

**FEDERAL RESERVE BANK OF NEW YORK**  
Fiscal Agent of the United States

[Circular No. 5590]  
December 21, 1964]

**OFFERING OF TWO SERIES OF TREASURY BILLS**

**\$1,200,000,000 of 91-Day Bills, Additional Amount, Series Dated October 1, 1964, Due April 1, 1965  
(To Be Issued December 31, 1964)**

**\$1,000,000,000 of 182-Day Bills, Dated December 31, 1964, Due July 1, 1965**

*To All Incorporated Banks and Trust Companies, and Others  
Concerned, in the Second Federal Reserve District:*

Following is the text of a notice issued by the Treasury Department, released for publication today at 4 p.m., Eastern Standard time:

The Treasury Department, by this public notice, invites tenders for two series of Treasury bills to the aggregate amount of \$2,200,000,000, or thereabouts, for cash and in exchange for Treasury bills maturing December 31, 1964, in the amount of \$3,201,591,000, as follows:

91-day bills (to maturity date) to be issued December 31, 1964, in the amount of \$1,200,000,000, or thereabouts, representing an additional amount of bills dated October 1, 1964, and to mature April 1, 1965, originally issued in the amount of \$900,333,000, the additional and original bills to be freely interchangeable.

182-day bills, for \$1,000,000,000, or thereabouts, to be dated December 31, 1964, and to mature July 1, 1965.

The bills of both series will be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided, and at maturity their face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$50,000, \$100,000, \$500,000 and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, one-thirty p.m., Eastern Standard time, Monday, December 28, 1964. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and in the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Banking institutions generally may submit tenders for account of customers, provided the names of the customers are set forth in such tenders. Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which

This Bank will receive tenders for both series up to 1:30 p.m., Eastern Standard time, Monday, December 28, 1964, at the Securities Department of its Head Office and at its Buffalo Branch. Tender forms for the respective series are enclosed. Please use the appropriate forms to submit tenders and return them in an envelope marked "Tender for Treasury Bills." Tenders may be submitted by telegraph, subject to written confirmation; they may not be submitted by telephone. *Payment for the Treasury bills cannot be made by credit through the Treasury Tax and Loan Account. Settlement must be made in cash or other immediately available funds or in maturing Treasury bills.*

Results of the last weekly offering of Treasury bills (91-day bills to be issued December 24, 1964, representing an additional amount of bills dated September 24, 1964, and maturing March 25, 1965; and 182-day bills dated December 24, 1964, maturing June 24, 1965) are shown on the reverse side of this circular.

ALFRED HAYES,  
President.



**RESULTS OF LAST WEEKLY OFFERING OF TREASURY BILLS (TWO SERIES  
TO BE ISSUED DECEMBER 24, 1964)**

**Range of Accepted Competitive Bids**

<i>91-Day Treasury Bills Maturing March 25, 1965</i>			<i>182-Day Treasury Bills Maturing June 24, 1965</i>	
	<u>Price</u>	<u>Approx. equiv. annual rate</u>	<u>Price</u>	<u>Approx. equiv. annual rate</u>
High .....	99.025 <sup>a</sup>	3.857%	98.002	3.952%
Low .....	99.020	3.877%	97.996	3.964%
Average .....	99.022	3.868% <sup>1</sup>	97.998	3.960% <sup>1</sup>

<sup>a</sup> Excepting one tender of \$30,000.

<sup>1</sup> On a coupon issue of the same length and for the same amount invested, the return on these bills would provide yields of 3.96 percent for the 91-day bills, and 4.10 percent for the 182-day bills. 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.

(86 percent of the amount of 91-day bills  
bid for at the low price was accepted.)

(32 percent of the amount of 182-day bills  
bid for at the low price was accepted.)

**Total Tenders Applied for and Accepted (By Federal Reserve Districts)**

<u>District</u>	<i>91-Day Treasury Bills Maturing March 25, 1965</i>		<i>182-Day Treasury Bills Maturing June 24, 1965</i>	
	<u>Applied for</u>	<u>Accepted</u>	<u>Applied for</u>	<u>Accepted</u>
Boston .....	\$ 46,002,000	\$ 34,602,000	\$ 41,456,000	\$ 19,156,000
New York .....	1,566,891,000	791,879,000	1,661,307,000	713,452,000
Philadelphia .....	29,268,000	13,968,000	11,612,000	6,312,000
Cleveland .....	29,229,000	24,229,000	57,976,000	36,932,000
Richmond .....	12,478,000	12,478,000	18,580,000	8,540,000
Atlanta .....	35,004,000	27,985,000	23,272,000	13,996,000
Chicago .....	187,175,000	151,386,000	194,070,000	103,532,000
St. Louis .....	35,208,000	28,980,000	13,285,000	11,445,000
Minneapolis .....	16,693,000	14,169,000	7,358,000	4,858,000
Kansas City .....	27,670,000	23,390,000	23,634,000	18,054,000
Dallas .....	25,836,000	20,696,000	12,127,000	7,127,000
San Francisco .....	90,355,000	56,611,000	120,497,000	57,666,000
Totals .....	\$2,101,809,000	\$1,200,373,000 <sup>b</sup>	\$2,185,174,000	\$1,001,070,000 <sup>c</sup>

<sup>b</sup> Includes \$207,310,000 noncompetitive tenders accepted at the average price of 99.022.

<sup>c</sup> Includes \$96,748,000 noncompetitive tenders accepted at the average price of 97.998.