

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

AT CIR. No. 8374(e)
June 22, 1978

RESULTS OF AUCTION OF 2-YEAR TREASURY NOTES
(Notes of Series Q-1980)

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

The following statement was issued by the Treasury
Department on June 20:

The Department of the Treasury has accepted \$3,007 million
of \$4,856 million of tenders received from the public for the
2-year notes, Series Q-1980, auctioned today. The range of ac-
cepted competitive bids was as follows:

Lowest yield.....8.25%^{1/}
Highest yield.....8.33%
Average yield.....8.32%

^{1/} Excepting five tenders totaling \$240,000.

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.....100.000
High-yield price..... 99.855
Average-yield price.. 99.873

The \$3,007 million of accepted tenders includes \$653 million of
noncompetitive tenders and \$2,344 million of competitive tenders from
private investors, including 59% of the amount of notes bid for at the
high yield. It also includes \$10 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 to the \$3,007 million of tenders accepted in the auction
process, \$794 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 June 30, 1978, and \$560 million of ten-
ders were accepted at the average price from Federal Reserve Banks as
agents for foreign and international monetary authorities for new cash.

PAUL A. VOLCKER,
President.