January 15, 1948

Attached is a suggested schedule of yields that might be adopted for a new series of Treasury savings notes. This schedule, which has been prepared by the Federal Reserve Bank of New York, presumes continuation of the yields on short-term marketable securities at present levels. If the rate on certificates should be raised, the schedule of yields on savings notes should probably also be higher than that suggested.

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TREASURY SAVINGS NOTES

TABLE OF TAX-PAYMENT OR REDEMPTION VALUES AND INVESTMENT YIELDS

Month After Month of Issue	Amount of Interest Accrual Each Month After Month of Issue per $100 par		Tax Payment or Redemption Values During Each Monthly Period After Month of Issue		Approximate Invest. Yield on Par Amount From Issue Date to Beginning of Each Monthly Period		Proposed Support Level For Marketable Issues (Yield)	Approximate Invest. Yield on Current Tax-Payment or Redemp. Values from Beginning Of Each Monthly Period To Maturity	
	Proposed Issue	Present Issue	Proposed Issue	Present Issue	Proposed Issue *	Present Issue		Proposed Issue #	Present Issue
First	.07	.05	100.07	100.05	.84	.60		1.36	1.08
Second	"	"	100.14	100.10	.84	.60		1.38	1.09
Third	"	"	100.21	100.15	.84	.60		1.39	1.11
Fourth	"	"	100.28	100.20	.84	.60		1.41	1.12
Fifth	"	"	100.35	100.25	.84	.60		1.43	1.14
Sixth	"	"	100.42	100.30	.84	.60		1.45	1.16
Seventh	.08	.08	100.50	100.38	.86	.65		1.46	1.17
Eighth	.10	"	100.60	100.46	.90	.69		1.47	1.17
Ninth	"	"	100.70	100.54	.93	.72		1.48	1.18
Tenth	"	"	100.80	100.62	.96	.74		1.49	1.19
Eleventh	"	"	100.90	100.70	.98	.76		1.50	1.20
Twelfth	"	"	101.00	100.78	1.00	.78	1.125	1.51	1.21
Thirteenth	.11	.09	101.11	100.87	1.02	.80	1.14	1.52	1.22
Fourteenth	"	"	101.22	100.96	1.04	.82	1.16	1.53	1.22
Fifteenth	"	"	101.33	101.05	1.06	.84	1.18	1.53	1.23
Sixteenth	"	"	101.44	101.14	1.08	.85	1.20	1.54	1.24
Seventeenth	"	"	101.55	101.23	1.09	.86	1.21	1.55	1.25
Eighteenth	.12	"	101.67	101.32	1.11	.88	1.23	1.56	1.26
Nineteenth	"	.10	101.79	101.42	1.13	.89	1.25	1.57	1.26

* Calculated at simple interest. At compound interest yields would be slightly lower.
\# " " " " " " " " " " higher.

Federal Reserve Bank of New York
Securities Department
December 22, 1947

(Continued on following page.)

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TREASURY SAVINGS NOTES TABLE OF
TAX-PAYMENT OR REDEMPTION VALUES AND INVESTMENT YIELDS (Continued)

Month After Month of Issue	Amount of Interest Accrual Each Month After Month of Issue per $100 par		Tax Payment or Redemption Values During Each Monthly Period After Month of Issue		Approximate Invest. Yield on Par Amount From Issue Date to Beginning of Each Monthly Period		Proposed Support Level For Marketable Issues (Yield)	Approximate Invest. Yield on Current Tax-Payment or Redemp. Values from Beginning Of Each Monthly Perio To Maturity	
	Proposed Issue	Present Issue	Proposed Issue	Present Issue	Proposed Issue*	Present Issue		Proposed Issue#	Present Issue
Twentieth	.12	.10	101.91	101.52	1.15	.91	1.26	1.57	1.26
Twenty-first	"	"	102.03	101.62	1.16	.92	1.28	1.58	1.27
Twenty-second	"	"	102.15	101.72	1.17	.93	1.30	1.59	1.28
Twenty-third	.13	"	102.28	101.82	1.19	.94	1.31	1.60	1.28
Twenty-fourth	"	"	102.41	101.92	1.21	.95	1.33	1.60	1.29
Twenty-fifth	"	.11	102.54	102.03	1.22	.97	1.34	1.61	1.29
Twenty-sixth	"	"	102.67	102.14	1.23	.98	1.35	1.61	1.29
Twenty-seventh	"	"	102.80	102.25	1.24	.99	1.37	1.62	1.29
Twenty-eighth	"	"	102.93	102.36	1.26	1.00	1.38	1.63	1.29
Twenty-ninth	.14	"	103.07	102.47	1.27	1.01	1.40	1.63	1.29
Thirtieth	"	"	103.21	102.58	1.28	1.02	1.41	1.63	1.29
Thirty-first	"	"	103.35	102.69	1.30	1.03	1.43	1.63	1.29
Thirty-second	"	"	103.49	102.80	1.31	1.04	1.44	1.62	1.29
Thirty-third	"	"	103.63	102.91	1.32	1.05	1.45	1.62	1.28
Thirty-fourth	"	"	103.77	103.02	1.33	1.05	1.47	1.62	1.28
Thirty-fifth	"	"	103.91	103.13	1.34	1.06	1.48	1.62	1.28
Thirty-sixth	"	"	104.05	103.24	1.35	1.07	1.50		

* Calculated at simple interest. At compound interest yields would be slightly lower.
\# " " " " " " " " " " " higher.

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