

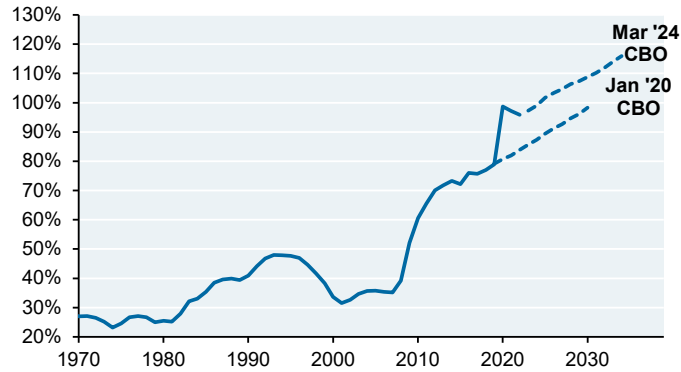
**Online US federal debt monitor**

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**Debt levels as % of GDP and per capita**

**Debt held by the public**

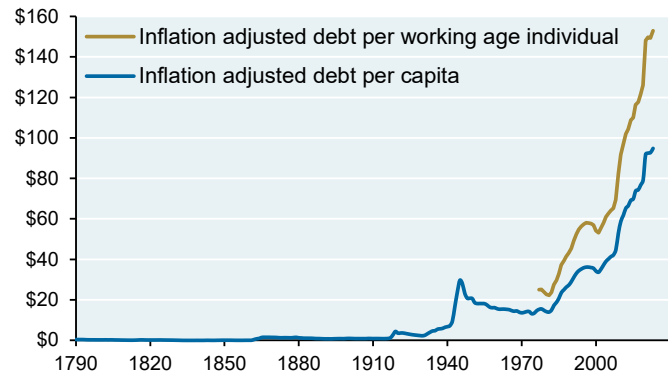
% of GDP



Source: CBO, JPMAM, March 2024

**US inflation adjusted Federal debt per capita**

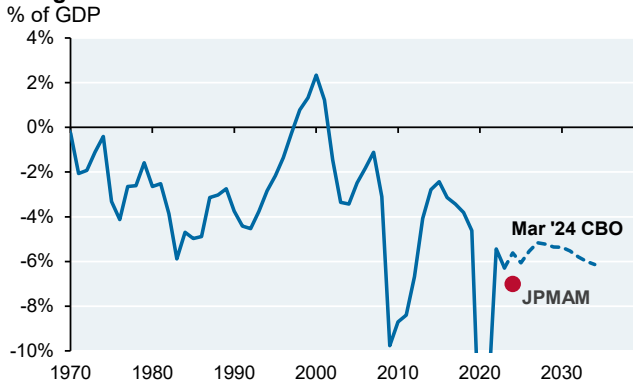
US\$, thousands



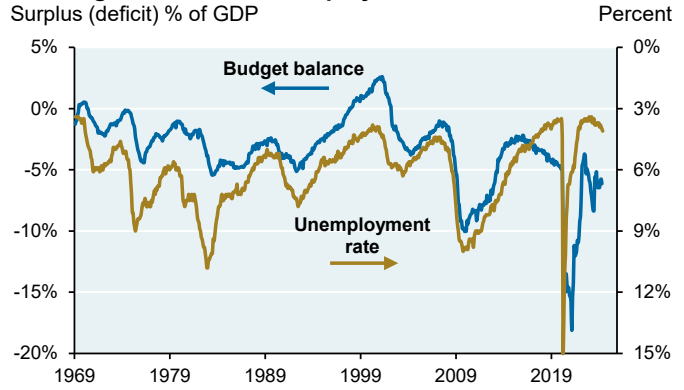
Source: US Treasury, Fed Reserve, Minneapolis Fed, Census, JPMAM, 2023

### Budget deficits and defense spending

#### Budget deficit



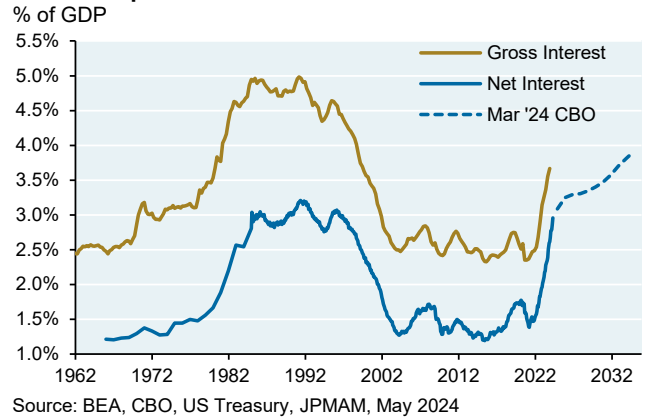
#### US budget balance vs unemployment rate



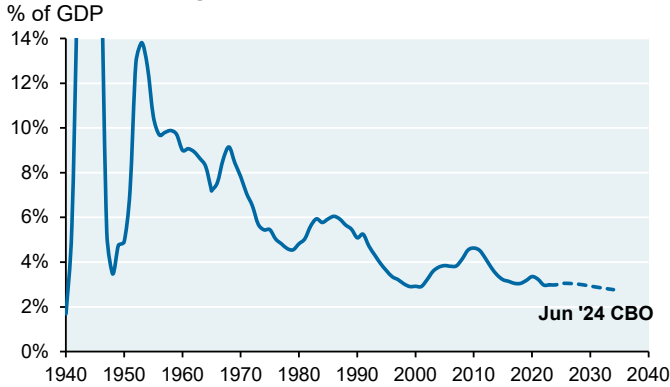
#### Primary budget balance (ex. interest)



#### Interest expense

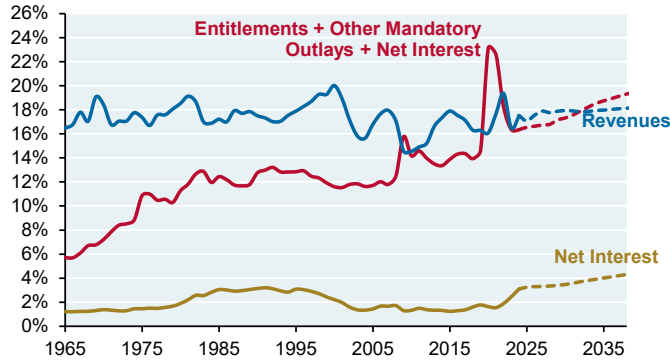


#### Federal spending on defense



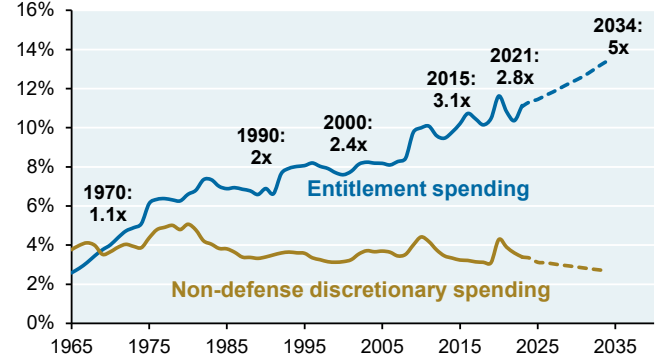
**Entitlements**

**Entitlement spending, mandatory outlays and net interest payments vs revenues, % of GDP**



Source: Congressional Budget Office, JPMAM, March 2024

**What does the Federal government spend money on? % of GDP, with ratio of entitlement to non-defense discretionary**



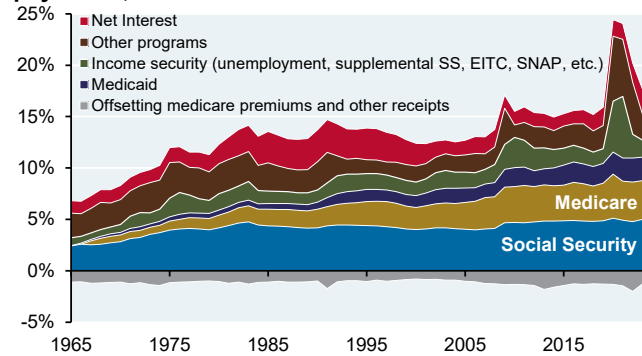
Source: CBO, JPMAM, June 2024. Dots are CBO projections

**Initial estimates vs. actual costs of healthcare**

Benefit	Year	Annualized Cost (USD billions)		Actual to estimated cost ratio
		Est.	Actual	
Medicare hospital insurance	1965	9.0	67.0	7.4 to 1
Medicare (entire program)	1967	12.0	110.0	9.2 to 1
Medicare ESRD program	1972	0.1	0.2	2.3 to 1
Medicaid DSH program	1987	1.0	17.0	17 to 1
Medicare home care benefit	1988	4.0	10.0	2.5 to 1
Medicare catastrophic coverage*	1988	5.7	11.8	2.1 to 1
Massachusetts Health Reform	2006	0.7	0.9	1.2 to 1

Source: US Congress Joint Economic Committee. July 2009. \* = multi-year estimate

**Entitlement spending, mandatory outlays and net interest payments, % of GDP**



Source: Congressional Budget Office, JPMAM, March 2024

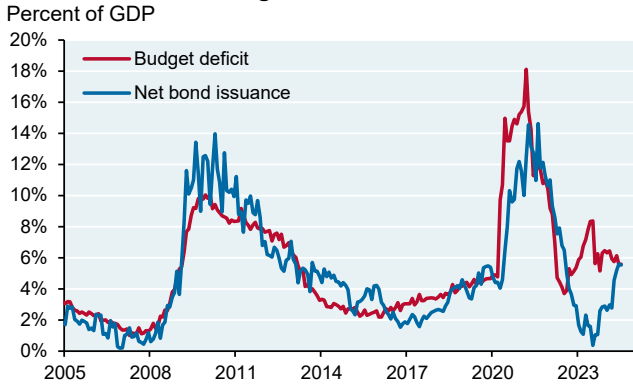
**Options for reducing the deficit (US\$, billions)**

	Cumulative savings (2023-2032)	
	Low	High
<b>Decrease spending</b>		
Cut defense spending	\$895	\$995
Caps on Medicaid spending	\$501	\$871
Use alternative inflation measure for social security	\$247	\$257
Reduce social security benefits for high earners	\$40	\$184
Raise retirement age for social security	\$111	\$121
<b>Increase revenues</b>		
Consumption tax	\$1,950	\$3,050
Further limit itemized deductions	\$541	\$2,507
Increase individual income tax rates	\$502	\$1,329
Increase maximum earnings subject to payroll taxes	\$670	\$1,204
Reduce tax subsidies for employment-based health insurance	\$500	\$893
Carbon tax	\$571	\$865
Increase Medicare Part B premiums	\$57	\$448
Limit deductions for charitable giving	\$257	\$272
Financial transaction tax	\$254	\$264
Motor vehicle fuel tax	\$230	\$240
Eliminate/modify head of household filing status	\$71	\$192
Change tax treatment of cap gains from sales of inherited assets	\$146	\$156
Limit contributions to retirement plans	\$142	\$152
Increase corporate taxes by 1%	\$119	\$129
Raise capital gains and dividend taxes by 2%	\$92	\$102
Tax carried interest as ordinary income	\$10	\$12

Source: CBO, December 2022

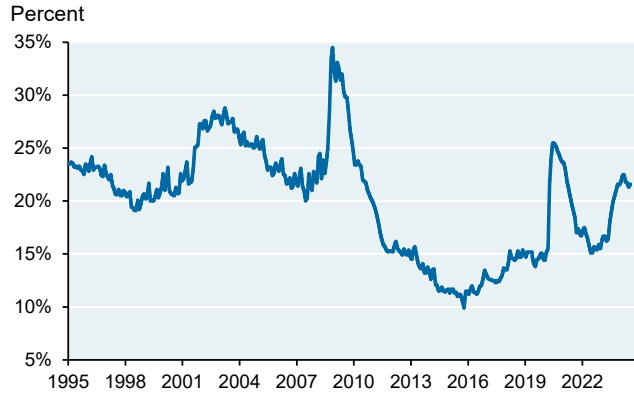
**Debt financing topics**

**Bond issuance vs budget deficit**



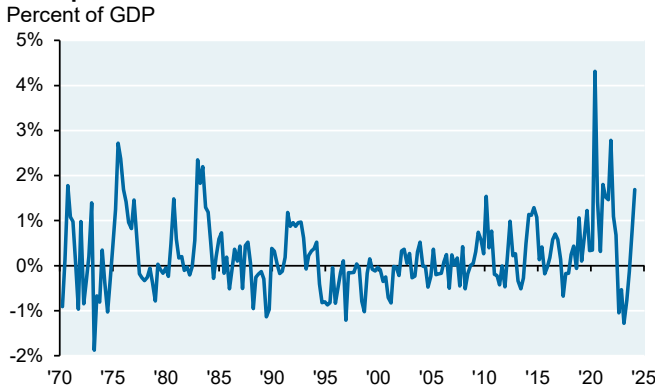
Source: US Treasury, JPMAM, July 2024

**US T-Bill share of US debt**



Source: US Treasury, JPMAM, July 2024

**Bank purchases of treasuries**



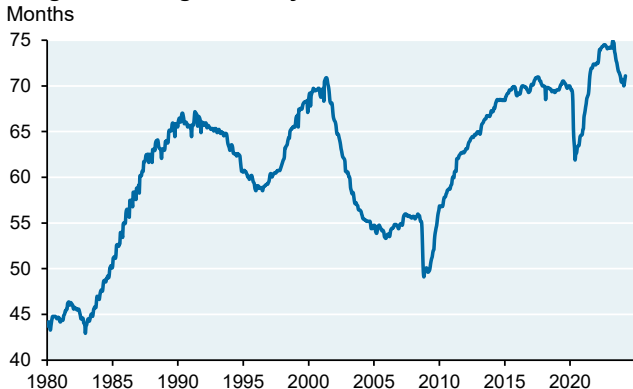
Source: Federal Reserve, JPMAM, Q1 2024

**Federal Reserve balance sheet**



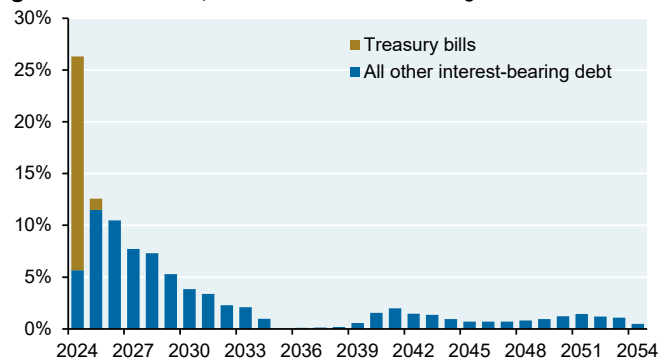
Source: Bloomberg, JPMAM, March 2024

**Weighted average maturity of marketable debt outstanding**



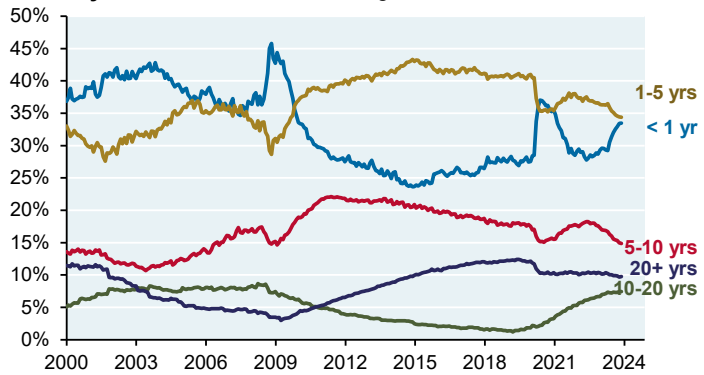
Source: US Treasury, Q2 2024

**Maturity distribution of outstanding interest-bearing government debt, Percent of debt outstanding**



Source: US Treasury, JPMAM, June 2024

**Marketable interest-bearing public debt outstanding by maturity, Percent of debt outstanding**



Source: US Treasury, Haver Analytics, JPMAM, June 2024

**10-year Treasury term premium**  
Percent



Source: FRBNY, JPMAM, August 2024

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