FEB 1987 REFUNDING FILE

TALKING POINTS
FOR THE
FINANCING PRESS CONFERENCE
January 28, 1987

Today we are announcing the terms of our regular February quarterly refunding. I will also discuss the Treasury's financing requirements for the balance of the current quarter and our estimated cash needs for the April-June quarter.

1. We are offering $29.0 billion securities to refund $14.7 billion of publicly-held coupon securities maturing on February 15 and to raise approximately $14.3 billion of new cash.

   The three securities are:

   --First, a 3-year note in the amount of $10.0 billion maturing on February 15, 1990. This note will be auctioned on a yield basis on Tuesday, February 3. The minimum denomination will be $5,000.

   --Second, a 9-3/4 year note in the amount of $9.75 billion. This is a reopening of the 7-1/4 percent note maturing November 15, 1996. This note will be auctioned on a yield basis on Wednesday, February 4. The minimum denomination will be $1,000.

   --Third, a 29-3/4 year bond in the amount of $9.25 billion. This is a reopening of the 7-1/2 percent bond maturing November 15, 2016. This bond will be auctioned on a yield basis on Thursday, February 5. The minimum denomination will be $1,000.

On each of the three issues, we will accept noncompetitive tenders of up to $1,000,000. The size of each of these issues is the same as those offered in the November refunding. While we will be seeking additional long bond authority during this fiscal year, we should have sufficient room under the ceiling to make it through the August refunding.

2. For the current January-March quarter, we estimate a net market borrowing of $23.9 billion, assuming a $10 billion cash balance at the end of March.

3. Including this refunding, we will have raised $17.6 billion in marketable borrowing. This was accomplished as follows:

--$7.3 billion of new cash from the 7-year note which settled January 5.

--$1.5 billion of new cash from the 2-year note which settles on February 2.

--$.7 billion of new cash from the 52-week bills.

--$4.0 billion paydown from the cash management bill which matured January 22.

--$2.2 billion paydown in weekly bills including the bills announced yesterday.

--$14.3 billion of new cash from the February refunding issues.

The remaining net financing requirement of $6.3 billion could be accomplished through sales of regular weekly and monthly bills, a March cash management bill, monthly 2-year notes, a 4-year note at the end of March, and a note in early March in the 5-year maturity range.

4. Our net market borrowing need in the April-June quarter is currently estimated in the range of $20-$25 billion, assuming a $15 billion cash balance at the end of June. We may wish to have a somewhat higher June 30 cash balance, depending upon our assessment of cash needs and market conditions at the time.

5. The longer term securities announced today will be eligible for conversion to STRIPS (Separate Trading of Registered Interest and Principal of Securities) and, accordingly, may be divided into their separate Interest and Principal components.

We have become aware of several unintended consequences of new certification requirements for exemption from the foreign withholding tax released on December 16, 1986. It was and remains our intention that U.S. Government obligations qualify for exemption from these requirements. A modification of the regulation, retroactive to the January 20, 1987 effective date, is expected to be issued in the near future.

TALKING POINTS
FOR THE
FINANCING PRESS CONFERENCE
April 29, 1987

Today we are announcing the terms of our regular May quarterly refunding. I will also discuss the Treasury's financing requirements for the balance of the current quarter and our estimated cash needs for the July-September quarter.

1. We are offering $29.0 billion securities to refund $12.6 billion of publicly-held coupon securities maturing on May 15 and to raise approximately $16.4 billion of new cash.

   The three securities are:

   --First, a 3-year note in the amount of $10.0 billion maturing on May 15, 1990. This note will be auctioned on a yield basis on Tuesday, May 5. The minimum denomination will be $5,000.

   --Second, a 10-year note in the amount of $9.75 billion maturing on May 15, 1997. This note will be auctioned on a yield basis on Wednesday, May 6. The minimum denomination will be $1,000.

   --Third, a 30-year bond in the amount of $9.25 billion maturing on May 15, 2017. This bond will be auctioned on a yield basis on Thursday, May 7. The minimum denomination will be $1,000.

On each of the three issues, we will accept noncompetitive tenders of up to $1,000,000. The size of each of these issues is the same as those offered in the February refunding. While we will be seeking additional long bond authority during this fiscal year, we should have sufficient room under the ceiling to make it through the August 1987 refunding.

2. For the current April-June quarter, we estimate a net market borrowing of $20.4 billion, assuming a $15 billion cash balance at the end of June.

3. Including this refunding, we will have raised $18.0 billion in marketable borrowing. This was accomplished as follows:

   --$7.3 billion of new cash from the 7-year note which settled April 1.

   --$1.6 billion of new cash from the 2-year note which settles on April 30.

   --$7.3 billion paydown in bills, including the bills announced yesterday.

   --$16.4 billion of new cash from the May refunding issues.

The remaining net financing requirement of $2.4 billion could be accomplished through sales of regular weekly and monthly bills, a cash management bill in early June, monthly 2-year notes, a 4-year note at the end of June, and a note in early June in the 5-year maturity range.

4. Our net market borrowing need in the July-September quarter is currently estimated in the range of $35-40 billion, assuming a $20 billion cash balance at the end of September.

5. The longer term securities announced today will be eligible for conversion to STRIPS (Separate Trading of Registered Interest and Principal of Securities) and, accordingly, may be divided into their separate interest and principal components.

Aug 87 refunding file

August 10, 1987

FOR IMMEDIATE RELEASE

TREASURY ANNOUNCES MARKET BORROWING REQUIREMENTS

The Treasury Department announced today its estimates of Treasury borrowing needs for the current quarter and October-December 1987. This announcement and the terms of the August refunding were delayed from their usual late July announcement date because of the delay in Congressional action on the debt limit.

Treasury net borrowing in the form of marketable bills, notes and bonds is estimated to total $27.4 billion in the July-September 1987 quarter, assuming a cash balance of $40.0 billion on September 30. Of this amount, $23.6 billion has been issued or announced to date, including the securities announced today. The remaining $3.8 billion could be raised by regular weekly and monthly bills, 2-year notes settling on August 31, 5-year notes settling early in September and the 2- and 4-year notes settling on September 30.

In the October-December 1987 quarter, Treasury market borrowing is estimated to be in a range of $45 to $50 billion, assuming a $15 billion cash balance on December 31.

TALKING POINTS
FOR THE
FINANCING PRESS CONFERENCE
October 28, 1987

Today we are announcing the terms of our regular November quarterly refunding. I will also discuss the Treasury's financing requirements for the balance of the current quarter and our estimated cash needs for the January-March 1988 quarter.

1. We are offering $23.75 billion of notes and bonds to refund $13.3 billion of publicly-held coupon securities maturing on November 15 and to raise approximately $10.4 billion of new cash.

   The three securities are:

   --First, a 3-year note in the amount of $9.75 billion maturing on November 15, 1990. This note will be auctioned on a yield basis on Tuesday, November 3. The minimum denomination will be $5,000.

   --Second, a 10-year note in the amount of $9.25 billion maturing on November 15, 1997. This note will be auctioned on a yield basis on Wednesday, November 4. The minimum denomination will be $1,000.

   --Third, a long-term bond in the amount of $4.75 billion. This bond will be a reopening of an existing Treasury bond that had 30 years to original maturity and that is eligible for the STRIPS (Separate Trading of Registered Interest and Principal of Securities) program. The specific bond to be reopened will be announced at 4:30 p.m. on Monday, November 2, and will be auctioned on a yield basis on Thursday, November 5. The minimum denomination will be $1,000.

On each of the three issues, the Treasury will accept noncompetitive tenders of up to $1,000,000. The sizes of the 3- and 10-year issues are the same as those in the August refunding. The 30-year bond has been reduced to $4-3/4 billion, because the Congress has not enacted legislation to change the current $250 billion exception to the 4-1/4% interest rate ceiling on Treasury bonds. Treasury currently has $245,023 million of bonds outstanding under the statutory exception. Additional amounts of 3- and 10-year notes may be awarded through the Federal Reserve Banks as agents for foreign and international monetary authorities; additional amounts of the bonds will not be awarded.

2. For the current October-December quarter, we estimate a net market borrowing of no more than $51.6 billion, assuming a $15 billion cash balance at the end of December. This is a reduction from the $58.6 billion in the slide package you have been given, reflecting expected issues of State and Local Government Series securities. We may wish to have a somewhat higher cash balance than the $15 billion amount we have assumed for December 31, depending upon our assessment of cash needs and market conditions at the time.

3. Including this refunding, we will have raised $36.4 billion in marketable borrowing. This was accomplished as follows:

--$7.1 billion of new cash from the 7-year note which settled October 15.

--$7.6 billion of new cash from the 4-year note which settled on October 15.

--$ .5 billion of new cash from the 2-year note which settles on November 2.

--$10.8 billion in bills, including the bills announced yesterday.

--$10.4 billion of new cash from the November refunding issues. SLGS account for about $7 billion. The remaining $15.2 billion requirement could be accomplished through sales of regular weekly and monthly bills, monthly 2-year notes, a 4-year note at the end of December, a note in early December in the 5-year maturity range and a cash management bill to cover the low point in cash in early December. The SLGS inflow reflects orders received by the Treasury for purchases of SLGS to benefit from a misalignment last week between the interest rates on SLGS and market rates. We have corrected the problem prospectively so as to protect the general taxpayer, and are working on further refinements to be included in revised regulations that were already in process.

4. Our net market borrowing need in the January-March 1988 quarter is currently estimated in the range of $30-35 billion, assuming a $10 billion cash balance at the end of March.

5. The longer term securities announced today will be eligible for conversion to STRIPS (Separate Trading of Registered Interest and Principal of Securities) and, accordingly, may be divided into their separate interest and principal components.