

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[Circular No. 7967]
October 13, 1976

OFFERING OF TWO SERIES OF TREASURY BILLS

\$2,400,000,000 of 91-Day Bills, Additional Amount, Series Dated July 22, 1976, Due January 20, 1977
(To Be Issued October 21, 1976)

\$3,400,000,000 of 182-Day Bills, Dated October 21, 1976, Due April 21, 1977

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 yesterday:

The Department of the Treasury, by this public notice, invites tenders for two series of Treasury bills to the aggregate amount of \$5,800 million, or thereabouts, to be issued October 21, 1976, as follows:

91-day bills (to maturity date) in the amount of \$2,400 million, or thereabouts, representing an additional amount of bills dated July 22, 1976, and to mature January 20, 1977 (CUSIP No. 912793 E28), originally issued in the amount of \$3,501 million, the additional and original bills to be freely interchangeable.

182-day bills, for \$3,400 million, or thereabouts, to be dated October 21, 1976, and to mature April 21, 1977 (CUSIP No. 912793 F76).

The bills will be issued for cash and in exchange for Treasury bills maturing October 21, 1976, outstanding in the amount of \$5,805 million, of which Government accounts and Federal Reserve Banks, for themselves and as agents of foreign and international monetary authorities, presently hold \$2,993 million. These accounts may exchange bills they hold for the bills now being offered at the average prices of accepted tenders.

The bills will be issued on a discount basis under competitive and noncompetitive bidding, 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 and, from individuals, at the Bureau of the Public Debt, Washington, D.C. 20226, up to 1:30 p.m., Eastern Daylight Saving time, Monday, October 18, 1976. 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.

Banking institutions and dealers which 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

This Bank will receive tenders for both series up to 1:30 p.m., Eastern Daylight Saving time, Monday, October 18, 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 enveloped 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 October 14, 1976, representing an additional amount of bills dated July 15, 1976, maturing January 13, 1977; and 182-day bills dated October 14, 1976, maturing April 14, 1977) are shown on the reverse side of this circular.

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 bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

Public announcement will be made by the Department of the Treasury of the amount and price range of accepted bids. 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 or Branch or at the Bureau of the Public Debt on October 21, 1976, in cash or other immediately available funds or in a like face amount of Treasury bills maturing October 21, 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 bills (other than life insurance companies) issued hereunder must include in his Federal 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.

Department of the Treasury 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, or from the Bureau of the Public Debt.

RESULTS OF LAST WEEKLY OFFERING OF TREASURY BILLS
(TWO SERIES TO BE ISSUED OCTOBER 14, 1976)

Range of Accepted Competitive Bids

| | <i>91-Day Treasury Bills</i> Maturing January 13, 1977 | | | <i>182-Day Treasury Bills</i> Maturing April 14, 1977 | | |
|---------------|---|----------------------|------------------------------------|--|----------------------|------------------------------------|
| | <i>Price</i> | <i>Discount Rate</i> | <i>Investment Rate¹</i> | <i>Price</i> | <i>Discount Rate</i> | <i>Investment Rate¹</i> |
| High | 98.765 | 4.886% | 5.02% | 97.474 | 4.996% | 5.20% |
| Low | 98.757 | 4.917% | 5.05% | 97.450 | 5.044% | 5.25% |
| Average | 98.760 | 4.905% | 5.04% | 97.460 | 5.024% | 5.23% |

¹ Equivalent coupon-issue yield.

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

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

Total Tenders Received and Accepted

| | <i>91-Day Treasury Bills</i> Maturing January 13, 1977 | | <i>182-Day Treasury Bills</i> Maturing April 14, 1977 | |
|--|---|------------------------------------|--|------------------------------------|
| <i>F.R. District (and U.S. Treasury)</i> | <i>Received</i> | <i>Accepted</i> | <i>Received</i> | <i>Accepted</i> |
| Boston | \$ 79,235,000 | \$ 22,385,000 | \$ 92,070,000 | \$ 47,070,000 |
| New York | 4,274,545,000 | 2,051,425,000 | 4,457,905,000 | 2,620,705,000 |
| Philadelphia | 28,235,000 | 27,260,000 | 11,640,000 | 9,640,000 |
| Cleveland | 144,170,000 | 58,370,000 | 120,740,000 | 120,740,000 |
| Richmond | 34,630,000 | 17,630,000 | 81,275,000 | 61,275,000 |
| Atlanta | 29,615,000 | 27,115,000 | 15,415,000 | 14,815,000 |
| Chicago | 377,120,000 | 43,890,000 | 283,950,000 | 124,750,000 |
| St. Louis | 47,415,000 | 19,745,000 | 41,890,000 | 19,890,000 |
| Minneapolis | 10,910,000 | 5,910,000 | 30,950,000 | 10,950,000 |
| Kansas City | 42,760,000 | 39,680,000 | 21,400,000 | 21,400,000 |
| Dallas | 51,090,000 | 27,940,000 | 41,385,000 | 30,385,000 |
| San Francisco | 299,145,000 | 60,450,000 | 522,110,000 | 418,310,000 |
| U.S. Treasury | 95,000 | 95,000 | 90,000 | 90,000 |
| TOTALS | \$5,418,965,000 | \$2,401,895,000^a | \$5,720,820,000 | \$3,500,020,000^b |

^a Includes \$380,950,000 noncompetitive tenders from the public.

^b Includes \$167,730,000 noncompetitive tenders from the public.

(Closing date for receipt of this tender is Monday, October 18, 1976)

TENDER FOR 91-DAY TREASURY BILLS

Additional Amount, Series Dated July 22, 1976, Maturing January 20, 1977

(To Be Issued October 21, 1976)

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

Dated at, 19__

Pursuant to the provisions of Treasury Department Circular No. 418 (current revision) and to the provisions of the public notice issued by the Treasury Department inviting tenders for the above-described Treasury bills, the undersigned hereby offers to purchase such Treasury bills in the amount indicated below, and agrees to make payment therefor at your Bank on or before the issue date at the price indicated below:

COMPETITIVE TENDER

Do not fill in both Competitive and Noncompetitive tenders on one form

NONCOMPETITIVE TENDER

\$..... (maturity value)
or any lesser amount that may be awarded.

\$..... (maturity value)
(Not to exceed \$500,000 for one bidder through all sources)

Price: per 100.
(Price must be expressed with not more than three decimal places, for example, 99.925)

at the average price of accepted competitive bids.

Subject to allotment, please issue, deliver, and accept payment for the bills as indicated below:

| Pieces | Denomination | Maturity value | | <input type="checkbox"/> 1. Deliver over the counter to the undersigned <input type="checkbox"/> 2. Ship to the undersigned <input type="checkbox"/> 3. Hold in safekeeping (for member bank only) in— <input type="checkbox"/> Investment Account <input type="checkbox"/> General Account <input type="checkbox"/> Trust Account <input type="checkbox"/> 4. Allotment transfer (see list attached) <i>(No changes in delivery instructions will be accepted)</i> | Payment will be made as follows: <input type="checkbox"/> By charge to our reserve account <input type="checkbox"/> By cash or check in <i>immediately available funds</i> on delivery <i>(Payment cannot be made through Treasury Tax and Loan Account)</i> <input type="checkbox"/> 5. Special instructions: |
|--------|--------------|----------------|--|--|--|
| | \$ 10,000 | | | | |
| | 15,000 | | | | |
| | 50,000 | | | | |
| | 100,000 | | | | |
| | 500,000 | | | | |
| | 1,000,000 | | | | |
| | Totals | | | | |

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 in special envelope marked "Tender for Treasury Bills"

.....
 (Name of subscriber—please print or type)

 (Address—incl. City and State)

 (Tel. No.) (Signature of subscriber or authorized signature)

 (Title of authorized signer)

(Banking institutions submitting tenders for customer account must list customers' names on lines below or on an attached rider)

..... (Name of customer) (Name of customer)

INSTRUCTIONS:

- No tender for less than \$10,000 will be considered, and each tender must be for a multiple of \$5,000 (maturity value).
- Only banking institutions, and dealers who make primary markets in Government securities and report daily to this Bank their positions with respect to Government securities and borrowings thereon, may submit tenders for customer account; in doing so, they may consolidate competitive tenders *at the same price* and may consolidate noncompetitive tenders, provided a 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.
- If the person making the tender is a corporation, the tender should be signed by an officer of the corporation authorized to make the tender, and the signing of the tender by an officer of the corporation will be construed as a representation by him that he has been so authorized. If the tender is made by a partnership, it should be signed by a member of the firm, who should sign in the form "....., a copartnership, by, a member of the firm."
- 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.
- 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.

1976-10-18 10:00 AM FRASER FEDERAL RESERVE BANK OF ST. LOUIS

(Closing date for receipt of this tender is Monday, October 18, 1976)

TENDER FOR 182-DAY TREASURY BILLS

Dated October 21, 1976

Maturing April 21, 1977

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

Dated at, 19__

Pursuant to the provisions of Treasury Department Circular No. 418 (current revision) and to the provisions of the public notice issued by the Treasury Department inviting tenders for the above-described Treasury bills, the undersigned hereby offers to purchase such Treasury bills in the amount indicated below, and agrees to make payment therefor at your Bank on or before the issue date at the price indicated below:

COMPETITIVE TENDER

Do not fill in both Competitive and Noncompetitive tenders on one form

NONCOMPETITIVE TENDER

\$. (maturity value) or any lesser amount that may be awarded.

\$. (maturity value) (Not to exceed \$500,000 for one bidder through all sources)

Price: per 100. (Price must be expressed with not more than three decimal places, for example, 99.925)

at the average price of accepted competitive bids.

Subject to allotment, please issue, deliver, and accept payment for the bills as indicated below:

Table with columns: Pieces, Denomination, Maturity value. Includes checkboxes for delivery options (counter, ship, safekeeping, allotment transfer) and payment methods (charge to reserve, cash/check, special instructions).

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.

Form for subscriber information including fields for Name, Address, Tel. No., Signature, and Title of authorized signer.

Form for banking institutions submitting tenders for customer account, including fields for Name of customer.

INSTRUCTIONS:

- 1. No tender for less than \$10,000 will be considered...
2. Only banking institutions, and dealers who make primary markets in Government securities...
3. If the person making the tender is a corporation, the tender should be signed by an officer...
4. Tenders will be received without deposit from incorporated banks and trust companies...
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.

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.