

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 5448]
[January 21, 1964]

Treasury's Advance Refunding Results

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

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

The Treasury Department today announced that preliminary reports from the Federal Reserve Banks show that total subscriptions of about \$3,105 million have been received for the 4 percent Treasury Bonds of August 15, 1970, and the 4¼ percent Treasury Bonds of May 15, 1975-85, included in the Department's current advance refunding operation. Subscriptions include \$2,213 million for the 4 percent bonds, and \$892 million for the 4¼ percent bonds.

The Treasury will allot in full all subscriptions received for the 4 percent bonds. On subscriptions to the 4¼ percent bonds, the Treasury will allot in full subscriptions up to \$50,000 and other subscriptions will be subject to an 83½ percent allotment, with a minimum of \$50,000 per subscription.

This is the first allotment of bonds to be necessary in an advance refunding since June 1960. However, the total of accepted subscriptions for both bond offerings, representing about 20 percent of the public holdings of the issues that had been eligible for exchange, appears to be well within the distributive and absorptive capacity of the market. These results represent further progress in the Treasury's continuing program of extending debt maturities and maintaining a well-balanced debt structure without unduly disturbing the financial markets.

Details by Federal Reserve Banks as to subscriptions and allotments and of the eligible securities exchanged for the 4 percent and 4¼ percent bonds will be announced later.

SUMMARY OF AMOUNT AND NUMBER OF SUBSCRIPTIONS RECEIVED
(Dollar amounts in millions)

	<i>4% Bonds of 1970</i>		<i>4¼% Bonds of 1975-85</i>		<i>Total</i>	
	<i>Amount</i>	<i>No. sub.</i>	<i>Amount</i>	<i>No. sub.</i>	<i>Amount</i>	<i>No. sub.</i>
Individuals ¹	\$ 42	3,175	\$ 14	1,074	\$ 56	4,249
Commercial banks (own account)	1,234	4,100	251	266	1,485	4,366
All others ²	748	2,021	477	504	1,225	2,525
TOTALS	\$2,024	9,296	\$742	1,844	\$2,766	11,140
Government Accounts	\$ 189		\$150		\$ 339	
GRAND TOTALS ..	\$2,213		\$892		\$3,105	

¹ Includes partnerships and personal trust accounts.

² Includes insurance companies; mutual savings banks; corporations exclusive of commercial banks; private pension and retirement funds; pension, retirement, and other funds of State and local governments; and dealers and brokers.

ALFRED HAYES,
President.