaries Association [[“EVIA”](#)¹] welcomes the opportunity to pass comments to the DMO and HMT regarding the UK T-Bill market in particular, and the UK Gilt and money markets in general.

As “IDBs” and operators of MTFs and OTFs acting as limited licence firms under FCA authorisation, EVIA member firms operate not only as the marketplace to the GEMMs, but also the wider Gilt and UK T-Bill interests, as well as wholesale operators of the UK money markets, Repo markets, Derivatives markets, FX markets and Treasury products markets generally. EVIA itself, as well as acting as a common focal point for the wholesale brokers to engage in dialogue with the UK authorities since 1963, also founded and administrated £-SONIA from 1992 until passing over to the BoE in 2019. It currently administers and publishes £-RONIA fixings daily.

In short, we welcome this consultation and fully support the objectives expressed by the DMO and HMT. We consider that a deep and liquid UK T-Bill market can thrive, and act as a nexus for a wide range of interconnected use-cases and products. These should be anchored in its monetary policy transmission role to target short-term monetary aggregates by the UK authorities, but it quickly expands to underpin UK products both on balance sheet and off them. This could especially be the case for the embryonic DIGIT product as well as central banking repo facilities. It can also serve the wholesale markets as a foundation to on-chain products and more fluid collateral tools. Furthermore, it has scope to help both corporate and retail market participants.

To achieve this we believe that a number of measure would need to be undertaken conjointly, boldly and at scale. We hope to set these out in the responses to the questions below. As ever, we remain open to any enquiries and discussions which the authors deem useful.

Answers to Questions

A: T-bill investor base and demand factors

- 1. How do you use T-bills and what is your T-bill investment strategy? How do T-bills benefit your operations and/or overall investment strategy?*

As wholesale arrangers and trading venue operators, notably between the UK GEMMs, firms also arrange transactions involving T-Bills and Gilt Repo as part of the secondary market operations. Evidently T-Bills are not frequently traded, nor liquid in the secondary wholesale markets.

- 2. Please provide a description of the current and potential investor base for T-bills as you understand it, including investors’ relative levels of involvement in the market and the benefits of these instruments to different types of investors. In addition, respondents*

¹ [EVIA - Trade Association](#)

should comment on each investor type's current and potential future participation in this market.

As wholesale arrangers and trading venue operators, we are not direct distributors to retail investors and remain predominantly focused on arranging liquidity between the GEMMs and other wholesale intermediaries. To date, activity has been very limited due to a number of constraining factors as set out below. That said, for both dealers and for institutional clients we believe that forward appetite for market involvement could be substantial were these barriers to be adequately addressed. Furthermore, we would consider it highly likely that significant retail interest would be raised subsequent to a viable wholesale market.

For a viable wholesale market the following are necessary, although they may not be sufficient:

- i. Substantially increased government issuance across all tenors
- ii. Government issuance needs a well-planned calendar, including re-taps where demand to provide a liquid market. Issuance should not continue be "ad hoc", occasional, small-size, and consequent to private enquiry.
- iii. Tenors should be a minimum of 3s, 6s, 9s and 12-month bills. Consideration for 18 month and 24-month bill auction calendars should be considered as well, with the effect that maturities form a coherent vintage ladder which both concatenate "Inter-se" and coordinate with futures expiries to form the basis of "spread markets".
- iv. Therefore it follows that Standing Facility at DMO essential to be able to tap existing vintages. Furthermore, identification by ISIN may be replaced by a UPI and vintage to promote fungibility and re-taps where necessary.
- v. Single Dealer Platforms should likely be required to undertake commitments more akin to those of GEMMs rather than only TBPPs. Commensurately, participation at regular T-bill auctions should benefit from a fixed discount or commission to encourage inventory build on private sector balance sheet.
- vi. Most importantly, balance sheet commitment should be incentivised by both "Leverage rules" and "Trading Book risk" exemptions should be provided to encourage bank treasuries to hold bills on their own account, and to build products, packages, baskets, tokenisation, collateral and hedging-tools in addition to acting solely as dealers with minimal inventory. This requires the DMO and HMT to expressly and simultaneously treat T-Bills as a form of "forward-cash" for balance sheet risk purposes and high-grade liquid collateral ("HQLA") for financial market utility.
- vii. Conjointly, the UK should offer regulatory discounts or incentives where haircuts or collateral are provided by T-Bills or directly derived tokens therefrom.
- viii. In a similar vein, regulatory and accounting provisions for the netting of liquidity metrics and balance-sheet exposure assessments between T-Bill and both Gilt Repo/Reverse-Repo and other money-market products including Certificates of Deposit and Commercial Paper.

In addition the following end-user measures should be considered:

- ix. Ongoing Money Market Fund Reform should be tailored to reverse current approaches which serve as a disincentive for money-market funds to hold T-Bills

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- x. Retail and Corporate banking portals or integrated banking facilities should be developed to encourage term deposits to take advantage of nascent T-Bill secondary market liquidity. This could be done through a daily fixing window.
 - xi. Measures could be encouraged or seeded, such as the use of BOE and FCA digital “Sandboxes” to seed the tokenisation of T-Bills in order to create on-chain financial products such as liquid collateral or the backing for stable-coins. We note that this may also require “zero-discount” T-Bills to provide for a constant value asset.

3. *What other financial instruments might investors view as substitutable with T-bills, and what factors influence the attractiveness of T-bills relative to these alternative investments?*

Please see our answer to question 2 above. Key factors include:

- i. Primary market access and certainty
- ii. Secondary market liquidity
- iii. Balance sheet capital treatment
- iv. Ease of use in collateral and financial products
- v. Capacity for tokenisation

Clearly the instruments in question comprise: Short Gilts and related high-grade debt; Reverse-repo on Gilts or other HQLA; CDs, CPs, ETFs, Money Market Units; overseas T-Bills

4. *What current and/or prospective future regulatory requirements could affect demand for T-bills (including any changes in demand for GBP-backed stablecoins, given the Bank of England’s and Financial Conduct Authority’s proposed backing asset requirements for these products)? To what extent do these factors impact different types of investors in different ways?*

Noting prior comments, we consider that most of the regulatory requirements that act as a disincentive for financial services firms to hold T-Bills would be mitigated if at all times they were treated the same as cash for liquidity coverage and balance sheet risk purposes.

Conversely, it is likely that many of the issues related to perceived hurdles from the non-bank market participants would be mitigated if at all times the T-Bills were considered to be HQLA.

We therefore consider that both these conditions could be better met by the creation of a deep and stable secondary market. Essentially this requires not only incentives for a set of dealers to make the relevant commitments, but an onwards ecosystem whereby market participants both buy and sell T-Bills as a matter of course. This is best achieved from a diverse set of use-cases and an equally diverse ecosystem.

For instance, subsequent to Andrew Hauser’s 2019 speech, “*Waiting for the exit: QT and the Bank of England’s long-term balance sheet*,” [[Speech given by Andrew Hauser and hosted by AFME, ISDA and ICMA, London on Wednesday 17 July 2019](#)] discussions between the market

and the Bank of England have consistently returned to the possibly enlarged role for a T-Bill market as a tool for targeting the effective policy rate by managing the reserves framework.

5. *Do you have any comments on current and/or prospective interactions between the primary and/or secondary market in T-bills and other short term money markets (including unsecured markets) or the Bank of England's Sterling Monetary Framework (SMF) facilities?*

We simply underscore that up until the present day, the UK T-Bill market is a primary market only for "but-and-hold" institutions who are neither in the banking framework, nor are product manufacturers and distributors, nor are retail.

B: T-bill investor base (retail)

6. *What existing measures are there which may promote investment in T-bills by retail customers? Are these widely taken up?*

We are not aware of any.

7. *What measures could the government take to incentivise or promote investment in T-bills by retail customers? How might this affect retail investment in gilts?*

We believe that the simplest measure would be for retail bank accounts to have an integrated route to transacting and holding T-Bills. This should likely also require a daily dealing fix to be integrated rather than systematic access to the primary market. This should offer cheaper and simpler access than to an ETF as would all be within the banking portal interface. Likely automatic rollover on maturity would also be a welcome feature.

8. *What risks to the government or the market could arise if the government were to take measures to incentivise or promote retail investment in T-bills and how would these best be mitigated?*

We note the ongoing Treasury and Parliamentary discussion concerning non-equity SIPPs. Whilst no self-evident risks are at all evident were the retail transactions to be confined within banking portals sufficiently resilient to cyber-attacks, fraud or money-laundering; we suppose the political debate would consider whether such access could mitigate the equity-risk culture currently deemed as a public policy goal.

C: Primary market demand

9. *What are the most important factors which influence demand for T-bills in the primary market (including but not limited to yield, maturity, expected changes in the yield curve, monetary policy, and regulatory requirements)? How might different types of investors rank the importance of these factors?*

We note the self-evident fact that different type and classes of investors will hold very different factors as important. Nevertheless, for end users holding such very short-term instruments it remains highly unlikely that any of, “*yield, maturity, expected changes in the yield curve, monetary policy, and regulatory requirements*” are especially relevant. Given the close relationship to short gilts and the poor yield from bank deposits, its equally unlikely that absolute yields are much more relevant.

We note most retail investors or institutional asset, and liability managers [“*end-users*”] are not primarily focused on products with no-more than one-, three-, and six-month tenors. Rather, those relevant institutional users, both bank treasuries and non-bank market participants, who specialise in money-markets and in cash-management are very active across the bank deposits, Certificates of Deposit, Commercial Paper, FX forwards, FRAs, OIS, Futures and reverse-repo products.

More pertinent issues for end-users therefore are product term, market-access, dealing costs, secondary liquidity and other cash-management frictions.

10. *What structural and/or regulatory factors affect, or could affect in the future, primary market activity in T-bills on both the demand- and supply-sides? To what extent do these factors impact different types of investors in different ways?*

The main categories of factors would be access, integration, taxation and tokenisation. We refer to prior answers, especially questions 02 and 09.

11. *How does T-bill primary market activity in the UK compare to peer sovereign markets and what factors explain any differences?*

We note that both across the EU, the commonwealth countries and the United States that T-Bill markets have remained far larger, deeper and more widely used than in the UK. Conversely other global markets have not developed as much.

It is not clear that factors such as the national “equity culture”, yield, taxation, or exchange controls could delineate or explain these differences. Rather, we would suppose that T-Bill market depth, access, liquidity and tradition hold a greater role.

Nevertheless, its likely that all of the global market architectures are likely to be subject to the influence of technological change, digital money, and tokenisation over the coming decade to an extent not hitherto witnessed.

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12. Is there a limit on the extent to which primary market demand for T-bills can be maximised and, if so, what are factors that drive this?

Given the drivers of technological change, digital money, and tokenisation, we cannot currently consider any applicable limiting factors provided that central bank money continues to underpin society and markets as it does currently.

D: Secondary market activity (cash and repo)

13. What structural and/or regulatory factors affect, or could affect in the future, secondary market activity in T-bills on both the demand- and supply-sides? To what extent do these factors impact different types of investors in different ways?

We note that there is very limited secondary market activity in T-bills, but this is in our view a necessary precondition for wider access and usage. We note again that one of these preconditions is a broad mix of active users who hold different intentions at different times.

Please see our answer to question 02 for a set of measures necessary, if not sufficient, to create such a daily liquidity pool.

14. To what extent is there potential for a larger amount of secondary market activity in T-bills, including in outright transactions? How might this be facilitated by the authorities?

We consider that there could be a very great potential for a larger amount of secondary market activity in T-bills, based not only on activity in other countries, but upon both the use-cases and access facilitation put in scope by nascent technologies. We further suppose that the sand-boxes and scale-boxes now in place in the UK could provide a helpful conduit for platforms and tokenisation, although a more straightforward route would be the measures suggested in Question 02 to encourage financial institutions to hold T-Bills on their balance sheets without penalisation.

15. To what extent are T-bills used in General Collateral (GC) repo, and to what extent is there a repo market for specific T-bills?

We do not believe that either happen to any notable extent.

16. To what extent is there potential for greater inclusion of T-bills in GC repo and/or a repo market in individual T-bill securities? How might this be facilitated by the authorities?

We would only suppose this could hold a valid use-case where the related repo contracts form the basis for collateral tokens. We note that collateral fluidity is a sought-after and desirable outcome at timeframes ranging from instantaneous to as far as 12 months. There is a very wide-ranging library of literature and global pilot projects now available, much of it co-authored by the [central banking community](#) and we offer only a handful of many possible references².

This presents a large range of use-cases for the intersection of T-Bills and Repo-markets, albeit that T0 and T+1 settlement uptake should provide for the most active aspects in the remainder of this decade.

17. *There are typically 26 T-bills in issue at any given time (excluding some T-bills issued outside of weekly tenders). What is the minimum issuance size of individual T-bill ISINs at which you would consider investing in the secondary T-bill market? Would a change in the average issuance size of individual T-bill ISINs support secondary market activity?*

We note the published statistics relate to a fairly stable size of total outstanding stock at around £100 Billion. As market arrangers and operators we have no views on the size that we would be necessary to invest, but in order to create a viable secondary market from this primary market only operation we would suppose this quantum of both issuance and outstanding should need to be between 20 to 100 times larger as well as considerably longer in tenors.

Month End	One Month (£ million)	Three Month (£ million)	Six Month (£ million)	Ad Hoc Issuance (£ million)	Other Issuance (£ million)	Total Issuance (£ million)	Total Stock Outstanding (£ million)	T-bill stock for debt financing
2025-26								
Jan	2,000	6,000	7,000	0	13	15,013	96,738	
Dec	4,500	9,500	14,000	0	63	28,063	104,878	
Nov	4,000	8,000	12,000	0	164	24,164	108,991	
Oct	4,000	9,500	12,000	0	163	25,663	108,346	
Sep	5,000	12,000	15,000	0	115	32,115	104,703	
Aug	3,000	7,500	11,000	0	31	21,531	100,104	
Jul	2,000	6,000	10,000	0	0	18,000	99,573	
Jun	4,500	8,500	15,000	0	0	28,000	104,598	
May	4,000	8,000	12,000	0	0	24,000	102,697	
Apr	3,000	8,000	12,000	0	0	23,000	97,963	
2024-25								
Mar	2,500	10,500	15,000	0	0	28,000	96,094	75,000

² BIS: [Tokenisation in the context of money and other assets: concepts and implications for central banks](#); ECB: [Tokenisation and the future of finance: the role of central bank money](#); [Next-generation monetary and financial system takes shape, based on a tokenised unified ledger](#): BIS;

18. How does T-bill secondary market activity in the UK compare to peer sovereign markets and what factors explain these differences?

We note that no single “global” T-bill secondary market dataset exists, but BIS, IMF, and U.S. sources cover the majority of global activity. Evidently the U.S. provides the most detailed secondary market liquidity statistics of any country worldwide. As shall likely be familiar to the DMO and HMT, [FINRA TRACE](#) publishes bill trading volumes; [SIFMA reports](#) ~\$1.19T ADV trading (Jan 2026); [FRED publishes daily secondary market yields](#) (4W–1Y).

Beyond the US, essentially there are no effective and well-functioning secondary markets in T-Bills. The BIS provides the only truly global cross-country dataset that covers short-term government debt including T-bills for 50+ economies via its [tables for Debt securities statistics](#)³.

The IMF provides structural analysis explaining why secondary-market liquidity varies significantly by country. Individual countries outside the U.S. seldom publish transaction-level secondary market data and rather, most are captured indirectly via BIS/IMF, or academic studies. Most relevant perhaps is India, where an [academic study analysed 10 years of Indian T-bill secondary market data, growth rates, and liquidity characteristics](#)⁴.

Other private sector research reports covering secondary market trends are only US specific and include:

- [Jefferies – Global Secondary Market Review \(H1 2025\)](#); Covers record volumes (\$103B in H1 2025), liquidity trends, investor behavior, pricing dynamics—relevant for understanding institutional trading patterns and liquidity across fixed income markets.
- [William Blair – 2025 Secondary Market Report](#); Discusses global liquidity, trends, and transactional flows within secondary markets, though not T-bill-specific
- [BlackRock – FY2024 Secondary Market Recap & Outlook](#); Presents trends in liquidity, volumes, and investor flows that indirectly influence T-bill demand and trading conditions.

E: Maturities of T-bills offered at tenders

19. Could the introduction of T-bills with different maturities at tenders attract new structural demand? If so, what new maturities would be sought after, and what would be the sources and scale of this new demand? How sustainable might any such demand be over the longer term?

We agree. The DMO should issue 3s, 6s, 9s and 12-month bills solely on a fixed timetable.

³ [Debt securities statistics - overview | BIS Data Portal](#)

⁴ [PERFORMANCE-ANALYSIS-OF-TREASURY-BILL-ON-SECONDARY-MARKET.pdf](#)

20. *To what extent could the sale of T-bills with a wider range of maturities at tenders displace demand for (i) T-bills at existing (i.e. one-, three-, and six-month) maturities and/or (ii) gilts with similar maturities available in the secondary market?*

We consider that if done on a small scale and in isolation from related measures, then in the absence of higher relative yields, the existing demand pool may well simply displace demand and move from other issues. Clearly measures to build the demand via end use-cases and a secondary market would be needed in coordination.

We do not see much scope for switching between short coupons and discount bills.

21. *What other issues or risks might be associated with the sale via tenders of T-bills with different maturities?*

We have no comment.

22. *How long would it take for you to consider T-bills with different maturities as part of your investing strategy? What lead times might TBPPs and investors require before T-bills with different maturities could become a part of their investing strategy?*

We have no comment.

F: Expectations and requirements placed by the government on T-bill market participants

23. *If any expectations around activity or participation in the T-bill primary market were to be introduced (for example, this may include minimum primary market share requirements), what types of firms should be subject to them and why?*

We note our comments in answer to question 02 such that Single Dealer Platforms should likely be required to undertake commitments more akin to those of GEMMs rather than only TBPPs. Commensurately, participation at regular T-bill auctions should benefit from a fixed discount or commission to encourage inventory build on private sector balance sheet.

We do not suppose any specific requirement to limit this to a type of firm, although clearly the incentive levers available are more effectively applied to bank balance sheets than to those of NBFIs.

24. *If any expectations around activity or participation in the T-bill secondary market were to be introduced (for example, this may include minimum secondary market share or a requirement to make two-way prices in T-bills at all times), what types of firms should be subject to them and why?*

We refer to question 23 since firms active in the secondary markets would presume to also be active in the primary markets.

25. What would be the effect on T-bill secondary market liquidity if the government was to introduce any expectations of activity/participation in the T-bill market?

We would suppose the market effect from any governmental expectations would be minimal.

Rather the government, together with prudential and conduct regulators would need to build the conditions and incentives for a market ecosystem to build. This requires multilateral activities beyond any narrow prescriptions. We refer to a long history of such transitory initiatives across many asset classes.

26. What other issues or risks might be associated with the introduction of expectations or requirements around activity in the primary T-bill market?

We have no comment.

27. What other issues or risks might be associated with the introduction of expectations or requirements around activity in the secondary T-bill market?

We have no comment.

G: DMO repo market activity

28. To what extent would T-bill primary and secondary (including cash and repo) market activity be supported if the DMO were to provide a standing repo facility for T-bills, which could ensure that TBPPs can access and deliver any T-bill at any time?

We consider that this would form a helpful part of any initiative. Were the size and scale of the market to increase sufficiently. Then there may be only a transient need for such a facility, but even then, as a backstop it would provide confidence.

We would also like to consider whether T-Bill repo could be built on an DBV basis rather than by ISIN. Indeed we would urge the DMO to remove all ISIN assignment in favour of a UPI and a maturity term identifier. This could aid the application of a fungible T-Bill repo approach. [It](#)

[would also be in line with our advocacy to the FCA regarding the hurdles posed by ISINs over UPIs⁵.](#)

29. *What issues or risks might be associated with the introduction of such a facility?*

We have no comment.

30. *What other repo market activity could the DMO undertake to support the primary and secondary (including cash and repo) market in T-bills?*

We would also like to consider whether T-Bill repo could be built on an DBV basis rather than by ISIN. Indeed we would urge the DMO to remove all ISIN assignment in favour of a UPI and a maturity term identifier. This could aid the application of a fungible T-Bill repo approach.

H: Other views

31. *How would you expect market functioning to be affected by any changes in T-bill issuance, including in the context of their short duration?*

We have no comment.

32. *In your view, what is likely to be the most effective combination of potential reforms to effectively increase T-bill primary market participation and T-bill secondary market activity?*

We would urge the authorities to holistically consider a broad ranging set of measures across the approach to size, term, calendars, the market chain from primary to end-use cases, technological innovations and its prudential and conduct treatment.

33. *Please share any other views you have about T-bills, including around the expansion and deepening of the T-bill market and associated costs, benefits, and risks.*

We refer to our answer to question 02.

⁵ [EVIA Response to FCA CP25-32; Improving The Transaction Reporting Regime; 19Feb2026 .pdf](#)

Notes:

[The_UK_Treasury_bill_market_-_a_consultation_document.pdf](#)

Respondents are requested to submit written responses to this consultation via email to: tbillconsultation@dmo.gov.uk by 11:59pm on 27 February 2026.

Ends