

**Agenda – November 2019 Refunding
Treasury Dealer Meetings – October 24 – October 25, 2019**

Dealer _____

To allow more time for discussion, please e-mail your responses prior to 12:00 PM on Monday, October 21, 2019 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 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.		<i>Low/High</i>
October-December 2019 Privately-Held Net Marketable Borrowing		/
Ending Cash Balance		/
January-March 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) CY2019		/
Real GDP(4Q/4Q % Chg) CY2020		/
Nominal GDP(4Q/4Q % Chg) CY2019		/
Nominal GDP(4Q/4Q % Chg) CY2020		/

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 ‘19 – Jan ‘20		/
Total change in bills outstanding FY 2020		/
CMB issuance Nov ‘19 – Jan ‘20 (size/date)	/ /	/ /

Discussion Topics

1. Please discuss your latest economic and fiscal forecasts for FY2020 and FY2021. Do you believe the current financing schedule is well-suited to meet Treasury's financing needs through the end of FY2020? FY2021?
2. Over the past several years, the TBAC and market participants have proposed that Treasury consider issuing a 20-year nominal coupon bond. Please comment on sources of demand for this product. Please estimate the annual market demand (in \$bn) for such a product and what volumes of issuance would be necessary to achieve benchmark liquidity. How would demand and liquidity likely evolve over time?

At what spread would a 20-year bond be expected to price relative to 10- and 30-year Treasuries? How would this pricing relationship likely evolve across the interest rate cycle?

Please comment on the preferred product structure and issuance schedule for a 20-year bond. For example, would maturity and coupon dates aligning with 10s and 30s be preferable? Should auction and settlement dates be aligned with 10s and 30s, or scheduled later in the month?

3. Since early-2018, primary dealers' net position in Treasuries has reached historically elevated levels, particularly in shorter-duration nominal coupon securities according to data released by the Federal Reserve. Please comment on the drivers and composition of primary dealer positions. In particular, please comment on the interaction between primary dealer positions, auction participation, and recent repo market variability.

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 FY20, FY21, and FY22, and
2. Auction size ranges (\$bn) that would not surprise you across all tenors by the end of FY20, FY21, and FY22.

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

Tenor	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	Size Expectation for FY22 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		/		/		/