

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the Commodity Credit Corporation

[Circular No. 5789]
March 23, 1966]

**Commodity Credit Corporation to Offer \$500 Million
of Special Series Certificates of Interest**

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

The following statement was made public today by the U. S. Department of Agriculture:

The U. S. Department of Agriculture today announced that the Commodity Credit Corporation will offer to banking institutions, dealers in investment securities and other interested persons the opportunity to participate in financing approximately \$500 million of CCC price support loans on agricultural commodities, by purchasing a special series of Certificates of Interest in a pool of such loans.

Special Series Certificates of Interest, which are non-interest bearing, will be offered for sale at discount on a bid basis, both competitive and noncompetitive as is done for Treasury bills. The Certificates, in bearer form, will be issued April 6, 1966, and will mature on August 1, 1966 (117 days).

Bids in writing for Special Series Certificates of Interest must be received at any Federal Reserve Bank (not branch) before 1:30 p.m., E.S.T., on Wednesday, March 30, 1966. The Invitation for Bids covering Special Series Certificates of Interest will be available through Federal Reserve Banks about March 25, 1966. Those submitting successful bids will be so advised by the Federal Reserve Banks. Bids will be accepted in multiples of \$5,000.

Commodity Credit Corporation has statutory authority (15 U.S.C. 714b(i) and 713a-4) to borrow up to \$14.5 billion, has reserved an amount of its uncommitted borrowing authority sufficient to redeem outstanding Special Series Certificates of Interest, and has arranged to borrow from the Secretary of the Treasury of the United States any portion of such uncommitted amount of its borrowing authority whenever needed to redeem such Certificates.

Certificates are acceptable as security for advances at Federal Reserve Banks and as collateral for Treasury Tax and Loan accounts.

CCC anticipates that it will offer investors an opportunity to participate in financing price support loans again next year about this time.

Proceeds from the sale of these Certificates will be paid into the United States Treasury to be applied as payments on CCC notes held by the Treasury.

The invitation for bids and tender forms will be mailed to reach you on Friday, March 25.

ALFRED HAYES,
President.

NOTICE

The statement quoted in our Circular No. 5789, dated March 23, 1966, indicated that Commodity Credit Corporation Certificates, Special Series, are acceptable as security for advances at Federal Reserve Banks. The statement should have indicated, as set forth in the invitation for bids quoted in the enclosed circular, that the Certificates are eligible as security for advances at Federal Reserve Banks.

Federal Reserve Bank of New York