

TREASURY TO ISSUE NEW 20-YEAR BOND IN FIRST HALF OF 2020



January 16, 2020

WASHINGTON — The U.S. Department of the Treasury today announced it plans to issue a 20-year nominal coupon bond in the first half of calendar year 2020.

Over the past several years, Treasury has explored a range of potential new debt products, including 20-year, 50-year, and 100-year bonds, as well as floating-rate notes linked to the Secured Overnight Financing Rate—all with the goal of expanding borrowing capacity to finance the federal government at the least cost over time.

“The Treasury Department appreciates the input of market participants, including the Treasury Borrowing Advisory Committee and primary dealers, for their contributions to Treasury’s decision to launch a 20-year bond,” said Treasury Secretary Steven T. Mnuchin. “We seek to finance the government at the least possible cost to taxpayers over time, and we will continue to evaluate other potential new products to meet that goal.”

As part of its consideration of new products, Treasury gathered feedback on these potential products from a large and diverse set of market participants. Treasury believes that there will be strong demand from investors for a 20-year bond, which will increase Treasury’s financing capacity over the long term.

Consistent with Treasury’s longstanding issuance practice, Treasury plans to issue this product in a regular and predictable manner in benchmark size. Additional information regarding the launch of the 20-year bond will be provided in Treasury’s quarterly refunding statement on Wednesday, February 5, 2020.