U.S. Treasury Borrowing
TREASURY FINANCING REQUIREMENTS
July - September 1998

Includes budget result, direct loan activity, changes in accrued interest and checks outstanding and minor miscellaneous debt transactions.
TREASURY FINANCING REQUIREMENTS
October - December 1998

Includes budget deficit, direct loan activity, changes in accrued interest and checks outstanding and minor miscellaneous debt transactions.

TREASURY OPERATING CASH BALANCE

Without New Borrowing / Data points are semi-monthly.

Federal Reserve Account

Tax and Loan Accounts Balance

Total Operating Balance

$Bil.

100

80

60

40

20

0

-20

-40

-60

Oct Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

1997 1998

Department of the Treasury
Office of Market Finance

October 26, 1998-3
TREASURY NET MARKET BORROWING

Excludes Federal Reserve and Government Account Transactions.

Issued or announced through October 23, 1998.

Department of the Treasury
Office of Market Finance

October 26, 1998
## NET MARKET BORROWING
### October – December 1998
(Billions of Dollars)

<table>
<thead>
<tr>
<th>Total</th>
<th>30.0</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Done</strong></td>
<td>-26.0</td>
</tr>
<tr>
<td><strong>Bills</strong></td>
<td></td>
</tr>
<tr>
<td>Regular weekly</td>
<td>15.8</td>
</tr>
<tr>
<td>52 week</td>
<td>-2.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13.7</td>
</tr>
<tr>
<td><strong>Coupons</strong></td>
<td></td>
</tr>
<tr>
<td>7-year note</td>
<td>-10.3</td>
</tr>
<tr>
<td>2-year note</td>
<td>-3.9</td>
</tr>
<tr>
<td>5-year notes — end of month</td>
<td>-33.9</td>
</tr>
<tr>
<td>9 year 3 month reopening of inflation-indexed note</td>
<td>8.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-39.7</td>
</tr>
<tr>
<td><strong>To Be Done</strong></td>
<td>56.0</td>
</tr>
</tbody>
</table>

1/ Issued or announced through October 23, 1998.
DISTRIBUTION OF COMPETITIVE AUCTION AWARDS OF TREASURY NOTES

10-Year Inflation-Indexed
April 1997, January & October 1998 Auctions

- Primary Dealers: 52%
- Foreign & International: 25%
- Financial Insts.: 11%
- Investment Funds: 8%
- Pension Funds: 4%
- Other: 16%

10-Year Fixed Rate
February, May & August 1998 Auctions

- Primary Dealers: 68%
- Foreign & International: 16%
- Financial Insts.: 16%
- Other: *Less than 0.5 percent.

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 & July 1998 Auction

- Primary Dealers: 43%
- Foreign & International: 11%
- Financial Insts.: 12%
- Investment Funds: 32%
- Pension Funds: 2%
- Other: *Less than 0.5 percent.

30-Year Fixed Rate
February & August 1998 Auctions

- Primary Dealers: 31%
- Foreign & International: 8%
- Financial Insts.: *Less than 0.5 percent.
- Investment Funds: 61%
- Pension Funds: *Less than 0.5 percent.
- Other: 12%

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

1/ Real Price for inflation-indexed note
Correlation: 63% STD IIN/STD Nominal = 0.17
PRICES FOR 30-YEAR 3-5/8% IIB AND 30-YEAR 6-1/8% FIXED-RATE BOND

Daily Data: Beginning 4/9/98

Real Price for inflation-indexed note
Correlation: 13% STD IIN/STD Nominal = 0.16
PRICES FOR 10-YEAR 3-5/8% IIN vs. SPOT GOLD

Daily Data: Beginning 1/15/98

IIN Price

Gold Price ($)

Spot Gold

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

1/ Real Price for inflation-indexed note
Correlation: 16% STD IIN/STD Gold = .07

Department of the Treasury
Office of Market Finance

October 26, 1998-10
NET STRIPS OUTSTANDING (1985-1998) *

Reconstitution began May 1, 1987.
Inflation-indexed securities had not been stripped as of October 16, 1998.
Note: SLGS sales were suspended from October 18, 1995 to March 29, 1996.
QUARTERLY CHANGES IN FOREIGN AND INTERNATIONAL HOLDINGS OF PUBLIC DEBT SECURITIES

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.


$Bil.
# MAJOR FOREIGN HOLDERS OF TREASURY SECURITIES

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ Billions</td>
<td>As a % of Total</td>
<td>As a % of Total</td>
</tr>
<tr>
<td></td>
<td>$ Billions</td>
<td>Foreign</td>
<td>Private</td>
</tr>
<tr>
<td></td>
<td>$ Billions</td>
<td>21.9%</td>
<td>8.0%</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>$267.5</td>
<td>8.0%</td>
<td>21.9%</td>
</tr>
<tr>
<td>Japan</td>
<td>265.9</td>
<td>21.7%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Germany</td>
<td>95.1</td>
<td>7.8%</td>
<td>2.8%</td>
</tr>
<tr>
<td>Spain</td>
<td>44.1</td>
<td>3.6%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Mainland China</td>
<td>43.2</td>
<td>3.5%</td>
<td>1.3%</td>
</tr>
<tr>
<td>OPEC</td>
<td>42.6</td>
<td>3.5%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>39.7</td>
<td>3.2%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Singapore</td>
<td>37.3</td>
<td>3.0%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Taiwan</td>
<td>30.4</td>
<td>2.5%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Switzerland</td>
<td>24.5</td>
<td>2.0%</td>
<td>0.7%</td>
</tr>
<tr>
<td>France</td>
<td>24.4</td>
<td>2.0%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Netherland Antilles</td>
<td>21.9</td>
<td>1.8%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Mexico</td>
<td>21.0</td>
<td>1.7%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Belgium</td>
<td>20.9</td>
<td>1.7%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Canada</td>
<td>10.3</td>
<td>0.8%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Other</td>
<td>234.9</td>
<td>19.2%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Estimated</td>
<td>$1223.7</td>
<td>100.0%</td>
<td>36.5%</td>
</tr>
<tr>
<td>Foreign Total</td>
<td>$1230.6</td>
<td>100.0%</td>
<td>36.3%</td>
</tr>
<tr>
<td></td>
<td>$155.0</td>
<td>14.3%</td>
<td>4.5%</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.
SHORT TERM INTEREST RATES
Weekly Averages

3
4
5
6
7
8

3
4
5
6
7
8

Through October 21

Prime Rate

Commercial Paper

Federal Funds

3 Month Treasury Bill

Jan Feb Mar Apr May Jun Jul Aug Sep Oct
1998
INTERMEDIATE TERM INTEREST RATES
Weekly Averages

FHLMC 30-Year Conventional

AA 10-Year Industrial

Treasury 5-Year

10-Year Inflation-Indexed Note

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

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

December 21, 1998-21

Department of the Treasury
Office of Market Finance

October 28, 1998-21
PRIVATE HOLDINGS OF TREASURY MARKETABLE DEBT
BY MATURITY

As of December 31

Department of the Treasury
Office of Market Finance

October 26, 1998-23
AVERAGE LENGTH OF THE MARKETABLE DEBT\textsuperscript{1/}

Privately Held

---

1/ Excludes inflation-indexed notes; including IIN the average length was 5 years and 9 months as of September 30, 1998.
# MATURING COUPON ISSUES
November 1998 — March 1999
(in millions of dollars)

## Maturing Coupons

<table>
<thead>
<tr>
<th>Bond/Note</th>
<th>Date</th>
<th>Total</th>
<th>Federal Reserve</th>
<th>Private Investors</th>
<th>Foreign Investors</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 1/2% Bond</td>
<td>11/15/98</td>
<td>225</td>
<td>162 2/</td>
<td>63</td>
<td>0</td>
</tr>
<tr>
<td>8 7/8% Note</td>
<td>11/15/98</td>
<td>9,903</td>
<td>846</td>
<td>9,057</td>
<td>1</td>
</tr>
<tr>
<td>5 1/2% Note</td>
<td>11/15/98</td>
<td>20,598</td>
<td>2,721</td>
<td>17,877</td>
<td>2,762</td>
</tr>
<tr>
<td>5 1/8% Note</td>
<td>11/30/98</td>
<td>12,115</td>
<td>954</td>
<td>11,161</td>
<td>677</td>
</tr>
<tr>
<td>5 5/8% Note</td>
<td>11/30/98</td>
<td>20,532</td>
<td>1,079</td>
<td>19,453</td>
<td>4,602</td>
</tr>
<tr>
<td>5 1/8% Note</td>
<td>12/31/98</td>
<td>12,444</td>
<td>1,679</td>
<td>10,765</td>
<td>508</td>
</tr>
<tr>
<td>5 3/4% Note</td>
<td>12/31/98</td>
<td>20,615</td>
<td>1,075</td>
<td>19,540</td>
<td>5,758</td>
</tr>
<tr>
<td>6 3/4% Note</td>
<td>01/15/99</td>
<td>10,559</td>
<td>892</td>
<td>9,667</td>
<td>600</td>
</tr>
<tr>
<td>5 7/8% Note</td>
<td>01/31/99</td>
<td>19,468</td>
<td>1,712</td>
<td>17,756</td>
<td>2,901</td>
</tr>
<tr>
<td>5 7/8% Note</td>
<td>01/31/99</td>
<td>19,468</td>
<td>1,712</td>
<td>17,756</td>
<td>2,901</td>
</tr>
<tr>
<td>5 7/8% Note</td>
<td>01/31/99</td>
<td>12,900</td>
<td>811</td>
<td>12,089</td>
<td>2,770</td>
</tr>
<tr>
<td>5 7/8% Note</td>
<td>02/15/99</td>
<td>9,720</td>
<td>1,049</td>
<td>8,671</td>
<td>55</td>
</tr>
<tr>
<td>5 7/8% Note</td>
<td>02/15/99</td>
<td>9,720</td>
<td>1,049</td>
<td>8,671</td>
<td>55</td>
</tr>
<tr>
<td>5 1/2% Note</td>
<td>02/28/99</td>
<td>11,914</td>
<td>890</td>
<td>11,024</td>
<td>1,571</td>
</tr>
<tr>
<td>5 7/8% Note</td>
<td>02/28/99</td>
<td>19,916</td>
<td>1,481</td>
<td>18,435</td>
<td>4,128</td>
</tr>
<tr>
<td>5 7/8% Note</td>
<td>03/31/99</td>
<td>12,780</td>
<td>1,875</td>
<td>10,905</td>
<td>1,227</td>
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<tr>
<td>6 1/4% Note</td>
<td>03/31/99</td>
<td>19,798</td>
<td>1,420</td>
<td>18,378</td>
<td>4,714</td>
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<tr>
<td><strong>Totals</strong></td>
<td></td>
<td>235,484</td>
<td>22,290</td>
<td>213,194</td>
<td>37,782</td>
</tr>
</tbody>
</table>

1/ F.R.B. custody accounts for foreign official institutions; included in Private Investors.
2/ Includes $132 million held in Government account trust funds.
TREASURY MARKETABLE MATURITIES
Privately Held, Excluding Bills

Department of the Treasury
Office of Market Finance

October 26, 1998-27
<table>
<thead>
<tr>
<th>Year</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>15.5</td>
<td>15.1</td>
<td>12.2</td>
<td>23.4</td>
<td>1.1</td>
<td>1.3</td>
<td>3.6</td>
<td>3.1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td>12.2</td>
<td>23.1</td>
<td></td>
<td></td>
<td>1.3</td>
<td>3.6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>1.6</td>
<td>1.8</td>
<td>3.5</td>
<td></td>
<td>3.1</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>2010</td>
<td>3.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>2011</td>
<td>3.5</td>
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<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
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<td>2012</td>
<td></td>
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<td></td>
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<td></td>
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<tr>
<td>2013</td>
<td></td>
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<td></td>
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<tr>
<td>2014</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The chart above illustrates the privately held, excluding bills, marketable maturities of Treasury securities. The figures represent the amount in billions of dollars issued or announced through October 23, 1998. The chart includes a breakdown of the securities issued prior to 1996, new issues calendar year 1996, and new issues calendar year 1997. The chart is color-coded to differentiate between these categories.
TREASURY MARKETABLE MATURITIES
Privately Held, Excluding Bills

$Bil.

J F M A M J J A S O N D

0 2 4 6 8 10 12 14 16 18 20 22 24 26 28 30 32 34 36

Department of the Treasury
Office of Market Finance

Issued or announced through October 23, 1998
Securities issued prior to 1996
New issues calendar year 1996
New issues calendar year 1997
Issued or announced through October 23, 1998
1998 SINGLE-PRICE AUCTION STUDY UPDATE
CONCENTRATIONS OF LARGE COMPETITIVE AWARDS
2-YEAR AND 5-YEAR NOTES

Multiple-price Period
January 1990 — August 1992

Top 5 Bidders: 55%
2nd 5 Bidders: 28%
Remainder: 17%

Uniform-price Period
September 1992 — May 1998

Top 5 Bidders: 39%
2nd 5 Bidders: 41%
Remainder: 20%

Note: Large competitive awards are based on bids greater than or equal to $1 million accepted through New York, Chicago, and San Francisco Federal Reserve Banks and branches.
1998 SINGLE-PRICE AUCTION STUDY UPDATE
CONCENTRATIONS OF LARGE COMPETITIVE AWARDS
3-YEAR AND 10-YEAR NOTES

January 1990 — August 1992
- Top 5 Bidders: 55%
- 2nd 5 Bidders: 28%
- Remainder: 17%

September 1992 — May 1998
- Top 5 Bidders: 53%
- 2nd 5 Bidders: 29%
- Remainder: 18%

Note: Large competitive awards are based on bids greater than or equal to $1 million accepted through New York, Chicago, and San Francisco Federal Reserve Banks and branches.
1998 SINGLE-PRICE AUCTION STUDY UPDATE
2-YEAR NOTE AUCTION SPREADS
Auction Results — 1 PM WI Bid Yields

Averages and Std. Errors of Spreads
Between Auction Yields & 1 pm WI Bid Yields

<table>
<thead>
<tr>
<th>Period</th>
<th>Average</th>
<th>Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/91 — 8/92</td>
<td>0.41 b.p.</td>
<td>0.13 b.p.</td>
</tr>
<tr>
<td>9/92 — 5/98</td>
<td>0.20 b.p.</td>
<td>0.15 b.p.</td>
</tr>
</tbody>
</table>

Source: GOVPX, Inc.
1998 SINGLE-PRICE AUCTION STUDY UPDATE
5-YEAR NOTE AUCTION SPREADS
AUCTION RESULTS — 1 PM WI BID YIELDS

Averages and Std. Errors of Spreads
Between Auction Yields & 1 pm WI Bid Yields

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>0.33 b.p.</td>
<td>0.22 b.p.</td>
</tr>
<tr>
<td>Std. Error</td>
<td>0.06 b.p.</td>
<td>0.21 b.p.</td>
</tr>
</tbody>
</table>

Source: GOVPX, Inc.

Department of the Treasury
Office of Market Finance

October 26, 1998-31d
1998 SINGLE-PRICE AUCTION STUDY UPDATE
3-YEAR NOTE AUCTION SPREADS
AUCTION RESULTS — 1 PM WI BID YIELDS

Averages and Std. Errors of Spreads Between Auction Yields & 1 pm WI Bid Yields

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>0.50 b.p.</td>
<td>0.49 b.p.</td>
</tr>
<tr>
<td>Std. Error</td>
<td>0.22 b.p.</td>
<td>0.09 b.p.</td>
</tr>
</tbody>
</table>

Source: GOVPX, Inc.

Department of the Treasury
Office of Market Finance

October 26, 1998-31e
1998 SINGLE-PRICE AUCTION STUDY UPDATE
10-YEAR NOTE AUCTION SPREADS
AUCTION RESULTS — 1 PM WI BID YIELDS

Averages and Std. Errors of Spreads
Between Auction Yields & 1 pm WI Bid Yields

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>0.56 b.p.</td>
<td>0.66 b.p.</td>
</tr>
<tr>
<td>Std. Error</td>
<td>0.40 b.p.</td>
<td>0.14 b.p.</td>
</tr>
</tbody>
</table>

Source: GOVPX, Inc.