

Agenda – August 2020 Refunding
Treasury Dealer Calls: July 30 – July 31, 2020
Dealer _____

To allow more time for discussion, please e-mail your responses prior to 12:00 PM on Monday, July 27, 2020 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 Estimates¹	Central Estimate	Range that would not surprise you <i>Low/High</i>
July-September 2020 Privately-Held Net Marketable Borrowing		/
Ending Cash Balance		/
October-December 2020 Privately-Held Net Marketable Borrowing		/
Ending Cash Balance		/
FY 2020 Privately-Held Net Marketable Borrowing		/
FY 2021 Privately-Held Net Marketable Borrowing		/
FY 2022 Privately-Held Net Marketable Borrowing		/

II. Budget Deficit and Growth Estimates

FY 2020		/
FY 2021		/
FY 2022		/
Real GDP (4Q/4Q % Chg) CY 2020		/
Real GDP (4Q/4Q % Chg) CY 2021		/
Nominal GDP (4Q/4Q % Chg) CY 2020		/
Nominal GDP (4Q/4Q % Chg) CY 2021		/

III. Quarterly Note and Bond Issuance Estimates

3-year note (Aug/Sep/Oct)	/ /	/ / - / /
10-year note (Aug)		/
10-year note reopening (Sep/Oct)	/	/ - /
20-year bond (Aug)		/
20-year bond 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)	/ /	/ / - / /
30-year TIPS reopening (Aug)		/
10-year TIPS reopening (Sep)		/
5-year TIPS (Oct)		/
2-year FRN reopening (Aug/Sep)	/	/ - /
2-year FRN (Oct)		/

¹ Privately-held marketable borrowing excludes rollovers (auction “add-ons”) of Treasury securities held in the Federal Reserve’s System Open Market Account (SOMA) but includes financing required due to SOMA redemptions. Secondary market purchases of Treasury securities by SOMA do not directly change net privately-held marketable borrowing but, all else equal, when the securities mature and assuming the Federal Reserve does not redeem any maturing securities, would increase the amount of cash raised for a given privately-held auction size by increasing the SOMA “add-on” amount.

IV. Bill Issuance Estimates²

52-week bill size (Aug/Sep/Oct)	/ /	/ / - / /
Total change in bills outstanding Aug '20 - Oct '20		/
Change in <i>privately held</i> bills outstanding Aug '20 - Oct '20		/
Total change in bills outstanding FY 2020		/
Change in <i>privately-held</i> bills outstanding FY 2020		/
CMB issuance Aug '20 – Oct '20 (size/date)	/ /	/ /

Discussion Topics

1. Please discuss your latest economic, fiscal and monetary policy, and Treasury financing forecasts for FY2020 and FY2021.
2. In light of recent increases in Treasury's financing needs, should Treasury consider any technical adjustments to the coupon auction schedule to assist in the distribution of supply? For example, should Treasury reduce large individual auction sizes by increasing auction frequency (i.e., multiple auctions per month for nominal coupons)? If so, which tenors would be appropriate? As an additional example, should Treasury consider monthly new issues for longer-dated maturities, and if so, which tenor(s) would be best-suited for monthly new issues? Are there additional examples of technical adjustments Treasury should consider? Please discuss the relative costs and benefits of various potential technical adjustments, including effects on dealer balance sheets, auction participation, and secondary market liquidity.
3. Since early-April, Treasury has been regularly issuing 6-, 15-, 17-, 22-, and 39-week cash management bills (CMBs). Please discuss the market reception of this issuance thus far. As Treasury begins phasing out the regular issuance of CMBs, how large could benchmark bill auction sizes become without causing significant yield deviations from fair value? Should Treasury consider expanding its benchmark bill offerings to include one or more of the CMB maturities? If so, which tenor (or tenors) would be best-suited for inclusion in Treasury's suite of benchmark securities?

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² Privately-held bills exclude SOMA holdings. As such, the difference between "Total change in bills outstanding" and "Change in *privately-held* bills outstanding" should reflect SOMA secondary market purchases/sales (or redemption of maturing securities).