

# TREASURY ANNOUNCES MARKETABLE BORROWING ESTIMATES

May 4, 2020

[Sources and Uses Tables](#) 

**WASHINGTON** -- The U.S. Department of the Treasury today announced its current estimates of privately-held net marketable borrowing<sup>[1]</sup> for the April - June 2020 and July - September 2020 quarters:

- During the April – June 2020 quarter, Treasury expects to borrow \$2,999 billion in privately-held net marketable debt, assuming an end-of-June cash balance of \$800 billion. The borrowing estimate is \$3,055 billion higher than announced in February 2020. The increase in privately-held net marketable borrowing is primarily driven by the impact of the COVID-19 outbreak, including expenditures from new legislation to assist individuals and businesses, changes to tax receipts including the deferral of individual and business taxes from April – June until July, and an increase in the assumed end-of-June Treasury cash balance.<sup>[2]</sup>
- During the July – September 2020 quarter, Treasury expects to borrow \$677 billion in privately-held net marketable debt, assuming an end-of-September cash balance of \$800 billion.

During the January – March 2020 quarter, Treasury borrowed \$477 billion in privately-held net marketable debt and ended the quarter with a cash balance of \$515 billion. In February 2020, Treasury estimated privately-held net marketable borrowing of \$367 billion and assumed an end-of-March cash balance of \$400 billion. The \$110 billion increase in borrowing resulted primarily from the higher end-of-quarter cash balance.

Additional financing details relating to Treasury’s Quarterly Refunding will be released at 8:30 a.m. on Wednesday, May 6, 2020.

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[1] Privately-held net marketable borrowing excludes rollovers (auction “add-ons”) of Treasury securities held in the Federal Reserve 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 Fed 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.

[2]

<b>Cash Balance Assumptions</b>	<b><u>January - March Quarter</u></b>			<b><u>April - June Quarter</u></b>		
	Prior	Current	Change	Prior	Current	Change
Opening Balance	\$404	\$404	\$0	\$400	\$515	\$115
Closing Balance	<u>\$400</u>	<u>\$515</u>	<u>\$115</u>	<u>\$400</u>	<u>\$800</u>	<u>\$400</u>
Impact on Borrowing	-\$4	\$111	\$115	\$0	\$285	\$285