

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[Circular No. 5631]  
March 17, 1965

OFFERING OF TWO SERIES OF TREASURY BILLS

\$1,200,000,000 of 91-Day Bills, Additional Amount, Series Dated December 24, 1964, Due June 24, 1965  
(To Be Issued March 25, 1965)

\$1,000,000,000 of 182-Day Bills, Dated March 25, 1965, Due September 23, 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 March 25, 1965, in the amount of \$2,108,740,000, as follows:

91-day bills (to maturity date) to be issued March 25, 1965, in the amount of \$1,200,000,000, or thereabouts, representing an additional amount of bills dated December 24, 1964, and to mature June 24, 1965, originally issued in the amount of \$1,004,907,000, the additional and original bills to be freely interchangeable.

182-day bills, for \$1,000,000,000, or thereabouts, to be dated March 25, 1965, and to mature September 23, 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, March 22, 1965. 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, follow-

This Bank will receive tenders for both series up to 1:30 p.m., Eastern Standard time, Monday, March 22, 1965, 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 March 18, 1965, representing an additional amount of bills dated December 17, 1964, maturing June 17, 1965; and 182-day bills dated March 18, 1965, maturing September 16, 1965) are shown on the reverse side of this circular.

ALFRED HAYES,  
President.

(OVER)

**RESULTS OF LAST WEEKLY OFFERING OF TREASURY BILLS (TWO SERIES  
TO BE ISSUED MARCH 18, 1965)**

**Range of Accepted Competitive Bids**

	<i>91-Day Treasury Bills Maturing June 17, 1965</i>		<i>182-Day Treasury Bills Maturing September 16, 1965</i>	
	<u>Price</u>	<u>Approx. equiv. annual rate</u>	<u>Price</u>	<u>Approx. equiv. annual rate</u>
High .....	99.014	3.901%	97.985	3.986%
Low .....	99.007	3.928%	97.982	3.992%
Average .....	99.010	3.917% <sup>1</sup>	97.983	3.990% <sup>1</sup>

<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 4.01 percent for the 91-day bills, and 4.13 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.

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

(63 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 June 17, 1965</i>		<i>182-Day Treasury Bills Maturing September 16, 1965</i>	
	<u>Applied for</u>	<u>Accepted</u>	<u>Applied for</u>	<u>Accepted</u>
Boston .....	\$ 28,953,000	\$ 18,585,000	\$ 33,316,000	\$ 3,316,000
New York .....	1,458,245,000	703,549,000	1,658,279,000	714,983,000
Philadelphia .....	31,768,000	19,768,000	13,193,000	5,193,000
Cleveland .....	31,800,000	31,800,000	67,361,000	14,804,000
Richmond .....	15,039,000	15,039,000	3,672,000	3,580,000
Atlanta .....	38,048,000	29,886,000	21,799,000	12,281,000
Chicago .....	282,325,000	136,145,000	269,495,000	63,985,000
St. Louis .....	51,438,000	43,910,000	14,859,000	10,585,000
Minneapolis .....	23,632,000	22,152,000	9,500,000	5,519,000
Kansas City .....	24,324,000	23,684,000	15,629,000	13,004,000
Dallas .....	27,712,000	17,612,000	9,833,000	4,833,000
San Francisco .....	235,198,000	138,638,000	214,588,000	150,540,000
<b>TOTAL .....</b>	<b>\$2,248,482,000</b>	<b>\$1,200,768,000<sup>a</sup></b>	<b>\$2,331,524,000</b>	<b>\$1,002,623,000<sup>b</sup></b>

<sup>a</sup> Includes \$276,436,000 noncompetitive tenders accepted at the average price of 99.010.

<sup>b</sup> Includes \$102,756,000 noncompetitive tenders accepted at the average price of 97.983.