

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

[Circular No. 5357]
July 16, 1963]

Treasury Considers Monthly Auctions
of One-Year Bills

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

The following statement was made public by the Treasury Department yesterday:

The Treasury Department announced today that it is giving consideration to the establishment of monthly auctions of one-year Treasury bills in the interest of a more orderly scheduling of its short-term debt maturities. Under such a program, if adopted, the outstanding quarterly series of one-year bills (which mature on January 15, April 15, July 15, and October 15) would gradually be retired as they were replaced by monthly issues.

The amount of one-year bills to be auctioned monthly would, of course, be substantially smaller than the amounts currently auctioned on a quarterly basis. The monthly auctions, although they might be varied in size to meet both market conditions and Treasury cash needs, would probably be in the neighborhood of \$1 billion. It is contemplated that the monthly one-year bill series might be dated to mature on the last day of each month.

Before proceeding further in its consideration of a monthly auction of one-year bills, the Treasury requests comments from members of the financial community and other interested parties concerning the desirability, the feasibility, and the technical market aspects of such a program.

Comments should be submitted within the next thirty days, addressed to:

Mr. Frank E. Morris
Assistant to the Secretary (Debt Management)
Room 3321, Main Treasury
Washington 25, D. C.

ALFRED HAYES,
President.