OMB Control No. 1505-0261

Agenda – August 2026 Refunding

Treasury Dealer Meetings: July 30 – July 31, 2026

Dealer ___________________

To allow more time for discussion, please submit your responses prior to 12:00 PM on Monday, July 27, 2026. Even if you are not scheduled to meet with Treasury officials this quarter, your responses are still appreciated.

Please note in your forecasts the following:

Deficit + Other Means of Financing + Change in Cash Balance + SOMA Redemptions of Treasury Securities
= Privately-Held Net Marketable Borrowing

Note: Other Means of Financing include cash flows associated with federal credit programs, such as those related to student loans and loans to small businesses.

I. Privately-Held Marketable Borrowing Estimates[1, 2]	Central Estimate	Range that would not surprise you
		Low/High
July-September 2026 Privately-Held Net Marketable Borrowing		/
Ending Cash Balance		/
Other Means of Financing		/
October-December 2026 Privately-Held Net Marketable Borrowing		/
Ending Cash Balance		/
Other Means of Financing		/
FY 2026 Privately-Held Net Marketable Borrowing		/
Ending Cash Balance		/
Other Means of Financing		/
FY 2027 Privately-Held Net Marketable Borrowing		/
Ending Cash Balance		/
Other Means of Financing		/
FY 2028 Privately-Held Net Marketable Borrowing		/
Ending Cash Balance		/
Other Means of Financing		/

II. Economic Estimates

Budget Deficit FY 2026		/
Budget Deficit FY 2027		/
Budget Deficit FY 2028		/
Real GDP (4Q/4Q % Chg) CY 2026		/
Real GDP (4Q/4Q % Chg) CY 2027		/

[1] Privately-held marketable borrowing excludes rollovers (auction "add-ons") of Treasury securities held in the Federal Reserve System Open Market Account (SOMA) but includes financing required due to SOMA redemptions. Secondary market purchases of Treasury securities by SOMA do not directly change net privately-held marketable borrowing but, all else equal, when the securities mature and assuming the Federal Reserve System does not redeem any maturing securities, would increase the amount of cash raised for a given privately-held auction size by increasing the SOMA "add-on" amount.

[2] See appendix for an example calculation of privately-held net marketable borrowing.

Real GDP (4Q/4Q % Chg) CY 2028		/
Nominal GDP (4Q/4Q % Chg) CY 2026		/
Nominal GDP (4Q/4Q % Chg) CY 2027		/
Nominal GDP (4Q/4Q % Chg) CY 2028		/
Headline CPI (4Q/4Q % Chg) CY 2026		/
Headline CPI (4Q/4Q % Chg) CY 2027		/
Headline CPI (4Q/4Q % Chg) CY 2028		/
Core CPI (4Q/4Q % Chg) CY 2026		/
Core CPI (4Q/4Q % Chg) CY 2027		/
Core CPI (4Q/4Q % Chg) CY 2028		/
Unemployment rate (4Q Avg) CY 2026		/
Unemployment rate (4Q Avg) CY 2027		/
Unemployment rate (4Q Avg) CY 2028		/

III. Quarterly Note and Bond Issuance Estimates

3-year note (August/September/October)	/ /	/ / - / /
10-year note (August)		/
10-year note reopening (September/October)	/	/ - /
20-year bond (August)		/
20-year bond reopening (September/October)	/	/ - /
30-year bond (August)		/
30-year bond reopening (September/October)	/	/ - /
2-year note (August/September/October)	/ /	/ / - / /
5-year note (August/September/October)	/ /	/ / - / /
7-year note (August/September/October)	/ /	/ / - / /
30-year TIPS reopening (August)		/
10-year TIPS reopening (September)		/
5-year TIPS (October)		/
2-year FRN reopening (August/September)	/	/ - /
2-year FRN (October)		/

IV. Bill Issuance Estimates[3]

52-week bill size (August/September/October)	/ /	/ / - / /
Total change in bills outstanding August‘26 - October‘26		/
Change in *privately-held* bills outstanding August‘26 - October‘26		/
Total change in bills outstanding FY 2026		/
Change in *privately-held* bills outstanding FY 2026		/
CMB issuance August‘26 – October‘26 (size/date)	/ / /	

[3] Privately-held bills exclude SOMA holdings. As such, the difference between “Total change in bills outstanding” and “Change in *privately-held* bills outstanding” should reflect SOMA secondary market purchases/sales (or redemption of maturing securities).

Discussion Topics

1. Please discuss your latest economic, fiscal, monetary policy (including changes in SOMA holdings), and Treasury financing forecasts for FY 2026, FY 2027, and FY 2028.

2. Last quarter, Treasury asked the TBAC whether it should consider investing excess cash in the overnight Treasury repo market in order to generate investment returns while maintaining prudent risk management and avoiding market disruptions. From a market functioning perspective, if Treasury were to pursue this idea, would it be better for the inherent volatility in Treasury cash flows to be reflected in a variable amount of cash available for repo investment each day, or should that inherent cash flow volatility pass through to changes in the Treasury General Account (TGA) balances? Please elaborate. Relatedly, are there any non-monetary benefits that could accrue to Treasury auctions by investing some portion of the TGA in repo? Please explain.

3. Earlier this year, Treasury noted that it is considering converting the 7-year note from a monthly new issue to a quarterly new issue with two reopenings. Further, Treasury stated that it would likely auction new issues in March, June, September, and December to closely align with Treasury's quarterly tax receipt cycle. Some market participants have suggested that conducting the new issue roll near quarter-end might be a concern, given dealer balance sheet constraints at that time. To what extent is this a concern for your firm? How, if at all, should such a consideration influence Treasury's evaluation of this potential issuance change?

4. Please provide your expectations regarding the size and composition of the Federal Reserve's SOMA portfolio. What are your expectations for reserve management purchases, which grow the Federal Reserve's balance sheet, over the next 12 months? Do you expect the Federal Reserve to continue reinvesting proceeds from principal payments received on its MBS holdings into Treasury bills? What composition of securities do you expect to be held by the SOMA portfolio in the long term?

Appendix

In order to gather more comprehensive information regarding the factors affecting Treasury's borrowing needs, Part I requests estimates of "Other Means of Financing," which is one of several components of the difference between budget deficits and privately-held net marketable borrowing (as shown in the Example below). "Other Means of Financing" includes items where the timing of government cash flows may differ from budget accounting, such as student loans and loans to small business.

Privately-Held Net Marketable Borrowing
Definition and Calculation Example

FY 2018 Actual Deficits and Privately-Held Net Marketable Borrowing, in $ billions

	FY 2018 Actual
FY 2018 Deficit	779
FY 2018 + Change in Cash Balance	225
FY 2018 + Other Means of Financing (e.g. Direct Loans)	35
FY 2018 **= Total Net Marketable Borrowing**	1,039
FY 2018 + SOMA Redemption	156
FY 2018 **= Privately-Held Net Marketable Borrowing**	1,195

- Actual deficits are sourced from the Monthly Treasury Statement.
- Actual change in cash balance is sourced from the Daily Treasury Statement. Change in cash balance = cash balance of Sept 28, 2018 - cash balance of Sept 29, 2017
- Other Means of Financing include cash flows associated with federal credit programs, such as those related to student loans and loans to small businesses.
- Privately-Held Net Marketable Borrowing = Total Net Marketable Borrowing + SOMA Redemption
- SOMA redemption is the amount that the Federal Reserve redeems securities that Treasury has to replace with privately-held marketable borrowing. Actual SOMA redemptions amounts is from the Sources and Uses Reconciliation Table.
- Actual Privately-Held Net Marketable Borrowing is from the Sources and Uses Reconciliation Table.