

Agenda – August 2021 Refunding
Treasury Dealer Calls: July 29 – July 30, 2021
Dealer _____

To allow more time for discussion, please e-mail your responses prior to 12:00 PM on Monday, July 26, 2021 to Debt.Management@treasury.gov and NY.QTR@ny.frb.org. Even if you are not scheduled to meet with Treasury officials this quarter, your responses are still appreciated.

| I. Privately-Held Marketable Borrowing Estimates¹ | Central Estimate | Range that would not surprise you <i>Low/High</i> |
|---|------------------|--|
| July-September 2021 Privately-Held Net Marketable Borrowing | | / |
| Ending Cash Balance | | / |
| October-December 2021 Privately-Held Net Marketable Borrowing | | / |
| Ending Cash Balance | | / |
| FY 2021 Privately-Held Net Marketable Borrowing | | / |
| FY 2022 Privately-Held Net Marketable Borrowing | | / |
| FY 2023 Privately-Held Net Marketable Borrowing | | / |

II. Budget Deficit and Growth Estimates

| | | |
|-----------------------------------|--|---|
| FY 2021 | | / |
| FY 2022 | | / |
| FY 2023 | | / |
| Real GDP (4Q/4Q % Chg) CY 2021 | | / |
| Real GDP (4Q/4Q % Chg) CY 2022 | | / |
| Nominal GDP (4Q/4Q % Chg) CY 2021 | | / |
| Nominal GDP (4Q/4Q % Chg) CY 2022 | | / |

III. Quarterly Note and Bond Issuance Estimates

| | | |
|----------------------------------|-----|-----------|
| 3-year note (Aug/Sep/Oct) | / / | / / - / / |
| 10-year note (Aug) | | / |
| 10-year note reopening (Sep/Oct) | / | / - / |
| 20-year bond (Aug) | | / |
| 20-year bond reopening (Sep/Oct) | / | / - / |
| 30-year bond (Aug) | | / |
| 30-year bond reopening (Sep/Oct) | / | / - / |
| 2-year note (Aug/Sep/Oct) | / / | / / - / / |
| 5-year note (Aug/Sep/Oct) | / / | / / - / / |
| 7-year note (Aug/Sep/Oct) | / / | / / - / / |
| 30-year TIPS reopening (Aug) | | / |
| 10-year TIPS reopening (Sep) | | / |
| 5-year TIPS (Oct) | | / |
| 2-year FRN reopening (Aug/Sep) | / | / - / |
| 2-year FRN (Oct) | | / |

¹ Privately-held marketable borrowing excludes rollovers (auction “add-ons”) of Treasury securities held in the Federal Reserve’s 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 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.

IV. Bill Issuance Estimates²

| | | |
|---|-----|-----------|
| 52-week bill size (Aug/Sep/Oct) | / / | / / - / / |
| Total change in bills outstanding Aug '21 - Oct '21 | | / |
| Change in <i>privately-held</i> bills outstanding Aug '21 - Oct '21 | | / |
| Total change in bills outstanding FY 2021 | | / |
| Change in <i>privately-held</i> bills outstanding FY 2021 | | / |
| CMB issuance Aug '21 – Oct '21 (size/date) | / / | / |

Discussion Topics

1. Please discuss your latest economic, fiscal, monetary policy (including SOMA investment), and Treasury financing forecasts for FY2021 and FY2022.
2. In May, the Treasury Borrowing Advisory Committee wrote that it “anticipates that Treasury may want to reduce nominal coupon sizes beginning late this year or early next year.” Given your forecast for Treasury’s borrowing requirements, what is your outlook for issuance sizes across the curve, including bills, and when should Treasury consider making adjustments to auction sizes at different maturity points?
3. Please discuss your expectations for TIPS auction sizes for the rest of calendar year 2021 and for calendar year 2022. Relatedly, please discuss your views on the main drivers for movements in TIPS yields over the last year at different tenors. To what extent have these movements been driven by TIPS liquidity, inflation expectations, or other factors, and what indicators do you use to inform your understanding of how TIPS are performing across the curve?

Based on your answers to the above questions, please fill in the below table with your note and bond issuance expectations through CY 2022:

Note and Bond Issuance Expectations through CY 2022 (\$ bn)

| Month | 2-year | 3-year | 5-year | 7-year | 10-year | 20-year | 30-year | 2-year FRN | 5-year TIPS | 10-year TIPS | 30-year TIPS |
|---------|--------|--------|--------|--------|---------|---------|---------|---------------|----------------|-----------------|-----------------|
| Aug. 21 | | | | | | | | | X | X | |
| Sep. 21 | | | | | | | | | X | | X |
| Oct. 21 | | | | | | | | | | X | X |
| Nov. 21 | | | | | | | | | X | | X |
| Dec. 21 | | | | | | | | | | X | X |
| Jan. 22 | | | | | | | | | X | | X |
| Feb. 22 | | | | | | | | | X | X | |
| Mar. 22 | | | | | | | | | X | | X |
| Apr. 22 | | | | | | | | | | X | X |
| May 22 | | | | | | | | | X | | X |
| Jun. 22 | | | | | | | | | | X | X |
| Jul. 22 | | | | | | | | | X | | X |
| Aug. 22 | | | | | | | | | X | X | |
| Sep. 22 | | | | | | | | | X | | X |
| Oct. 22 | | | | | | | | | | X | X |
| Nov. 22 | | | | | | | | | X | | X |
| Dec. 22 | | | | | | | | | | X | X |

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² 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).