

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

Dallas, Texas, April 8, 1953

PRELIMINARY ANNOUNCEMENT CASH OFFERING AND TREASURY FINANCING PLANS

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

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

“Secretary of the Treasury Humphrey announced today that on April 13 the Treasury will offer for cash subscription approximately \$1,000,000,000 of 3¼ percent fully marketable long-term Treasury Bonds, dated May 1, 1953, maturing June 15, 1983, and callable on or after June 15, 1978.

“This offering, together with increases in weekly offerings of Treasury Bills, is planned to meet the cash needs of about \$2,000,000,000 for the balance of the fiscal year ending June 30.

“This bond is designed to attract people’s savings as they accumulate, especially in such institutions as life insurance companies, savings banks, pension funds, etc. To facilitate subscriptions by these institutions and individuals, payments for the bonds may be made over a period of three months from the date of issue. Subscriptions from commercial banks will be limited to a percentage of their time deposits.

“The increases in bills are expected to be absorbed in substantial part by corporations and other non-bank investors.

“By directing its borrowing to the general sources of funds mentioned, the Treasury hopes to finance its needs for the balance of the fiscal year with a minimum expansion of bank credit.

“The bond offering will also be made available for exchange of Series F and G savings bonds maturing from May 1, through December 1953. Holders of these bonds will be given the privilege, during the period prior to May 1, to exchange them for the new marketable bond at par, with interest adjustments to May 1.

“Eligible F and G bondholders who do not wish to accept the new marketable bond in exchange for their maturing bonds will have the opportunity of reinvesting the proceeds of matured F and G savings bonds in other series of savings bonds currently on sale, or to receive cash payment.

“Full details of the offering will be available on Monday, April 13, when the subscription books will open.”

The official circular and subscription forms for the offering will be mailed to reach all banking institutions on or before Monday, April 13, the date the books open.

Yours very truly,

R. R. GILBERT

President