



FEDERAL RESERVE BANK
OF DALLAS

HELEN E. HOLCOMB
FIRST VICE PRESIDENT AND
CHIEF OPERATING OFFICER

DALLAS, TEXAS
75265-5906

February 15, 2000

Notice 2000-13

TO: The Chief Operating Officer of each
financial institution and others concerned
in the Eleventh Federal Reserve District

SUBJECT

Golden Dollar Coin Update

DETAILS

The Federal Reserve System began distributing the U.S. Golden Dollar Coin immediately after receiving shipments from the U.S. Mint in the latter part of January. Since the release of this coin by the Federal Reserve on January 26, the Golden Dollar has been widely accepted by the public, and demand is steadily increasing. We expect this trend to continue as the U.S. Mint launches additional marketing promotions in March.

In light of the expected demand, we want to bring you up to date on our efforts to distribute the coin. To estimate initial demand for the Golden Dollar, the Federal Reserve requested in Notice 2000-06 that all depository institutions place Golden Dollar orders with their local Reserve offices by January 21. *All depository institutions should continue to place orders for the Golden Dollar with their local Reserve offices on a normal ordering schedule.*

The Federal Reserve will attempt to fill all depository institution orders in full; however, inventory levels of the Golden Dollar coin remain low. All Reserve offices continue to receive Golden Dollar shipments from the U.S. Mint, and we will fill depository institutions' orders as additional inventories become available. Until initial demand is met, Reserve offices will distribute *only* the Golden Dollar coin.

The Federal Reserve System is aware of depository institutions' dissatisfaction with Wal-Mart's access to Golden Dollars before adequate inventories are in place throughout the banking system. As you know, the U.S. Mint entered into several corporate partnerships with

retailers, including Wal-Mart and General Mills, to promote use of the coin and to get it into circulation quickly. These agreements allowed the retailers to distribute coin *independently* of the Federal Reserve System. By February 11, Wal-Mart had received 60 million coins, and it expects to receive 94 million (total) coins by the end of February.

In comparison, the Federal Reserve had received approximately 11 million Golden Dollars by the January 26 release date and 45 million Golden Dollars by February 11. We expect to receive approximately 103 million (total) Golden Dollars by the end of February to satisfy demand for all depository institutions nationwide. The Federal Reserve will continue to place orders with the Mint until Golden Dollar coin inventories are at satisfactory levels.

As noted above, each Federal Reserve office is striving to build an ample inventory of the Golden Dollars to satisfy each customer; however, without sufficient inventories, our ability to fill your orders may be limited in the short term. Please be assured that Reserve Banks will equitably allocate Golden Dollar coins if we are unable to meet depository institutions' orders fully. We expect this situation to be resolved within the next several months as the U.S. Mint's shipments are received and as initial public demand is satisfied. The Federal Reserve appreciates your patience during this initial rollout. We will continue working with the U.S. Mint to obtain additional inventories and to satisfy our customers' needs.

MORE INFORMATION

For procedures on ordering Golden Dollar coins, please contact the Cash Customer Service unit, (214) 922-6813, at the Dallas Office; Dieter Stanchos, (915) 521-8265, at the El Paso Branch; Marilyn Snider, (713) 652-1521, at the Houston Branch; or Mario Garcia, (210) 978-1300, at the San Antonio Branch.

For additional copies of this Bank's notice, contact the Public Affairs Department at (214) 922-5254 or access our web site at <http://www.dallasfed.org/banking/notices/index.html>.

Sincerely,

A handwritten signature in cursive script that reads "Helen E. Holcomb". The signature is written in black ink and is centered on the page.