

# U.S. DEPARTMENT OF THE TREASURY

## Treasury Announces Marketable Borrowing Estimates

October 31, 2022

### Sources and Uses Table

**WASHINGTON** -- The U.S. Department of the Treasury today announced its current estimates of privately-held net marketable borrowing<sup>[1]</sup> for the October – December 2022 and January – March 2023 quarters.<sup>[2]</sup>

- During the October – December 2022 quarter, Treasury expects to borrow \$550 billion in privately-held net marketable debt, assuming an end-of-December cash balance of \$700 billion.<sup>[3]</sup> The borrowing estimate is \$150 billion higher than announced in August 2022, primarily due to changes to projections of fiscal activity, greater than projected discount on marketable securities, and lower non-marketable financing.
- During the January – March 2023 quarter, Treasury expects to borrow \$578 billion in privately-held net marketable debt, assuming an end-of-March cash balance of \$500 billion.<sup>3</sup>

During the July – September 2022 quarter, Treasury borrowed \$457 billion in privately-held net marketable debt and ended the quarter with a cash balance of \$636 billion. In August 2022, Treasury estimated borrowing of \$444 billion and assumed an end-of-September cash balance of \$650 billion. The \$13 billion difference in privately-held net market borrowing resulted primarily from lower net fiscal flows, somewhat offset by the lower end-of-quarter cash balance.<sup>[4]</sup>

Additional financing details relating to Treasury’s Quarterly Refunding will be released at 8:30 a.m. on Wednesday, November 2, 2022.

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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 Federal Reserve 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] These borrowing estimates are based upon current law.

[3] The end-of-December and end-of-March cash balances assume enactment of a debt limit suspension or increase. While the debt limit is not currently binding, Treasury’s cash balance may be lower than assumed depending on several factors, including constraints related to the debt limit.

[4]

<b>Cash Balance Assumptions</b>	<b>July - September Quarter</b>			<b>October - December Quarter</b>		
	Prior	Current	Change	Prior	Current	Change
Opening Balance	\$782	\$782	\$0	\$650	\$636	-\$14
Closing Balance	<u>\$650</u>	<u>\$636</u>	<u>-\$14</u>	<u>\$700</u>	<u>\$700</u>	<u>\$0</u>
Impact on Borrowing	-\$132	-\$146	-\$14	\$50	\$64	\$14