

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 5591]
[December 24, 1964]

Results of Treasury's One-Year Bill Offering

*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 today's morning newspapers:

The Treasury Department announced last evening that the tenders for \$1,000,000,000, or thereabouts, of 365-day Treasury bills to be dated December 31, 1964, and to mature December 31, 1965, which were offered on December 16, were opened at the Federal Reserve Banks on December 23.

The details of this issue are as follows:

Total applied for \$2,308,404,000
Total accepted .. \$1,000,540,000 (includes \$43,478,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Range of accepted competitive bids (excepting one tender of \$100,000):

High	95.987	Equivalent rate of discount approx.	
			3.958% per annum
Low	95.965	Equivalent rate of discount approx.	
			3.980% per annum
Average	95.972	Equivalent rate of discount approx.	
			3.972% per annum ¹

(93 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	\$ 43,720,000	\$ 32,150,000
New York	1,751,861,000	650,426,000
Philadelphia	14,251,000	2,251,000
Cleveland	89,892,000	50,066,000
Richmond	9,645,000	8,645,000
Atlanta	20,023,000	14,383,000
Chicago	216,443,000	154,878,000
St. Louis	14,718,000	9,543,000
Minneapolis	18,445,000	4,268,000
Kansas City	10,017,000	8,961,000
Dallas	31,210,000	19,140,000
San Francisco	88,179,000	45,829,000
TOTAL.....	\$2,308,404,000	\$1,000,540,000

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 4.15 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.