

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

Circular No. 8181
September 14, 1977

TREASURY TO AUCTION \$3,136 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 \$3,136 million of 2-year notes to refund \$3,136 million of notes held by the public maturing September 30, 1977. Additional amounts of these notes may be issued at the average price of accepted tenders to Government accounts and to Federal Reserve Banks for their own account in exchange for \$90 million maturing notes held by them, and to Federal Reserve Banks as agents of foreign and international monetary authorities for new cash only.

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 directed to our Government Bond Division (Tel. No. 212-791-6356).

Bidders submitting noncompetitive tenders 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 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 on time, bidders should use other means of transmitting their tenders.

A recorded message (at the Head Office — Tel. No. 212-791-5823; at the Buffalo Branch — Tel. No. 716-849-5046) provides information about this and other Treasury offerings; additional inquiries regarding this offering may be made by calling, at the Head Office, Tel. No. 212-791-6619 or 212-791-5465, or, at the Buffalo Branch, Tel. No. 716-849-5016.

PAUL A. VOLCKER,
President.

(Over)

**HIGHLIGHTS OF TREASURY
OFFERING TO THE PUBLIC
OF 2-YEAR NOTES
TO BE ISSUED SEPTEMBER 30, 1977**

Amount Offered:

To the public \$3,136 million

Description of Security:

Term and type of security 2-year notes
 Series and CUSIP designation Series U-1979
 (CUSIP No. 912827 HA3)
 Maturity date September 30, 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 March 31 and September 30
 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, September 21, 1977,
 by 1:30 p.m., EDST
 Settlement date (final payment due)
 a) Cash or Federal funds Friday, September 30, 1977
 b) Check drawn on bank within FRB district where submitted Monday, September 26, 1977
 c) Check drawn on bank outside FRB district where submitted Friday, September 23, 1977
 Delivery date for coupon securities **Friday, September 30, 1977**