

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 5726]
November 18, 1965]

**Results of Treasury's Offer of Additional \$2.5 Billion
in June 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 at 6:30 p.m., yesterday:

The Treasury Department announced today that the tenders for an additional \$2,500,000,000, or thereabouts, of the Tax Anticipation Series Treasury bills dated October 11, 1965, and to mature June 22, 1966, were opened at the Federal Reserve Banks on November 17. The additional amount of bills, which were offered on November 12, will be issued November 24 (210 days to maturity date).

The details of this issue are as follows:

Total applied for \$5,152,146,000
Total accepted .. \$2,500,906,000 (Includes \$459,951,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Range of accepted competitive bids (excepting 12 tenders totaling \$12,105,000):

High	97.638	Equivalent rate of discount approx. 4.049% per annum
Low	97.616	Equivalent rate of discount approx. 4.087% per annum
Average	97.623	Equivalent rate of discount approx. 4.075% per annum ¹

(2 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	\$ 182,060,000	\$ 88,360,000
New York	1,981,180,000	441,860,000
Philadelphia	156,165,000	88,205,000
Cleveland	377,930,000	195,290,000
Richmond	95,650,000	44,550,000
Atlanta	197,800,000	135,600,000
Chicago	808,066,000	645,486,000
St. Louis	164,980,000	82,480,000
Minneapolis	136,310,000	73,810,000
Kansas City	98,640,000	76,640,000
Dallas	173,180,000	123,320,000
San Francisco	780,185,000	505,305,000
TOTAL.....	\$5,152,146,000	\$2,500,906,000

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 4.22 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.