

**Agenda – November 2018 Refunding
Treasury Dealer Meetings – October 25 – October 26, 2018
Dealer _____**

To allow more time for discussion, please e-mail your responses prior to 12:00 PM on Monday, October 22, 2018 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 Estimates #	Central Estimate	Range that would not surprise you
# Privately-held marketable borrowing <u>excludes</u> rollovers (auction “add-ons”) of Treasury securities held in the Federal Reserve’s System Open Market Account (SOMA) but <u>includes</u> financing required due to SOMA redemptions.		<i>Low/High</i>
October-December 2018 Privately-Held Net Marketable Borrowing		/
SOMA Redemptions of Treasury Securities		/
Ending Cash Balance		/
January-March 2019 Privately-Held Net Marketable Borrowing		/
SOMA Redemptions of Treasury Securities		/
Ending Cash Balance		/
FY 2019 Privately-Held Net Marketable Borrowing		/
SOMA Redemptions of Treasury Securities		/
FY 2020 Privately-Held Net Marketable Borrowing		/
SOMA Redemptions of Treasury Securities		/
FY 2021 Privately-Held Net Marketable Borrowing		/
SOMA Redemptions of Treasury Securities		/

II. Budget Deficit and Growth Estimates		
FY 2019		/
FY 2020		/
FY 2021		/
Real GDP(4Q/4Q % Chg) CY2018		/
Real GDP(4Q/4Q % Chg) CY2019		/
Nominal GDP(4Q/4Q % Chg) CY2018		/
Nominal GDP(4Q/4Q % Chg) CY2019		/

III. Quarterly Note and Bond Issuance Estimates		
3-year note (Nov/Dec/Jan)	/ /	/ / - / /
10-year note (Nov)		/
10-year note reopening (Dec/Jan)	/	/ - /
30-year bond (Nov)		/
30-year bond reopening (Dec/Jan)	/	/
2-year note (Nov/Dec/Jan)	/ /	/ / - / /
5-year note (Nov/Dec/Jan)	/ /	/ / - / /
7-year note (Nov/Dec/Jan)	/ /	/ / - / /
10-year TIPS reopening (Nov)		/
5-year TIPS reopening (Dec)		/
10-year TIPS (Jan)		/
2-year FRN reopening (Nov/Dec)		/
2-year FRN (Jan)		/

IV. Bill Issuance Estimates		
52-week bill size (Nov/Dec/Jan)	/ /	/ / - / /
Total change in bills outstanding Nov ‘18 – Jan ‘19		/
Total change in bills outstanding FY 2019		/
CMB issuance Nov ‘18 – Jan ‘19 (size/date)	/ /	/ /

Discussion Topics

1. Please discuss your latest economic and fiscal forecasts for FY2019 and FY2020. Do you believe the current financing schedule is well-suited to meet Treasury’s financing needs through the end of FY2019? FY2020?
2. The Treasury Market Practices Group (TMPG) recently released a white paper on clearing and settlement in the secondary market for Treasury securities. Please share your views on the comprehensiveness of the various clearing and settlement arrangements described in the white paper. What is your assessment of the risk and resiliency issues identified in the white paper? What, if any, policy recommendations should be considered to address these issues?
3. The Federal Reserve is gradually reducing the amount of Treasuries held in the System Open Market Account (SOMA) as part of its policy normalization plans. Market participants have provided a range of estimates about (1) the possible timing of the end of portfolio normalization and (2) the composition of Treasury security holdings in the SOMA portfolio after normalization. Please provide your expectations for these two factors and explain how they affect your estimates of Treasury’s borrowing needs over the next 3 years.

Part 2:

Given your expectations for the borrowing needs over the next three fiscal years (as presented in question 1), Treasury would like your expectations for:

1. Auction sizes (\$bn) in all tenors by the end of FY19, FY20, and FY21, and
2. Auction size ranges (\$bn) that would not surprise you across all tenors by the end of FY19, FY20, and FY21.

Auction size estimates should take into account the amount needed to address SOMA redemptions of Treasury securities.

Tenor	Size Expectation for FY19 Year-end	Range that would not surprise you: Low/High	Size Expectation for FY20 Year-end	Range that would not surprise you: Low/High	Size Expectation for FY21 Year-end	Range that would not surprise you: Low/High
Nominals						
2-year		/		/		/
3-year		/		/		/
5-year		/		/		/
7-year		/		/		/
10-year (new)		/		/		/
10-year (reop)		/		/		/
30-year (new)		/		/		/
30-year (reop)		/		/		/
TIPS						
5-year TIPS (new)		/		/		/
5-year-TIPS (reop)		/		/		/
10-year TIPS (new)		/		/		/
10-year TIPS (reop)		/		/		/
30-year TIPS (new)		/		/		/
30-year TIPS (reop)		/		/		/
FRNs						
2-year FRN		/		/		/
2-year FRN (reop)		/		/		/
Bills						
1-mo bill		/		/		/
2-mo bill		/		/		/
3-mo bill		/		/		/
6-mo bill		/		/		/
1-year bill		/		/		/