

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 5239]
October 10, 1962]

Results of Treasury's One-Year Bill Offering

*To All Incorporated Banks and Trust Companies, and Others
Concerned, in the Second Federal Reserve District:*

The following statement was issued by the Treasury Department and released for publication in this morning's newspapers:

The Treasury Department announced last evening that the tenders for \$2,500,000,000, or thereabouts, of 365-day Treasury bills to be dated October 15, 1962, and to mature October 15, 1963, which were offered on October 2, were opened at the Federal Reserve Banks on October 9.

The details of this issue are as follows:

Total applied for \$4,534,664,000
Total accepted .. \$2,500,776,000 (includes \$185,725,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Range of accepted competitive bids (excepting one tender of \$500,000):

High	97.019	Equivalent rate of discount approx. 2.940% per annum
Low	96.980	Equivalent rate of discount approx. 2.979% per annum
Average	96.989	Equivalent rate of discount approx. 2.969% per annum ¹

(96 percent of the amount bid for at the low price was accepted)

<u>Federal Reserve District</u>	<u>Total applied for</u>	<u>Total accepted</u>
Boston	\$ 75,465,000	\$ 31,965,000
New York	3,228,274,000	1,747,066,000
Philadelphia	43,698,000	3,698,000
Cleveland	301,894,000	156,294,000
Richmond	27,520,000	23,280,000
Atlanta	60,505,000	23,055,000
Chicago	441,079,000	288,879,000
St. Louis	40,872,000	31,672,000
Minneapolis	67,399,000	39,349,000
Kansas City	42,720,000	37,040,000
Dallas	40,090,000	19,010,000
San Francisco	165,148,000	99,468,000
TOTAL.....	\$4,534,664,000	\$2,500,776,000

¹ On a coupon issue of the same length and for the same amount invested, the return on these bills would provide a yield of 3.08 percent. Interest rates on bills are quoted in terms of bank discount, with the return related to the face amount of the bills payable at maturity rather than the amount invested, and their length in actual number of days related to a 360-day year. In contrast, yields on certificates, notes, and bonds are computed in terms of interest on the amount invested, and relate the number of days remaining in an interest payment period to the actual number of days in the period, with semiannual compounding if more than one coupon period is involved.

ALFRED HAYES,
President.