

**Agenda – August 2017 Refunding
Treasury Dealer Meetings – July 27 – July 28, 2017
Dealer _____**

To allow more time for discussion, please e-mail your responses prior to 12:00 PM on Monday, July 24, 2017 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. Marketable Borrowing Estimates	Central Estimate	Range that would not surprise you <i>Low/High</i>
July-September 2017		/
Ending Cash Balance		/
October-December 2017		/
Ending Cash Balance		/
FY 2017 Total Net Marketable Borrowing		/
FY 2018 Total Net Marketable Borrowing		/
FY 2019 Total Net Marketable Borrowing		/

II. Budget Deficit and Growth Estimates		
FY 2017		/
FY 2018		/
FY 2019		/
Real GDP(4Q/4Q % Chg) CY2017		/
Real GDP(4Q/4Q % Chg) CY2018		/
Nominal GDP(4Q/4Q % Chg) CY2017		/
Nominal GDP(4Q/4Q % Chg) CY2018		/

III. Quarterly Note and Bond Issuance Estimates		
3-year note (Aug/Sep/Oct)	/ /	/ / - / /
10-year note (Aug)		/
10-year note 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)	/ /	/ / - / /
5-year TIPS reopening (Aug)		/
10-year TIPS reopening (Sep)		/
30-year TIPS reopening (Oct)		/
2-year FRN reopening (Aug/Sep)	/	/ - /
2-year FRN (Oct)		/

IV. Bill Issuance Estimates		
52-week bill size (Aug/Sep/Oct)	/ /	/ / - / /
Total change in bills outstanding 8/17 - 10/17		/
Total change in bills outstanding FY 2017		/
CMB issuance Aug '17 – Oct '17 (size/date)	/ /	/ /

Discussion Topics

1. Please discuss your latest economic and fiscal forecasts for FY2017 and FY2018. Do you believe the current financing schedule is well-suited to meet Treasury's financing needs through the end of FY2017? FY2018?
2. Please comment on Treasury's issuance of indexed products, specifically TIPS and FRNs. Are these products meeting investor needs in their current form or are there any changes to the TIPS or FRN programs that Treasury should consider such as auction size or security structure? If so, please elaborate.
3. The Federal Reserve has signaled that it is considering reducing Treasuries held in the System Open Market Account (SOMA). The Treasury Department's Office of Debt Management (ODM) would like additional perspectives on the potential reductions of Treasuries held in the SOMA and the additional funding needed to meet redemptions from the SOMA. This information would be used to help test ODM's debt-issuance modeling assumptions. We would be interested in your views on the following matters:

- A. When do you expect the Fed to start phasing out SOMA's Treasury holdings?
- Q3 2017
 - Q4 2017
 - Q1 2018
 - Q2 2018
 - Other: (Please write in answer)
- B. What approximate size of SOMA Treasury holdings do you expect at the point of balance sheet normalization (resumption of the full reinvestment of SOMA Treasury principal payments)?
- \$2.00 trillion
 - \$1.50 trillion
 - \$1.00 trillion
 - Other (Please write in answer)
- C. When do you expect the balance sheet to have normalized by?
- 2020
 - 2021
 - 2022
 - 2023
 - Other (Please write in answer)
- D. How do you expect Treasury to meet both the financing needs caused by deficits and SOMA's redemption? (choose as many as applicable)
- Bills
 - Short-dated coupons
 - Long-dated coupons
 - All coupons and bills
 - Other (Please write in answer)
- E. Based on your answers above, quantify the issuance size changes, timing of those changes, and the impact on auction stop-out rate from now until the completion of the Fed's balance sheet normalization. Please use the table below to quantify the issuance amount and yield change required for each security:

Tranche	Date and Amount of Initial Auction Size Change		Total Amount of Auction Size Change and Impact on Yield	
	Date of Initial Change	Initial Auction Change \$	Total Change \$	Yield Change Bps
Bills				
4-week				
13-week				
26-week				
52-week				
Coupons				
2-year				
3-year				
5-year				
7-year				
10-year				
30-year				
TIPS				
5-year				
10-year				
30-year				
FRN				
2-year				