

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 5254]
[November 8, 1962]

Results of Bidding for \$1 Billion Strip of Treasury Bills

*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 tenders for additional amounts of ten series of Treasury bills to an aggregate amount of \$1,000,000,000, or thereabouts, to be issued November 15, 1962, which were offered on November 1, were opened at the Federal Reserve Banks on November 7. The amount of accepted tenders will be equally divided among the ten regular weekly issues of outstanding Treasury bills maturing January 17, 1963 to March 21, 1963, inclusive.

The details of the offering are as follows:

Total applied for	\$2,409,960,000	
Total accepted ...	\$1,001,210,000	(includes \$13,160,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Range of accepted competitive bids:

	<i>Price</i>	<i>Approximate equivalent annual rate of discount based on 94.5 days (average number of days to maturity)</i>
High	99.258	2.827%
Low	99.245	2.876%
Average	99.248	2.866% ¹

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

Total Tenders Applied for and Accepted (By Federal Reserve Districts)

<i>District</i>	<i>Applied for</i>	<i>Accepted</i>
Boston	\$ 31,450,000	\$ 25,750,000
New York	2,010,220,000	853,020,000
Philadelphia	10,310,000	310,000
Cleveland	32,470,000	27,470,000
Richmond	21,050,000	13,410,000
Atlanta	16,860,000	6,950,000
Chicago	144,440,000	27,680,000
St. Louis	8,240,000	1,740,000
Minneapolis	12,960,000	6,140,000
Kansas City	12,660,000	1,660,000
Dallas	21,100,000	1,280,000
San Francisco	88,200,000	35,800,000
TOTAL.....	\$2,409,960,000	\$1,001,210,000

¹ On a coupon issue of the same length as the average for the bills, and for the same amount invested, the return on these bills would provide a yield of 2.93 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.