

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

DALLAS, TEXAS 75222

Circular No. 68-36
February 8, 1968

PRELIMINARY ANNOUNCEMENT

TREASURY FINANCING

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 in regard to current financing:

TREASURY ANNOUNCES \$4 BILLION NEW CASH BORROWING

The Treasury Department announced today that it is offering for cash subscription \$4 billion, or thereabouts, of 15-month 5 5/8% Treasury Notes of Series B-1969 at par.

The Notes will be dated February 21, 1968, will mature May 15, 1969, and will be issued in registered and bearer form. Interest will be payable on May 15 and November 15, 1968, and May 15, 1969.

Subscriptions will be received for one day only, on Tuesday, February 13. Any subscription, with required deposit, addressed to a Federal Reserve Bank or Branch, or to the Treasurer of the United States, Washington, D. C. 20220, and placed in the mail before midnight February 13, 1968, will be considered timely.

The payment date for the notes will be February 21, 1968. Payment may be made through credit to Treasury Tax and Loan Accounts.

Subscriptions from banking institutions for their own account, Federally-insured savings and loan associations, States, political subdivisions of instrumentalities thereof, public pension and retirement and other public funds, international organizations in which the United States holds membership, foreign central banks and foreign States, dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon, and Government Investment Accounts will be received without deposit. Subscriptions from all others must be accompanied by payment of 2 percent of the amount of notes applied for, not subject to withdrawal until after allotment.

Subscriptions from commercial banks, for their own account, will be restricted in each case to an amount not exceeding 50 percent of the combined capital (not including capital notes or debentures), surplus and undivided profits of the subscribing bank.

The Secretary of the Treasury reserves the right to reject or reduce any subscription, to allot less than the amount of notes applied for, and to make different percentage allotments to various classes of subscribers. Subject to these reservations subscriptions in amounts up to and including \$200,000 will be allotted in full and subscriptions over \$200,000 will be allotted on a percentage basis but not less than \$200,000.

Commercial banks and other lenders are requested to refrain from making unsecured loans, or loans collateralized in whole or in part by the notes subscribed for, to cover the deposits required to be paid when subscriptions are entered, and banks will be required to make the usual certification to that effect.

All subscribers are required to agree not to purchase or to sell, or to make any agreements with respect to the purchase or sale or other disposition of the notes subscribed for under this offering at a specific rate or price, until after midnight February 13, 1968.

The official circular and subscription forms for the new issue of Treasury notes will be mailed Friday, February 9; however, if the forms do not reach you by Tuesday, February 13, subscriptions may be entered by mail or telegram, subject to confirmation on official subscription blanks.

Yours very truly,

P. E. Coldwell

President