Quarterly Refunding Charts

U.S. Department of the Treasury

Office of Debt Management

February 1, 2010

Near-Term Financing Outlook

Estimated net marketable borrowing for Q2 and Q3 FY 2010

- Net marketable borrowing in Q2 (January-March) is expected to be $392 billion.
- Net marketable borrowing in Q3 (April-June) is expected to be $268 billion.
- These estimates do not include incremental borrowing needs that would result from a potential increase in issuance under the Supplementary Financing Program (SFP).

- Nominal coupons raised the majority of cash in the first quarter of the fiscal year.
- Supplementary Financing Program (SFP) redemptions accounted for the majority of the pay down in bills during the quarter.

Treasury Marketable Financing

($ billions)	Q1-FY 2010 October 1, 2009 - December 31, 2009				FY 2009 October 1, 2008 - September 30, 2009			
	Issued	Matured	Net SOMA Activity *	Net Cash Raised	Issued	Matured	Net SOMA Activity *	Net Cash Raised
Bills (includes SFPs)	$1,452.4	$1,651.4	$0.0	-$199.0	$6,920.5	$6,417.8	$0.0	$502.7
Nominal coupons	$598.9	$153.5	$0.0	$445.5	$1,886.6	$640.7	$0.0	$1,245.9
TIPS	$14.0	$0.0	$0.0	$14.0	$58.5	$20.8	$0.0	$37.7
Total	**$2,065.3**	**$1,804.9**	$0.0	**$260.5**	**$8,865.6**	**$7,079.3**	$0.0	**$1,786.3**

* **Note**: Negative SOMA activity represents redemptions.
Positive SOMA activity represents additional issuance of securities, made possible by redemptions in maturing securities with the same settlement date; these are offsetting transactions and are net cash neutral.

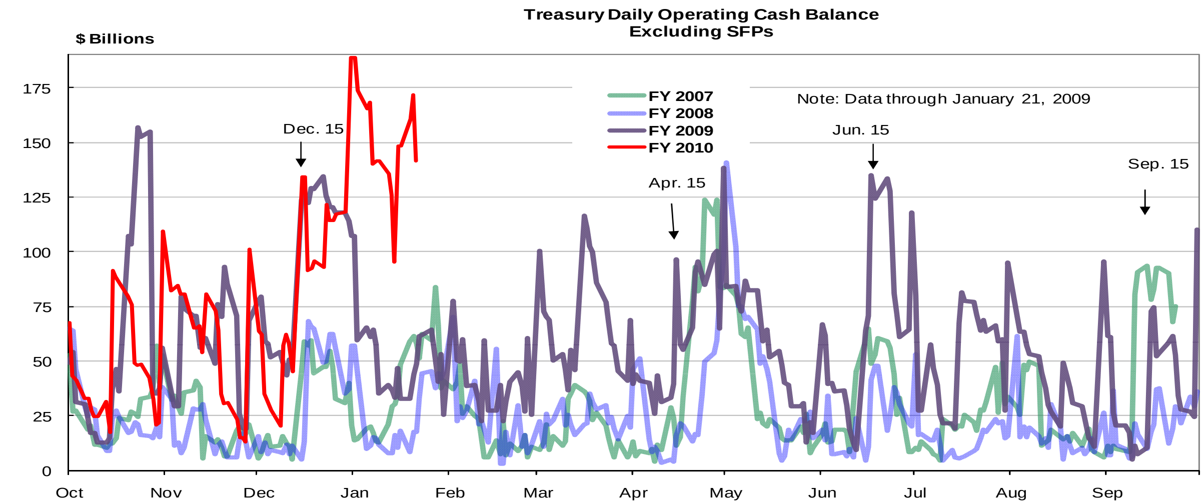
- Large cash outflows on February 15 include maturing 3-, 5- and 10-year notes. May 15 outflows include maturing 3- and 5-year notes.

Marketable Treasury Coupon Flows (including SOMA)

$ Billions

Date	Maturing Coupon Securities	Coupon Payments	Total Outflows
February 15, 2010	57	27	84
February 28, 2010	29	5	34
March 15, 2010	15	1	16
March 31, 2010	32	5	37
April 15, 2010	47	2	49
April 30, 2010	33	5	38
May 15, 2010	38	21	59
May 31, 2010	32	5	37

- Volatility in cash balances continues to pose challenges.
- Elevated cash balances at the end of December 2009 were related, in part, to repayments of TARP.



Key Receipt Dates

1st of Month – Individual withheld taxes

Mar. 15, Jun. 15, Sept. 15, Dec. 15- Corporate Taxes

Jan. 15, Apr. 15, Jun. 15, Sept. 15

Individual Non-withheld Taxes

Key Outlay Dates

1st of each month – Medicare, SSI, VA, CSRDF

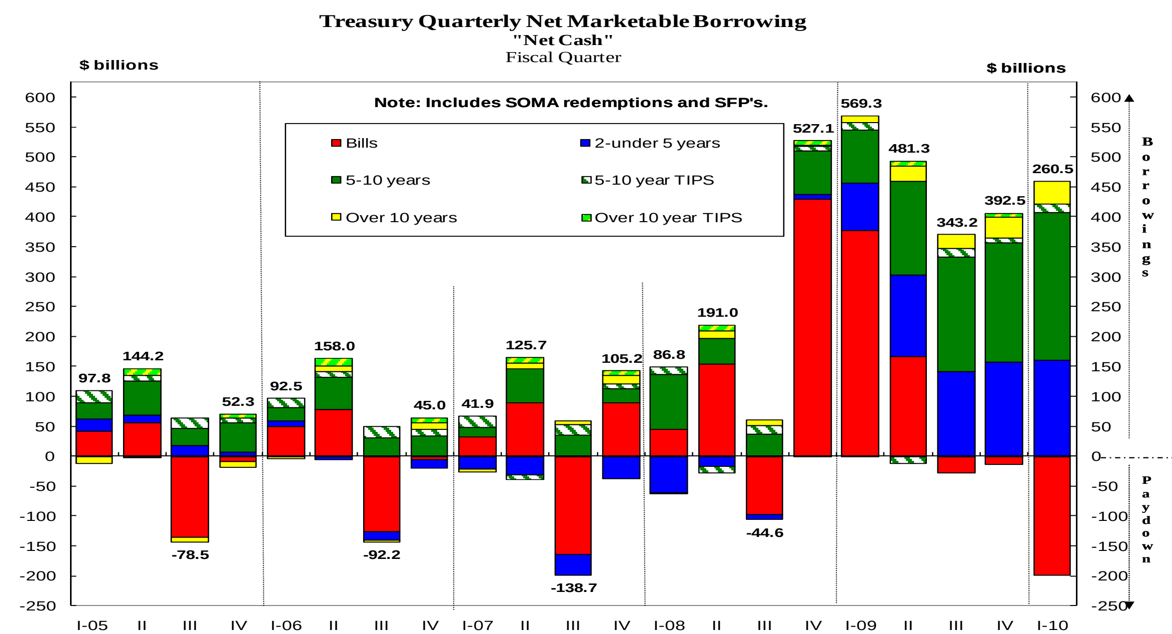
3rd of each month Main Social Security payments

2nd/3rd/4th Wed of each month Soc. Sec. cycle payments

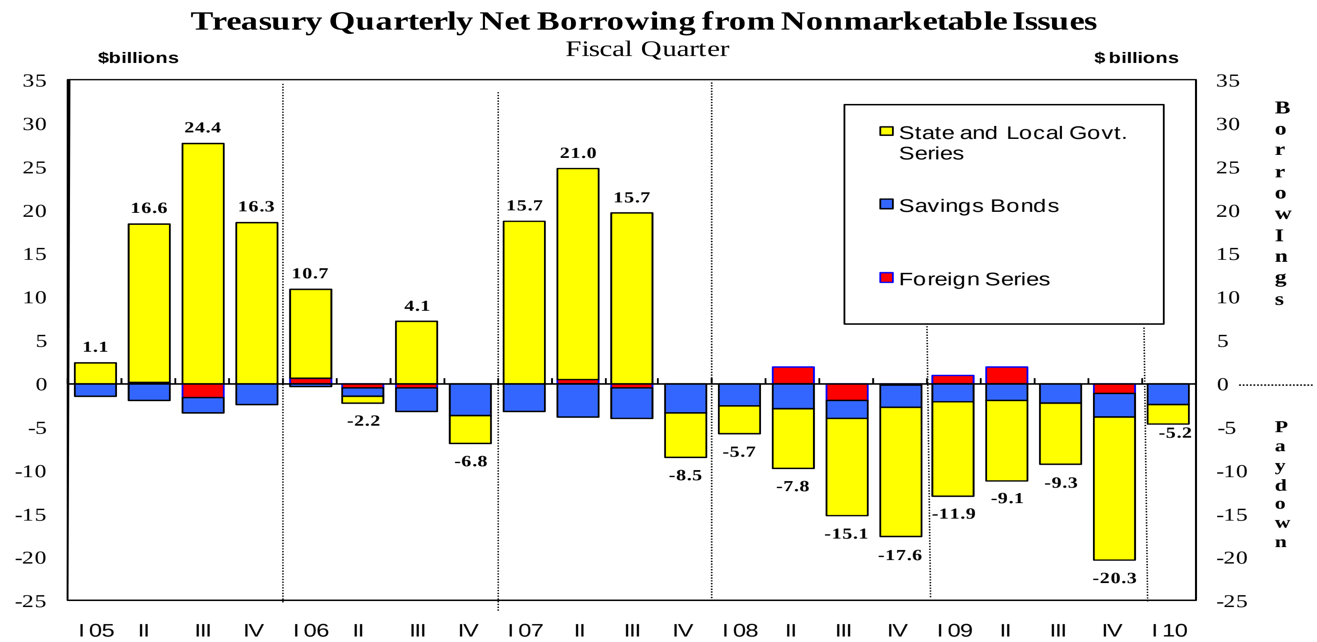
Feb. 15, May 15, Aug. 15, Nov. 15 Interest payment dates—

Feb 1 - April 15 – Individual tax refunds

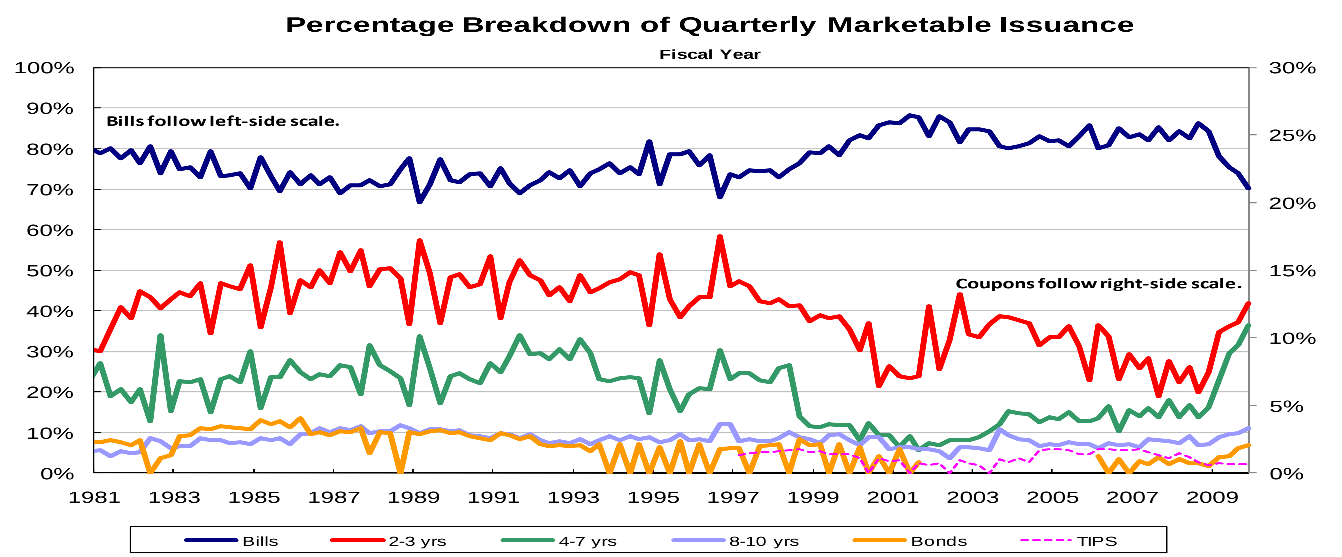
- Net marketable borrowing for Q1 FY 2010 was $260 billion compared to $569 billion during the same period in the prior year.
- SFP bills were paid down by $160 billion in Q1 FY 2010.



- State and Local Government Series Securities were paid down by $2.4 billion in Q1 FY 2010 Q1. This was the smallest pay down since the $3.3 billion observed in Q1 FY 2008.

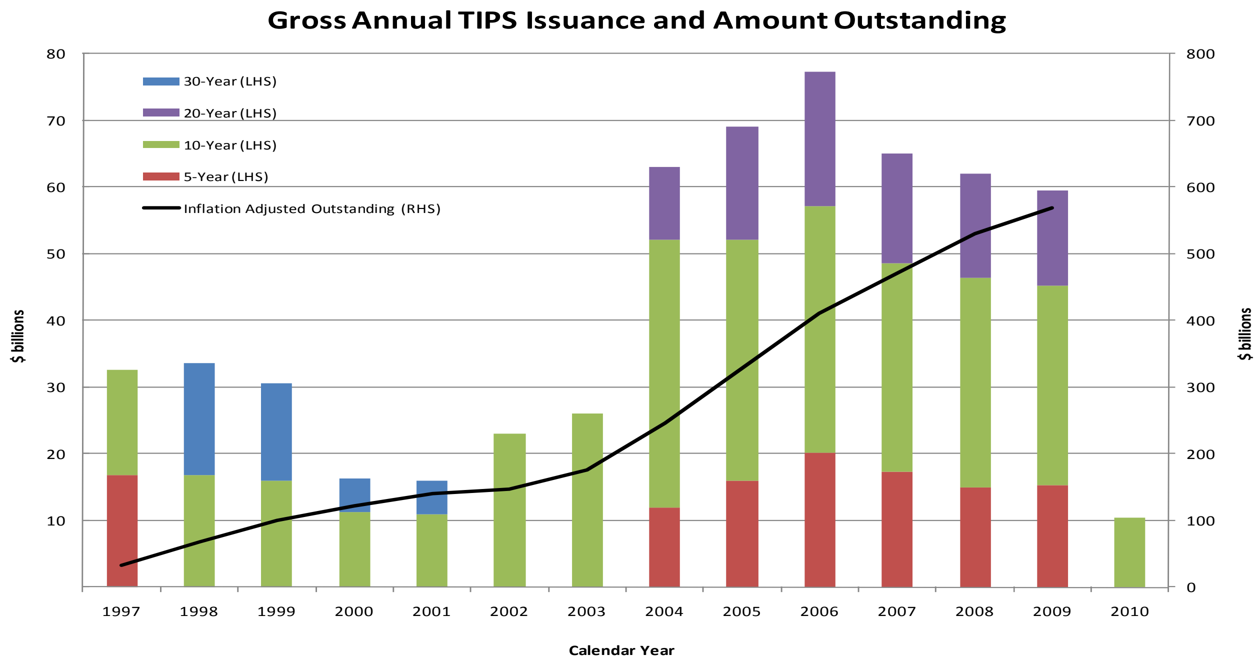


- Treasury has reduced reliance on bill financing over the past calendar year, moving from 84% in December 2008 to 70% in December 2009.

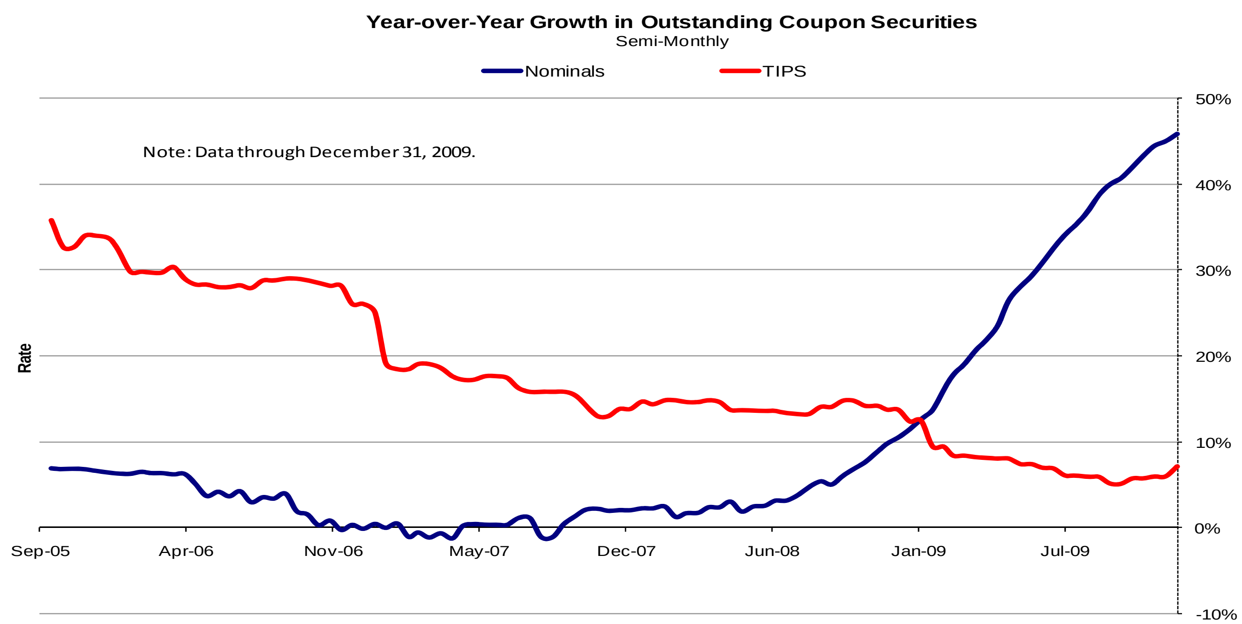


Note: Previous releases of Quarterly marketable issuance data were based on 4-quarter rolling averages and excluded CMBs. This data is based on actual quarterly marketable issuance through December 31, 2009, including CMBs.

- Inflation-adjusted TIPS outstanding stood at $568 billion at the end of December 2009.



- Growth in nominal coupons outstanding slowed during the past quarter.



Debt Portfolio Projections

Assumptions used in the next 3 charts:

- Net financing projections for FY 2010-2020 are based on OMB FY 2011 Budget estimates. Future residual financing needs are spread proportionally across auctioned securities and are derived from hypothetical auction sizes. Excluding 30-year TIPS, initial sizes are based on announced coupon amounts as of December 31, 2009 and the outstanding level of bills on December 31, 2009. The initial size for 30-year TIPS is based on the average announced amount for 20-year TIPS in 2009.
- Projections exclude cash management bills.
- Projections assume ***no change*** to future issuance patterns.

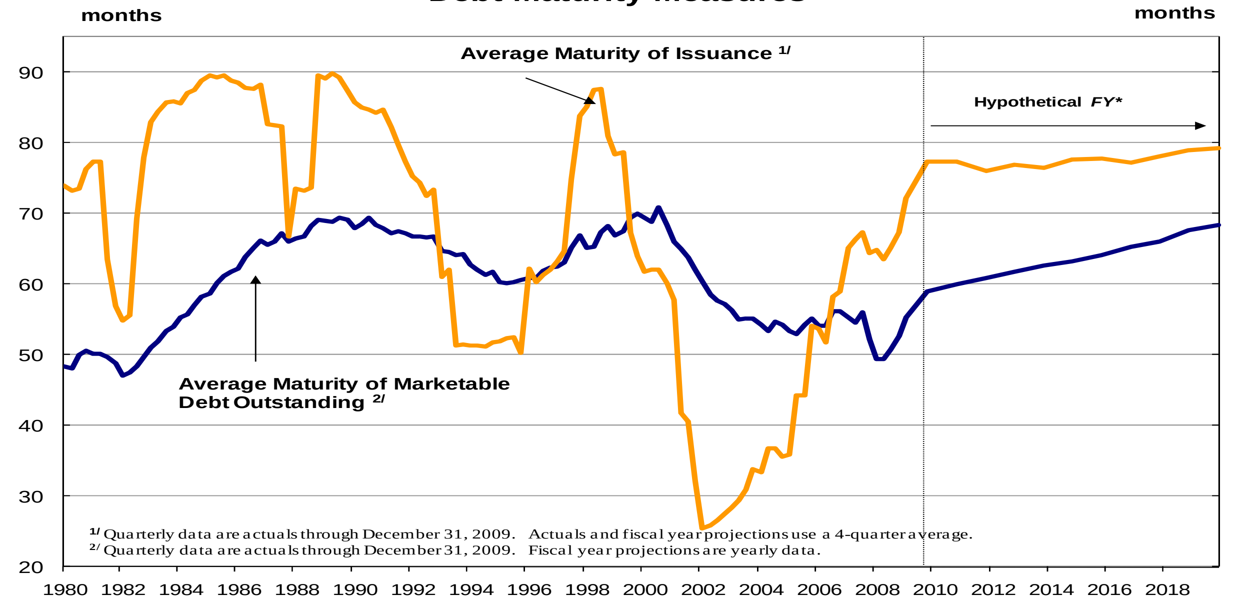
Using the above assumptions, over the next 10 years:

- Average maturity of total outstanding and average maturity of issuance settle to approximately 68 and 79 months, respectively.
- The percent of debt with 3 years or less to maturity is projected to decline to 53%.

- Average maturity of total debt outstanding rose by 6 months between March 2009 and December 2009, from 49 months to 55 months.

- If future financing needs were spread proportionally following current issuance patterns, the proportion of debt composed of longer-term securities would increase.

Debt Maturity Measures



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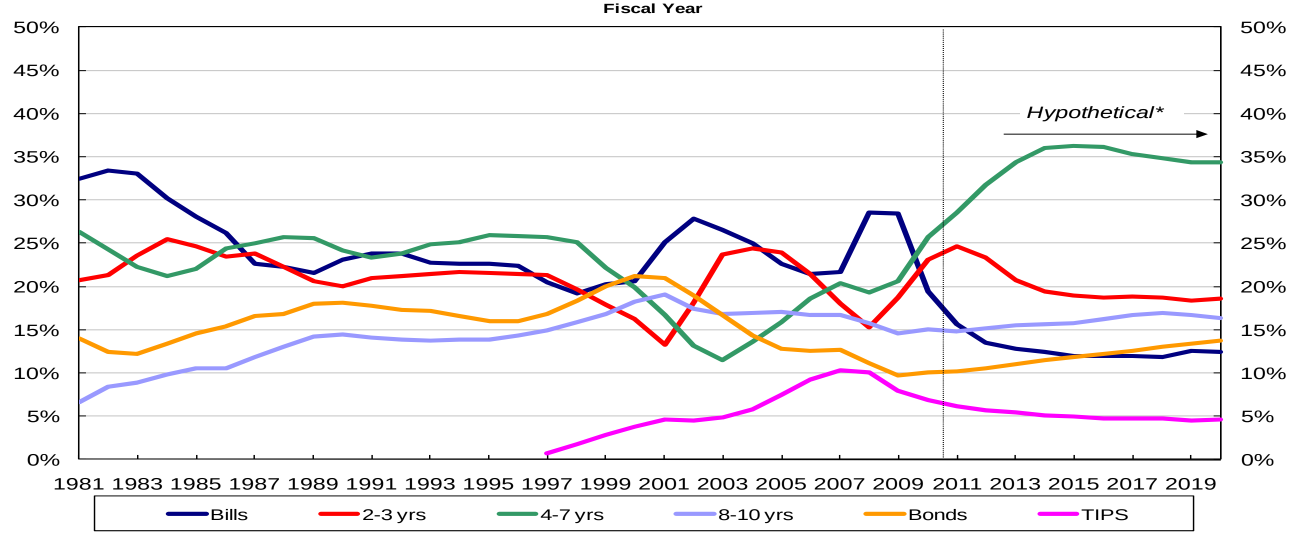
Distribution of Marketable Debt Outstanding by Security

Fiscal Year



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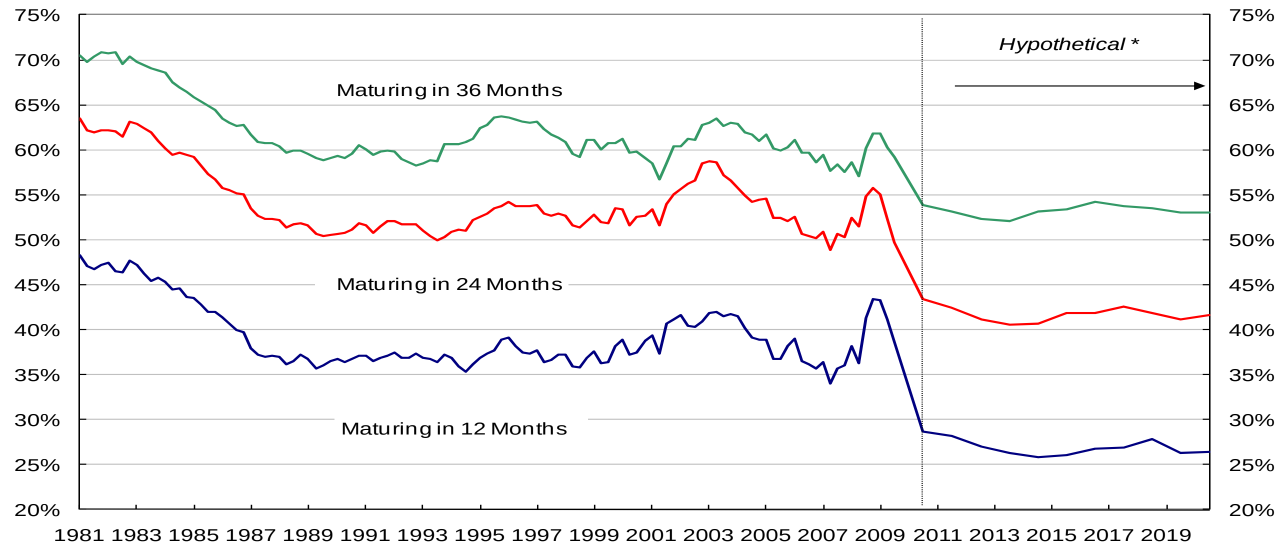
- The percentage of debt maturing within the next three years is at historical lows.

Percentage of Debt Maturing in Next 12 to 36 Months



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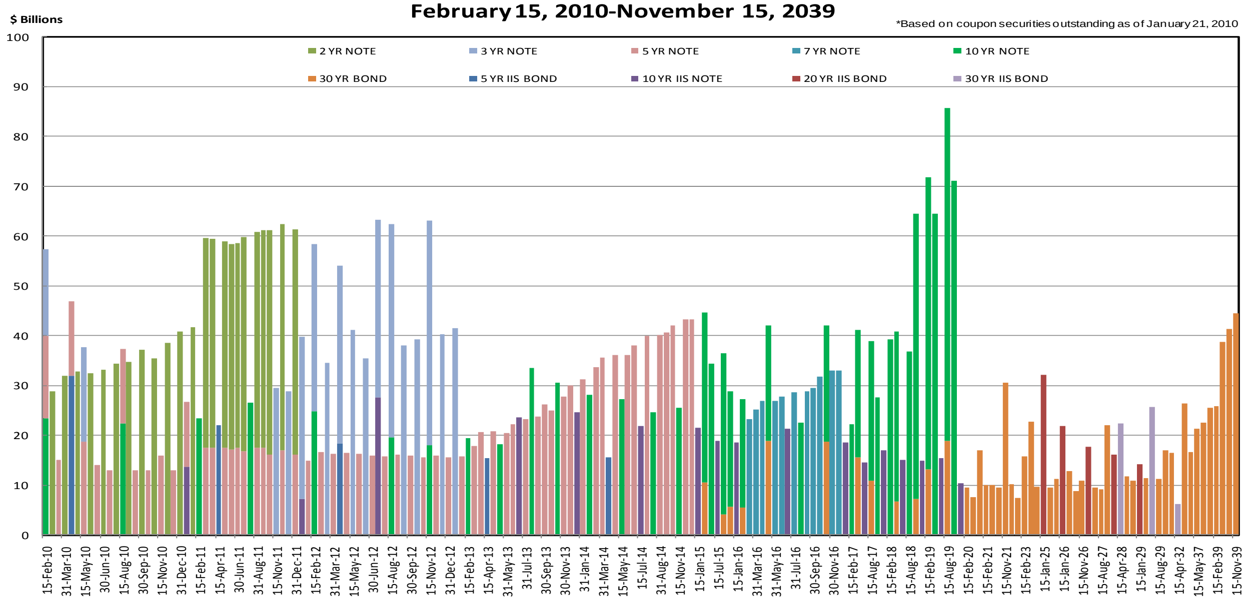
- Maturing 2-, 3- and 5-year notes will add to near-term financing needs.

Coupons Maturing*
February 15, 2010-November 15, 2039



Additional Factors to Consider

- The rate of decline in year-over-year corporate tax receipts slowed in Q1 FY 2010. In the past, changes in corporate tax receipts have led changes in individual withheld and non-withheld receipts.

- Marketable financing needs remain volatile due to uncertainty surrounding projected revenues, non-marketable debt issuance and outlays related to ongoing recovery programs.

- Treasury's current securities offerings provide flexibility to address a wide range of borrowing scenarios.

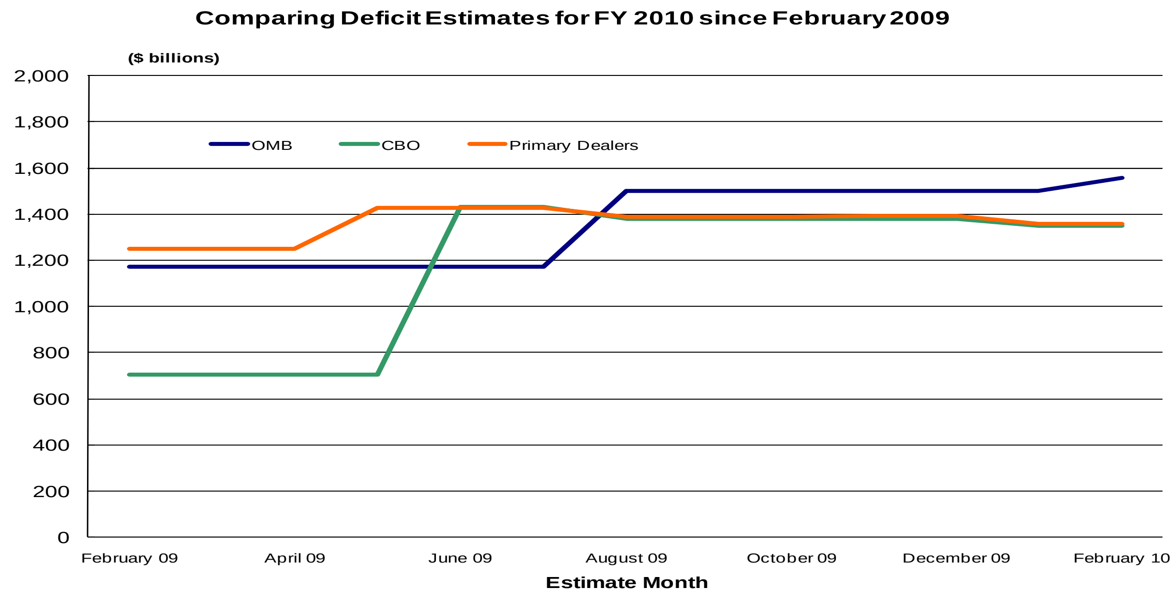
- Primary dealers currently estimate a FY 2010 deficit of $1.357 trillion, approximately $200 billion below the Administration's projection.
- Recent deficit projections have been relatively stable.

FY 2010 and 2011 Deficit and Borrowing Estimates

$ billions

	Primary Dealers*	CBO	OMB
FY 2010 Deficit Estimates	1,357	1,349	1,556
FY 2011 Deficit Estimates	1,121	980	1,267
FY 2010 Deficit Range	900-1750		
FY 2011 Deficit Range	750-1800		
FY 2010 Marketable Borrowing Range	1000-1750		
FY 2011 Marketable Borrowing Range	750-1600		
Estimates as of:	Jan 2010	Jan 2010	Feb 2010

* Based on Primary Dealer feedback on January 28, 2010. Deficit estimates are averages.



- The pace of decline in year-over-year corporate tax receipts has slowed.