

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

Circular No. 8224
November 25, 1977

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

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

The following statement was issued November 22 by the
Treasury Department:

The Department of the Treasury has accepted \$3,769 million of
\$8,700 million of tenders received from the public for the 2-year
notes, Series W-1979, auctioned today. The range of accepted
competitive bids was as follows:

Lowest yield.....7.12%^{1/}
Highest yield.....7.14%
Average yield.....7.13%

^{1/} Excepting four tenders totaling \$95,000.

The interest rate on the notes will be 7-1/8%. At the 7-1/8%
rate, the above yields result in the following prices:

Low-yield price.....100.009
High-yield price..... 99.972
Average-yield price.. 99.991

The \$3,769 million of accepted tenders includes \$697 million of
noncompetitive tenders and \$2,872 million of competitive tenders
(including 53% of the amount of notes bid for at the high yield) from
private investors. It also includes \$200 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, \$999 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 November 30, 1977 (\$112 mil-
lion) and from Federal Reserve Banks as agents for foreign and international
monetary authorities for new cash (\$887 million).

PAUL A. VOLCKER,
President.