

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 5562]
October 21, 1964]

**Results of Treasury's Offer of Additional \$1.5 Billion
in March Tax 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 today's morning newspapers:

The Treasury Department announced last evening that the tenders for an additional \$1,500,000,000, or thereabouts, of the Tax Anticipation Series Treasury bills dated September 2, 1964, and to mature March 22, 1965, were opened at the Federal Reserve Banks on October 20. The additional amount of bills, which were offered on October 14, will be issued October 26 (147 days to maturity date).

The details of this issue are as follows:

Total applied for \$3,186,622,000
Total accepted .. \$1,501,585,000 (Includes \$202,322,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Range of accepted competitive bids:

High	98.575	Equivalent rate of discount approx. 3.490% per annum
Low	98.559	Equivalent rate of discount approx. 3.529% per annum
Average	98.564	Equivalent rate of discount approx. 3.518% per annum ¹

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

<u>Federal Reserve District</u>	<u>Total applied for</u>	<u>Total accepted</u>
Boston	\$ 161,615,000	\$ 69,815,000
New York	1,188,970,000	425,510,000
Philadelphia	86,695,000	19,095,000
Cleveland	263,730,000	85,630,000
Richmond	61,000,000	44,755,000
Atlanta	130,375,000	44,640,000
Chicago	391,177,000	202,432,000
St. Louis	34,410,000	24,604,000
Minneapolis	123,280,000	91,100,000
Kansas City	63,705,000	37,305,000
Dallas	216,975,000	144,025,000
San Francisco	464,690,000	312,674,000
TOTAL.....	\$3,186,622,000	\$1,501,585,000

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 3.62 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.