

EMBARGOED UNTIL 3:00 P.M.  
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## **TREASURY ANNOUNCES MARKET FINANCING ESTIMATES**

The Treasury Department announced today that it expects net borrowing of marketable debt to total \$177 billion in the January – March 2004 quarter. The projected cash balance on March 31 is \$20 billion. In the last quarterly announcement on November 3, 2003, Treasury announced that it expected net borrowing to total \$160 billion with an end-of-quarter cash balance of \$20 billion. This increase in borrowing is due to lower receipts, primarily from an increase in tax refunds, and higher outlays.

Treasury also announced that it expects net borrowing of marketable debt to total \$75 billion in the April – June 2004 quarter. The projected cash balance on June 30 is \$45 billion.

During the October – December 2003 quarter, Treasury's net marketable borrowing totaled \$113 billion and the cash balance on December 31 was \$33 billion. On November 3, Treasury announced that it expected net marketable borrowing to total \$117 billion with an ending quarter cash balance of \$35 billion. The decrease in borrowing is primarily attributable to lower outlays.

Additional financing details relating to Treasury's Quarterly Refunding will be released at 9:00 A.M. on Wednesday, February 5.

**JS-1133**

**SUPPLEMENTAL RELEASE:  
TREASURY'S MARKET FINANCING ESTIMATES**

Today, the Treasury Department announced net borrowing of marketable debt for the January – March 2004 and April – June 2004 quarters.

Quarter	Estimated Borrowing (\$ billion)	End-of-Quarter Cash Balance (\$ billion)
<b>Jan – Mar 2004</b>	\$177	\$20
<b>Apr – Jun 2004</b>	\$75	\$45

Since 1997, the average forecast error in net market borrowing for the current quarter is \$9 billion, of which \$3 billion is attributable to differences in the end-of-quarter cash balance. Similarly, the average forecast error for the following quarter is \$21 billion, of which \$3 billion is attributable to differences in the end-of-quarter cash balance.

The following tables display and reconcile the variation between forecasted and actual net marketable borrowing in the October – December 2003 quarter.

Quarter	Estimated Borrowing (\$ billions)	Actual Borrowing (\$ billions)	Estimated End-of- Quarter Cash Balance (\$ billions)	Actual End-of- Quarter Cash Balance (\$ billions)
<b>Oct – Dec 2003</b>	\$117	\$113	\$35	\$33

Categories	? from Nov Estimate 1/
<b>Receipts</b>	\$0
<b>Outlays</b>	+\$7
<b>Non-Marketable Activity</b>	-\$5
<b>Change in Cash Balance</b>	<u>+\$2</u>
<b>Decrease in Borrowing</b>	+\$4

1/ “+” and “-” represents the impact on financing needs. “+” represents a decrease in financing, while “-” represents an increase.

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