

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

DALLAS, TEXAS 75222

Circular No. 70-251
October 22, 1970

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 NOVEMBER FINANCING PLANS

The Treasury announced today that it is offering holders of \$7.7 billion of 5% Treasury Notes of Series A-1970 maturing November 15, 1970, the right to exchange their holdings for a 3- $\frac{1}{2}$ -year Treasury Note or a 5-year 9-month 7- $\frac{1}{2}$ % Treasury Note. The public holds about \$6.0 billion and Government accounts and Federal Reserve Banks hold about \$1.6 billion of the notes eligible for exchange.

The notes being offered in exchange are:

7- $\frac{1}{4}$ % Treasury Notes of Series D-1974 dated November 15, 1970, due May 15, 1974, at par; and

An additional amount of 7- $\frac{1}{2}$ % Treasury Notes of Series C-1976 dated October 1, 1969, due August 15, 1976, at 100.50 (to yield about 7.39%) and accrued interest from August 15 to November 15, 1970, (\$18.75 per \$1,000); \$1.7 billion of these notes are outstanding.

Subscription books for the exchange offering will be open until 8 p.m., local time, Thursday, October 29, 1970. To be timely subscriptions must be received by a Federal Reserve Bank or Branch or by the Office of the Treasurer of the United States by such time, except that subscriptions addressed to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States postmarked before midnight Wednesday, October 28, 1970, will be deemed to be timely. Banks need submit by the closing hour only the total amount of customers subscriptions for each new issue provided that the usual detailed information for such subscriptions is furnished by Friday, October 30.

Cash subscriptions will not be accepted.

The notes will be made available in registered as well as bearer form in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. 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 November 15, 1970, on notes tendered in exchange should be detached and cashed when due. The November 15, 1970, interest due on registered notes will be paid by issue of interest checks in regular course to holders of record on October 15, 1970, the date the transfer books closed. The payment and delivery date for the notes will be November 16.

The official circulars and subscription forms for the two issues of Treasury notes will be mailed in time to reach you by Monday, October 26; however, should you not receive the forms by Wednesday, October 28, subscriptions may be entered by mail or telegram, subject to confirmation on official subscription blanks.

Yours very truly,

P. E. Coldwell

President