

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

Circular No. 7941  
August 23, 1976

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

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

The following statement was issued August 19 by the  
Treasury Department:

The Treasury has accepted \$2,502 million of \$4,292 million  
of tenders received from the public for the 2-year notes,  
Series Q-1978, auctioned today. The range of accepted competi-  
tive bids was as follows:

Lowest yield..... 6.59%<sup>1</sup>  
Highest yield..... 6.69%  
Average yield..... 6.67%

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<sup>1</sup> Excepting two tenders totaling \$510,000.

The interest rate on the notes will be 6-5/8%. At the 6-5/8%  
rate, the above yields result in the following prices:

Low-yield price..... 100.065  
High-yield price..... 99.880  
Average-yield price... 99.917

The \$2,502 million of accepted tenders includes 20% of the  
amount of notes bid for at the highest yield and \$343 million of  
noncompetitive tenders accepted at the average yield.

In addition, \$414 million of tenders were accepted at the  
average-yield price from Government accounts and Federal Reserve  
Banks for their own account and as agents for foreign and inter-  
national monetary authorities in exchange for notes maturing  
August 31, 1976 (\$204 million), and from Federal Reserve Banks  
as agents for foreign and international monetary authorities for  
new cash (\$210 million).

PAUL A. VOLCKER,  
President.