

ADMINISTRATION'S FY1988 BUDGET ECONOMIC ASSUMPTIONS  
(Calendar years)

	1986	1987	1988	1989	1990	1991	1992
	- - - - - Percent change, Q4 to Q4 - - - - -						
Nominal GNP	5.4	6.9	7.3	7.2	6.8	6.3	5.3
Real GNP	2.7	3.2	3.7	3.6	3.6	3.5	3.3
GNP deflator	2.6	3.6	3.5	3.5	3.0	2.7	2.0
	- - - - - Percent, annual average - - - - -						
Unemployment rate	7.0	6.8	6.4	6.1	5.9	5.7	5.6
Treasury bill rate	5.9	5.4	5.6	5.3	4.7	4.2	3.6

Source: 1988 Budget forecast, December 6, 1986.

TREASURY AND AGENCY FINANCING<sup>1</sup>  
(Total for period: billions of dollars)

	1986				
	Q3	Q4 <sup>e</sup>	Oct.	Nov. <sup>P</sup>	Dec. <sup>e</sup>
<u>Treasury financing</u>					
Combined surplus/deficit(-)	-53.8	-66.5	-25.3	-32.2	-9.1
Means of financing deficit:					
Net cash borrowing from the public	57.6	67.2	6.0	40.5	20.7
Marketable borrowings/ repayments(-)	51.2	53.8	2.9	34.5	16.4
Bills	14.1	15.9	1.4	11.6	2.9
Coupons	37.1	37.9	1.5	22.9	13.5
Nonmarketable	6.4	13.4	3.1	6.0	4.3
Decrease in the cash balance	-6.8	1.6	17.8	-3.4	-12.7
Memo: Cash balance at end of period	31.4	29.7	13.6	17.0	29.7
Other <sup>2</sup>	3.0	-2.3	1.5	-4.9	1.1
<u>Federally sponsored credit agencies, net cash borrowing<sup>3</sup></u>					
	5.4	.2	1.5	-1.6	.3
FHLBs	5.6	.1	*	-.4	.5
FNMA	-.9	.1	1.6	-1.5	*
Farm Credit Banks	-.1	-1.1	-.4	-.2	-.5
FHLMC	.6	.4	.1	.2	.1
SLMA	.2	.7	.2	.3	.2

p--preliminary. e--staff estimate. \*--less than \$50 million.

1. Data reported on a not seasonally adjusted, payment basis.

2. Includes checks issued less checks paid, accrued items and other transactions.

3. Excludes mortgage pass-through securities issued by FNMA and FHLMC.