

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

DALLAS, TEXAS 75222

Circular No. 69-111
April 30, 1969

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 \$6.8 BILLION REFUNDING
OF MAY 15 AND JUNE 15 MATURITIES

The Treasury today announced that it is offering holders of the 5-5/8% Treasury Notes of Series B-1969, maturing May 15, 1969, and the 2-1/2% Treasury Bonds of 1964-69, maturing June 15, 1969, the right to exchange their holdings for a 15-month note or a 7-year note.

The notes being offered are:

6-3/8% Treasury Notes of Series D-1970, dated May 15, 1969, due August 15, 1970, at 99.95 to yield about 6.42%, and

6-1/2% Treasury Notes of Series B-1976, dated May 15, 1969, due May 15, 1976, at par.

In the case of exchanges of the 5-5/8% notes, subscribers for the 75-month notes will receive a cash payment on account of the difference between the par value of the maturing notes and the issue price of the new notes.

In the case of exchanges of the 2-1/2% bonds, interest will be adjusted as of June 15, 1969. The payments due to and from subscribers and the net amounts payable to subscribers are as follows (per \$1,000 face value):

ACCRUED INTEREST PAYABLE

<u>NEW NOTES</u>	<u>PAYABLE TO SUBSCRIBER ACCOUNT OF ISSUE PRICE OF NEW NOTES</u>	<u>TO SUBSCRIBER ON 2-1/2% BONDS (12-15-68 to 6-15-69)</u>	<u>BY SUBSCRIBER ON NEW NOTES (5-15-69 to 6-15-69)</u>	<u>NET AMOUNT TO BE PAID TO SUB- SCRIBER</u>
Due 8-15-70	\$0.50	\$12.50	\$5.45925	7.54075
Due 5-15-76	-	12.50	5.47554	7.02446

The public holds about \$5.9 billion of the securities eligible for exchange, and about \$0.9 billion is held by Federal Reserve and Government Accounts.

Cash subscriptions for the new notes will not be received.

The books will be open for three days only, on May 5 through May 7, for the receipt of subscriptions. Subscriptions addressed to a Federal Reserve Bank or Branch, or to the Office of the Treasurer of the United States, and placed in the mail before midnight May 7, will be considered as timely. The payment and delivery date for the notes will be May 15, 1969. The notes will be made available in registered as well as bearer form. All subscribers requesting registered notes will be required to furnish appropriate identifying numbers as required on tax returns and other documents submitted to the Internal Revenue Service.

Coupons dated May 15, 1969, on the notes maturing on that date should be detached and cashed when due. The May 15, 1969, interest due on registered notes will be paid by issue of interest checks in regular course to holders of record on April 15, 1969, the date the transfer books closed. Coupons dated June 15, 1969, on the bonds due on that date must be attached.

Interest on the notes due August 15, 1970, will be payable on August 15, 1969, and February 15 and August 15, 1970. Interest on the notes due May 15, 1976, will be payable on November 15, 1969, and thereafter on May 15 and November 15 until maturity.

The official circulars and subscription forms for the new issues of Treasury notes will be mailed Thursday, May 1; however, if the forms do not reach you by Wednesday, May 7, subscriptions may be entered by mail or telegram, subject to confirmation on official subscription blanks.

Yours very truly,

P. E. Coldwell

President