

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 3940]
January 27, 1953]

TREASURY FINANCING

*To all Banks, and Others Concerned,
in the Second Federal Reserve District:*

Secretary Humphrey announced today that it is the intention of the Treasury to offer the holders of the \$8,868,000,000 of 17/8 per cent certificates of indebtedness maturing on February 15, 1953, a choice of exchanging them either for a one-year certificate or a five to six-year security. The terms of the new issues will be announced on Friday, January 30, and the subscription books will open Monday, February 2.

Of the certificates maturing February 15, about \$3.7 billion are held by the Federal Reserve Banks, about \$2.3 billion by commercial banks, and the remainder by corporations and other non-bank investors.

The bulk of the maturing certificates is thus held by investors who prefer short-term securities. The new offering, however, will give any holders who may wish to do so an opportunity to extend their maturities.

Copies of the Treasury Department circular setting forth the terms of this offering and official subscription forms will be mailed to reach you on February 2, 1953.

ALLAN SPROUL,
President.