

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

DALLAS, TEXAS 75222

Circular No. 72-177
August 18, 1972

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

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

TREASURY ANNOUNCES PLANS FOR RESTRUCTURING
OF MONTHLY BILLS, PROVIDING \$1.8 BILLION IN
NEW CASH BY THE END OF OCTOBER

The Treasury announced today that it is taking the first steps toward establishing regular auctions of 52-week Treasury bills. These will ultimately replace the monthly offerings of 9-month and one-year bills.

At maturity of the \$1.7 billion of monthly bills due August 31, 1972, the Treasury will issue (1) \$1.8 billion of bills to mature on Tuesday, August 28, 1973, and (2) \$500 million of bills to mature on May 31, 1973. Auctions for both these bills will be held on Thursday, August 24.

The Treasury also announced that it intends:

- (1) in coming months to repeat the offerings of \$1.8 billion of slightly less than one-year bills to mature on Tuesdays at four-week intervals from August 28, 1973, and
- (2) in late September and again in late October 1972 to sell \$0.5 billion of 9-month bills maturing in June and July 1973, respectively. These will be the final sales of 9-month bills and will result in equal amounts of maturities of monthly bills through July 1973.

These plans announced by the Treasury will result in the raising of \$1.8 billion of new cash by the end of October, that is \$0.6 billion at the end of August and \$0.6 billion at the end of each of the next two months.

The Treasury also indicated that it is studying the possible desirability of having weekly auctions of 52-week bills and of converting its offerings of 6-month bills from a Thursday to a Tuesday maturity to coincide with the weekly maturities of such 52-week bills.

Tender forms for the Treasury bills to be issued Thursday, August 31, are enclosed.

Yours very truly,

P. E. Coldwell

President

Enclosures