#### FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

Circular No. 8081 ]

### OFFERING OF TWO SERIES OF TREASURY BILLS

\$2,500,000,000 of 91-Day Bills, Additional Amount, Series Dated January 6, 1977, Due July 7, 1977

(To Be Issued April 7, 1977)

\$3,500,000,000 of 182-Day Bills, Dated April 7, 1977, Due October 6, 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 \$6,000 million, or thereabouts, to be issued April 7, 1977, as follows:

91-day bills (to maturity date) in the amount of \$2,500 million, or thereabouts, representing an additional amount of bills dated January 6, 1977, and to mature July 7, 1977 (CUSIP No. 912793 H82), originally issued in the amount of \$3,503 million, the additional and original bills to be freely interchangeable.

182-day bills, for \$3,500 million, or thereabouts, to be dated April 7, 1977, and to mature October 6, 1977 (CUSIP No. 912793 K54).

The bills will be issued for cash and in exchange for Treasury bills maturing April 7, 1977, outstanding in the amount of \$6,013 million, of which Government accounts and Federal Reserve Banks, for themselves and as agents of foreign and international monetary authorities, presently hold \$3,195 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 Standard time, Monday, April 4, 1977. 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

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 April 7, 1977, in cash or other immediately available funds or in a like face amount of Treasury bills maturing April 7, 1977. 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.

This Bank will receive tenders for both series up to 1:30 p.m., Eastern Standard time, Monday, April 4, 1977, 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 March 31, 1977, representing an additional amount of bills dated December 30, 1976, maturing June 30, 1977; and 182-day bills dated March 31, 1977, maturing September 29, 1977) are shown on the reverse side of this circular.

PAUL A. VOLCKER, President.

(OVER)

# RESULTS OF LAST WEEKLY OFFERING OF TREASURY BILLS (TWO SERIES TO BE ISSUED MARCH 31, 1977)

## Range of Accepted Competitive Bids

91-Day Treasury Bills Maturing June 30, 1977 182-Day Treasury Bills Maturing September 29, 1977

	Price	Discount Rate	Investment Ratel	Price	Discount Rate	Investment Rate1
High	98.840	4.589%	4.71%	97.544	4.858%	5.05%
Low	98.833	4.617%	4.74%	97.535	4.876%	5.07%
Average	98.835	4.609%	4.73%	97.538	4.870%	5.06%

<sup>1</sup> Equivalent coupon-issue yield.

(26 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

		easury Bills une 30, 1977	182-Day Treasury Bills Maturing September 29, 1977		
F.R. District (and U.S. Treasury)	Received	Accepted	Received	Accepted	
Boston	\$ 20,585,000	\$ 14,585,000	\$ 18,840,000	\$ 8,840,000	
New York	3,889,440,000	1,872,005,000	5,765,120,000	3,161,965,000	
Philadelphia	16,235,000	14,735,000	110,475,000	32,875,000	
Cleveland	34,665,000	24,665,000	89,750,000	9,750,000	
Richmond	39,275,000	16,385,000	50,630,000	22,280,000	
Atlanta	33,035,000	24,310,000	19,610,000	13,330,000	
Chicago	407,400,000	181,035,000	221,045,000	21,475,000	
St. Louis	51,635,000	26,100,000	34,245,000	12,700,000	
Minneapolis	29,910,000	7,470,000	43,440,000	26,640,000	
Kansas City	35,740,000	30,140,000	19,550,000	14,800,000	
Dallas	36,565,000	17,345,000	9,775,000	6,775,000	
San Francisco	285,360,000	72,665,000	460,700,000	70,500,000	
U.S. Treasury	_		M	-	
TOTALS	\$4,879,845,000	\$2,301,440,000a	\$6,843,180,000	\$3,401,930,000b	

 $<sup>^{\</sup>rm a}$  Includes \$305,535,000 noncompetitive tenders from the public.  $^{\rm b}$  Includes \$136,265,000 noncompetitive tenders from the public.