

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

Circular No. 8035
January 13, 1977

TREASURY TO AUCTION \$2,500 MILLION OF 2-YEAR NOTES

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

The following statement was issued yesterday by the Treasury Department:

The Department of the Treasury will auction \$2,500 million of 2-year notes to raise new cash. Additional amounts of the notes may be issued to Federal Reserve Banks as agents of foreign and international monetary authorities at the average price of accepted tenders.

Printed on the reverse side is a table summarizing the highlights of the offering. Copies of the official offering circular will be furnished upon request.

Bidders submitting noncompetitive tenders for the notes should realize that it is possible that the average price may be above par, in which case they would have to pay more than the face value for the securities.

If payment for the notes is made by check, the check should be a certified personal check or an official bank check, payable on its face to the Federal Reserve Bank of New York; checks endorsed to this Bank will not be accepted.

Enclosed is a copy of the form to be used in submitting tenders. If there is any doubt that tenders sent by mail will reach this Bank or its Branch by Wednesday, January 19, bidders should use other means of transmitting their tenders.

A recorded message (Tel. No. 212-791-5823) provides information about this and other Treasury offerings; additional inquiries regarding this offering may be made by calling Telephone No. 212-791-6619 or 212-791-5465.

PAUL A. VOLCKER,
President.

(Over)

**HIGHLIGHTS OF TREASURY
OFFERING TO THE PUBLIC
OF 2-YEAR NOTES
TO BE ISSUED FEBRUARY 3, 1977**

Amount Offered:

To the public \$2,500 million

Description of Security:

Term and type of security 2-year notes
Series and CUSIP designation Series L-1979
(CUSIP No.912827 GJ5)
Maturity date January 31, 1979
Call date No provision
Interest coupon rate To be determined, based on the
average of accepted bids
Investment yield To be determined at auction
Premium or discount To be determined after auction
Interest payment dates July 31 and January 31
Minimum denomination available \$5,000

Terms of Sale:

Method of sale Yield auction
Accrued interest payable by investor None
Preferred allotment Noncompetitive bid for \$1,000,000
or less
Deposit requirement 5% of face amount
Deposit guarantee by designated institutions Acceptable

Key Dates:

Deadline for receipt of tenders Wednesday, January 19, 1977,
by 1:30 p.m., EST
Settlement date (final payment due)
a) Cash or Federal funds Thursday, February 3, 1977
b) Check drawn on bank within FRB district where submitted Monday, January 31, 1977
c) Check drawn on bank outside FRB district where submitted Friday, January 28, 1977
Delivery date for coupon securities Thursday, February 3, 1977