

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 5525]
July 27, 1964]

Results of Offering of \$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 morning newspapers of July 25:

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 July 29, 1964, which were offered on July 20, were opened at the Federal Reserve Banks on July 24. The amount of accepted tenders will be equally divided among the ten regular weekly issues of outstanding Treasury bills maturing October 15, 1964, to December 17, 1964, inclusive.

The details of the offering are as follows:

Total applied for	\$2,147,300,000	
Total accepted	\$1,000,830,000	(includes \$4,000,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Range of accepted competitive bids:

	Price	<i>Approximate equivalent annual rate of discount based on 109.6 days (average number of days to maturity)</i>
High	98.941	3.478%
Low	98.929	3.518%
Average	98.933	3.505% ¹

(55 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	\$ 20,000,000	\$ 15,000,000
New York	1,819,850,000	870,350,000
Philadelphia	10,800,000	5,800,000
Cleveland	15,100,000	5,100,000
Richmond	130,000	130,000
Atlanta	400,000	200,000
Chicago	137,120,000	67,620,000
St. Louis	3,750,000	1,750,000
Minneapolis	2,770,000	550,000
Kansas City	1,770,000	1,770,000
Dallas	10,610,000	6,160,000
San Francisco	125,000,000	26,400,000
TOTAL	\$2,147,300,000	\$1,000,830,000

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 3.59 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.