

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, January 27, 1953

PRELIMINARY ANNOUNCEMENT EXCHANGE OFFERING

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

There is quoted below a press statement issued today by the Treasury Department:

“Secretary Humphrey announced today that it is the intention of the Treasury to offer the holders of the \$8,868,000,000 of 1 $\frac{7}{8}$ percent Certificates of Indebtedness maturing on February 15, 1953, a choice of exchanging them either for a one-year certificate or a five to six-year security. The terms of the new issues will be announced on Friday, January 30, and the subscription books will open Monday, February 2.

“Of the certificates maturing February 15, about \$3.7 billion are held by the Federal Reserve Banks, about \$2.3 billion by commercial banks, and the remainder by corporations and other non-bank investors.

“The bulk of the maturing certificates is thus held by investors who prefer short-term securities. The new offering, however, will give any holders who may wish to do so an opportunity to extend their maturities.”

The official circulars and subscription forms for the exchange offering will be mailed to reach all banking institutions on or before Monday, February 2, the date the books open.

Yours very truly,

R. R. GILBERT

President