

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 4737]
May 7, 1959

TREASURY FINANCING

**New 4% Certificates, at 99.95, Offered in Exchange
for 1¼% Certificates Maturing May 15, 1959**

*To All Banking Institutions, and Others Concerned,
in the Second Federal Reserve District:*

The following statement was made public today:

The Treasury Department announced today the complete details of the offering of a one-year certificate of indebtedness in exchange for the \$1.8 billion of 1¼ percent certificates of indebtedness maturing May 15, concerning which a preliminary announcement was made last Thursday, April 30.

The Treasury will offer the holders of the \$1.8 billion of 1¼ percent certificates of indebtedness maturing May 15, 1959, the opportunity to exchange their holdings for a new issue of 4 percent certificates of indebtedness to be dated May 15, 1959, and to mature May 15, 1960. The certificates will be issued at a price of 99.95 percent of face value, to yield about 4.05 percent. Cash subscriptions will not be received.

Interest will be payable on the new certificates semiannually on November 15, 1959, and May 15, 1960.

A cash payment of \$0.50 per \$1,000 face value of the new certificates, representing the discount from the face value, will be paid to holders upon issuance of the new certificates.

The subscription books will be open only on May 11 and May 12 for the receipt of subscriptions for this issue. Any subscription for the new certificates addressed to a Federal Reserve Bank or Branch or to the Treasurer of the United States and placed in the mail before midnight, May 12, will be considered as timely.

Circulars and subscription forms for the exchange offering will be mailed to reach you by Monday, May 11.

ALFRED HAYES,
President.