

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

Circular No. 7879
May 20, 1976

RESULTS OF AUCTION OF 2-YEAR TREASURY NOTES
(Notes of Series M-1978)

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

The following statement was issued yesterday by the
Treasury Department:

The Treasury has accepted approximately \$2,250 million of
\$4,717 million of tenders received from the public for the 2-year
notes, Series M-1978, auctioned today. The range of accepted com-
petitive bids was as follows:

Lowest yield..... 7.08%¹
Highest yield..... 7.19%
Average yield..... 7.16%

¹ Excepting six tenders totaling \$7,260,000.

The interest rate on the notes will be 7-1/8%. At the 7-1/8%
rate, the above yields result in the following prices:

Low-yield price..... 100.082
High-yield price..... 99.881
Average-yield price... 99.936

The \$2,250 million of accepted tenders includes 56% of the amount
of notes bid for at the highest yield and \$369 million of noncompetitive
tenders accepted at the average yield.

In addition, \$302 million of tenders were accepted at the average-
yield price from Government accounts and Federal Reserve Banks for their
own account in exchange for notes maturing May 31, 1976 (\$82 million),
and from Federal Reserve Bank as agents for foreign and international
monetary authorities for new cash (\$220 million).

PAUL A. VOLCKER,
President.