

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

[Circular No. 7811]
[February 6, 1976]

RESULTS OF TREASURY'S FEBRUARY 15 REFINANCING

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

The following statements were issued February 5 by the Treasury Department:

RESULTS OF OFFERING OF 8 PERCENT 7-YEAR TREASURY NOTES

Preliminary figures indicate that approximately 106,000 subscriptions totaling \$29.2 billion were received for the offering of \$3.5 billion of 8 percent, 7-year Treasury Notes of Series A-1983.

Due to the overwhelming response to the offering, the Secretary of the Treasury has found it necessary to exercise his authority to reduce the amount of notes to be allotted on subscriptions in amounts over \$200,000. Accordingly, all subscriptions for \$200,000 or less will be allotted in full and subscriptions over that amount will be allotted \$200,000.

Approximately \$6.0 billion of the notes will be allotted to the public. In addition, \$1.9 billion of the notes have been allotted to Government accounts and Federal Reserve Banks for themselves and as agents of foreign and international monetary authorities.

RESULTS OF AUCTIONS OF 3-YEAR NOTES AND 29 1/4-YEAR BONDS

The Treasury has accepted \$3.0 billion of the \$4.4 billion of tenders for the 3-year notes, Series H-1979, and \$0.4 billion of the \$0.7 billion of tenders for the 29 1/4-year 8 1/4% bonds maturing May 15, 2005, received from the public for the notes and bonds auctioned today. The range of accepted competitive bids for the notes was as follows:

Lowest yield	7.00% ¹
Highest yield	7.09%
Average yield	7.05%

¹ Excepting four tenders totaling \$2,510,000.

(Over)

The interest rate on the notes will be 7%. At that rate, the above yields result in the following prices:

Low-yield price 100.000
 High-yield price 99.761
 Average-yield price ... 99.867

The range of accepted competitive bids for the bonds was as follows:

	<u>Price</u>	<u>Approx. yield to first callable date</u>	<u>Approx. yield to maturity</u>
High	102.14	8.04%	8.05%
Low	101.42	8.11%	8.12%
Average	101.75	8.08%	8.09%

The \$3.0 billion of accepted tenders for the notes includes 15% of the amount of notes bid for at the highest yield, and \$0.5 billion of noncompetitive tenders from the public accepted at the average yield.

The \$0.4 billion of accepted tenders for the bonds includes 68% of the amount of bonds bid for at the low price and \$25 million of noncompetitive tenders from the public accepted at the average price.

In addition, \$1.7 billion of tenders for the notes and \$0.2 billion of tenders for the bonds were accepted at the average yields/prices from Government accounts and from Federal Reserve Banks for themselves and as agents of foreign and international monetary authorities.

PAUL A. VOLCKER,
President.