## FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[ Circular No. 7895]

### OFFERING OF TWO SERIES OF TREASURY BILLS

\$2,100,000,000 of 91-Day Bills, Additional Amount, Series Dated March 25, 1976, Due September 23, 1976
(To Be Issued June 24, 1976)

\$3,100,000,000 of 182-Day Bills, Dated June 24, 1976, Due December 23, 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 \$5,200 million, or thereabouts, to be issued June 24, 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 25, 1976, and to mature September 23, 1976 (CUSIP No. 912793 B21), originally issued in the amount of \$3,103 million, the additional and original bills to be freely interchangeable.

182-day bills for \$3,100 million, or thereabouts, to be dated June 24, 1976, and to mature December 23, 1976 (CUSIP No. 912793 C79).

The bills will be issued for cash and in exchange for Treasury bills maturing June 24, 1976, outstanding in the amount of \$5,510 million, of which Government accounts and Federal Reserve Banks, for themselves and as agents of foreign and international monetary authorities, presently hold \$2,841 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 21, 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 24, 1976, in cash or other immediately available funds or in a like face amount of Treasury bills maturing June 24, 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 21, 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 17, 1976, representing an additional amount of bills dated March 18, 1976, maturing September 16, 1976; and 182-day bills dated June 17, 1976, maturing December 16, 1976) are shown on the reverse side of this circular.

Paul A. Volcker, President.

# RESULTS OF LAST WEEKLY OFFERING OF TREASURY BILLS (TWO SERIES TO BE ISSUED JUNE 17, 1976)

## Range of Accepted Competitive Bids

91-Day Treasury Bills Maturing September 16, 1976

182-Day Treasury Bills Maturing December 16, 1976

|         | Price  | Discount<br>Rate | Investment<br>Rate1 | Price   | Discount<br>Rate | Investment<br>Rate1 |
|---------|--------|------------------|---------------------|---------|------------------|---------------------|
| High    | 98.641 | 5.376%           | 5.53%               | 97.131a | 5.675%           | 5.92%               |
| Low     | 98.634 | 5.404%           | 5.55%               | 97.112  | 5.713%           | 5.96%               |
| Average | 98.640 | 5.380%           | 5.53%               | 97.121  | 5.695%           | 5.94%               |

<sup>&</sup>lt;sup>1</sup> Equivalent coupon-issue yield.

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

(5 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)

|               |                 | easury Bills<br>tember 16, 1976 | 182-Day Treasury Bills<br>Maturing December 16, 1976 |                  |
|---------------|-----------------|---------------------------------|--|------------------|
| District      | Received        | Accepted                        | Received   | Accepted         |
| Boston        | \$ 62,465,000   | \$ 23,315,000                   | \$ 35,145,000  | \$ 21,145,000    |
| New York      | 3,008,635,000   | 1,283,920,000                   | 4,628,775,000  | 2,780,025,000    |
| Philadelphia  | 23,685,000      | 22,185,000                      | 6,085,000  | 6,075,000        |
| Cleveland     | 56,030,000      | 41,885,000                      | 175,895,000  | 135,895,000      |
| Richmond      | 26,805,000      | 21,130,000                      | 22,580,000   | 12,580,000       |
| Atlanta       | 30,230,000      | 27,615,000                      | 44,550,000   | 35,350,000       |
| Chicago       | 174,185,000     | 39,560,000                      | 159,855,000  | 68,355,000       |
| St. Louis     | 50,690,000      | 29,690,000                      | 42,635,000   | 23,635,000       |
| Minneapolis   | 40,385,000      | 8,385,000                       | 51,610,000   | 31,610,000       |
| Kansas City   | 58,400,000      | 55,735,000                      | 24,750,000   | 24,750,000       |
| Dallas        | 33,660,000      | 15,850,000                      | 20,730,000   | 16,230,000       |
| San Francisco | 791,940,000     | 530,940,000                     | 149,755,000  | 44,755,000       |
| Totals        | \$4,357,110,000 | \$2,100,210,000 b               | \$5,362,365,000                                      | \$3,200,405,000° |

 $<sup>^{\</sup>rm b}$  Includes \$433,575,000 noncompetitive tenders from the public.  $^{\rm c}$  Includes \$171,200,000 noncompetitive tenders from the public.

a Excepting one tender of \$545,000.

# (Closing date for receipt of this tender is Monday, June 21, 1976)

### TENDER FOR 91-DAY TREASURY BILLS

Additional Amount, Series Dated March 25, 1976, Maturing September 23, 1976

(To Be Issued June 24, 1976)

| Fiscal Agent of t  | BANK OF NEW YOU<br>the United States  |   | Dated at   |
|--|---|---|--|
| ions of the public r<br>Freasury bills, the un   | notice issued by t<br>dersigned hereby of   | ry Department Circular No.<br>he Treasury Department in<br>offers to purchase such Trea   | 418 (current revision) and to the provi-<br>niviting tenders for the above-described<br>sury bills in the amount indicated below<br>issue date at the price indicated below  |
| COMPETITIVE  |   | Do not fill in both Competitive an<br>Noncompetitive tenders on one form  |  |
| \$or any lesser amount t   | that may be awarde  | ed. \$(Not to exceed)   | (maturity value)<br>ed \$500,000 for one bidder through all sources)   |
| decimal places, fo   | expressed with not mo<br>or example, 99.925)  |   | age price of accepted competitive bids.  he bills as indicated below:  |
| Pieces Denomination  |   | ☐ 1. Deliver over the counter to  | -  |
| \$ 10,000  |   | undersigned  2. Ship to the undersigned   | ☐ By charge to our reserve account ☐ By cash or check in immediately   |
| 50,000   |   | 3. Hold in safekeeping (for reber bank only) in—  | (I dyment cannot be made infough   |
| 100,000  |   | ☐ Investment Account  | Treasury Tax and Loan Account)  5. Special instructions:   |
| 500,000  |   | ☐ General Account ☐ Trust Account   |  |
| 1,000,000  |   | 4. Allotment transfer (see list   |  |
| Totals   |   | (No changes in delivery instructio<br>will be accepted)   | ns .   |
| to dispose of in the n   | nanner indicated in   | item 3 above are owned so   | sury bills which you are hereby instructed blely by the undersigned.  r—please print or type)  |
| in special envelop<br>marked "Tender  <br>Treasury Bills"  | or  |   | ure of subscriber or authorized signature)   |
| _  |   | (Title of au  | thorized signer)   |
| (Banking institutions sub  | mitting tenders for cus   | stomer account must list customer   | s' names on lines below or on an attached rider  |
|  | e of customer)  |   | (Name of customer)   |
| 2. Only banking inst<br>their positions with respect<br>doing so, they may conso-<br>list is attached showing the<br>tenders except for their of<br>3. If the person matcherized to make the<br>representation by him the<br>member of the firm, who | itutions, and dealers we come to Government see blidde competitive ten the name of each bidd own account. The tender is tender, and the sign at he has been so at should sign in the fo | the make primary markets in Governities and borrowings thereoneders at the same price and may er and the amount bid for his a corporation, the tender shouling of the tender by an office atthought of the tender by an office of the tender | st be for a multiple of \$5,000 (maturity value) ernment securities and report daily to this Band, may submit tenders for customer account; it consolidate noncompetitive tenders, provided eccount. Others will not be permitted to submit the signed by an officer of the corporation of the corporation will be construed as the by a partnership, it should be signed by a copartnership, it should be signed by a copartnership, it should be signed by a copartnership, it should be signed by |

- 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.

# 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.

### TENDER FOR 182-DAY TREASURY BILLS

Dated June 24, 1976

Maturing December 23, 1976

| To Federal Reserve Bank of<br>Fiscal Agent of the Unite   | A CONTRACTOR OF THE PARTY OF TH |  | l at  |  |  |
|---|--|--|---|--|--|
| sions of the public notice iss<br>Treasury bills, the undersigned   | ued by the Treasury<br>hereby offers to purch  | t Circular No. 418 Department invitir  | (current revision) and to the proving tenders for the above-described bills in the amount indicated below, e date at the price indicated below;   |  |  |
| COMPETITIVE TENDER  | Do not fill in bo  | th Competitive and enders on one form  | NONCOMPETITIVE TENDER   |  |  |
| \$  | (maturity value) be awarded per 100. with not more than three  | \$(Not to exceed \$50<br>at the average p  | (maturity value) 00,000 for one bidder through all sources) rice of accepted competitive bids.  |  |  |
| \$ 10,000   Maturity value   \$ 10,000  | undersigne  2. Ship to the   | e undersigned<br>afekeeping (for mem-<br>only) in—   | Payment will be made as follows:  By charge to our reserve account in immediate available funds on delivery (Payment cannot be made through Treasury Tax and Loan Account)  |  |  |
| 100,000   | ☐ Genera   |  | 5. Special instructions:  |  |  |
| 1,000,000<br>Totals   | (No changes in a   | Account<br>transfer (see list attach<br>lelivery instructions<br>accepted)   | ned)  |  |  |
| The undersigned (member to dispose of in the manner in Insert this tender in special envelope   | bank) hereby certifies<br>dicated in item 3 above  | that the Treasury be are owned solely  (Name of subscriber—plea  (Address—incl. City:  | se print or type)   |  |  |
| marked "Tender for<br>Treasury Bills"   | (Tel. No.)   |  |   |  |  |
| (Banking institutions submitting tend   |  |  | I signer) les on lines below or on an attached rider)   |  |  |
| (Name of customer, INSTRUCTIONS:  1. No tender for less than \$10, 2. Only banking institutions, and their positions with respect to Gove doing so, they may consolidate complist is attached showing the name of tenders except for their own account 3. If the person making the authorized to make the tender, and | 000 will be considered, and dealers who make primary ernment securities and bor betitive tenders at the same each bidder and the amountender is a corporation, the signing of the tender tender is a corporation.  | each tender must be it markets in Government rowings thereon, may price and may consolute bid for his account the tender should be tender by an officer of the tender of t | (Name of customer)  for a multiple of \$5,000 (maturity value).  In securities and report daily to this Bank submit tenders for customer account; in lidate noncompetitive tenders, provided a . Cthers will not be permitted to submit signed by an officer of the corporation the corporation will be construed as a contraction it should be signed by a |  |  |

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.

...., a member of the firm."

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

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member of the firm, who should sign in the form ".

..., a copartnership, by