

FEDERAL RESERVE BANK  
OF NEW YORK

Fiscal Agent of the United States

Circular No. 8340  
May 8, 1978

RESULTS OF TREASURY'S MAY QUARTERLY FINANCING

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

The following statement was issued by the Treasury Department:

Through the sale of the two issues offered in the May financing, the Treasury paid off approximately \$1.9 billion of the \$8.4 billion of securities maturing May 15, 1978. The following table summarizes the results:

	<u>New Offerings</u>			<u>Total</u>	<u>Maturing</u>	<u>Net</u>
	<u>8-1/4%</u> <u>10-Year Notes</u> <u>(Series A-1988)</u>	<u>8-3/8%</u> <u>22-1/4-Year Bonds</u> <u>(Bonds of 1995-2000)</u>	<u>Non-</u> <u>marketable</u> <u>Special</u> <u>Issues</u>		<u>Securities</u> <u>Held</u>	<u>Pay-off</u>
Public	\$2.5	\$1.5	—	\$4.0	\$5.9	\$1.9
Government accounts and Federal Reserve Banks	1.6	0.9	—	2.5	2.5	—
Foreign accounts (for cash)	—	—	—	—	—	—
<b>Total<sup>1</sup></b>	<b>\$4.1</b>	<b>\$2.4</b>	<b>—</b>	<b>\$6.5</b>	<b>\$8.4</b>	<b>\$1.9</b>

<sup>1</sup>Details may not add to total due to rounding.

In addition, the Treasury has released the following detailed results for each offering:

RESULTS OF AUCTION OF 10-YEAR TREASURY NOTES  
(Notes of Series A-1988)

The Department of the Treasury has accepted \$2,502 million of \$5,017 million of tenders received from the public for the 10-year notes, Series A-1988, auctioned today [May 2]. The range of accepted competitive bids was as follows:

Lowest yield.....	8.26% <sup>1</sup>
Highest yield.....	8.30%
Average yield.....	8.29%

The interest rate on the notes will be 8-1/4%. At the 8-1/4% rate, the above yields result in the following prices:

Low-yield price.....	99.933
High-yield price.....	99.665
Average-yield price.....	99.732

The \$2,502 million of accepted tenders includes \$585 million of noncompetitive tenders and \$1,918 million of competitive tenders (including 33% of the amount of notes bid for at the high yield) from private investors.

In addition, \$1,600 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 May 15, 1978.

<sup>1</sup>Excepting seven tenders totaling \$446,000.

(Over)



**RESULTS OF AUCTION OF 22-1/4-YEAR 8-3/8% TREASURY BONDS**  
(Bonds of 1995-2000)

The Department of the Treasury has accepted \$1,500 million of the \$3,100 million of tenders received from the public for the 22-1/4-year 8-3/8% bonds of 1995-2000, auctioned today [May 3]. The range of accepted competitive bids was as follows:

	<i>Price</i>	<i>Approx. yield to first callable date</i>	<i>Approx. yield to maturity</i>
High .....	99.23 <sup>1</sup>	8.46%	8.45%
Low .....	98.91	8.49%	8.48%
Average .....	99.02	8.48%	8.47%

The \$1,500 million of accepted tenders includes \$170 million of noncompetitive tenders and \$1,330 million of competitive tenders (including 38% of the amount of bonds bid for at the low price) from private investors.

In addition, \$895 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 May 15, 1978.

<sup>1</sup>Excepting two tenders totaling \$19,000.

PAUL A. VOLCKER,  
*President.*



May 8, 1978

N O T I C E

To the Addressee:

Beginning with the next auction of Treasury securities, the Federal Reserve Bank of New York will discontinue mailing circulars to the public giving the results of Treasury note and bond auctions. Accordingly, the accompanying circular, containing the results of the Treasury's May quarterly financing, will be the last such results notice mailed to you.

This does not mean that your name is being removed from our mailing list. You will continue to receive announcements of, and tender forms for, new offerings of Treasury notes and bonds.

There are two major reasons for the decision to discontinue the mailing of results data. First, there are other more timely methods of obtaining auction results. An individual whose tender is accepted is notified directly by the Bank. Further, the Bank has a recorded, 24-hour-a-day, telephone service through which the average price, interest rate, and average yield are available beginning the day after each auction. (The number is 212-791-5823 in New York City, or if you are closer to the Buffalo Branch, call 716-849-5046.) Auction results are also available through the news media. In addition, a limited number of auction-results notices will continue to be available at this Bank (at the Government Bond Information Desk and in the Public Information Department) and its Buffalo Branch. Another major consideration was the high cost of mailing the results. The new policy will save the Bank a substantial amount in postage and printing costs.

However, if, as an employee of a bank or other financial institution, you need printed copies of this information on a regular basis in order to maintain a complete historical record for your work, we will place your name on a separate mailing list for the results upon receipt of a written request from your firm to do so. Others with a similar need may also submit written requests setting forth the reasons why this information is needed. All requests should be directed to our Circulars Division.

Government Bond and Safekeeping Department  
FEDERAL RESERVE BANK OF NEW YORK