

TREASURY



NEWS

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FOR RELEASE AT 3 p. m. May 1, 1995 Contact: Jon Murchinson (202)-622-2960

TREASURY ANNOUNCES MARKET BORROWING ESTIMATES

The Treasury Department on Monday announced that its net market borrowing for the April-June 1995 quarter is estimated to be \$25.8 billion, with a \$45.0 billion cash balance on June 30. The Treasury also announced that its net market borrowing for the July-September 1995 quarter is estimated to be in a range of \$40 billion to \$45 billion, with a \$30 billion cash balance at the end of September. The estimates do not include new cash to be raised in the September 2- and 5-year notes, which will be issued on October 2.

In the quarterly announcement of its borrowing needs on January 30, 1995, the Treasury estimated net market borrowing during the April-June quarter to be a paydown of \$5 billion to \$10 billion, assuming a \$35 billion cash balance on June 30. The increase in the borrowing estimate is due to a shift of tax refunds from the prior quarter into the April-June quarter, higher outlays, and an increase in the June 30 cash balance assumption.

Actual net market borrowing in the quarter ended March 31, 1995 was \$74.5 billion, while the end-of-quarter cash balance was \$18.1 billion. On January 30, the Treasury had estimated net market borrowing for the January-March quarter to be \$93.7 billion, with a \$20 billion cash balance on March 31. The lower-than-expected market borrowing reflected in part the slow down in tax refund payments, compared with the Treasury estimate in January, and lower outlays. The actual cash balance was little changed from the January 30 estimate.

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