

FEDERAL RESERVE BANK
OF NEW YORK
Fiscal Agent of the United States

[Circular No. 6831]
[November 4, 1971]

Treasury Announces Auction of \$2¾ Billion of Notes

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

The following statement was made public today by the Treasury Department:

The Treasury announced today that it will auction \$2¾ billion of 47/8% 15-month notes on Tuesday, November 9. An additional amount of the notes will be awarded to Federal Reserve Banks and Government accounts at the average price in exchange for securities maturing on November 15. The notes will be dated November 15, 1971, and will mature on February 15, 1973. The details of the sale, which will provide cash to pay off the November 15 maturities not exchanged in the current refunding and raise part of the cash needed for the rest of the calendar year, are attached.

The Treasury said that preliminary reports indicate that in the current refunding about \$2.5 billion of the \$3.8 billion of securities maturing November 15 held by the public have been exchanged for new securities, leaving \$1.3 billion, or 34%, unexchanged. About \$2.1 billion has been exchanged for the new 7-year notes and about \$0.4 billion for the new 15-year bonds. Federal Reserve Banks and Government accounts have exchanged \$2.6 billion of the \$4.1 billion held by them. In addition, cash subscriptions for the new bonds total about \$25 million.

In the prerefunding, about \$3.2 billion of the \$8.0 billion of the 1972 maturities held by the public have been exchanged, about \$3.0 billion for the new notes and about \$0.2 billion for the new bonds.

On the basis of these preliminary reports, the total of the new securities issued to the public will be \$5.1 billion of 7-year notes and \$0.6 billion of 15-year bonds.

More complete details and updated figures on the refunding, the prerefunding and the cash sale of bonds will be released on Monday afternoon.

The official offering circular and tender forms for the notes will be mailed to you tomorrow.

ALFRED HAYES,
President.