FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[Circular No. 7893]

OFFERING OF TWO SERIES OF TREASURY BILLS

\$2,100,000,000 of 91-Day Bills, Additional Amount, Series Dated March 18, 1976, Due September 16, 1976
(To Be Issued June 17, 1976)

\$3,200,000,000 of 182-Day Bills, Dated June 17, 1976, Due December 16, 1976

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

Following is the text of a notice issued by the Treasury Department, released at 4 p.m. yesterday:

The Treasury Department, by this public notice, invites tenders for two series of Treasury bills to the aggregate amount of \$5,300 million, or thereabouts, to be issued June 17, 1976, as follows:

91-day bills (to maturity date) in the amount of \$2,100 million, or thereabouts, representing an additional amount of bills dated March 18, 1976, and to mature September 16, 1976 (CUSIP No. 912793 A97), originally issued in the amount of \$3,103 million, the additional and original bills to be freely interchangeable.

182-day bills for \$3,200 million, or thereabouts, to be dated June 17, 1976, and to mature December 16, 1976 (CUSIP No. 912793 C61).

The bills will be issued for cash and in exchange for Treasury bills maturing June 17, 1976, outstanding in the amount of \$7,606 million, of which Government accounts and Federal Reserve Banks, for themselves and as agents of foreign and international monetary authorities, presently hold \$2,665 million. These accounts may exchange bills they hold for the bills now being offered at the average prices of accepted tenders.

The bills of both series will be issued on a discount basis under competitive and noncompetitive bidding as hereinafter provided, and at maturity their face amount will be payable without interest. They will be issued in bearer form in denominations of \$10,000, \$15,000, \$50,000, \$100,000, \$500,000 and \$1,000,000 (maturity value) and in book-entry form to designated bidders.

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, one-thirty p.m., Eastern Daylight Saving time, Monday, June 14, 1976. Tenders will not be received at the Treasury Department, Washington. Each tender must be for a minimum of \$10,000. Tenders over \$10,000 must be in multiples of \$5,000. In the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Banking institutions and dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions with respect to Government securities and borrowings thereon may submit tenders for account of customers, provided the names of the customers are set forth in such tenders. Others will not be permitted to submit tenders except for their own account. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Treasury Department of the amount and price range of accepted bids. Only those submitting competitive tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Subject to these reservations, noncompetitive tenders for each issue for \$500,000 or less without stated price from any one bidder will be accepted in full at the average price (in three decimals) of accepted competitive bids for the respective issues. Settlement for accepted tenders in accordance with the bids must be made or completed at the Federal Reserve Bank on June 17, 1976, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 17, 1976. Cash and exchange tenders will receive equal treatment. Cash adjustments will be made for differences between the par value of maturing bills accepted in exchange and the issue price of the new bills.

Under Sections 454(b) and 1221(5) of the Internal Revenue Code of 1954, the amount of discount at which bills issued hereunder are sold is considered to accrue when the bills are sold, redeemed or otherwise disposed of, and the bills are excluded from consideration as capital assets. Accordingly, the owner of Treasury bills (other than life insurance companies) issued hereunder must include in his income tax return, as ordinary gain or loss, the difference between the price paid for the bills, whether on original issue or on subsequent purchase, and the amount actually received either upon sale or redemption at maturity during the taxable year for which the return is made.

Treasury Department Circular No. 418 (current revision) and this notice prescribe the terms of the Treasury bills and govern the conditions of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

This Bank will receive tenders for both series up to 1:30 p.m., Eastern Daylight Saving time, Monday, June 14, 1976, at the Securities Department of its Head Office and at its Buffalo Branch. Tender forms for the respective series are enclosed. Please use the appropriate forms to submit tenders and return them in the enclosed envelope marked "Tender for Treasury Bills." Tenders not requiring a deposit may be submitted by telegraph, subject to written confirmation; no tenders may be submitted by telephone. Payment for Treasury bills cannot be made by credit through the Treasury Tax and Loan Account. Settlement must be made in cash or other immediately available funds or in maturing Treasury bills.

Results of the last weekly offering of Treasury bills (91-day bills to be issued June 10, 1976, representing an additional amount of bills dated March 11, 1976, maturing September 9, 1976; and 182-day bills dated June 10, 1976, maturing December 9, 1976) are shown on the reverse side of this circular.

PAUL A. VOLCKER, President.

[25]

RESULTS OF LAST WEEKLY OFFERING OF TREASURY BILLS (TWO SERIES TO BE ISSUED JUNE 10, 1976)

Range of Accepted Competitive Bids

December 16. 1	91-Day Treasury Bills Maturing September 9, 1976			182-Day Treasury Bills Maturing December 9, 1976		
High	Price 98.624	Discount Rate	Investment Rate1	Price 97.090	Discount Rate	Investment Rate1
High		5.444%	5.60%		5.756%	6.01%
Low	98.618	5.467%	5.62%	97.079	5.778%	6.03%
Average	98.620	5.459%	5.61%	97.084	5.768%	6.02%

(17 percent of the amount of 91-day bills bid for at the low price was accepted.)

¹ Equivalent coupon-issue yield.

(77 percent of the amount of 182-day bills bid for at the low price was accepted.)

Total Tenders Received and Accepted (By Federal Reserve District)

	91-Day Treasury Bills Maturing September 9, 1976		182-Day Treasury Bills Maturing December 9, 1976		
District	Received	Accepted	Received	Accepted	
Boston	\$ 43,925,000	\$ 27,625,000	\$ 35,215,000	\$ 11,715,000	
New York	4,079,635,000	1,772,700,000	5,650,425,000	3,183,385,000	
Philadelphia	30,440,000	26,325,000	19,160,000	8,345,000	
Cleveland	71,030,000	37,460,000	168,540,000	17,040,000	
Richmond	26,780,000	20,380,000	67,975,000	14,475,000	
Atlanta	34,760,000	33,870,000	72,410,000	24,310,000	
Chicago	320,780,000	186,835,000	291,155,000	34,435,000	
St. Louis	53,265,000	32,265,000	64,030,000	29,570,000	
Minneapolis	53,305,000	7,805,000	37,770,000	4,770,000	
Kansas City	41,850,000	35,350,000	34,305,000	24,145,000	
Dallas	29,330,000	18,330,000	28,160,000	12,160,000	
San Francisco	723,635,000	104,695,000	548,855,000	36,055,000	
TOTALS	\$5,508,735,000	\$2,303,640,000 a	\$7,018,000,000	\$3,400,405,000 ^b	

a Includes \$440,320,000 noncompetitive tenders from the public. b Includes \$216,710,000 noncompetitive tenders from the public.

PRIVACY ACT STATEMENT: The individual identifiable information required on this form is necessary to permit the tender to be processed and the bills to be issued, in accordance with the General Regulations governing United States securities (Department Circular No. 300) and the Regulations governing Treasury Bills (Department Circular No. 418). The transaction will not be completed unless all required data is furnished.

Additional Amount, Series Dated March 18, 1976, Maturing September 16, 1976

(To Be Issued June 17, 1976)

To FEDERAL RESERVE BANK Fiscal Agent of the U			l at
Pursuant to the provisi sions of the public notice Treasury bills, the undersign	ons of Treasury Department issued by the Treasury gned hereby offers to purch	t Circular No. 418 Department invitin	(current revision) and to the provi- ag tenders for the above-described bills in the amount indicated below, e date at the price indicated below:
COMPETITIVE TENI	DER Do not fill in bot Noncompetitive to	th Competitive and enders on one form	NONCOMPETITIVE TENDER
\$	(maturity value) nay be awarded. per 100. sed with not more than three nple, 99.925)	\$(Not to exceed \$500 at the average p	(maturity value) 20,000 for one bidder through all sources) rice of accepted competitive bids. Ils as indicated below:
\$ 10,000 15,000 50,000 100,000 500,000 1,000,000 Totals	undersigne 2. Ship to the 3. Hold in siber bank of Investing Genera Trust 4. Allotment (No changes in a will be	e undersigned afekeeping (for mem- only) in— nent Account I Account Account transfer (see list attack lelivery instructions accepted) that the Treasury I	bills which you are hereby instructed
Insert this tender in special envelope marked "Tender for		(Name of subscriber—plea (Address—incl. City	and State)
Treasury Bills"	(Tel. No.)	(Signature of s	subscriber or authorized signature)
(Banking institutions submitting	tenders for customer account m		nes on lines below or on an attached rider)
(Name of cus 1NSTRUCTIONS: 1. No tender for less than 2. Only banking institution	\$10,000 will be considered, and s, and dealers who make primary	markets in Governme	(Name of customer) for a multiple of \$5,000 (maturity value). nt securities and report daily to this Bank submit tenders for customer account; in

- list is attached showing the name of each bidder and the amount bid for his account. Others will not be permitted to submit tenders except for their own account.
- ., a member of the firm."
- 4. Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 2 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company. All checks must be drawn to the order of the Federal Reserve Bank of New York; checks endorsed to this Bank will not be accepted.
- 5. If the language of this tender is changed in any respect, which, in the opinion of the Secretary of the Treasury is material, the tender may be disregarded.

TENDER FOR 182-DAY TREASURY BILLS

Dated June 17, 1976

Maturing December 16, 1976

To Federal Reserve Bank of New York, Fiscal Agent of the United States		Dated at, 19			
sions of the public notice issued la Treasury bills, the undersigned here	by the Treasury Department inv	18 (current revision) and to the provi- piting tenders for the above-described ary bills in the amount indicated below, assue date at the price indicated below;			
COMPETITIVE TENDER	Do not fill in both Competitive and Noncompetitive tenders on one form	NONCOMPETITIVE TENDER			
s(or any lesser amount that may be aw		\$500,000 for one bidder through all sources)			
Price:	t more than three at the averag	e price of accepted competitive bids.			
Subject to allotment, please issue, de	liver, and accept payment for the	bills as indicated below:			
Pieces Denomination Maturity value	☐ 1. Deliver over the counter to undersigned	the Payment will be made as follows:			
15,000	— □ 2. Ship to the undersigned	☐ By cash or check in immediately available funds on delivery			
50,000	3. Hold in safekeeping (for me ber bank only) in—	m- (Payment cannot be made through Treasury Tax and Loan Account)			
100,000	☐ Investment Account ☐ General Account	☐ 5. Special instructions:			
500,000	☐ Trust Account				
1,000,000	4. Allotment transfer (see list at				
Totals	(No changes in delivery instructions will be accepted)				
The undersigned (member bank) hereby certifies that the Treasury bills which you are hereby instructed to dispose of in the manner indicated in item 3 above are owned solely by the undersigned.					
Insert this tender	(Name of subscriber—	please print or type)			
in special envelope	(Address-incl. (City and State)			
marked "Tender for Treasury Bills"		of subscriber or authorized signature)			
(Banking institutions submitting tanders for	(Title of autho	rized signer) names on lines below or on an attached rider)			
(Name of customer) INSTRUCTIONS:		(Name of customer)			
Only banking institutions, and dealer their positions with respect to Government doing so, they may consolidate competitive list is attached showing the name of each tenders except for their own account.	rs who make primary markets in Govern t securities and borrowings thereon, n tenders at the same price and may co- pidder and the amount bid for his acco-	be for a multiple of \$5,000 (maturity value). ment securities and report daily to this Bank may submit tenders for customer account; in nsolidate noncompetitive tenders, provided a bunt. Others will not be permitted to submit			
authorized to make the tender, and the representation by him that he has been s	signing of the tender by an officer of authorized. If the tender is made be form "	be signed by an officer of the corporation of the corporation will be construed as a by a partnership, it should be signed by a copartnership, by			
 Tenders will be received withou and recognized dealers in investment sect the face amount of Treasury bills applied 	t deposit from incorporated banks a prities. Tenders from others must be for, unless the tenders are accompa- t. All checks must be drawn to the o	and trust companies and from responsible accompanied by payment of 2 percent of mied by an express guaranty of payment of the Federal Reserve Bank of New			

5. If the language of this tender is changed in any respect, which, in the opinion of the Secretary of the Treasury is material, the tender may be disregarded.

[25]

Digitized for FRASER http://fraser.stlouisfed.org/ Federal Reserve Bank of St. Louis

PRIVACY ACT STATEMENT: The individual identifiable information required on this form is necessary to permit the tender to be processed and the bills to be issued, in accordance with the General Regulations governing United States securities (Department Circular No. 300) and the Regulations governing Treasury Bills (Department Circular No. 418). The transaction will not be completed unless all required data is furnished.