

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 6586
August 10, 1970]

*To All Banking Institutions, and Others Concerned,
in the Second Federal Reserve District:*

The following statement was made public August 7 by the Treasury Department:

PRELIMINARY RESULTS OF CURRENT TREASURY OFFERING

Preliminary reports indicate the Treasury, in its current combination exchange and cash offering, will raise a net of some \$1.9 billion of cash on August 17, when \$6.5 billion of maturing notes and bonds, of which \$5.6 billion are held by the general public and \$0.9 billion are held by Federal Reserve Banks and Government Accounts, will be payable.

Exchange offering

The general public has exchanged \$4.5 billion of the \$5.6 billion eligible securities held by it for new notes maturing in February 1974 and August 1977, leaving \$1.1 billion, or 19.4 percent of the eligible securities unexchanged.

The following is a summary of the exchanges by the public (in millions of dollars):

<u>ELIGIBLE FOR EXCHANGE</u>		<u>TO BE ISSUED</u>			<u>UNEXCHANGED</u>	
<i>Description</i>	<i>Total</i>	<i>7-3/4% Notes 2/15/74</i>	<i>7-3/4% Notes 8/15/77</i>	<i>Total</i>	<i>Total</i>	<i>% of eligible</i>
6-3/8% Notes	\$1,948	\$1,103	\$ 561	\$1,664	\$ 284	14.6
4% Bonds	<u>3,657</u>	<u>1,721</u>	<u>1,131</u>	<u>2,852</u>	<u>805</u>	22.0
Totals	\$5,605	\$2,824	\$1,693	\$4,517	\$1,088	19.4

In addition, Federal Reserve Banks and Government Accounts have exchanged \$0.6 billion of eligible securities held by them, \$0.1 billion for the notes maturing in February 1974 and \$0.5 billion for the notes maturing in August 1977.

Cash offering

The general public has subscribed for a total of \$18.8 billion of the offering of \$2.75 billion, or thereabouts, of new notes maturing in February 1972. Subscriptions from commercial banks for their own account totaled \$11.3 billion and all other subscriptions from the public totaled \$7.5 billion.

Subscriptions totaling \$3.0 billion have been accepted. Subscriptions up to \$200,000 are being allotted in full; other subscriptions are subject to a 9-1/2 percent allotment with a minimum allotment of \$200,000 per subscription.

In addition, \$0.2 billion of the new notes maturing in February 1972 are being allotted to Federal Reserve Banks and Government Accounts in exchange for maturing securities held by them.

Alfred Hayes,
President.