

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

At wire no. 8394(a)

July 25, 1978

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

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

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

The Department of the Treasury has accepted \$3,254 million of \$4,981 million of tenders received from the public for the 2-year notes, Series R-1980, auctioned today. The range of accepted competitive bids was as follows:

Lowest yield	8.52% ¹
Highest yield	8.62%
Average yield	8.61%

¹Excepting thirteen tenders totaling \$470,000.

The interest rate on the notes will be 8½%. At the 8½% rate, the above yields result in the following prices:

Low-yield price	99.964
High-yield price	99.784
Average-yield price	99.802

The \$3,254 million of accepted tenders includes \$770 million of noncompetitive tenders and \$2,458 million of competitive tenders from private investors, including 71% of the amount of notes bid for at the high yield. It also includes \$26 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 \$3,254 million of tenders accepted in the auction process, \$375 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 July 31, 1978, and \$484 million of tenders 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.