

Macro Roundup Article

Headline: [US Sustainability Revisited](#)

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Tweet: [@GeneralTheorist](#) forecasts that, absent fiscal consolidation, federal debt will reach 113% of GDP by 2030, and that gross financing needs will exceed \$11 trillion every year from 2024-2030.

Summary: We re-run our analysis allowing for the changing structure of issuance as the Treasury leans more on bill and shorter tenor issuance in the near-term consistent with the signal from the most recent QRF round. Interest paid on debt increasing to about 3.8% in 2030. The average interest on debt approaches 3.5% at the end of the horizon. Of course, because debt-to-GDP is close to 100% throughout, these two measures are very similar. Debt-to-GDP is expected to increase to 113% of GDP by 2030 while the gross financing need (GFN), a measure of the rolling 4Q ahead deficit plus maturing securities including bills, at first increases to nearly 45% of GDP in 2025 as T-bill issuance accelerates, but declines to about 35% of GDP in the baseline as issuance shifts to longer tenors.

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Primary Topic: Financial Markets

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