FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 5294
January 31, 1963]

# Results of Treasury's $1 Billion 138-Day Tax Anticipation 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 $1,000,000,000, or thereabouts, of Tax Anticipation Series 138-day Treasury bills to be dated February 6, 1963, and to mature June 24, 1963, which were offered on January 22, were opened at the Federal Reserve Banks on January 30.

The details of this issue are as follows:

| | | |
|---|---|---|
| Total applied for | $2,061,518,000 | |
| Total accepted .. | $1,000,434,000 | (includes $42,068,000 entered on a non-competitive basis and accepted in full at the average price shown below) |

Range of accepted competitive bids:

| | | |
|---|---|---|
| High ........... | 98.891 | Equivalent rate of discount approx. 2.893% per annum |
| Low ........... | 98.873 | Equivalent rate of discount approx. 2.940% per annum |
| Average ......... | 98.877 | Equivalent rate of discount approx. 2.929% per annum[1] |

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

| *Federal Reserve District* | *Total applied for* | *Total accepted* |
|---|---|---|
| Boston | $ 27,370,000 | $ 18,530,000 |
| New York | 1,652,659,000 | 823,825,000 |
| Philadelphia | 23,405,000 | 1,405,000 |
| Cleveland | 20,101,000 | 4,101,000 |
| Richmond | 2,202,000 | 2,202,000 |
| Atlanta | 15,927,000 | 12,927,000 |
| Chicago | 159,127,000 | 68,977,000 |
| St. Louis | 12,485,000 | 6,485,000 |
| Minneapolis | 19,832,000 | 7,572,000 |
| Kansas City | 15,420,000 | 4,920,000 |
| Dallas | 24,300,000 | 9,040,000 |
| San Francisco | 88,690,000 | 40,450,000 |
| TOTAL | $2,061,518,000 | $1,000,434,000 |

[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 3.00 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.*