

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

DALLAS, TEXAS 75222

Circular No. 73-189
July 25, 1973

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

Quoted below is the text of a statement issued by the Treasury Department today concerning August refinancing plans:

The Treasury today announced plans for refinancing securities maturing on August 15, \$4.7 billion of which are held by the general public. The new securities will consist of \$2.0 billion of 7-3/4% 4-year Treasury notes, \$0.5 billion of 7-1/2% 20-year bonds callable in 15 years, and \$2.0 billion of 35-day September tax anticipation bills. The new securities will be sold by competitive bidding. Noncompetitive tenders will also be accepted in specified amounts.

Tenders for the notes will be received until 1:30 p.m., E.D.S.T., on Tuesday, July 31. They will be an additional issue of the 7-3/4% Notes of Series B-1977, dated August 15, 1970, due August 15, 1977. Non-competitive tenders from individuals and others will be accepted in amounts of \$500,000 or less.

Tenders for the bonds will be received until 1:30 p.m., E.D.S.T., on Wednesday, August 1. The bonds will be dated August 15, 1973, and will mature August 15, 1993, callable by the Treasury on and after August 15, 1988. Non-competitive tenders from individuals and others will be accepted in amounts of \$250,000 or less.

The bills will be auctioned on Wednesday, August 8. They will mature September 19, 1973, but may be used at face value in payment of Federal income taxes due on September 15. Non-competitive tenders from individuals and others will be accepted in amounts of \$500,000 or less.

As in the last two bond auctions, awards for the bonds will be made by the "uniform-price" method in which all accepted tenders are awarded bonds at the lowest accepted price. Awards

in the note and bill auctions will be made at the price specified in accepted tenders.

Qualified depositories may make payment for 50% of the amount of tax anticipation bills allotted by credit to Treasury tax and loan accounts. Payment for the notes and bonds may not be made by credit to Treasury tax and loan accounts. Payment for all three issues must be made on Wednesday, August 15.

In addition to the holdings by the general public, Federal Reserve and Government accounts hold \$1 billion of the securities maturing on August 15. Additional amounts of the new notes and bonds will be issued to those accounts in exchange for their existing holdings.

Tender forms and official circulars will be mailed on Thursday, July 26, 1973.

Yours very truly,

P. E. Coldwell

President