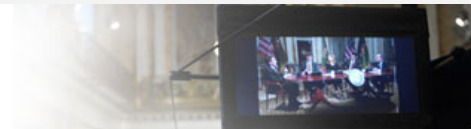


## U.S. DEPARTMENT OF THE TREASURY

## Press Center



## Quarterly Refunding Statement of Deputy Assistant Secretary for Federal Finance James G. Clark

8/3/2016

**WASHINGTON** – The U.S. Department of the Treasury is offering \$62 billion of Treasury securities to refund approximately \$48.2 billion of privately-held Treasury notes maturing on August 15, 2016. This will raise new cash of approximately \$13.8 billion. The securities are:

- A 3-year note in the amount of \$24 billion, maturing August 15, 2019;
- A 10-year note in the amount of \$23 billion, maturing August 15, 2026; and
- A 30-year bond in the amount of \$15 billion, maturing August 15, 2046.

The 3-year note will be auctioned on a yield basis at 1:00 p.m. ET on Tuesday, August 9, 2016. The 10-year note will be auctioned on a yield basis at 1:00 p.m. ET on Wednesday, August 10, 2016. The 30-year bond will be auctioned on a yield basis at 1:00 p.m. ET on Thursday, August 11, 2016. All of these auctions will settle on Monday, August 15, 2016.

The balance of Treasury financing requirements will be met with the weekly bill auctions, cash management bills, the monthly note and bond auctions, the August 5-year TIPS reopening auction, the September 10-year TIPS reopening auction, the October 30-year TIPS reopening auction, and the regular monthly 2-year Floating Rate Note (FRN) auctions.

### Projected Financing Needs

Based on current fiscal forecasts, Treasury intends to maintain coupon issuance sizes at current levels over the upcoming quarter. Treasury will continue to monitor projected financing needs and make appropriate adjustments as necessary. Treasury plans to address changes in any seasonal borrowing needs over the next quarter through changes in regular bill auction sizes and/or cash management bills.

### Small-Value Contingency Auction Operation Test

Treasury believes that it is prudent to regularly test its contingency auction infrastructure. Treasury's contingency auction system has been used routinely over the last several years to conduct mock auctions. Consistent with the Treasury Borrowing Advisory Committee's (TBAC) recommendation, Treasury is announcing that it intends to conduct a small-value test auction using its contingency auction system on August 17, 2016. More details about this small-value auction test are expected to be announced on Monday, August 15, 2016.

This small-value auction should not be viewed by market participants as a precursor or signal of any pending policy changes regarding Treasury's existing auction processes.

Please send comments and suggestions on these subjects or others related to debt management to [debt.management@treasury.gov](mailto:debt.management@treasury.gov). The next quarterly refunding announcement will take place on November 2, 2016.

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