

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

Circular No. 8185
September 23, 1977

RESULTS OF AUCTION OF 2-YEAR TREASURY NOTES
(Notes of Series U-1979)

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

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

The Department of the Treasury has accepted \$3,140 million of
\$5,485 million of tenders received from the public for the 2-year
notes, Series U-1979, auctioned today. The range of accepted
competitive bids was as follows:

Lowest yield.....6.71%^{1/}
Highest yield.....6.75%
Average yield.....6.74%

^{1/} Excepting two tenders totaling \$10,000.

The interest rate on the notes will be 6-5/8%. At the 6-5/8%
rate, the above yields result in the following prices:

Low-yield price.....99.843
High-yield price....99.770
Average-yield price.99.788

The \$3,140 million of accepted tenders includes \$466 million of
noncompetitive tenders and \$2,532 million of competitive tenders
(including 36% of the amount of notes bid for at the high yield) from
private investors. It also includes \$142 million of tenders at the
average price from Federal Reserve Banks as agents for foreign and
international monetary authorities in exchange for maturing securities.

In addition, \$705 million of tenders were accepted at the average
price from Government accounts and Federal Reserve Banks for their own
account in exchange for securities maturing September 30, 1977 (\$90 million)
and from Federal Reserve Banks as agents for foreign and international
monetary authorities for new cash (\$615 million).

PAUL A. VOLCKER,
President.