

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

Circular No. 8247
December 29, 1977

RESULTS OF AUCTION OF 2-YEAR NOTES AND 15-YEAR 1-MONTH BONDS

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

The following statements were issued by the Treasury
Department:

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

The Department of the Treasury has accepted \$3,000 million of \$4,213 million of tenders received from the public for the 2-year notes, Series X-1979, auctioned today [December 21, 1977]. The range of accepted competitive bids was as follows:

Lowest yield.....7.16%^{1/}
Highest yield.....7.23%
Average yield.....7.20%

^{1/} Excepting three tenders totaling \$1,065,000.

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.....99.936
High-yield price.....99.808
Average-yield price..99.863

The \$3,000 million of accepted tenders includes \$457 million of noncompetitive tenders and \$2,468 million of competitive tenders (including 72% of the amount of notes bid for at the high yield) from private investors. It also includes \$75 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, \$888 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 December 31, 1977 (\$328 million) and from Federal Reserve Banks as agents for foreign and international monetary authorities for new cash (\$560 million).

(Over)

RESULTS OF AUCTION OF 15-YEAR 1-MONTH TREASURY BONDS

(Bonds of 1993)

The Department of the Treasury has accepted \$1,500 million of \$2,966 million of tenders received from the public for the 15-year 1-month bonds auctioned today [December 27, 1977]. The range of accepted competitive bids was as follows:

Lowest yield.....7.92% [✓]
Highest yield.....7.96%
Average yield.....7.95%

[✓] Excepting five tenders totaling \$63,000.

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

Low-yield price.....99.575
High-yield price.....99.228
Average-yield price..99.315

The \$1,500 million of accepted tenders includes \$78 million of noncompetitive tenders and \$1,423 million of competitive tenders (including 67% of the amount of bonds bid for at the high yield).

PAUL A. VOLCKER,
President.