

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, August 19, 1950

PRELIMINARY ANNOUNCEMENT

**To All Banking Institutions and Others Concerned,
in the Eleventh Federal Reserve District:**

There is reproduced on the reverse side hereof a press statement issued August 18, 1950, by the Treasury Department in regard to the September and October refinancing and offerings of United States Savings Bonds of Series F and G to certain institutional investors during the months of October, November and December.

Yours very truly,

R. R. GILBERT

President

“Secretary of the Treasury Snyder announced today that he will offer a 1¼ percent, 13-month Treasury Note, dated September 15, 1950, and maturing on October 15, 1951, in exchange for the 2 percent bonds and the 2½ percent bonds called for redemption on September 15, 1950, and the 1⅛ percent Certificates of Indebtedness maturing on that date; and that he will offer a 13-month, 1¼ percent note dated October 1, 1950, and maturing on November 1, 1951, in exchange for the 1⅛ percent Certificates of Indebtedness maturing on October 1, 1950.

“The Secretary also announced that institutional investors of the classes defined in Department Circular No. 814, dated September 22, 1947, will be permitted to purchase United States Savings Bonds of Series F and G in amounts in excess of the existing limitations during the following periods:

- (a) From October 2 through October 10, 1950 for bonds dated October 1, 1950;
- (b) From November 1 through November 10, 1950, for bonds dated November 1, 1950; and
- (c) From December 1 through December 11, 1950, for bonds dated December 1, 1950.

Purchases in excess of existing limitations will not be permitted at other times during the remainder of this calendar year.

“The Secretary stated that the present offering is designed to attract new money accruing in the hands of institutional investors during the last quarter of the calendar year; and that this offering is in line with his statement of September 5, 1947, when he announced the offering of the Treasury Bonds, Investment Series A-1965, in which he said that further offerings of securities suitable primarily for institutional investment needs will be made available whenever the situation warrants such action.

“The special offering of Series F and G Bonds will be open to institutional investors holding savings, insurance, and pension funds, which were eligible to purchase the 2½ percent Treasury Bonds, Investment Series A-1965, under Department Circular No. 814, dated September 22, 1947, subject to the following limitations:

(a) Each investor in the following categories will be permitted to purchase Series F and G Savings Bonds combined up to a total amount of \$1,000,000 (issue price) for the calendar year 1950 in addition to any bonds which may be purchased under the existing limit of \$100,000, provided that any bonds in excess of the existing limit are purchased during the periods from October 2 through October 10, 1950, inclusive; November 1 through November 10, 1950, inclusive; and December 1 through December 11, 1950, inclusive:

1. Insurance companies
2. Savings banks
3. Savings and loan associations and building and loan associations, and cooperative banks
4. Pension and retirement funds, including those of the federal, state and local governments
5. Fraternal benefit associations
6. Endowment funds
7. Credit unions

(b) Each commercial and industrial bank holding savings deposits or issuing time certificates of deposit in the names of (1) individuals, and (2) corporations, associations, and other organizations not operated for profit, will be permitted to purchase F and G Savings Bonds combined up to an aggregate of \$100,000 (issue price) during the periods set forth above. Further details with respect to these offerings will be announced later.”