

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

Circular No. 7975
October 22, 1976

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

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

The following statement was issued October 21 by the
Treasury Department:

The Treasury has accepted \$2,502 million of \$4,102 million
of tenders received from the public for the 2-year notes,
Series S-1978, auctioned today. The range of accepted competi-
tive bids was as follows:

Lowest yield..... 5.88%¹
Highest yield..... 5.99%
Average yield..... 5.96%

¹ Excepting two tenders totaling \$2,060,000.

The interest rate on the notes will be 5-7/8%. At the 5-7/8%
rate, the above yields result in the following prices:

Low-yield price..... 99.991
High-yield price..... 99.787
Average-yield price... 99.842

The \$2,502 million of accepted tenders includes 94% of the
amount of notes bid for at the highest yield and \$239 million of
noncompetitive tenders accepted at the average yield.

In addition, \$408 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
October 31, 1976 (\$98 million), and from Federal Reserve Banks
as agents for foreign and international monetary authorities for
new cash (\$310 million).

PAUL A. VOLCKER,
President.