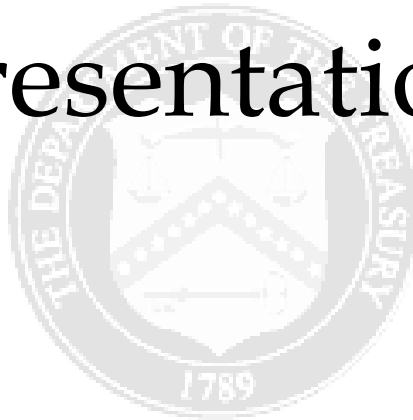


Treasury Presentation to TBAC



Office of Debt Management



Fiscal Year 2018 Q3 Report

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Section I: Executive Summary



Highlights of Treasury's August 2018 Quarterly Refunding Presentation to the Treasury Borrowing Advisory Committee (TBAC)

Receipts and Outlays

- As the end of June, fiscal-year-to-date receipts were up \$33 billion (1%). Adjusted Non-Withheld Income and SECA taxes were up \$78 billion (16%), most of which occurred during April when strong final payments were made for 2017 liabilities. Adjusted Withheld Income and FICA taxes were up \$33 billion (2%), reflecting growth in both employment and wages. These increases were partially offset by lower gross corporate taxes \$51 billion (20%), reflecting the corporate tax rate reduction and the expanded ability to immediately deduct the full value of equipment purchases.
- After calendar adjustments, fiscal-year-to-date outlays were \$123 billion (4%) higher than the comparable period last year. Department of Treasury outlays were \$57 billion (12%) higher due primarily to increased interest on the public debt \$38 billion (10%) and lower overall receipts from the GSEs.

Projected Net Marketable Borrowing (FY2018)

- Based on the Quarterly Borrowing Estimate, Treasury's Office of Fiscal Projections (OFP) currently estimates a net privately-held marketable borrowing need of \$329 billion for Q4 FY 2018, with an end-of-September cash balance of \$350 billion. For Q1 FY 2019, the net privately-held marketable borrowing need is projected to be \$440 billion, with an end-of-December cash balance of \$390 billion. OFP's FY 2018 projection for net privately-held marketable borrowing is \$1,172 billion. 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.
- Other agencies' forecasts do not include the concept of privately-held marketable borrowing when discussing financing requirements, but rather net marketable borrowing. OFP's net marketable borrowing estimate is \$1,016 billion, OMB's estimate is \$1,127 billion, and CBO's is \$1,011 billion.

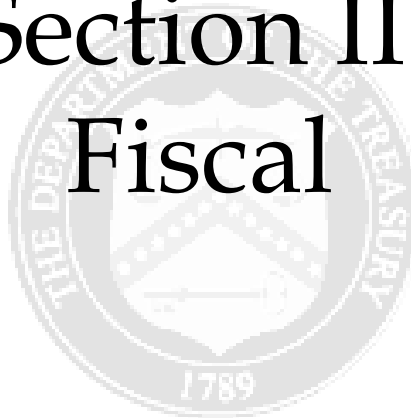
Projected Net Marketable Borrowing (FY2019)

- Recent deficit estimates contained in OMB's "Mid-Session-Review, Fiscal Year 2019" (July 2018) in conjunction with SOMA redemptions suggest that Treasury auction sizes will need to rise over the next few years. CBO's updated budget projections are not yet available.

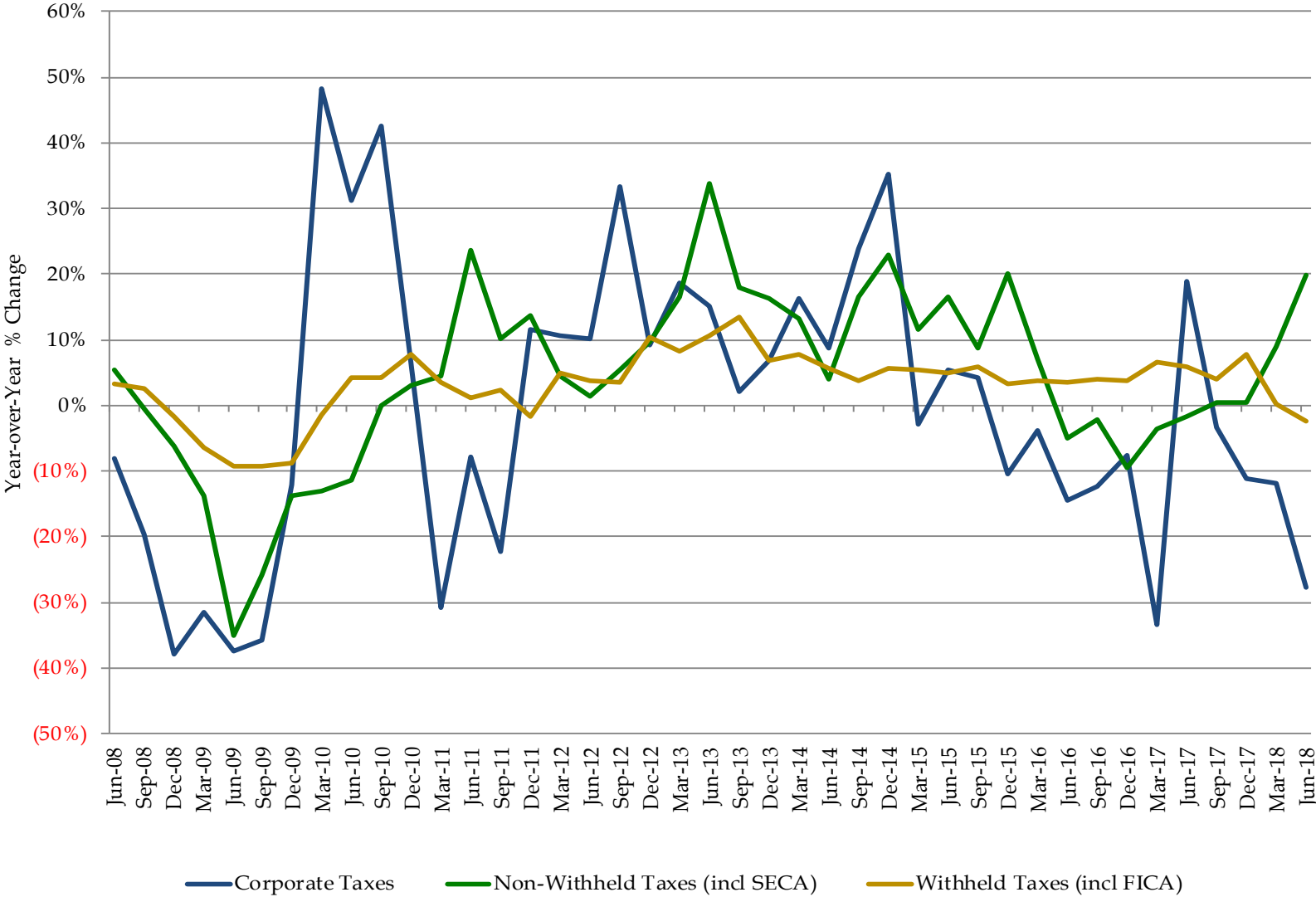
Demand for Treasury Securities

- Bid-to-cover ratios for all products were largely stable over the last quarter.
- Foreign demand remained steady.

Section II: Fiscal

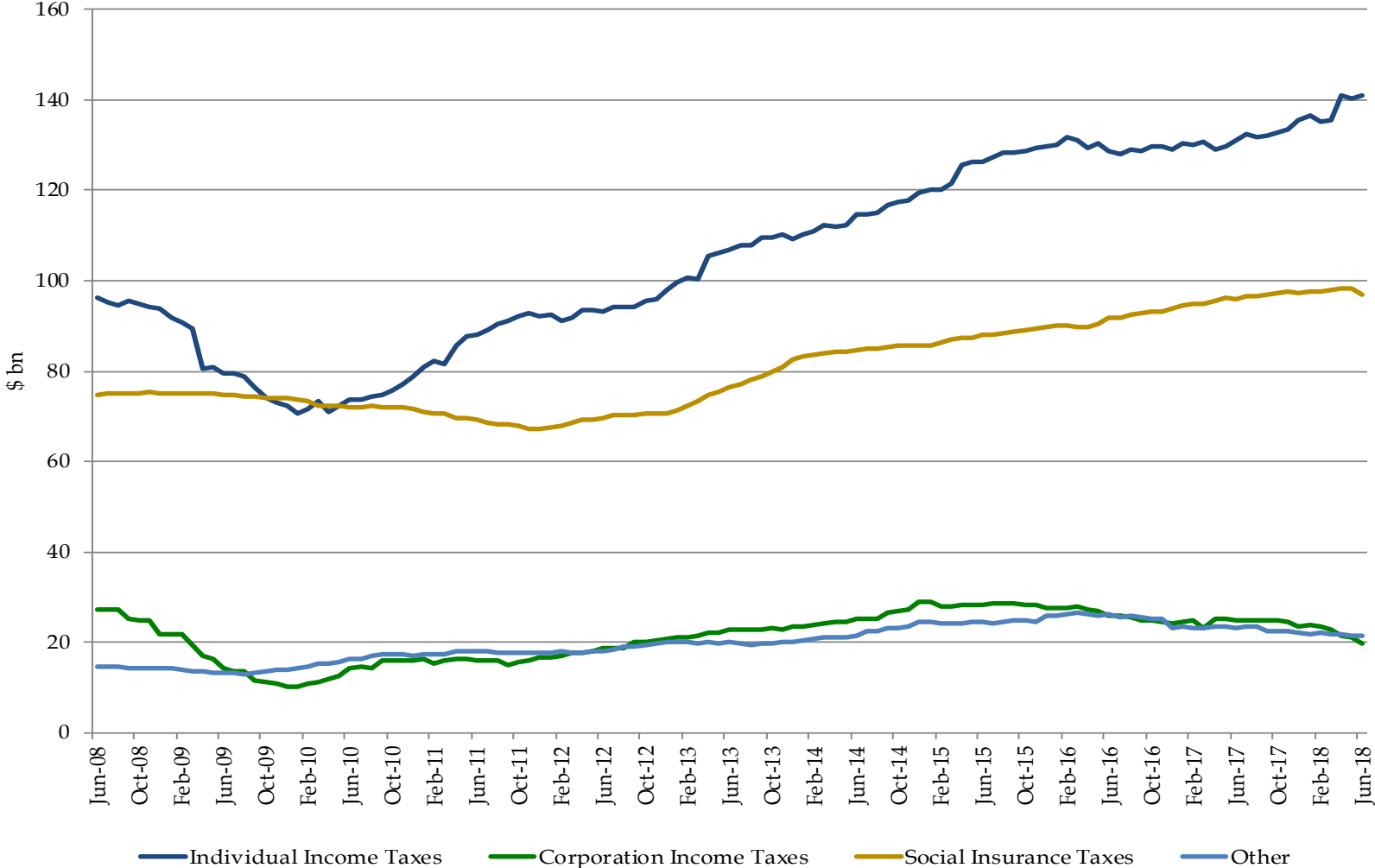


Quarterly Tax Receipts



Source: United States Department of the Treasury

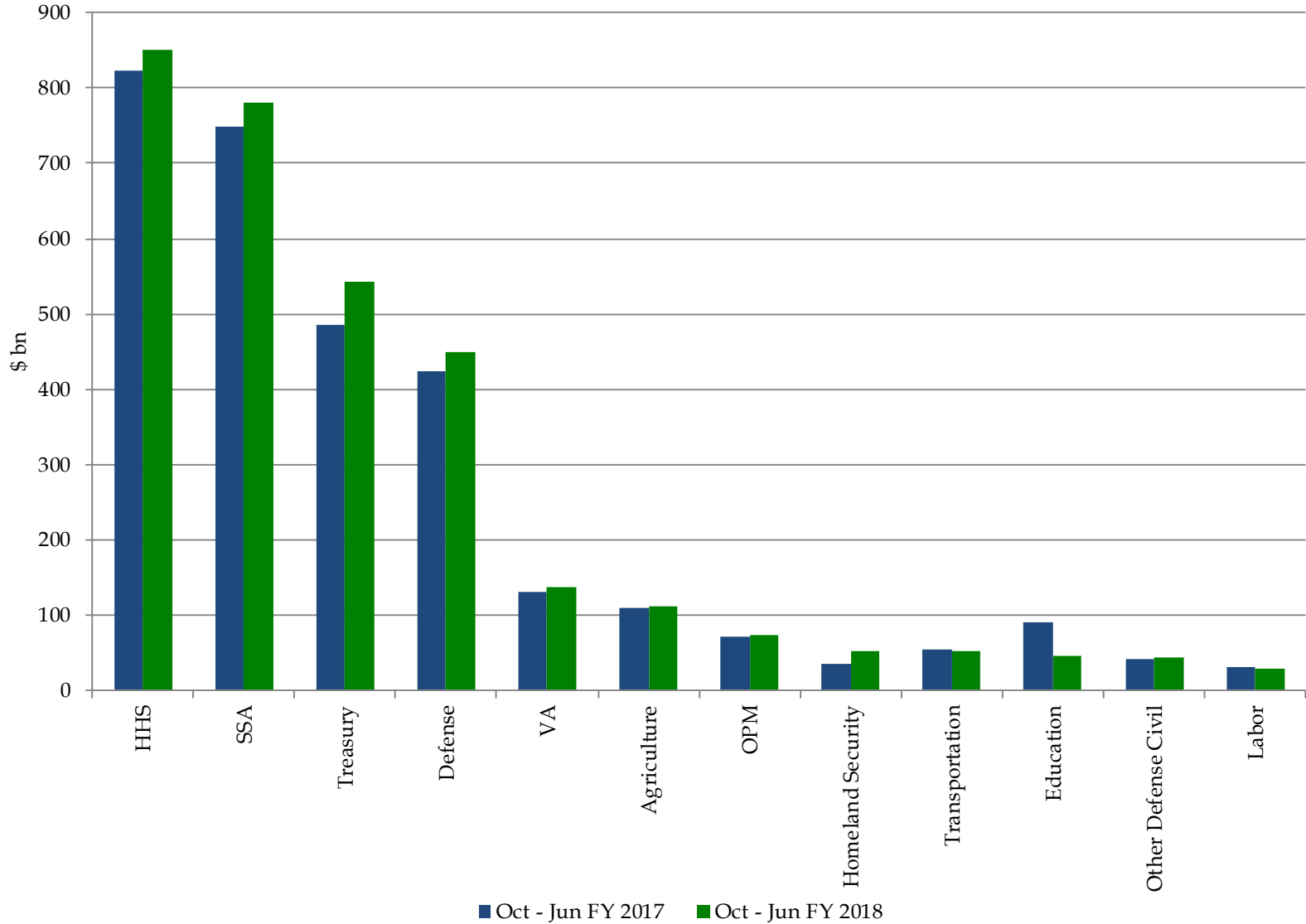
Monthly Receipt Levels (12-Month Moving Average)



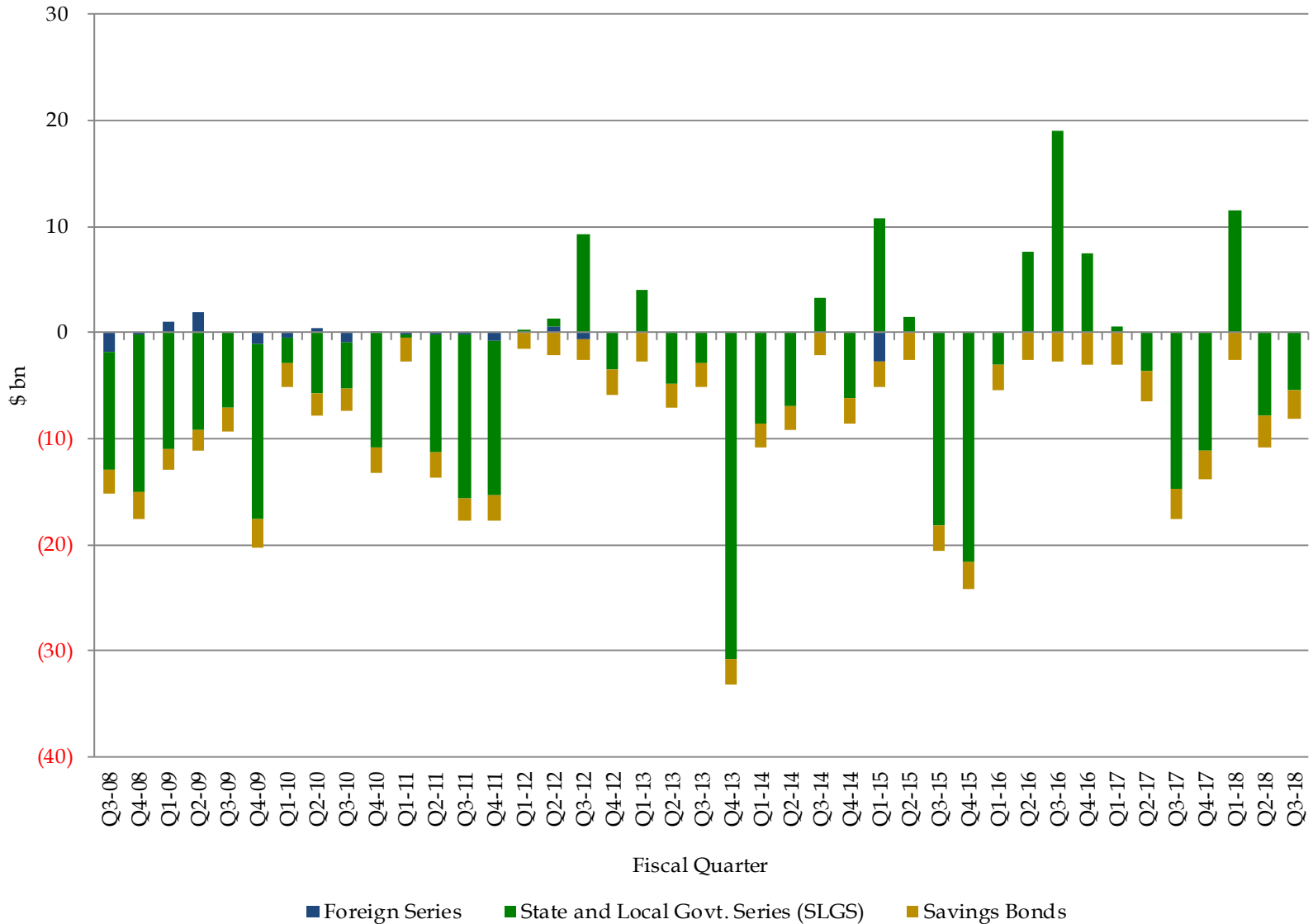
Individual Income Taxes include withheld and non-withheld. Social Insurance Taxes include FICA, SECA, RRTA, UTF deposits, FUTA and RUIA. Other includes excise taxes, estate and gift taxes, customs duties and miscellaneous receipts.

Source: United States Department of the Treasury

Largest Outlays

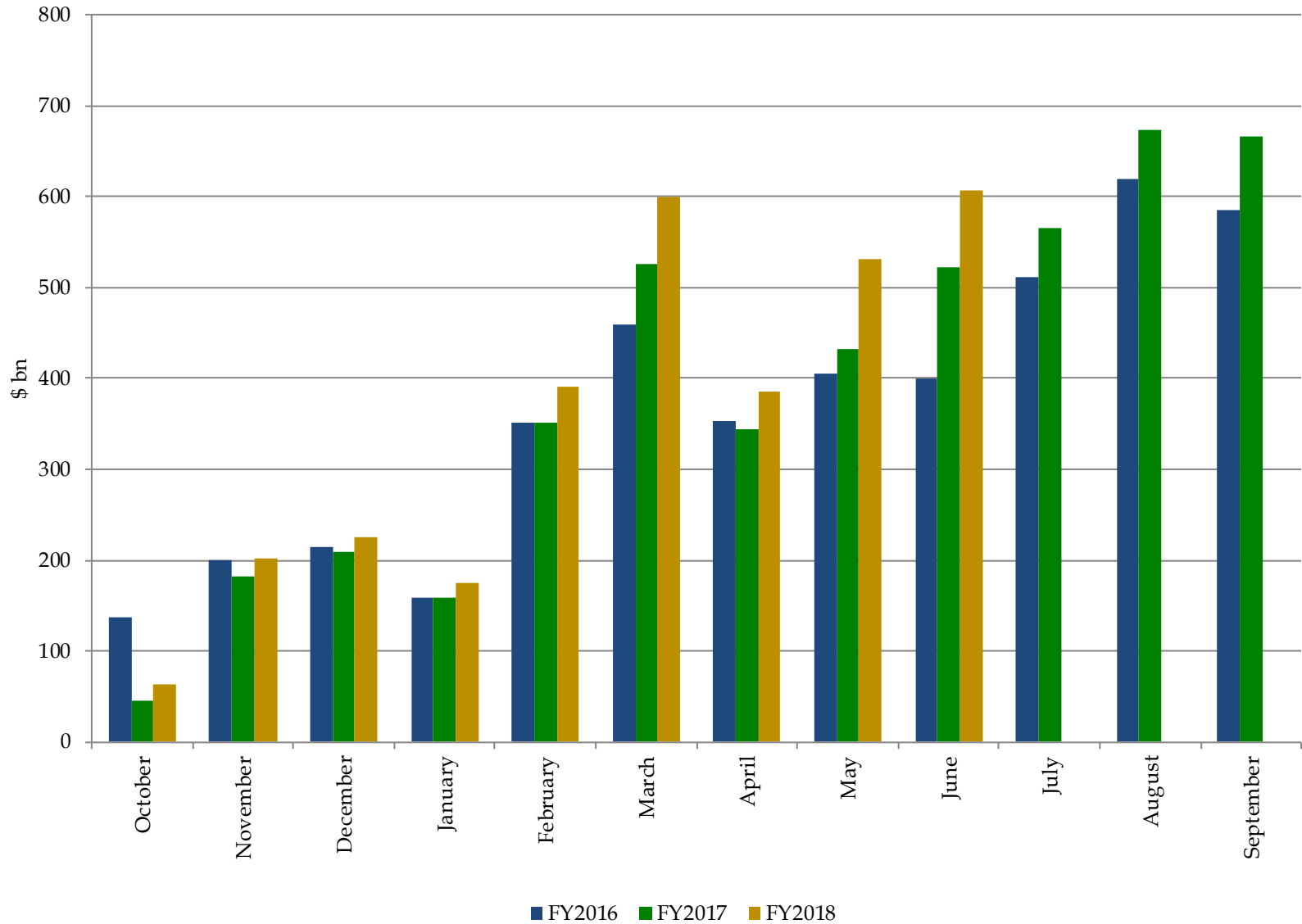


Treasury Net Nonmarketable Borrowing



Source: United States Department of the Treasury

Cumulative Budget Deficits by Fiscal Year



FY 2018-2020 Deficits and Net Marketable Borrowing Estimates in \$ billions

	Primary Dealers ¹	OFP ²	OMB ³	CBO ⁴	OMB ⁵
FY 2018 Deficit Estimate	815		849	792	832
FY 2019 Deficit Estimate	1,010		1,086	955	984
FY 2020 Deficit Estimate	1,100		1,076	866	987
FY 2018 Deficit Range	750-895				
FY 2019 Deficit Range	959-1,150				
FY 2020 Deficit Range	969-1,250				
FY 2018 Privately-Held Net Marketable Borrowing Estimate*	1,098	1,172			
FY 2019 Privately-Held Net Marketable Borrowing Estimate	1,292				
FY 2020 Privately-Held Net Marketable Borrowing Estimate	1,250				
FY 2018 Privately-Held Net Marketable Borrowing Range	899-1,251				
FY 2019 Privately-Held Net Marketable Borrowing Range	868-1,480				
FY 2020 Privately-Held Net Marketable Borrowing Range	903-1,580				
FY 2018 SOMA Redemption Estimate	175	156			
FY 2019 SOMA Redemption Estimate	285				
FY 2020 SOMA Redemption Estimate	225				
FY 2018 Net Marketable Borrowing Estimate	923	1,016	1,127	1,011	1,124
FY 2019 Net Marketable Borrowing Estimate	1,007		1,186	1,049	1,082
FY 2020 Net Marketable Borrowing Estimate	1,025		1,164	924	1,075
Estimates as of:	Jul-18	Jul-18	Jul-18	May-18	Feb-18

¹Based on primary dealer feedback in July 2018. Estimates above are medians.

²Treasury's Office of Fiscal Projections (OFP) borrowing estimates announced on July 30, 2018

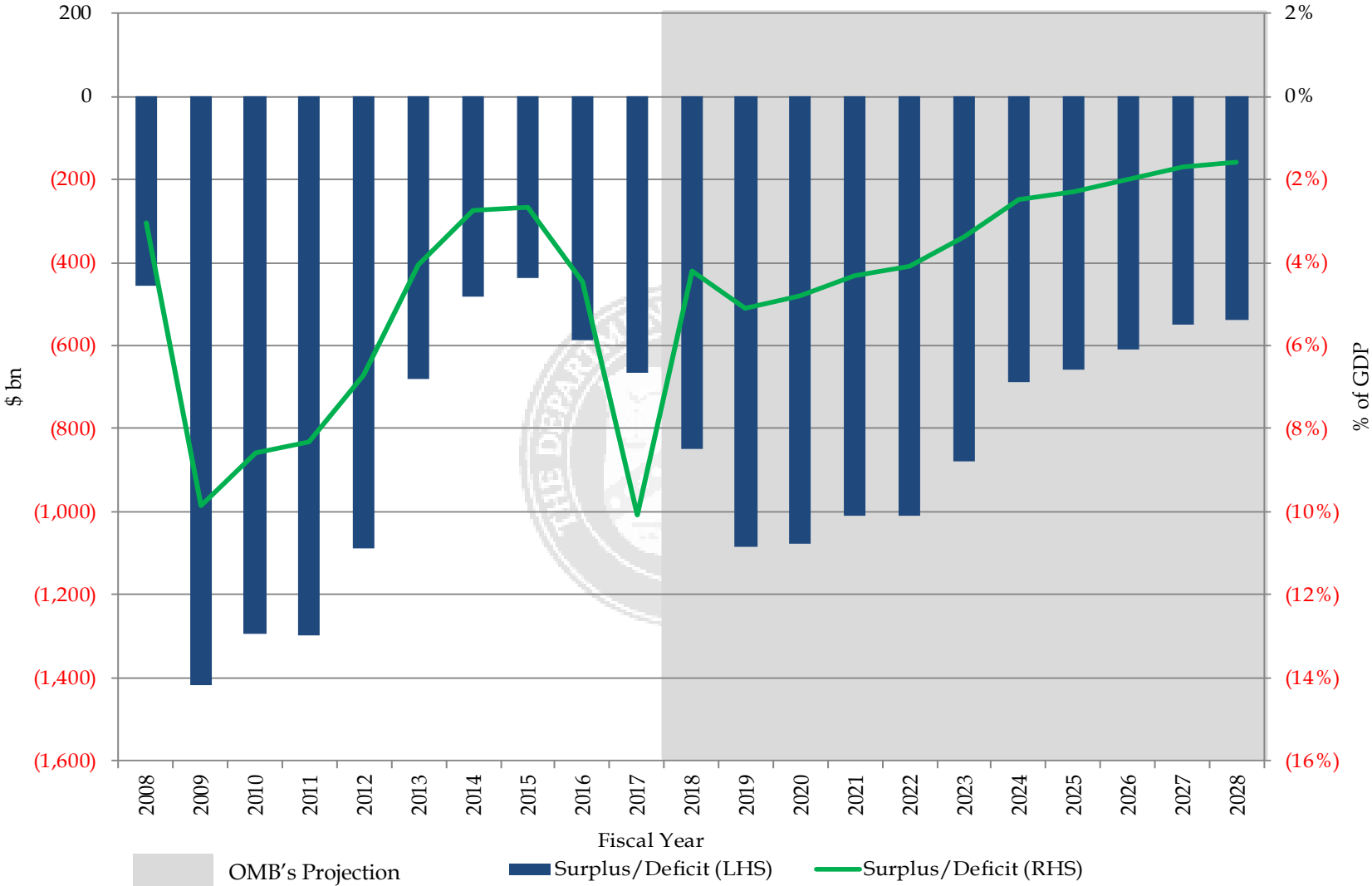
³Table S-11 of OMB's "Mid-Session Review, Fiscal Year 2019," July 2018.

⁴Table 2 of CBO's "An Analysis of the President's 2019 Budget," May 2018.

⁵Table S-10 of OMB's "Budget of the United States Government, Fiscal Year 2019," February 2018.

*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.

Budget Surplus/Deficit



Projections are from OMB's Table S-11 of "Mid-Session Review, Fiscal Year 2019," July 2018.

Section III: Financing



Assumptions for Financing Section (pages 15 to 20)

- Portfolio and SOMA holdings as of 6/30/2018.
- Estimates assume an end date for SOMA capped redemptions at the end of CY2020. The assumption is based on the median case from “Statement Regarding the Annual Report on Open Market Operations during 2017,” Federal Reserve Bank of New York, April 2018.
- Estimates assume announced issuance sizes and patterns remain constant for nominal coupons, TIPS, and FRNs given changes made at May 2018 refunding, while using a total of ~\$2.16 trillion of bills outstanding.
- The principal on the TIPS securities was accreted to each projection date based on market ZCIS levels as of 6/30/2018.
- No attempt was made to account for future financing needs.



Sources of Privately-Held Financing in Fiscal Year FY18 Q3*

April - June 2018	
Net Bill Issuance	(131)
Net Coupon Issuance	203
Subtotal: Net Marketable Borrowing	72
Ending Cash Balance	333
Beginning Cash Balance	290
Subtotal: Change in Cash Balance	43
Net Implied Funding for FY18 Q3**	29

Security	April - June 2018 Bill Issuance			Fiscal Year-to-Date Bill Issuance		
	Gross	Maturing	Net	Gross	Maturing	Net
4-Week	550	670	(120)	1,770	1,755	15
13-Week	624	642	(18)	1,821	1,710	111
26-Week	546	477	69	1,587	1,341	246
52-Week	78	60	18	224	200	24
CMBs	0	80	(80)	139	179	(40)
Bill Subtotal	1,798	1,929	(131)	5,541	5,185	356

Security	April - June 2018 Coupon Issuance			Fiscal Year-to-Date Coupon Issuance		
	Gross	Maturing	Net	Gross	Maturing	Net
2-Year FRN	64	41	23	135	123	12
2-Year	95	78	17	253	156	97
3-Year	93	72	21	243	222	21
5-Year	106	90	16	311	345	(34)
7-Year	88	37	51	257	155	102
10-Year	68	12	56	196	52	144
30-Year	44	3	41	124	3	121
5-Year TIPS	16	53	(37)	30	53	(23)
10-Year TIPS	11	0	11	46	16	30
30-Year TIPS	5	0	5	17	0	17
Coupon Subtotal	590	387	203	1,612	1,125	487

Total	2,388	2,316	72	7,153	6,310	843
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*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.

**An end-of-June 2018 cash balance of \$333 billion versus a beginning-of-April 2018 cash balance of \$290 billion. By keeping the cash balance constant, Treasury arrives at the net implied funding number.

Sources of Privately-Held Financing in Fiscal Year FY18 Q4*

July - September 2018	
Assuming Constant Coupon Issuance Sizes**	
Treasury Announced Net Marketable Borrowing***	329
Net Coupon Issuance	260
Implied Change in Bills	69

Security	July - September 2018 Coupon Issuance			Fiscal Year-to-Date Coupon Issuance		
	Gross	Maturing	Net	Gross	Maturing	Net
2-Year FRN	50	41	9	185	164	21
2-Year	104	78	26	357	234	123
3-Year	99	72	27	342	294	48
5-Year	108	53	55	419	398	21
7-Year	90	69	21	347	224	123
10-Year	69	14	55	265	66	199
30-Year	45	0	45	169	3	166
5-Year TIPS	14	0	14	44	53	(9)
10-Year TIPS	24	16	8	70	32	38
30-Year TIPS	0	0	0	17	0	17
Coupon Subtotal	603	343	260	2,215	1,469	746

*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.

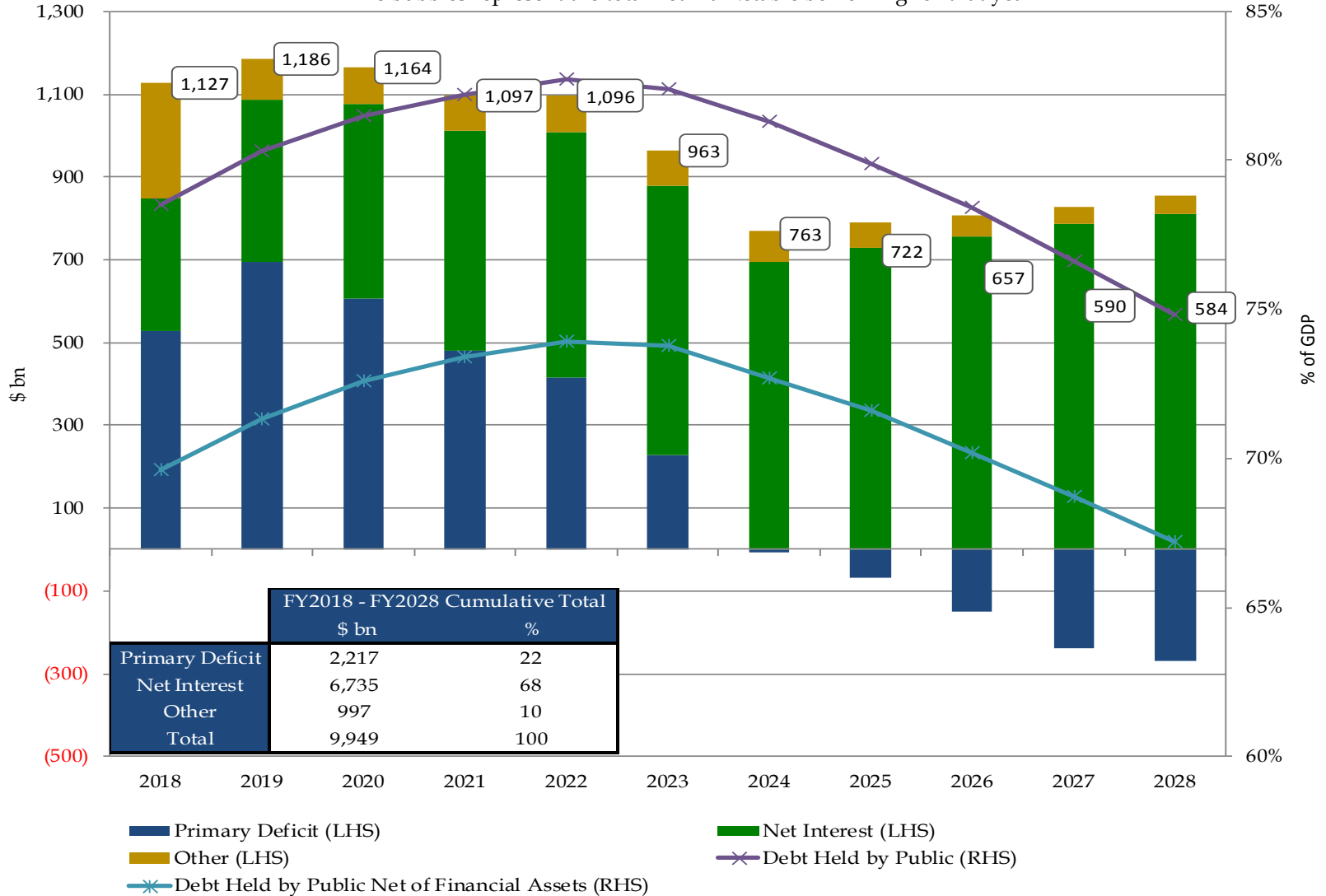
**Keeping announced issuance sizes and patterns constant for nominal coupons, TIPS, and FRNs based on changes made at the May 2018 refunding.

***Assumes an end-of-September 2018 cash balance of \$350 billion versus a beginning-of-July 2018 cash balance of \$333 billion.

Financing Estimates released by the Treasury can be found here: <http://www.treasury.gov/resource-center/data-chart-center/quarterly-refunding/Pages/Latest.aspx>

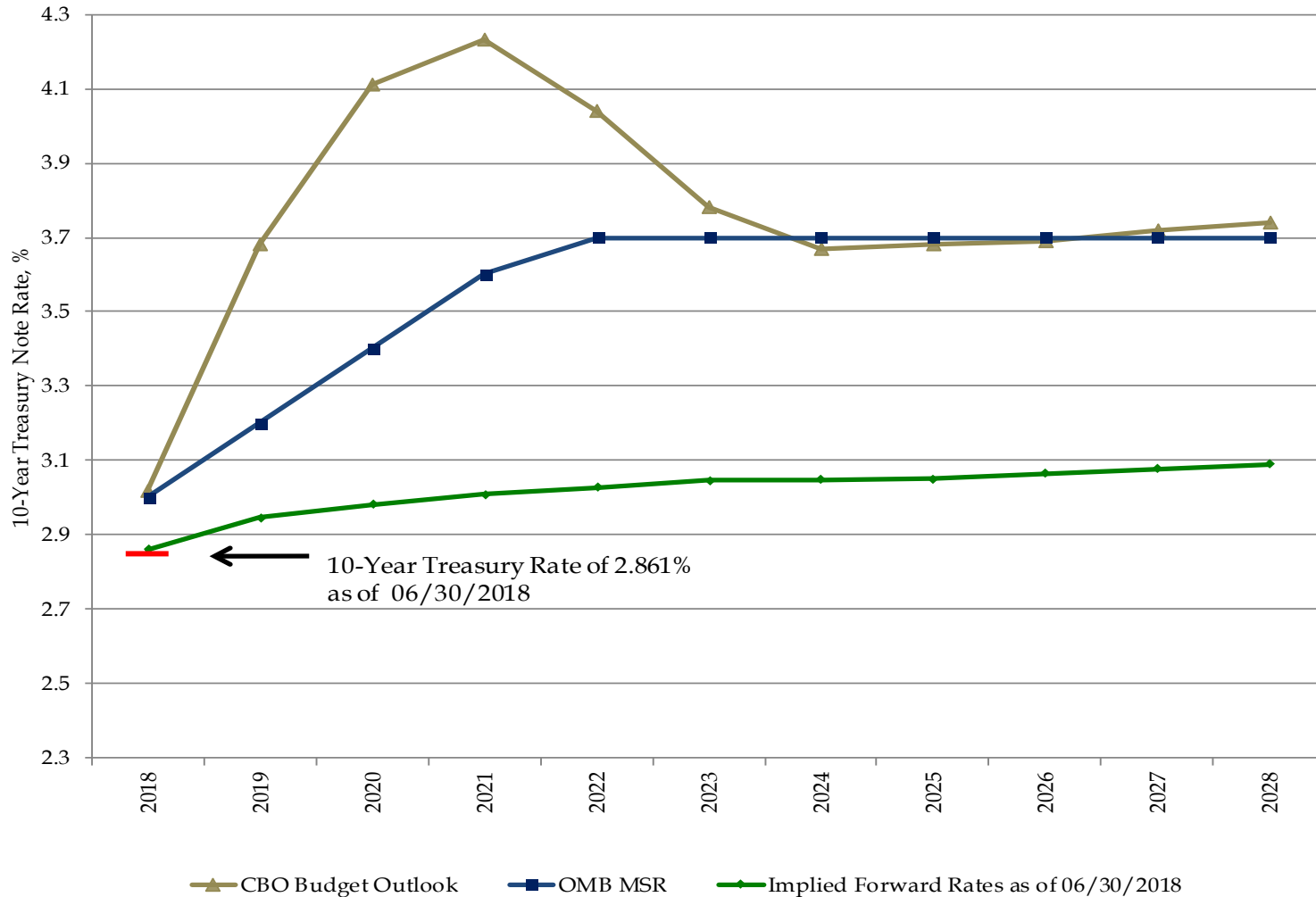
OMB's Projection of Borrowing from the Public

The bubbles represent the total net marketable borrowing for that year



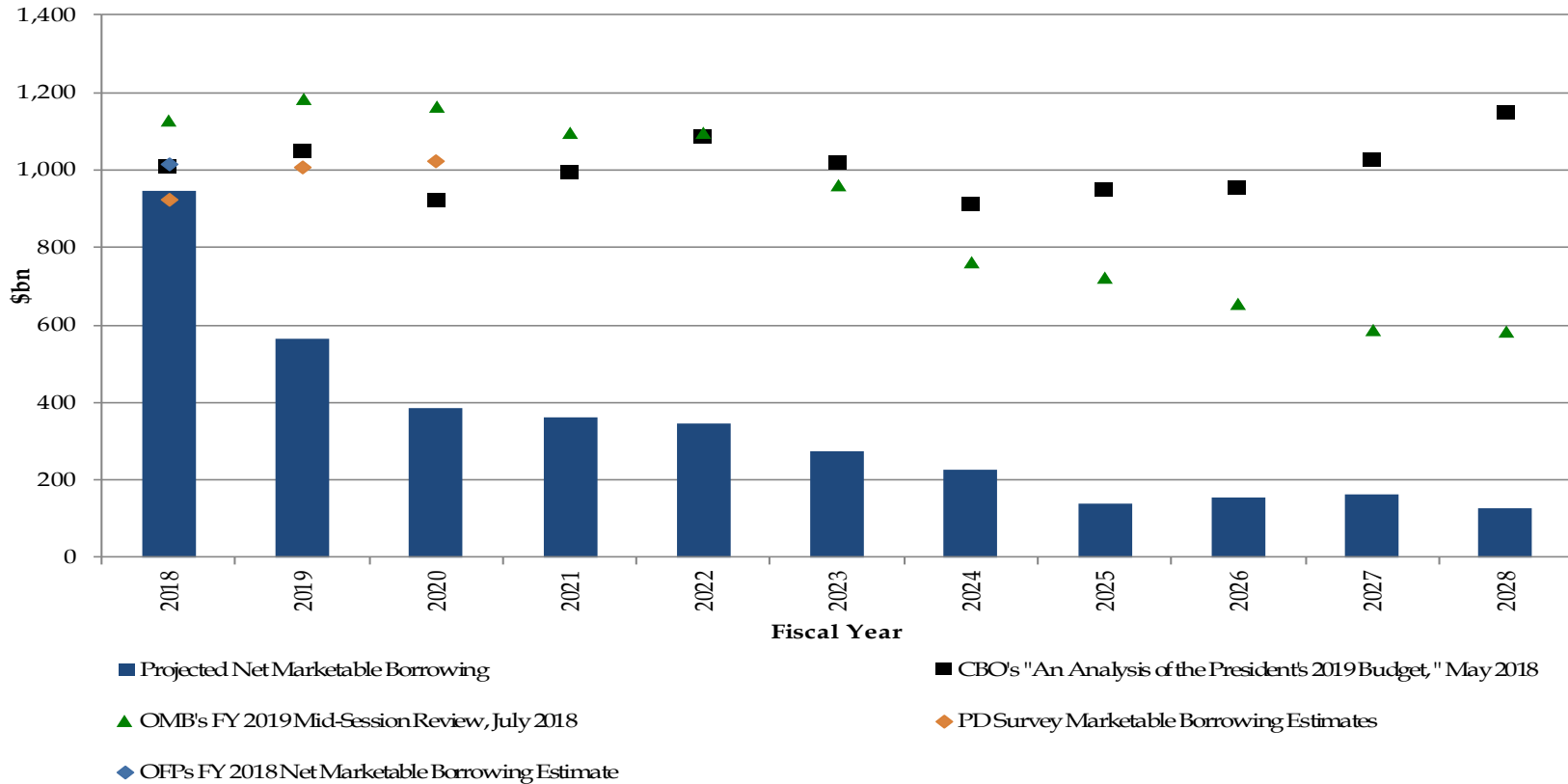
OMB's projections of the change in debt held by the public (borrowing) are from Table S-11 of "Mid-Session Review, Fiscal Year 2019," July 2018. "Other" represents borrowing from the public to provide direct and guaranteed loans.

Interest Rate Assumptions: 10-Year Treasury Note



OMB's economic assumption of the 10-Year Treasury Note rates are from Table 2 of OMB's "Mid-Session Review, Fiscal Year 2019," July 2018. CBO's economic assumption of the 10-Year Treasury Note rates are from Table D-1 of CBO's "The Budget and Economic Outlook: 2018 to 2028," April 2018. The forward rates are the implied 10-Year Treasury Note rates on June 30, 2018.

Projected Net Marketable Borrowing Assuming Future Issuance Remains Constant



Treasury's July 2018 primary dealer survey estimates can be found on page 11. OMB's projections of the change in debt held by the public are from Table S-11 of "Mid-Session Review, Fiscal Year 2019," July 2018. CBO's baseline budget projections of the change in debt held by the public are from Table 2 of "An Analysis of the President's 2019 Budget," May 2018. See table at the end of this section for details.

*Projections reflect capped SOMA Treasury redemptions up until the end of CY 2020.

Historical Net Marketable Borrowing and Projected Net Borrowing Assuming Future Issuance Remains Constant, \$ billions

Fiscal Year	Bills	2/3/5	7/10/30	TIPS	FRN	Historical/Projected Net Borrowing Capacity	OMB's FY 2019 Mid-Session Review	CBO's "An Analysis of the President's 2019 Budget "	Primary Dealer Survey
2013	(86)	86	720	111	0	830			
2014	(119)	(92)	669	88	123	669			
2015	(53)	(282)	641	88	164	558			
2016	289	(82)	477	64	47	795			
2017	155	9	292	55	9	519			
2018	356	204	310	51	24	946	1,016*	1,011	923
2019	0	317	169	44	30	561	1,186	1,049	1,007
2020	0	158	206	14	6	384	1,164	924	1,025
2021	0	98	264	(2)	(0)	360	1,097	993	
2022	0	67	289	(13)	3	346	1,096	1,085	
2023	0	114	166	(10)	5	274	963	1,018	
2024	0	(7)	245	(13)	1	227	763	911	
2025	0	(31)	228	(56)	(2)	138	722	951	
2026	0	(29)	233	(47)	(2)	155	657	952	
2027	0	(5)	209	(36)	(3)	164	590	1,027	

Net borrowing capacity reflects capped SOMA redemptions up until the end of CY 2020.

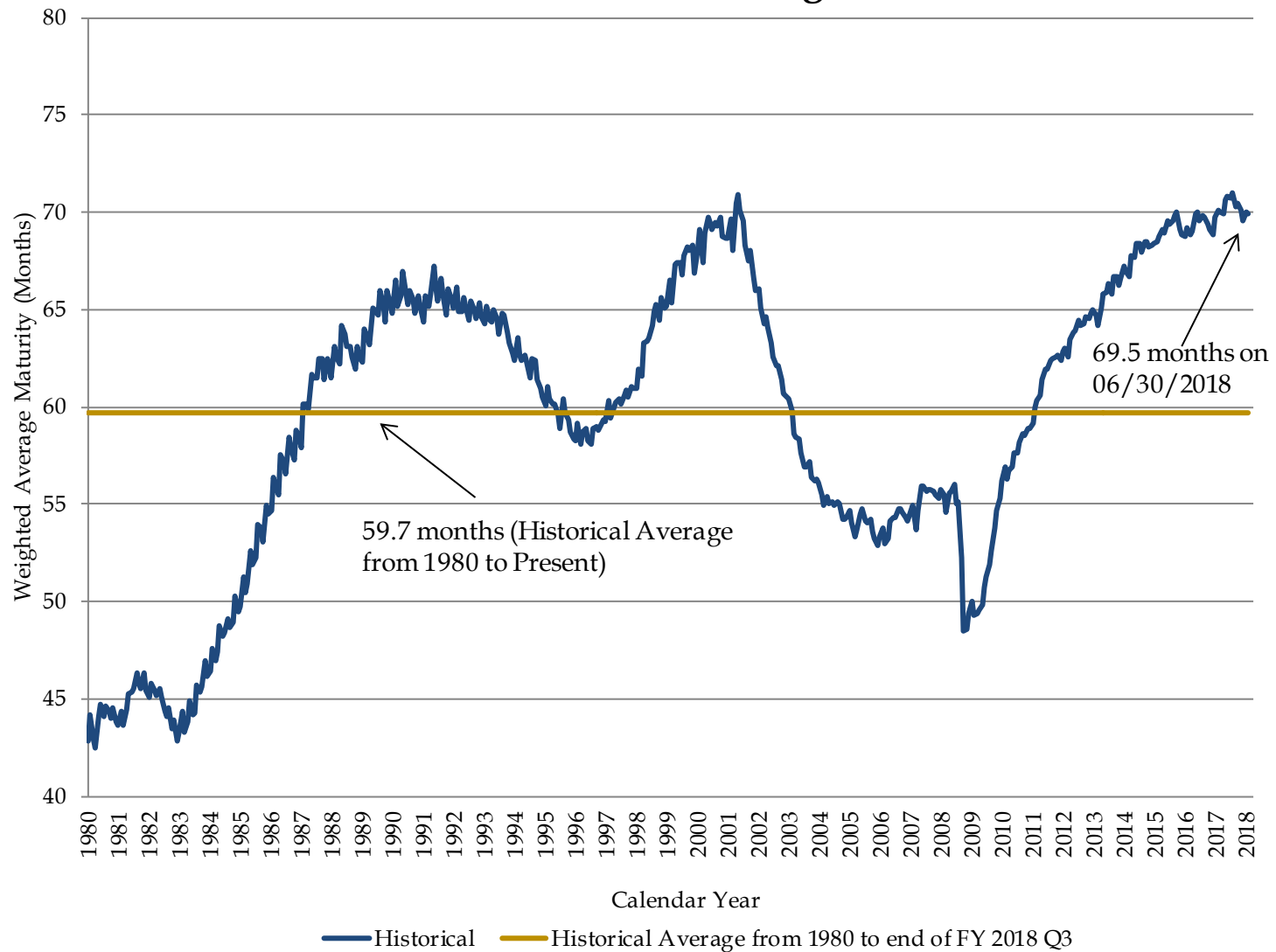
Treasury's July 2018 primary dealer survey estimates can be found on page 11. OMB's projections of the change in debt held by the public are from Table S-11 of "Mid-Session Review, Fiscal Year 2019," July 2018. CBO's baseline budget projections of the change in debt held by the public are from Table 2 of CBO's "An Analysis of the President's Budget," May 2018.

*OFP's FY 2018 Net Marketable Borrowing Estimate.

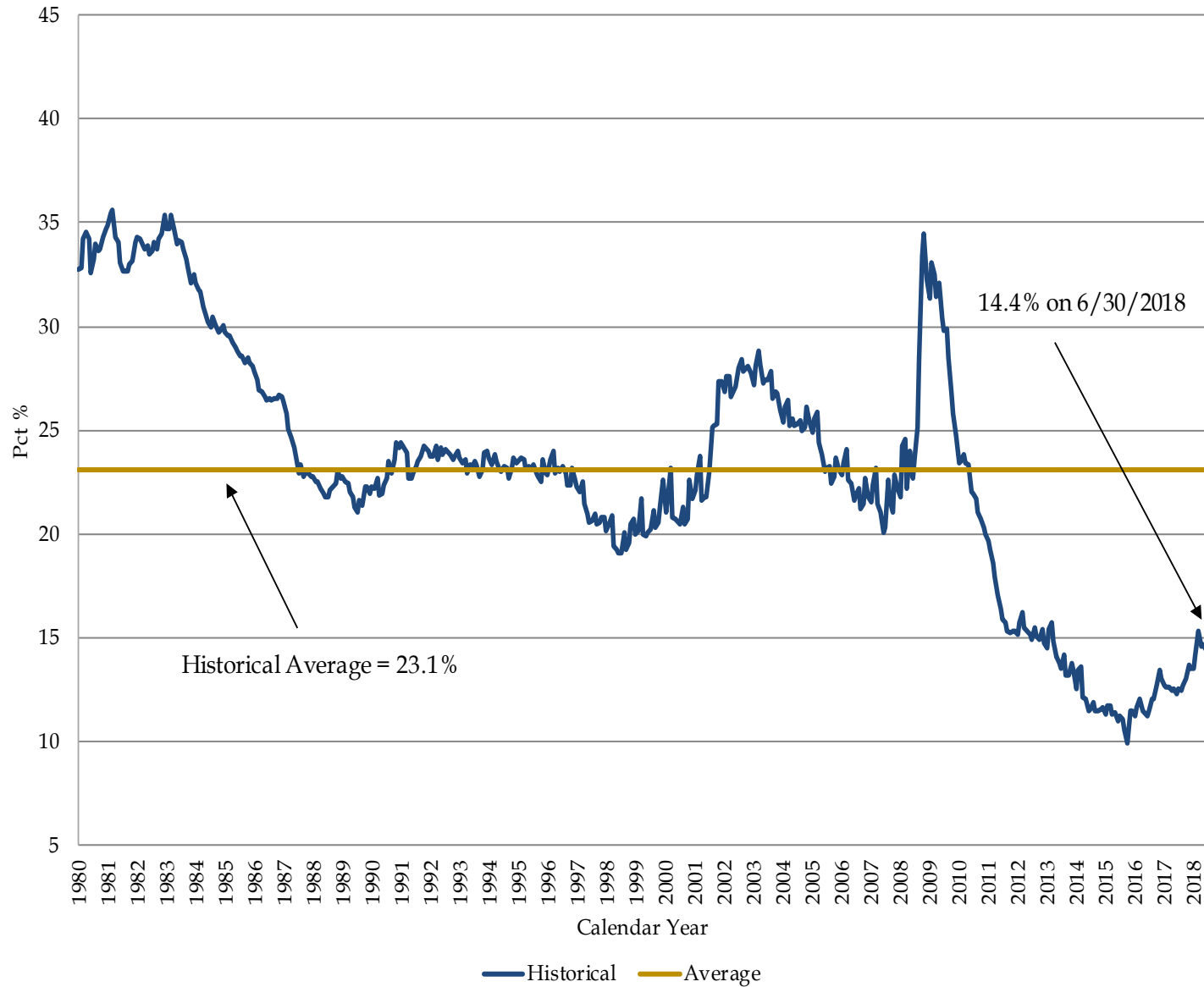
Section IV: Portfolio Metrics



Historical Weighted Average Maturity of Marketable Debt Outstanding



Bills Outstanding as a Percent of Portfolio



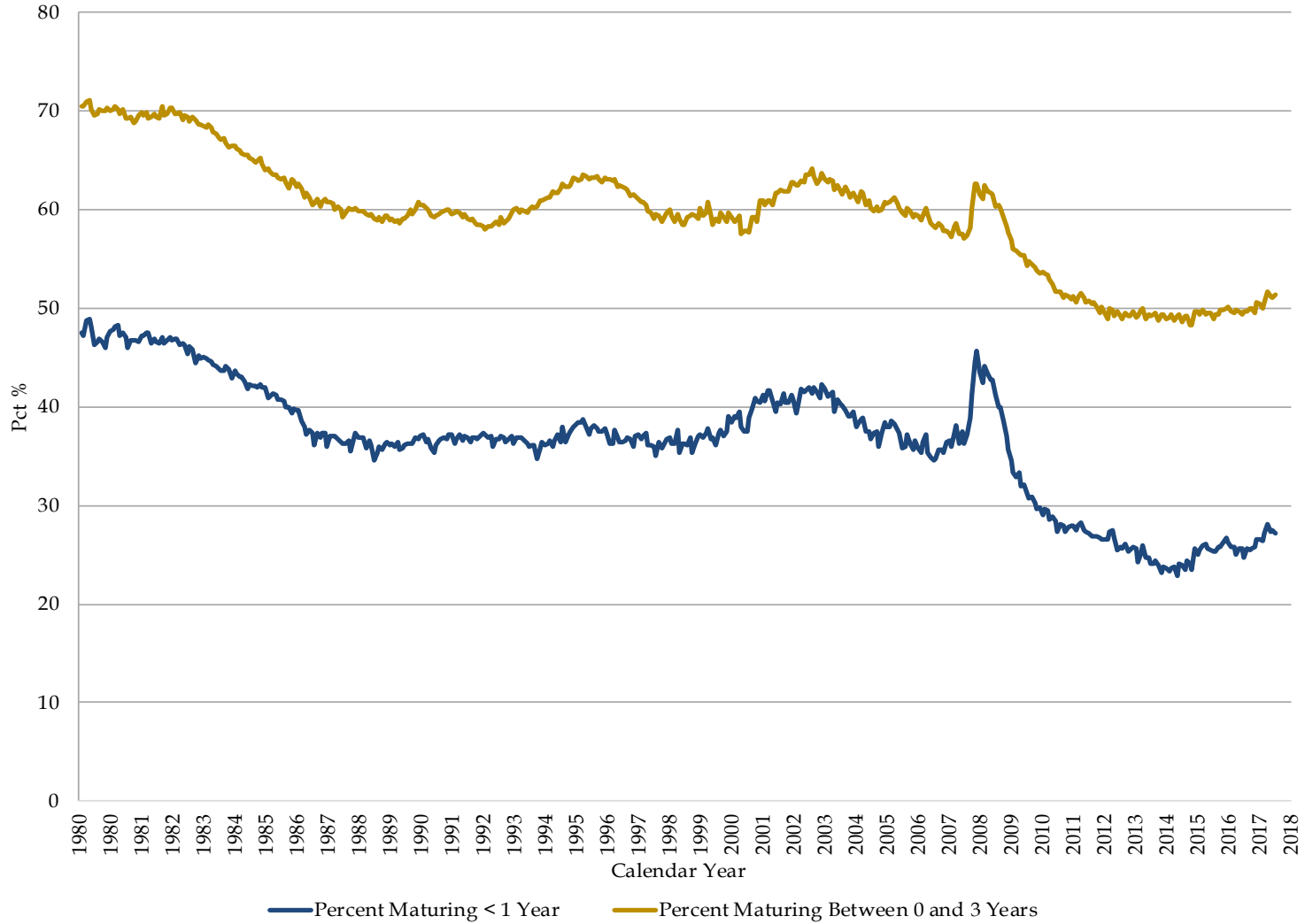
Recent Maturity Profile, \$ billions

Date	<= 1yr	(1,2]	(2,3]	(3,5]	(5,7]	(7,10]	> 10	Total	(0,5]
Sep-10	2,563	1,141	895	1,273	907	856	853	8,488	5,872
Sep-11	2,620	1,334	980	1,541	1,070	1,053	1,017	9,616	6,476
Sep-12	2,951	1,373	1,104	1,811	1,214	1,108	1,181	10,742	7,239
Sep-13	2,939	1,523	1,242	1,965	1,454	1,136	1,331	11,590	7,669
Sep-14	2,935	1,739	1,319	2,207	1,440	1,113	1,528	12,281	8,199
Sep-15	3,097	1,775	1,335	2,382	1,478	1,121	1,654	12,841	8,589
Sep-16	3,423	1,828	1,538	2,406	1,501	1,151	1,800	13,648	9,195
Sep-17	3,631	2,027	1,504	2,433	1,466	1,180	1,946	14,188	9,596
Jun-18	4,074	2,106	1,578	2,457	1,503	1,217	2,038	14,972	10,214

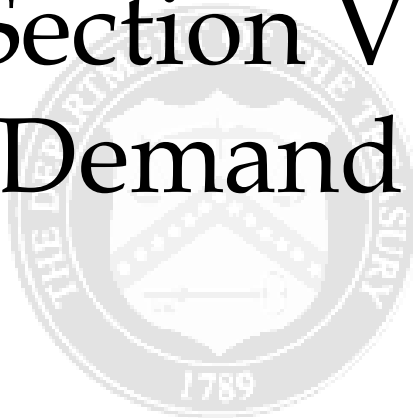
Recent Maturity Profile, percent

Date	<= 1yr	(1,2]	(2,3]	(3,5]	(5,7]	(7,10]	> 10	(0,3]	(0,5]
Sep-10	30.2	13.4	10.5	15.0	10.7	10.1	10.0	54.2	69.2
Sep-11	27.2	13.9	10.2	16.0	11.1	10.9	10.6	51.3	67.3
Sep-12	27.5	12.8	10.3	16.9	11.3	10.3	11.0	50.5	67.4
Sep-13	25.4	13.1	10.7	17.0	12.5	9.8	11.5	49.2	66.2
Sep-14	23.9	14.2	10.7	18.0	11.7	9.1	12.4	48.8	66.8
Sep-15	24.1	13.8	10.4	18.5	11.5	8.7	12.9	48.3	66.9
Sep-16	25.1	13.4	11.3	17.6	11.0	8.4	13.2	49.7	67.4
Sep-17	25.6	14.3	10.6	17.1	10.3	8.3	13.7	50.5	67.6
Jun-18	27.2	14.1	10.5	16.4	10.0	8.1	13.6	51.8	68.2

Treasury Maturity Profile History



Section V: Demand



Summary Statistics for Fiscal Year 2018 Q3 Auctions

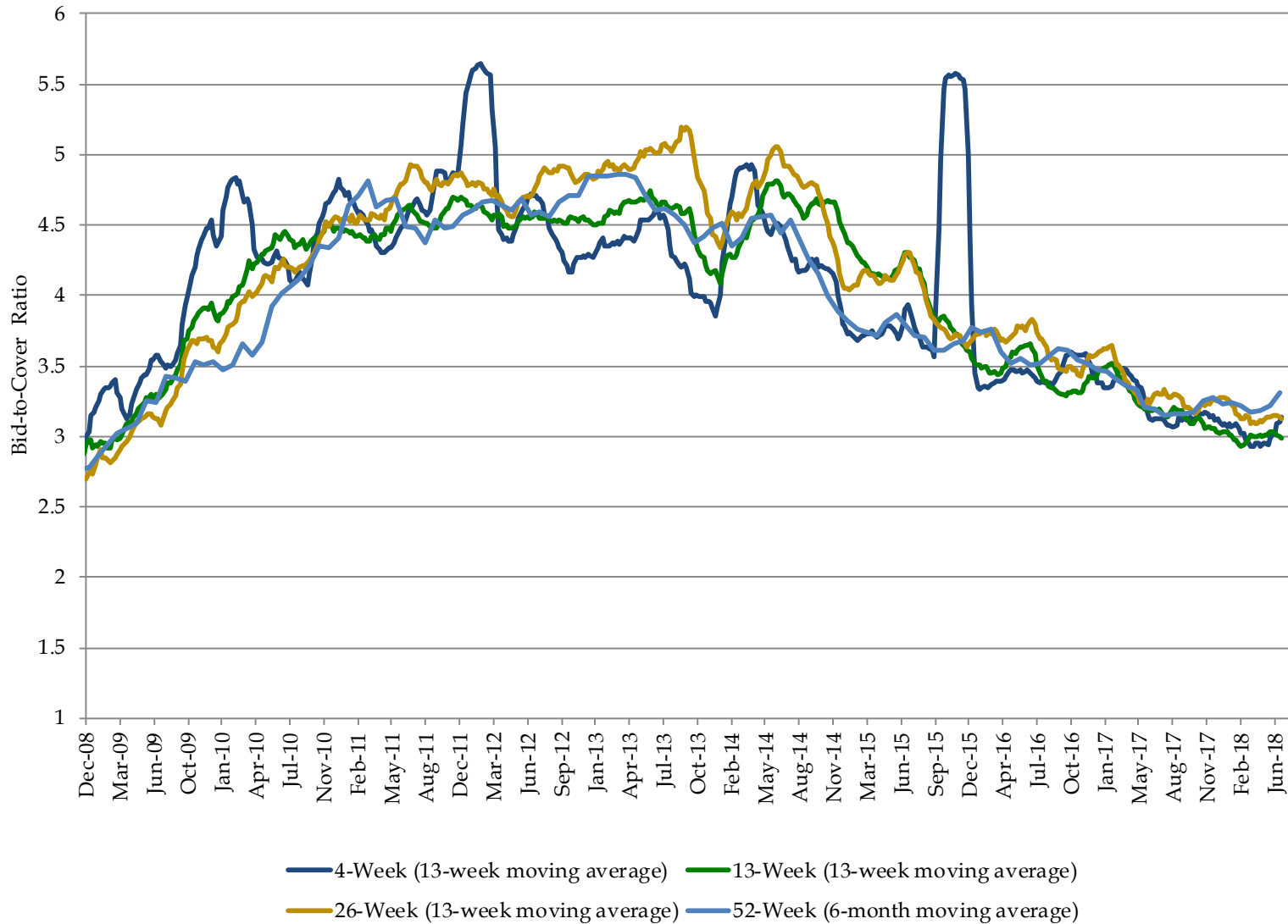
Security Type	Term	Stop Out Rate (%)*	Bid-to-Cover Ratio*	Competitive Awards (\$bn)	% Primary Dealer*	% Direct*	% Indirect*	Non-Competitive Awards (\$bn)	SOMA "Add-Ons" (\$bn)	10-Year Equivalent (\$bn)**
Bill	4-Week	1.702	3.1	539.4	53.0	9.9	37.1	10.6	0.0	4.9
Bill	13-Week	1.847	3.0	606.6	55.0	6.6	38.4	17.4	0.0	18.0
Bill	26-Week	2.012	3.1	529.2	46.5	4.3	49.2	16.8	0.0	31.5
Bill	52-Week	2.250	3.5	76.1	47.1	8.0	44.9	1.9	0.0	9.0
Coupon	2-Year	2.542	2.7	97.4	43.6	15.4	41.0	1.6	14.1	25.7
Coupon	3-Year	2.595	2.8	92.5	40.8	11.0	48.2	0.5	7.5	33.9
Coupon	5-Year	2.806	2.5	106.8	29.2	11.3	59.5	0.2	15.2	66.5
Coupon	7-Year	2.896	2.6	88.9	22.4	13.6	63.9	0.1	12.6	75.1
Coupon	10-Year	2.923	2.5	67.9	31.4	10.9	57.7	0.1	6.1	74.7
Coupon	30-Year	3.095	2.4	44.0	27.1	10.8	62.1	0.0	4.1	109.8
TIPS	5-Year	0.631	2.6	15.9	23.2	14.3	62.4	0.1	2.0	10.4
TIPS	10-Year	0.934	2.4	11.0	29.0	6.7	64.3	0.0	1.9	14.0
TIPS	30-Year	0.934	2.6	5.0	14.6	4.6	80.8	0.0	0.0	15.0
FRN	2-Year	0.034	3.2	48.9	49.2	9.3	41.5	0.1	2.2	0.0

Total Bills	1.870	3.1	1,751.4	51.5	7.0	41.5	46.6	0.0	63.4
Total Coupons	2.773	2.6	497.6	33.1	12.4	54.6	2.4	59.6	385.7
Total TIPS	0.783	2.5	31.9	23.9	10.2	65.9	0.1	4.0	39.4
Total FRN	0.034	3.2	48.9	49.2	9.3	41.5	0.1	2.2	0.0

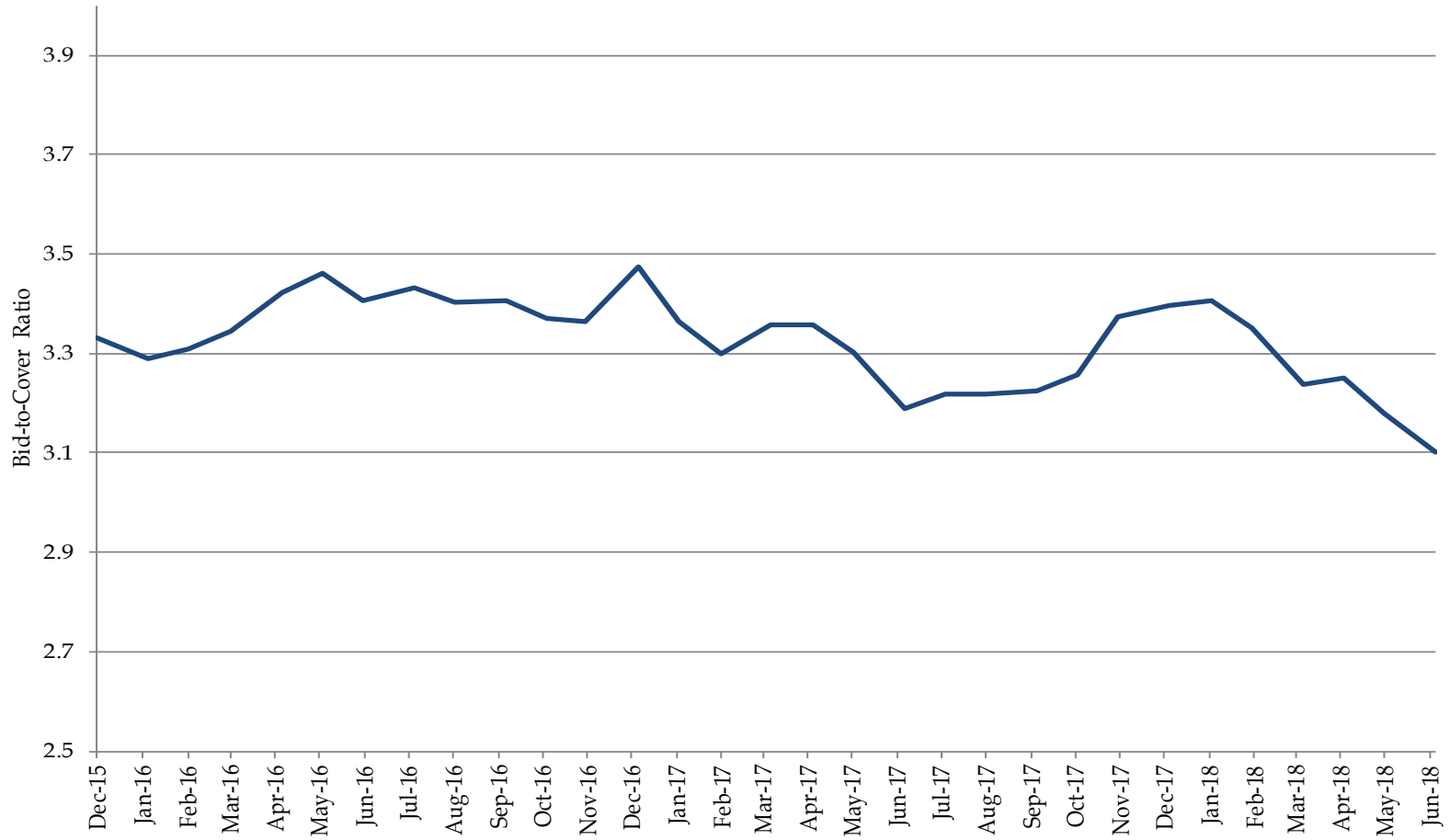
*Weighted averages of Competitive Awards.

**Approximated using prices at settlement and includes both Competitive and Non-Competitive Awards. For TIPS 10-year equivalent, a constant auction BEI is used as the inflation assumption.

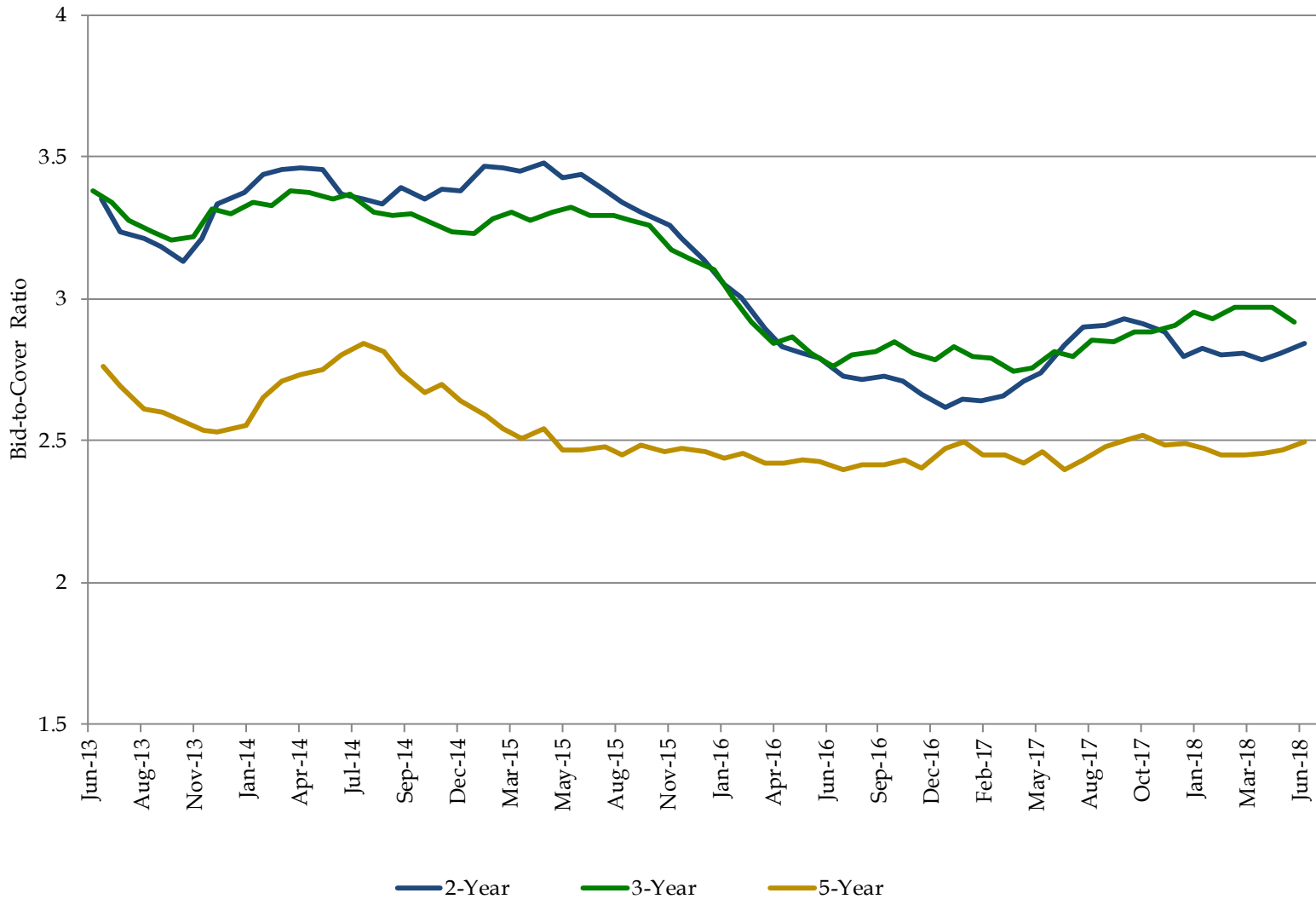
Bid-to-Cover Ratios for Treasury Bills



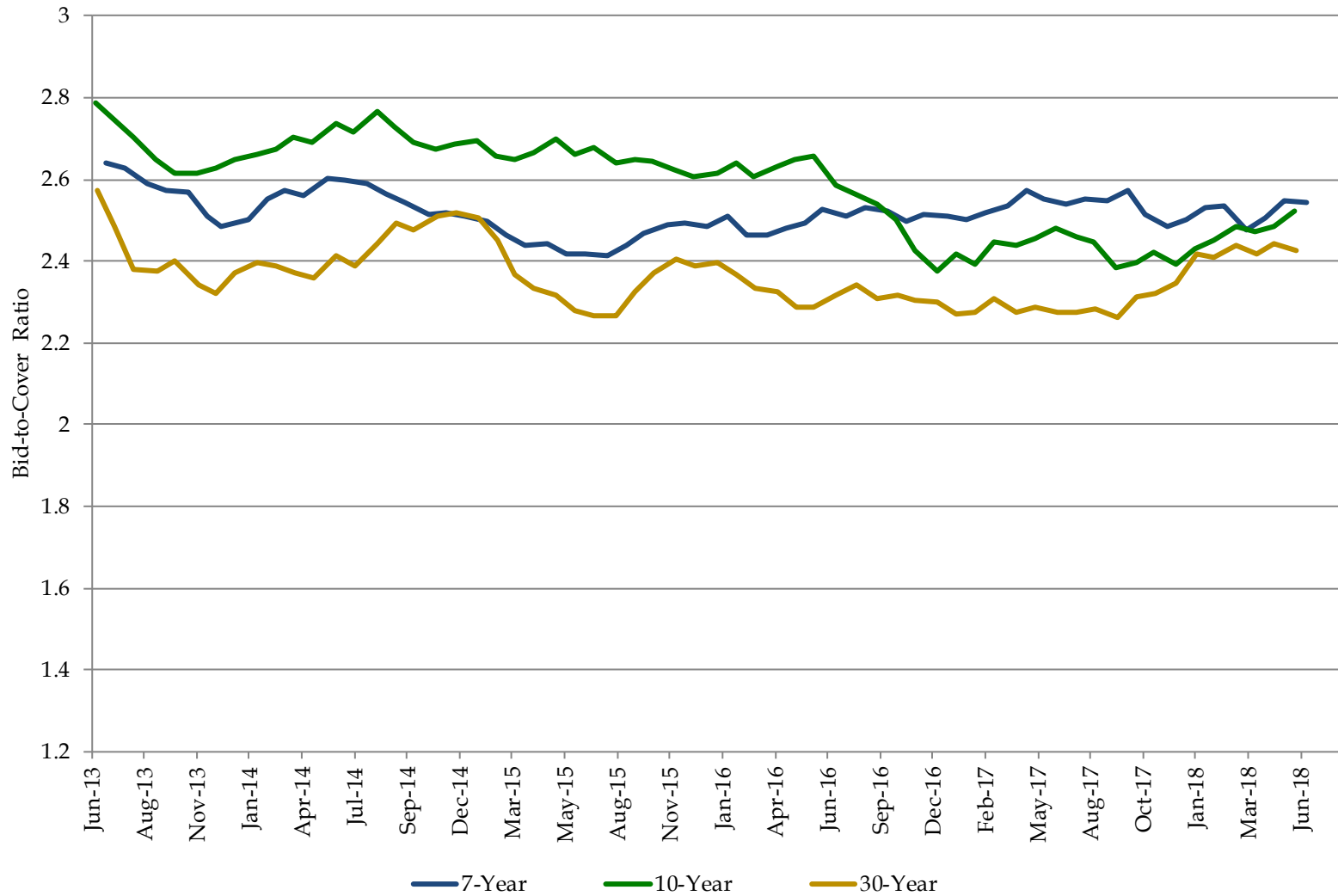
Bid-to-Cover Ratios for FRNs (6-Month Moving Average)



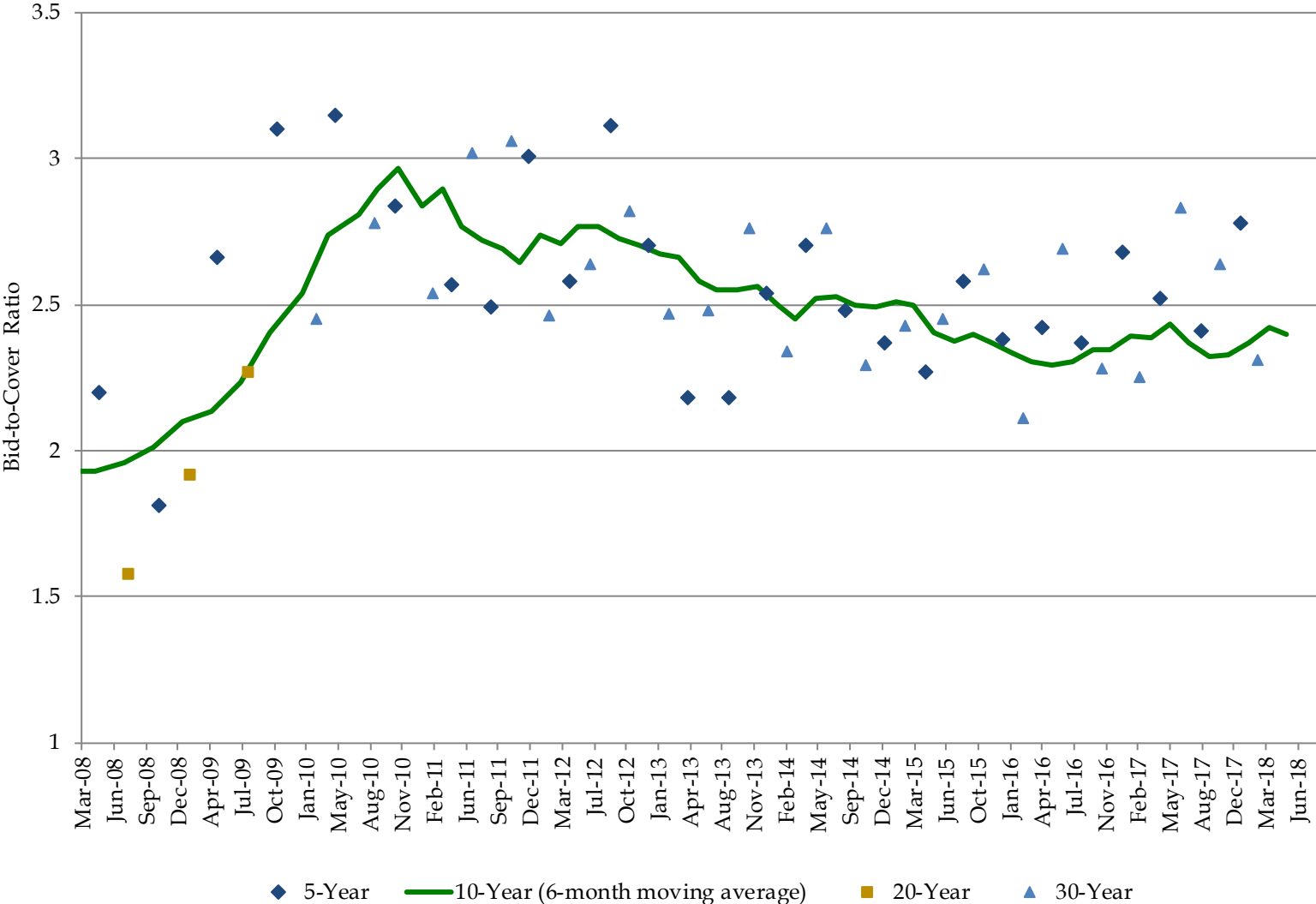
Bid-to-Cover Ratios for 2-, 3-, and 5-Year Nominal Securities (6-Month Moving Average)



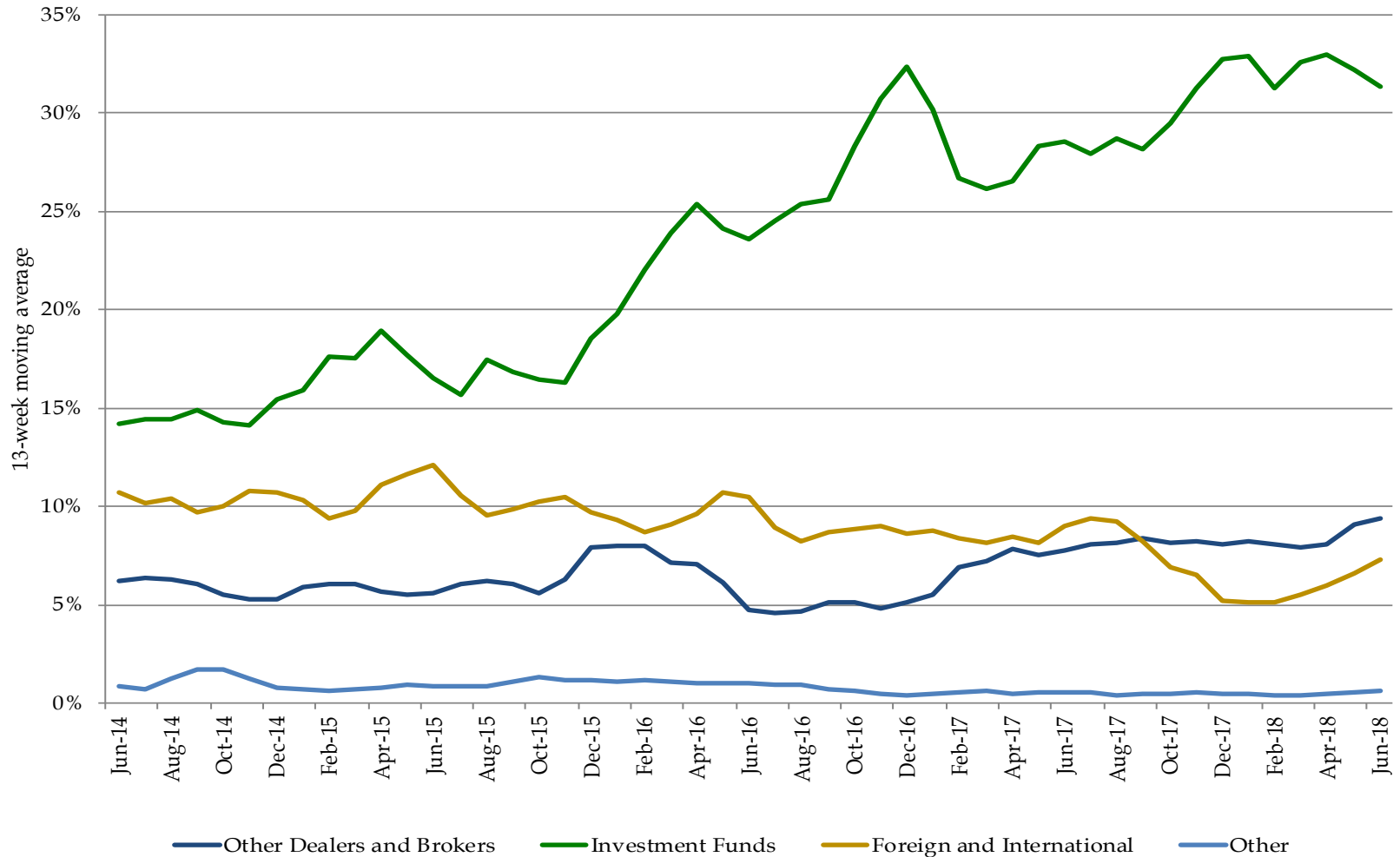
Bid-to-Cover Ratios for 7-, 10-, and 30-Year Nominal Securities (6-Month Moving Average)



Bid-to-Cover Ratios for TIPS

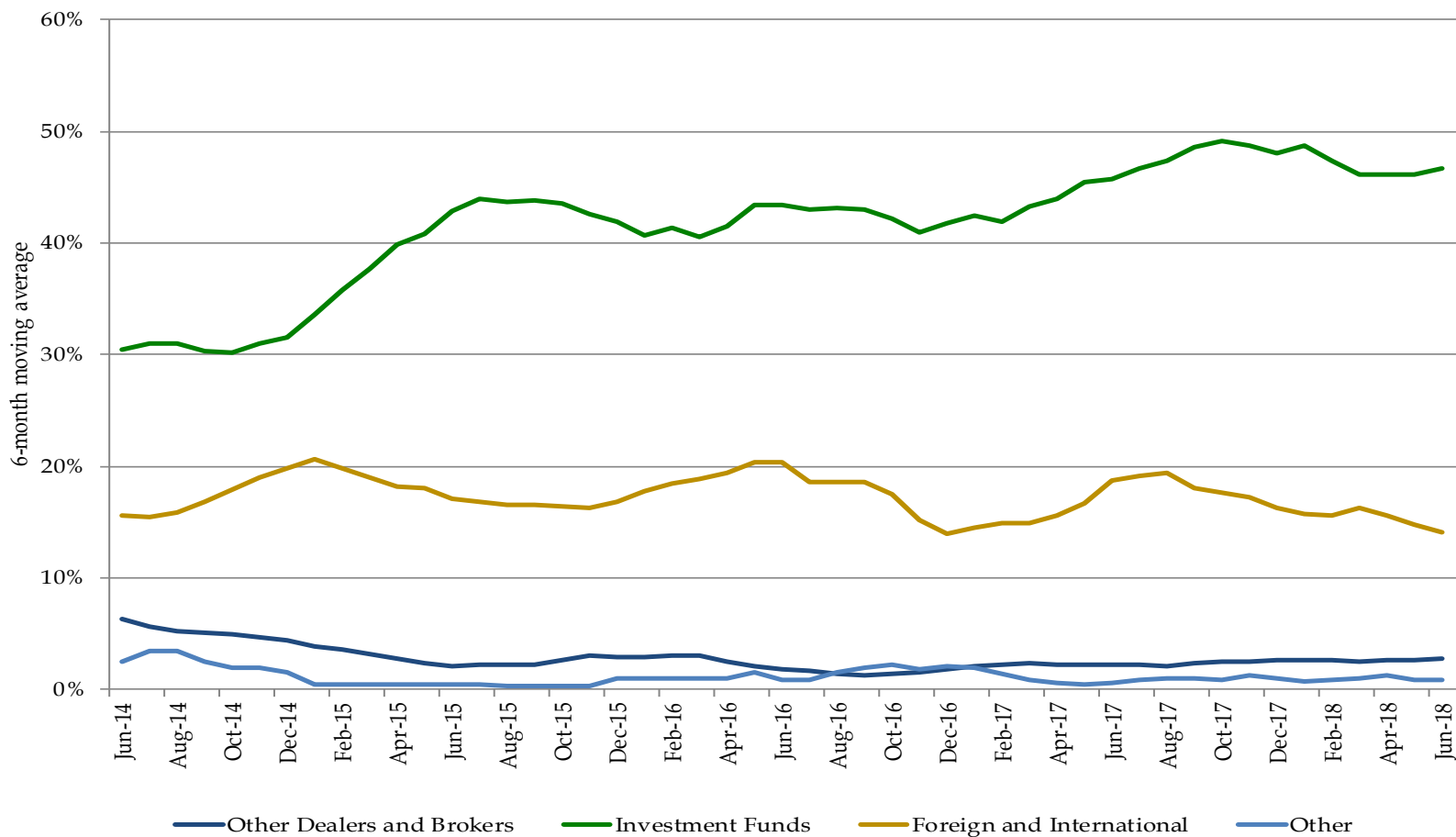


Percent Awarded in Bill Auctions by Investor Class (13-Week Moving Average)



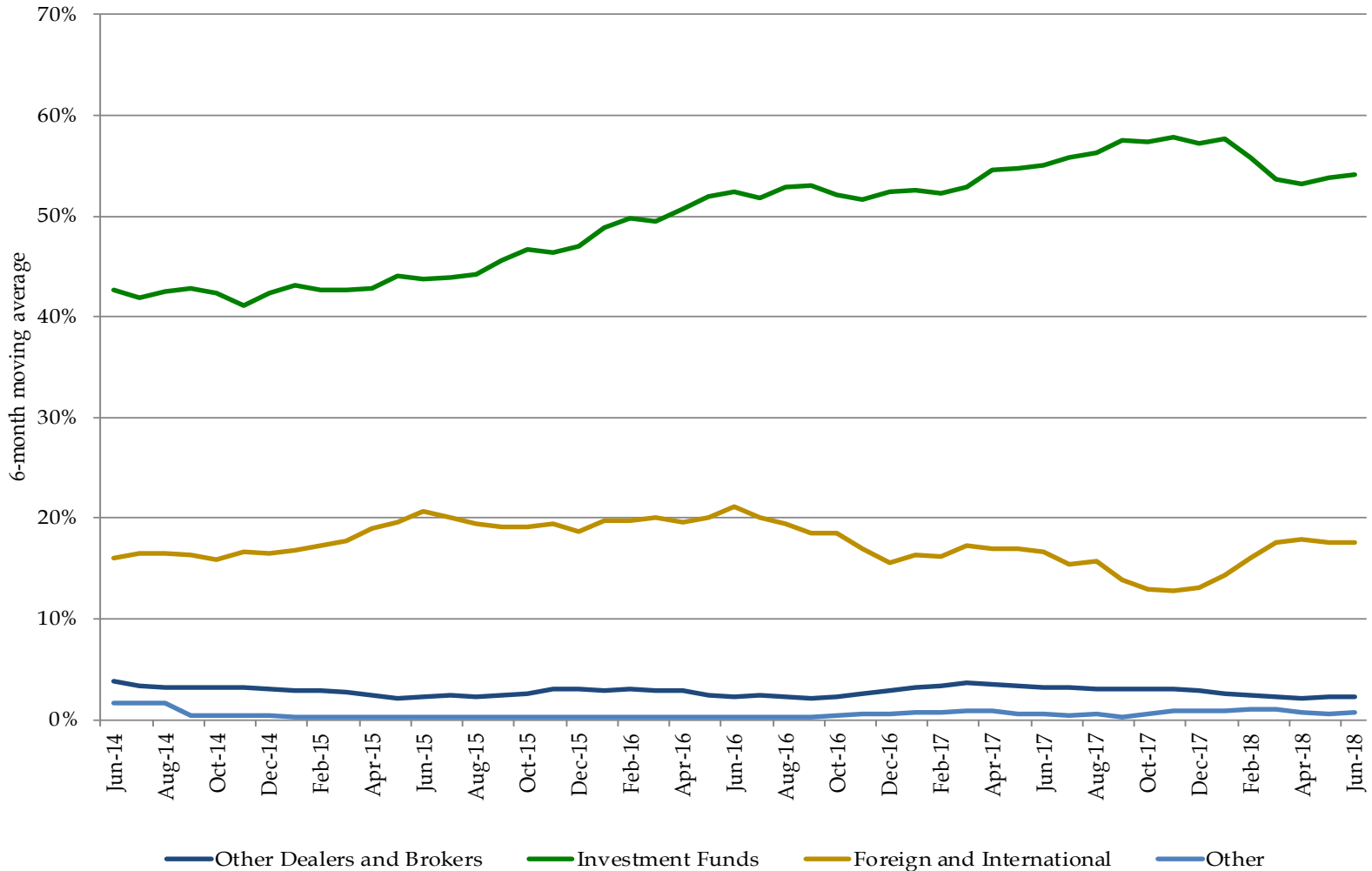
Excludes SOMA add-ons. The “Other” category includes categories that are each less than 5%, which include Depository Institutions, Individuals, Pension and Insurance.

Percent Awarded in 2-, 3-, and 5-Year Nominal Security Auctions by Investor Class (6-Month Moving Average)



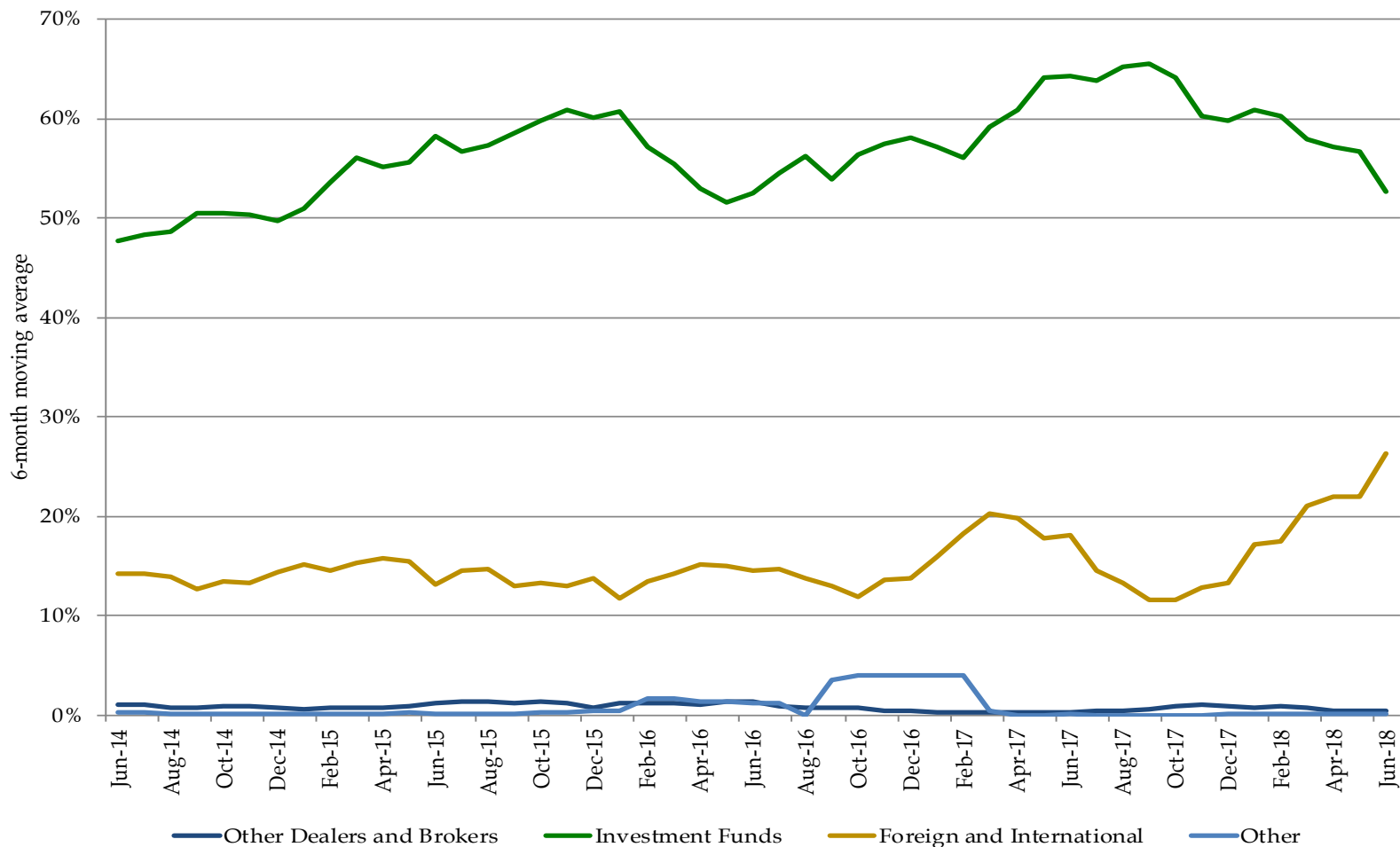
Excludes SOMA add-ons. The “Other” category includes categories that are each less than 5%, which include Depository Institutions, Individuals, Pension and Insurance.

Percent Awarded in 7-, 10-, 30-Year Nominal Security Auctions by Investor Class (6-Month Moving Average)



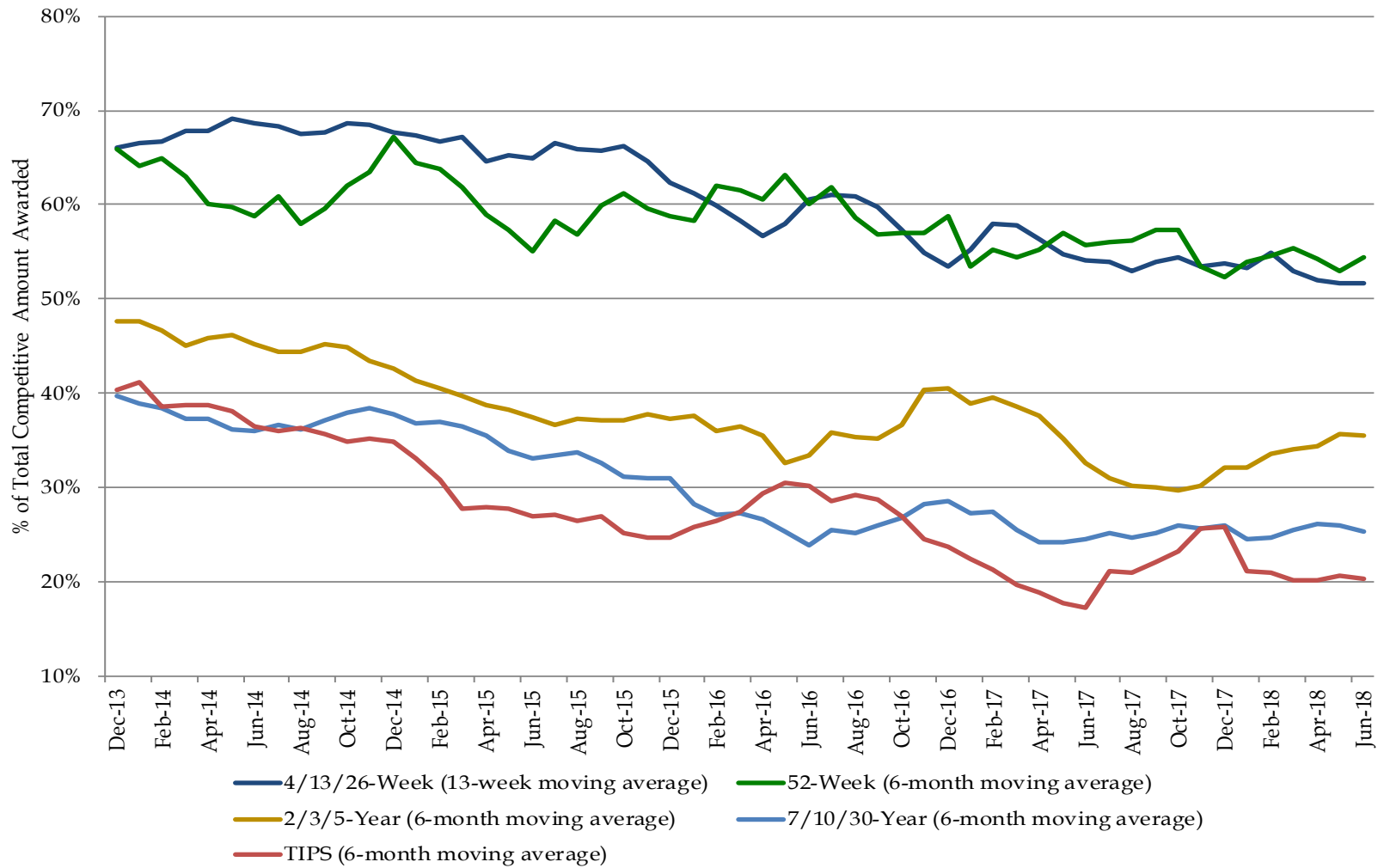
Excludes SOMA add-ons. The “Other” category includes categories that are each less than 5%, which include Depository Institutions, Individuals, Pension and Insurance.

Percent Awarded in TIPS Auctions by Investor Class (6-Month Moving Average)



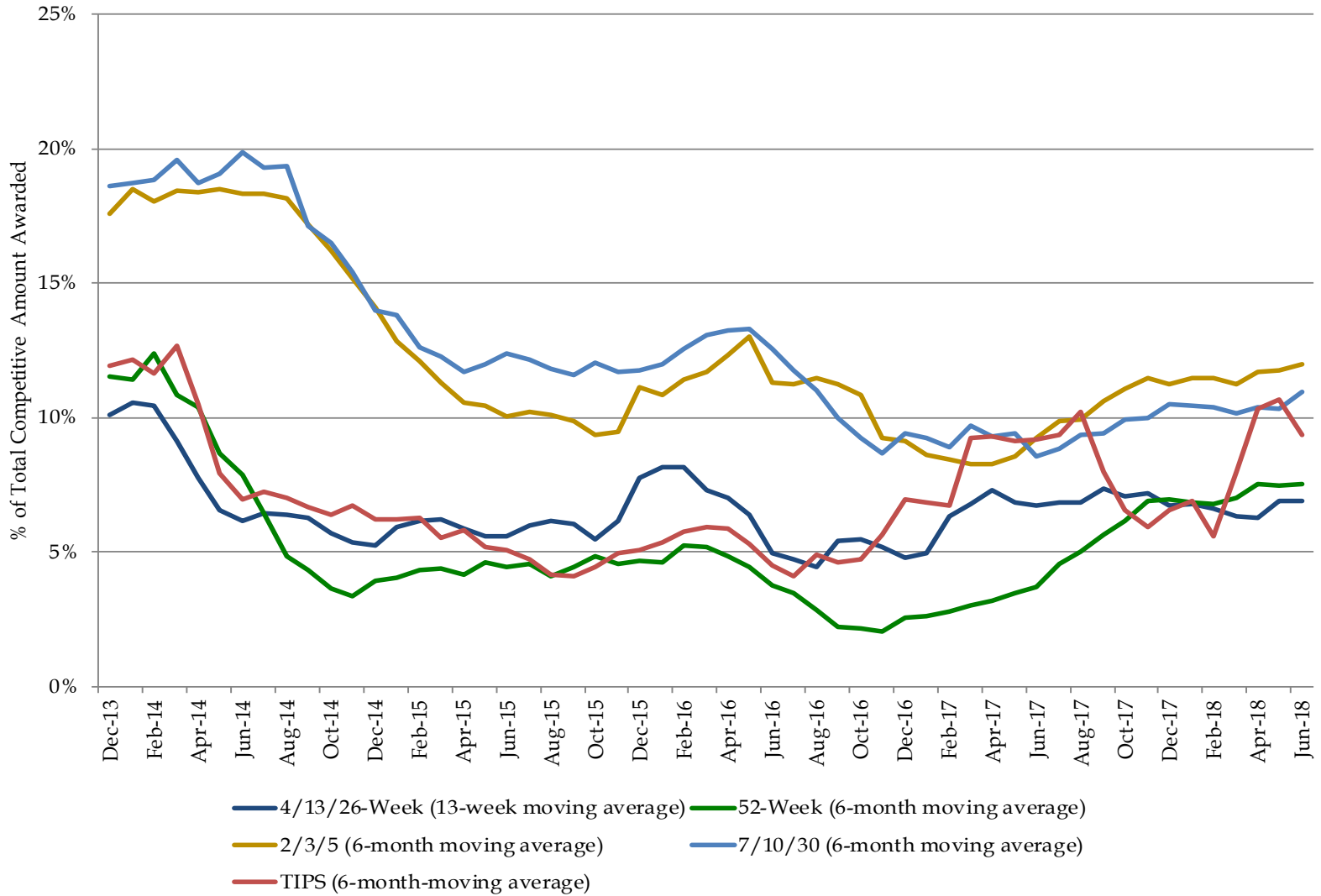
Excludes SOMA add-ons. The “Other” category includes categories that are each less than 5%, which include Depository Institutions, Individuals, Pension and Insurance.

Primary Dealer Awards at Auction



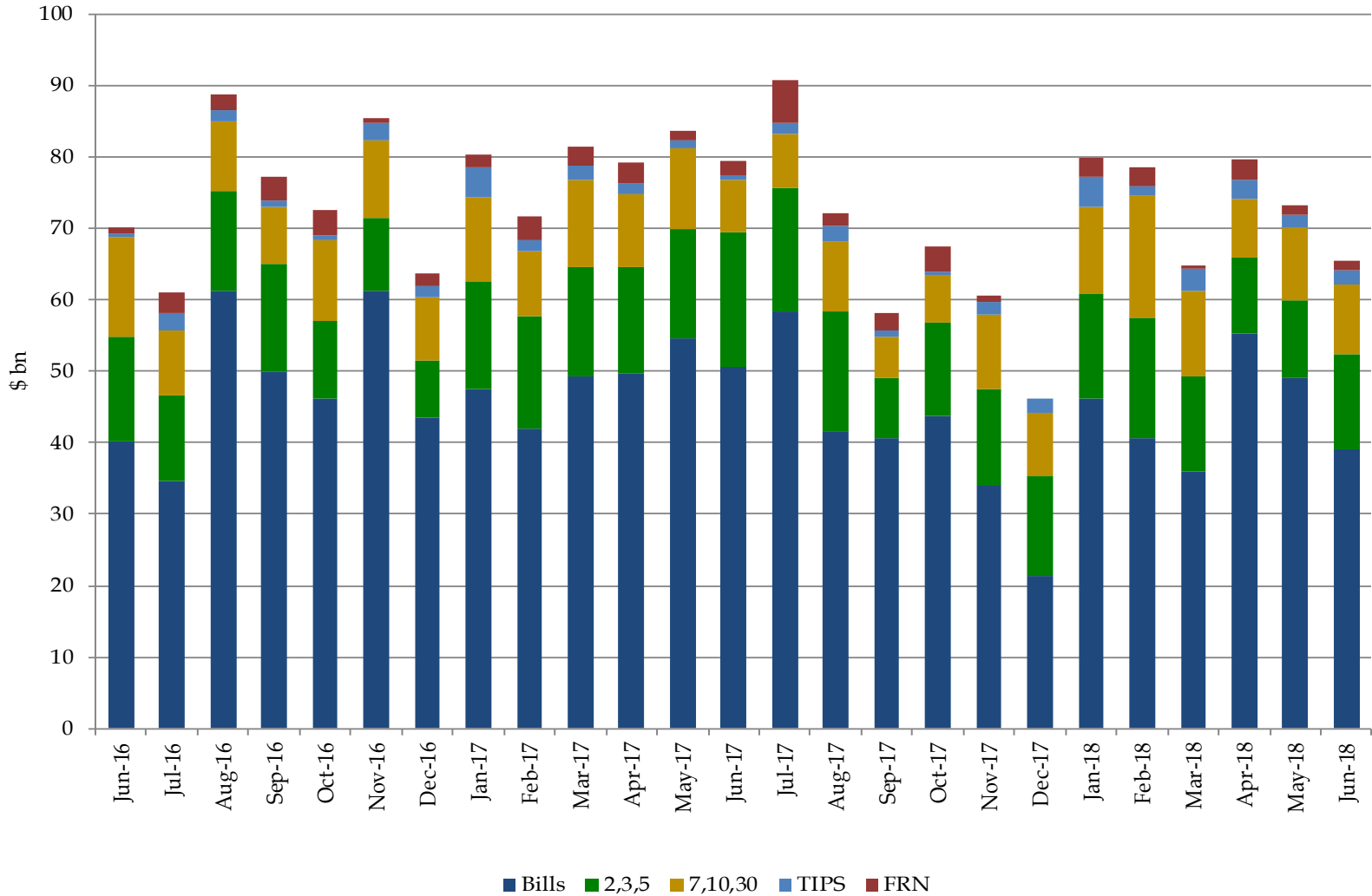
Excludes SOMA add-ons.

Direct Bidder Awards at Auction



Excludes SOMA add-ons.

Total Foreign Awards of Treasuries at Auction, \$ billions



Foreign includes both private sector and official institutions.

Appendix

The seal of the U.S. Department of the Treasury is centered behind the word "Appendix". The seal is circular and features a shield with a scale of justice, a sword, and a chevron with stars. The text "THE DEPARTMENT OF THE TREASURY" is written around the top inner edge of the seal, and "1789" is at the bottom.

Bills										
Issue	Settle Date	Stop Out Rate (%)*	Bid-to-Cover Ratio*	Competitive Awards (\$bn)	% Primary Dealer*	% Direct*	% Indirect*	Non-Competitive Awards (\$bn)	SOMA "Add Ons" (\$bn)	10-Year Equivalent (\$bn)*
4-Week	4/5/2018	1.695	2.90	54.2	47.7	9.1	43.1	0.8	0.0	0.5
4-Week	4/12/2018	1.620	3.25	44.2	53.3	9.2	37.5	0.8	0.0	0.4
4-Week	4/19/2018	1.630	3.08	44.2	59.1	9.8	31.1	0.8	0.0	0.4
4-Week	4/26/2018	1.680	3.16	44.1	50.0	12.1	37.9	0.9	0.0	0.4
4-Week	5/3/2018	1.650	3.04	44.2	59.4	11.5	29.1	0.8	0.0	0.4
4-Week	5/10/2018	1.660	3.22	44.2	58.6	9.9	31.5	0.8	0.0	0.4
4-Week	5/17/2018	1.655	3.13	44.2	48.5	11.6	39.9	0.8	0.0	0.4
4-Week	5/24/2018	1.720	3.10	44.1	56.3	7.2	36.5	0.9	0.0	0.4
4-Week	5/31/2018	1.750	3.25	39.3	39.9	12.6	47.4	0.7	0.0	0.4
4-Week	6/7/2018	1.780	3.04	34.2	63.6	6.3	30.1	0.8	0.0	0.3
4-Week	6/14/2018	1.790	3.36	34.1	47.8	6.0	46.2	0.9	0.0	0.3
4-Week	6/21/2018	1.815	3.16	34.2	59.5	12.1	28.4	0.8	0.0	0.3
4-Week	6/28/2018	1.770	3.05	34.2	46.0	11.3	42.7	0.8	0.0	0.3
13-Week	4/5/2018	1.740	2.88	47.3	52.0	8.7	39.3	0.7	0.0	1.4
13-Week	4/12/2018	1.715	2.92	47.1	64.1	9.3	26.7	0.9	0.0	1.4
13-Week	4/19/2018	1.760	3.13	46.7	45.3	7.3	47.4	1.3	0.0	1.4
13-Week	4/26/2018	1.830	2.98	46.2	58.7	6.9	34.4	1.8	0.0	1.4
13-Week	5/3/2018	1.835	2.87	46.2	54.7	5.8	39.4	1.8	0.0	1.4
13-Week	5/10/2018	1.840	2.95	47.0	59.9	7.2	33.0	1.0	0.0	1.4
13-Week	5/17/2018	1.890	3.04	46.6	59.3	7.9	32.8	1.4	0.0	1.4
13-Week	5/24/2018	1.895	3.10	46.6	47.7	7.1	45.2	1.4	0.0	1.4
13-Week	5/31/2018	1.895	2.82	46.2	66.2	6.5	27.4	1.8	0.0	1.4
13-Week	6/7/2018	1.910	3.16	46.8	50.9	4.3	44.8	1.2	0.0	1.4
13-Week	6/14/2018	1.910	3.01	47.0	54.6	4.3	41.1	1.0	0.0	1.4
13-Week	6/21/2018	1.900	3.12	46.7	48.5	4.8	46.7	1.3	0.0	1.4
13-Week	6/28/2018	1.900	2.89	46.1	53.1	5.7	41.2	1.9	0.0	1.4
26-Week	4/5/2018	1.905	3.10	40.3	48.2	6.0	45.8	1.7	0.0	2.4
26-Week	4/12/2018	1.880	3.04	40.3	49.7	4.8	45.5	1.7	0.0	2.4
26-Week	4/19/2018	1.945	3.12	40.8	48.3	4.1	47.6	1.2	0.0	2.4
26-Week	4/26/2018	1.985	3.27	40.2	38.1	3.2	58.7	1.8	0.0	2.4
26-Week	5/3/2018	1.990	3.17	40.6	41.9	4.6	53.4	1.4	0.0	2.4
26-Week	5/10/2018	2.000	3.12	41.1	52.0	6.1	42.0	0.9	0.0	2.4
26-Week	5/17/2018	2.035	2.98	41.0	46.6	5.5	47.9	1.0	0.0	2.4
26-Week	5/24/2018	2.080	3.16	40.9	46.0	4.2	49.8	1.1	0.0	2.4
26-Week	5/31/2018	2.030	3.10	40.6	52.1	4.8	43.0	1.4	0.0	2.4
26-Week	6/7/2018	2.070	3.27	40.9	41.3	3.9	54.9	1.1	0.0	2.4
26-Week	6/14/2018	2.075	3.59	41.0	28.3	2.3	69.4	1.0	0.0	2.4
26-Week	6/21/2018	2.075	2.78	41.0	63.3	2.1	34.6	1.0	0.0	2.4
26-Week	6/28/2018	2.085	3.00	40.3	48.1	4.8	47.1	1.7	0.0	2.4
52-Week	4/26/2018	2.200	3.39	25.3	51.8	9.4	38.7	0.7	0.0	3.0
52-Week	5/24/2018	2.275	3.68	25.4	42.3	7.5	50.1	0.6	0.0	3.0
52-Week	6/21/2018	2.275	3.41	25.4	47.1	6.9	45.9	0.6	0.0	3.0

*Weighted averages of competitive awards.

**Approximated using prices at settlement and includes both competitive and non-competitive awards.

Nominal Coupons										
Issue	Settle Date	Stop Out Rate (%)*	Bid-to-Cover Ratio*	Competitive Awards (\$bn)	% Primary Dealer*	% Direct*	% Indirect*	Non-Competitive Awards (\$bn)	SOMA "Add Ons" (\$bn)	10-Year Equivalent (\$bn)*
2-Year	4/30/2018	2.498	2.61	31.5	43.1	15.3	41.6	0.5	4.1	8.3
2-Year	5/31/2018	2.590	2.88	32.4	45.4	15.3	39.3	0.6	5.7	8.7
2-Year	7/2/2018	2.538	2.73	33.5	42.3	15.4	42.3	0.5	4.2	8.7
3-Year	4/16/2018	2.450	2.85	29.8	40.9	11.6	47.6	0.2	0.1	10.1
3-Year	5/15/2018	2.664	2.76	30.8	42.2	12.3	45.6	0.2	7.5	13.1
3-Year	6/15/2018	2.664	2.83	31.8	39.4	9.2	51.4	0.2	0.0	10.7
5-Year	4/30/2018	2.837	2.49	34.9	26.2	13.7	60.2	0.1	4.5	21.6
5-Year	5/31/2018	2.864	2.52	35.9	32.9	10.9	56.2	0.1	6.3	22.8
5-Year	7/2/2018	2.719	2.55	36.0	28.5	9.5	62.0	0.0	4.5	22.1
7-Year	4/30/2018	2.952	2.56	29.0	21.6	12.7	65.8	0.0	3.7	24.3
7-Year	5/31/2018	2.930	2.62	30.0	21.6	12.9	65.5	0.0	5.2	25.8
7-Year	7/2/2018	2.809	2.53	30.0	24.1	15.2	60.6	0.0	3.7	25.0
10-Year	4/16/2018	2.795	2.46	21.0	38.4	8.4	53.2	0.0	0.0	21.0
10-Year	5/15/2018	2.995	2.56	25.0	28.7	8.3	63.0	0.0	6.0	31.7
10-Year	6/15/2018	2.962	2.59	22.0	27.7	16.3	56.0	0.0	0.0	22.0
30-Year	4/16/2018	3.044	2.41	13.0	24.4	14.6	61.0	0.0	0.0	29.7
30-Year	5/15/2018	3.130	2.38	17.0	28.9	8.3	62.7	0.0	4.1	48.5
30-Year	6/15/2018	3.100	2.38	14.0	27.5	10.3	62.2	0.0	0.0	31.6
2-Year FRN	4/30/2018	0.033	3.65	17.0	49.1	13.0	38.0	0.0	2.2	0.0
2-Year FRN	5/25/2018	0.028	3.26	16.0	43.1	7.5	49.3	0.0	0.0	0.0
2-Year FRN	6/29/2018	0.042	2.79	16.0	55.3	7.2	37.5	0.0	0.0	0.0

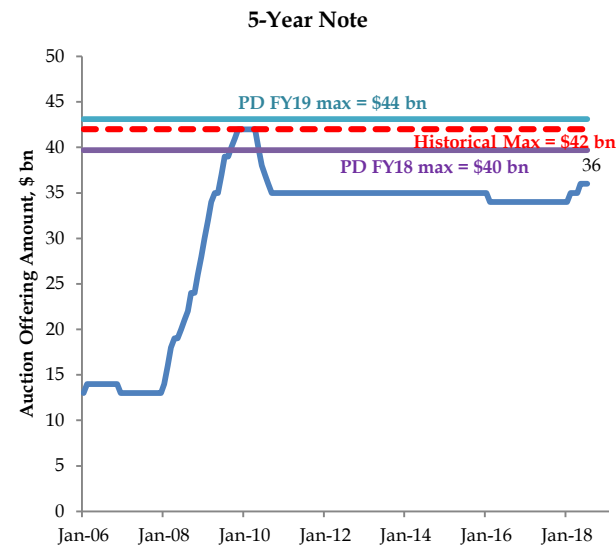
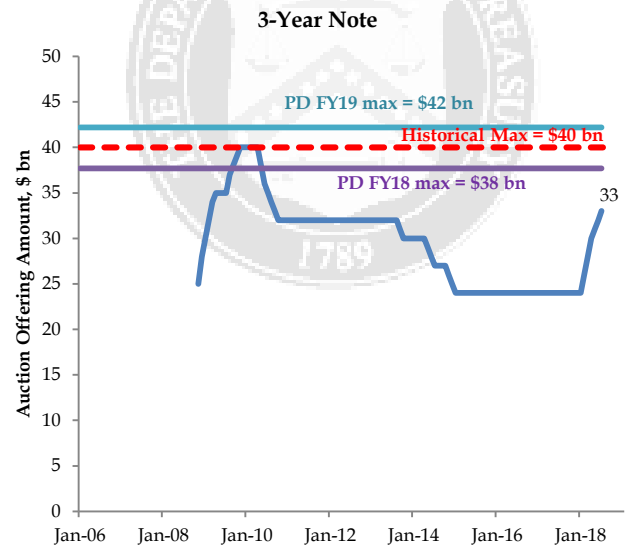
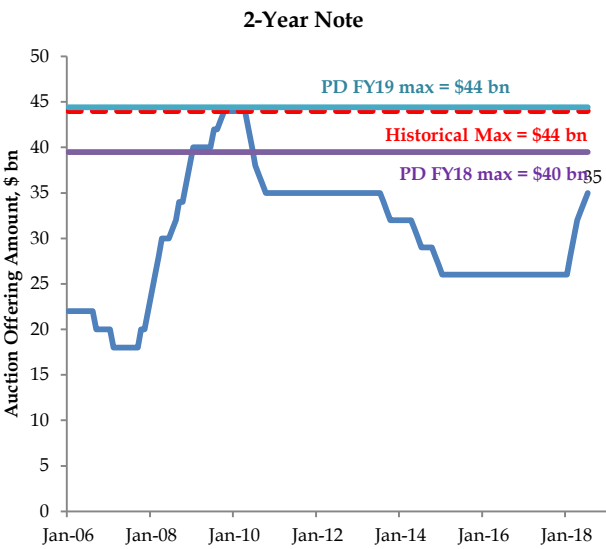
TIPS										
Issue	Settle Date	Stop Out Rate (%)*	Bid-to-Cover Ratio*	Competitive Awards (\$bn)	% Primary Dealer*	% Direct*	% Indirect*	Non-Competitive Awards (\$bn)	SOMA "Add Ons" (\$bn)	10-Year Equivalent (\$bn)*
5-Year TIPS	4/30/2018	0.631	2.55	15.9	23.2	14.3	62.4	0.1	2.0	10.4
10-Year TIPS	5/31/2018	0.934	2.42	11.0	29.0	6.7	64.3	0.0	1.9	14.0
30-Year TIPS	6/29/2018	0.934	2.62	5.0	14.6	4.6	80.8	0.0	0.0	15.0

*Weighted averages of competitive awards.

**Approximated using prices at settlement and includes both competitive and non-competitive awards. For TIPS' 10-Year equivalent, a constant auction BEI is used as the inflation assumption.

Perspectives on Auction Sizes at Short-end versus “Belly” of the Curve

- Prior to increases in coupon sizes announced with the February 2018 quarterly refunding, the 2-, 3-, and 5-year note auction sizes were below historical maximums by \$18bn, \$16bn, and \$8bn, respectively.
- Currently, this gap has decreased to \$9bn, \$7bn, and \$6bn for the 2-, 3-, and 5-year notes, respectively.
- In April 2018, dealers provided updates on the auction sizes that wouldn’t surprise them for the end of FY2018: \$40bn, \$38bn, and \$40bn for the 2-, 3-, and 5-year notes, respectively, with higher levels for the end of FY2019.



Primary dealer auction size survey can be found via the following link:

<https://www.treasury.gov/resource-center/data-chart-center/quarterly-refunding/Pages/archived-auction-survey.aspx>