U.S. Treasury Borrowing
Includes budget surplus, direct loan activity, changes in accrued interest and checks outstanding and minor miscellaneous debt transactions.
Department of the Treasury
Office of Market Finance

TREASURY FINANCING REQUIREMENTS
July - September 1998

Uses
- Coupon Maturities: $131 billion
- Market Paydown: $45 billion

Sources
- Coupon Refunding: $131 billion
- State and Local: $8\frac{3}{4} billion
- Decrease in Cash Balance: -$32\frac{1}{4} billion
- Surplus: $4 billion

$\uparrow$ Assumes a $40 billion cash balance September 30, 1998.
$\downarrow$ Includes budget deficit, direct loan activity, changes in accrued interest and checks outstanding and minor miscellaneous debt transactions.
Treasury Operating Cash Balance

Total Operating Balance

Tax and Loan Accounts Balance

Federal Reserve Account

Without New Borrowing

Data points are semi-monthly.
TREASURY NET MARKET BORROWING

1/ Excludes Federal Reserve and Government Account Transactions.

2/ Issued or announced through July 31, 1998.
# NET MARKET BORROWING

July – September 1998

(Billions of Dollars)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>-45.0</td>
</tr>
<tr>
<td><strong>Done</strong> $^{1/}$</td>
<td>-43.6</td>
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<tr>
<td><strong>Bills</strong></td>
<td></td>
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<tr>
<td>Regular weekly</td>
<td>-.6</td>
</tr>
<tr>
<td>52 week</td>
<td>-3.1</td>
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<tr>
<td><strong>Total</strong></td>
<td>-3.7</td>
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<tr>
<td><strong>Coupons</strong></td>
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<tr>
<td>7-year note</td>
<td>-9.7</td>
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<tr>
<td>2-year note</td>
<td>-3.6</td>
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<tr>
<td>5-year notes — end of month</td>
<td>-35.0</td>
</tr>
<tr>
<td>30-year inflation-indexed bond</td>
<td>8.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-39.9</td>
</tr>
<tr>
<td><strong>To Be Done</strong></td>
<td>-1.4</td>
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</tbody>
</table>

$^{1/}$Issued or announced through July 31, 1998.
DISTRIBUTION OF COMPETITIVE AUCTION AWARDS OF TREASURY NOTES

10-Year Inflation-Indexed
January & April 1997 and January 1998 Auctions

10-Year Fixed Rate
November 1997 and February & May 1998 Auctions

Note: Investment funds include investment mgrs., mutual funds, and hedge funds. Financial insts. include nonprimary dealers, depository insts., insurance cos., and financial cos. Other includes individuals, and nonfinancial cos. *Less than 0.5 percent.
DISTRIBUTION OF COMPETITIVE AUCTION AWARDS OF TREASURY BONDS

30-Year Inflation-Indexed
April and July 1998 Auction

- Primary Dealers: 43%
- Foreign & International: 12%
- Financial Insts.: 11%
- Investment Funds: 32%
- Pension Funds:
- Other: 2%

30-Year Fixed Rate
November 1997 and February 1998
Auctions

- Primary Dealers: 67%
- Foreign & International: 2%
- Financial Insts.: 31%
- Investment Funds:
- Pension Funds:
- Other: 2%

Note: Investment funds include investment mgrs., mutual funds, and hedge funds. Financial insts. include nonprimary dealers, depository insts., insurance cos., and financial cos. Other includes individuals, and nonfinancial cos.

*Less than 0.5 percent.
PRICES FOR 10-YEAR 3-5/8% IIN AND 10-YEAR 5-1/2% FIXED-RATE NOTE

Daily Data: Beginning 2/12/98

5-1/2% of 2/15/08

3-5/8% IIN of 1/15/08

1/ Real Price for inflation-indexed note
Correlation: 21% STD IIN/STD Nominal = 0.41
PRICES FOR 10-YEAR 3-5/8% IIN vs. SPOT GOLD

Daily Data: Beginning 1/15/98

1/ Real Price for inflation-indexed note
Correlation: -.3%  STD IIN/STD Gold = .05

Department of the Treasury
Office of Market Finance

August 3, 1998
NET STRIPS OUTSTANDING (1985-1998)*

Reconstitution began May 1, 1987.
Inflation-indexed securities had not been stripped as of July 24, 1998.
Note: SLGS sales were suspended from October 18, 1995 to March 29, 1996.
STATE AND LOCAL MATURITIES 1998-2003

$Bil.

0 2 4 6 8 10

III IV I II III IV I II III IV I II III IV I II III IV I II III IV

1998 1999 2000 2001 2002 2003

$Bil.

11.1 5.7 5.6 4.3 4.8 5.2 5.4 5.1 6.2 6.5 9.3 7.5 5.6 6.0 8.3 6.9 3.0 2.3 2.9 2.1

Department of the Treasury
Office of Market Finance

August 3, 1998-14
QUARTERLY CHANGES IN FOREIGN AND INTERNATIONAL HOLDINGS OF PUBLIC DEBT SECURITIES

Nonmarketable

Marketable

Net Auction Awards to Foreign 1/

Other Transactions

1/ Noncompetitive awards to foreign official accounts held in custody at the Federal Reserve in excess of foreign custody account holdings of maturing securities. Foreign add-ons prohibited from October 18, 1995 to March 29, 1996 to avoid exceeding the debt limit.


Department of the Treasury
Office of Market Finance

August 3, 1998-15
FOREIGN HOLDINGS AS A PERCENT OF TOTAL
PRIVATELY HELD PUBLIC DEBT

Quarterly

Percent

Percent

14 16 18 20 22 24 26 28 30 32 34 36

14 16 18 20 22 24 26 28 30 32 34 36


Department of the Treasury
Office of Market Finance

August 3, 1998-16
## MAJOR FOREIGN HOLDERS OF TREASURY SECURITIES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ Billions</td>
<td>As a % of Total Foreign</td>
<td>As a % of Total Private</td>
<td>$ Billions</td>
<td>As a % of Total Foreign</td>
<td>As a % of Total Private</td>
<td>$ Billions</td>
<td>As a % of Total Foreign</td>
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<tr>
<td>Japan</td>
<td>$266.9</td>
<td>21.3%</td>
<td>7.9%</td>
<td>$277.6</td>
<td>22.6%</td>
<td>8.2%</td>
<td>$263.3</td>
<td>24.2%</td>
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<td>United Kingdom</td>
<td>265.7</td>
<td>21.2%</td>
<td>7.9%</td>
<td>251.3</td>
<td>20.4%</td>
<td>7.4%</td>
<td>155.0</td>
<td>14.3%</td>
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<tr>
<td>Germany</td>
<td>96.0</td>
<td>7.7%</td>
<td>2.9%</td>
<td>93.9</td>
<td>7.6%</td>
<td>2.8%</td>
<td>75.2</td>
<td>6.9%</td>
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<tr>
<td>OPEC</td>
<td>52.0</td>
<td>4.2%</td>
<td>1.5%</td>
<td>52.4</td>
<td>4.3%</td>
<td>1.5%</td>
<td>43.5</td>
<td>4.0%</td>
</tr>
<tr>
<td>Mainland China</td>
<td>46.4</td>
<td>3.7%</td>
<td>1.4%</td>
<td>47.9</td>
<td>3.9%</td>
<td>1.4%</td>
<td>47.2</td>
<td>4.3%</td>
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<tr>
<td>Spain</td>
<td>45.9</td>
<td>3.7%</td>
<td>1.4%</td>
<td>51.7</td>
<td>4.2%</td>
<td>1.5%</td>
<td>44.1</td>
<td>4.1%</td>
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<tr>
<td>Hong Kong</td>
<td>35.2</td>
<td>2.8%</td>
<td>1.0%</td>
<td>35.0</td>
<td>2.8%</td>
<td>1.0%</td>
<td>22.6</td>
<td>2.1%</td>
</tr>
<tr>
<td>Singapore</td>
<td>34.4</td>
<td>2.8%</td>
<td>1.0%</td>
<td>35.2</td>
<td>2.9%</td>
<td>1.0%</td>
<td>39.6</td>
<td>3.6%</td>
</tr>
<tr>
<td>Netherland Antilles</td>
<td>34.0</td>
<td>2.7%</td>
<td>1.0%</td>
<td>35.7</td>
<td>2.9%</td>
<td>1.1%</td>
<td>38.0</td>
<td>3.5%</td>
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<td>Taiwan</td>
<td>33.3</td>
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<td>33.2</td>
<td>2.7%</td>
<td>1.0%</td>
<td>35.5</td>
<td>3.3%</td>
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<td>Switzerland</td>
<td>27.1</td>
<td>2.2%</td>
<td>0.8%</td>
<td>28.0</td>
<td>2.3%</td>
<td>0.8%</td>
<td>33.7</td>
<td>3.1%</td>
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<td>Belgium</td>
<td>23.5</td>
<td>1.9%</td>
<td>0.7%</td>
<td>26.0</td>
<td>2.1%</td>
<td>0.8%</td>
<td>13.0</td>
<td>1.2%</td>
</tr>
<tr>
<td>Mexico</td>
<td>21.0</td>
<td>1.7%</td>
<td>0.6%</td>
<td>19.2</td>
<td>1.6%</td>
<td>0.6%</td>
<td>21.1</td>
<td>1.9%</td>
</tr>
<tr>
<td>France</td>
<td>18.5</td>
<td>1.5%</td>
<td>0.6%</td>
<td>13.3</td>
<td>1.1%</td>
<td>0.4%</td>
<td>14.9</td>
<td>1.4%</td>
</tr>
<tr>
<td>Canada</td>
<td>12.9</td>
<td>1.0%</td>
<td>0.4%</td>
<td>11.5</td>
<td>0.9%</td>
<td>0.3%</td>
<td>13.3</td>
<td>1.2%</td>
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<tr>
<td>Other</td>
<td>237.7</td>
<td>19.0%</td>
<td>7.1%</td>
<td>218.7</td>
<td>17.8%</td>
<td>6.4%</td>
<td>227.6</td>
<td>20.9%</td>
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<tr>
<td>Estimated Foreign Total</td>
<td>$1250.5</td>
<td>100.0%</td>
<td>37.2%</td>
<td>$1230.6</td>
<td>100.0%</td>
<td>36.3%</td>
<td>$1087.6</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Note: RP's are included in “other”. Detail may not add to totals due to rounding.

Source: Treasury Foreign Portfolio Investment Survey benchmark as of end-year 1994 and monthly data collected under the Treasury International Capital reporting system.
LONG TERM MARKET RATES
Quarterly Averages

New Aa Corporates

30-Year Treasury

30-Year Municipal Bonds

Through July 29

Department of the Treasury
Office of Market Finance

August 3, 1998-20
INTERMEDIATE TERM INTEREST RATES
Weekly Averages

Department of the Treasury
Office of Market Finance

FHLMC 30-Year Conventional

AA 10-Year Industrial¹/

Treasury 10-Year

Treasury 5-Year

10-Year Inflation-Indexed Note²/

³/

¹/
Salomon 10-yr. AA Industrial is a Thursday rate.

²/
The first 10-year inflation-indexed note settled on February 6, 1997.

August 3, 1998-21
PRIVATE HOLDINGS OF TREASURY MARKETABLE DEBT
Percent Distribution By Maturity

Department of the Treasury
Office of Market Finance

As of December 31

Coupoms
- Over 10 years
- 2-10 years
- 1-2 years
- 1 year & under

Bills

100%
80%
60%
40%
20%
0%


16
34
17
18
15

August 3, 1998-24
AVERAGE LENGTH OF THE MARKETABLE DEBT

Privately Held

June 1947
10 Years
5 Months

June 30, 1998
5 Years, 7 Months

December 1975
2 Years
5 Months

Excludes inflation-indexed notes; including IIN the average length was 5 years and 8 months as of June 30, 1998.
## MATURING COUPON ISSUES
### August—December 1998
(in millions of dollars)

<table>
<thead>
<tr>
<th>Maturing Coupons</th>
<th>Total</th>
<th>Held by</th>
<th>Held by</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Federal Reserve</td>
<td>Private Investors</td>
</tr>
<tr>
<td>9 1/4% Note 08/15/98</td>
<td>11,343</td>
<td>1,480</td>
<td>9,863</td>
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<tr>
<td>5 7/8% Note 08/15/98</td>
<td>22,418</td>
<td>4,490</td>
<td>17,928</td>
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<tr>
<td>4 3/4% Note 08/31/98</td>
<td>13,019</td>
<td>648</td>
<td>12,371</td>
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<tr>
<td>6 1/8% Note 08/31/98</td>
<td>21,949</td>
<td>2,346</td>
<td>19,603</td>
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<tr>
<td>4 3/4% Note 09/30/98</td>
<td>12,576</td>
<td>973</td>
<td>11,603</td>
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<tr>
<td>6% Note 09/30/98</td>
<td>21,486</td>
<td>1,219</td>
<td>20,267</td>
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<td>7 1/8% Note 10/15/98</td>
<td>10,268</td>
<td>1,001</td>
<td>9,267</td>
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<tr>
<td>4 3/4% Note 10/31/98</td>
<td>13,023</td>
<td>938</td>
<td>12,085</td>
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<tr>
<td>5 7/8% Note 10/31/98</td>
<td>21,221</td>
<td>995</td>
<td>20,226</td>
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<tr>
<td>3 1/2% Bond 11/15/98</td>
<td>225</td>
<td>162</td>
<td>63</td>
</tr>
<tr>
<td>8 7/8% Note 11/15/98</td>
<td>9,903</td>
<td>546</td>
<td>9,357</td>
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<td>5 1/2% Note 11/15/98</td>
<td>20,598</td>
<td>2,721</td>
<td>17,877</td>
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<td>5 1/8% Note 11/30/98</td>
<td>12,615</td>
<td>954</td>
<td>11,161</td>
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<td>5 5/8% Note 11/30/98</td>
<td>20,532</td>
<td>1,079</td>
<td>19,453</td>
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<td>5 1/8% Note 12/31/98</td>
<td>12,444</td>
<td>1,679</td>
<td>10,765</td>
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<td>5 3/4% Note 12/31/98</td>
<td>20,615</td>
<td>875</td>
<td>19,740</td>
</tr>
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**Totals** | 243,735 | 22,106 | 221,629 | 43,463

1/ F.R.B. custody accounts for foreign official institutions; included in Private Investors.
TREASURY MARKETABLE MATURED EVENTS
Privately Held, Excluding Bills

1998

1999

Department of the Treasury
Office of Market Finance

August 3, 1998-27
TREASURY MARKETABLE MATURITIES
Privately Held, Excluding Bills

Department of the Treasury
Office of Market Finance

August 3, 1998-30