

**SUPPLEMENTAL RELEASE:
TREASURY'S MARKET FINANCING ESTIMATES**

Today, the Treasury Department announced net borrowing of marketable debt for the January – March 2004 and April – June 2004 quarters.

Quarter	Estimated Borrowing (\$ billion)	End-of-Quarter Cash Balance (\$ billion)
Jan – Mar 2004	\$177	\$20
Apr – Jun 2004	\$75	\$45

Since 1997, the average forecast error in net market borrowing for the current quarter is \$9 billion, of which \$3 billion is attributable to differences in the end-of-quarter cash balance. Similarly, the average forecast error for the following quarter is \$21 billion, of which \$3 billion is attributable to differences in the end-of-quarter cash balance.

The following tables display and reconcile the variation between forecasted and actual net marketable borrowing in the October – December 2003 quarter.

Quarter	Estimated Borrowing (\$ billions)	Actual Borrowing (\$ billions)	Estimated End-of- Quarter Cash Balance (\$ billions)	Actual End-of- Quarter Cash Balance (\$ billions)
Oct – Dec 2003	\$117	\$113	\$35	\$33

Categories	? from Nov Estimate 1/
Receipts	\$0
Outlays	+\$7
Non-Marketable Activity	-\$5
Change in Cash Balance	<u>+\$2</u>
Decrease in Borrowing	+\$4

1/ “+” and “-” represents the impact on financing needs. “+” represents a decrease in financing, while “-” represents an increase.

Additional financing details relating to Treasury's Quarterly Refunding will be released at 9:00 A.M. on Wednesday, February 5.

