TREASURY ANNOUNCES MARKET BORROWING ESTIMATES

The Treasury Department on Monday announced that its net market borrowing for the July-September 1994 quarter is estimated to be $45 billion, with a $40 billion cash balance on September 30. The Treasury also announced that its net market borrowing for the October-December 1994 quarter is estimated to be in a range of $45 billion to $50 billion, with a $30 billion cash balance at the end of December.

In the quarterly announcement of its borrowing needs on May 2, 1994, the Treasury estimated net market borrowing during the July-September 1994 quarter to be in a range of $55 billion to $60 billion, assuming a $40 billion cash balance on September 30. The $51 billion June 30 cash balance -- compared with $40 billion that had been estimated in May -- accounts for most of the difference between the May and August market borrowing estimates for the July-September quarter.

Actual net market borrowing in the quarter ended June 30, 1994 was $8.1 billion, while the end-of-quarter cash balance was $51.0 billion. On May 2, the Treasury had estimated net market borrowing for the April-June quarter to be $8 billion, with a $40 billion cash balance on June 30. The higher-than-expected end-of-June cash balance reflected a reduction in the cash deficit.

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