

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[Circular No. 8438]
October 18, 1978

OFFERING OF TWO SERIES OF TREASURY BILLS

**\$2,300,000,000 of 91-Day Bills, Additional Amount, Series Dated July 27, 1978, Due January 25, 1979
(To Be Issued October 26, 1978)**

\$3,400,000,000 of 182-Day Bills, Dated October 26, 1978, Due April 26, 1979

*To All Incorporated Banks and Trust Companies, and Others
Concerned, in the Second Federal Reserve District:*

Following is the text of a notice issued by the Treasury Department, released yesterday:

The Department of the Treasury, by this public notice, invites tenders for two series of Treasury bills totaling approximately \$5,700 million, to be issued October 26, 1978. This offering will not provide new cash for the Treasury as the maturing bills are outstanding in the amount of \$5,710 million. The two series offered are as follows:

91-day bills (to maturity date) for approximately \$2,300 million, representing an additional amount of bills dated July 27, 1978, and to mature January 25, 1979 (CUSIP No. 912793 W51), originally issued in the amount of \$3,503 million, the additional and original bills to be freely interchangeable.

182-day bills for approximately \$3,400 million to be dated October 26, 1978, and to mature April 26, 1979 (CUSIP No. 912793 Y26).

Both series of bills will be issued for cash and in exchange for Treasury bills maturing October 26, 1978. Federal Reserve Banks, for themselves and as agents of foreign and international monetary authorities, presently hold \$3,023 million of the maturing bills. These accounts may exchange bills they hold for the bills now being offered at the weighted average prices of accepted competitive tenders.

The bills will be issued on a discount basis under competitive and noncompetitive bidding, and at maturity their par amount will be payable without interest. Except for definitive bills in the \$100,000 denomination, which will be available only to investors who are able to show that they are required by law or regulation to hold securities in physical form, both series of bills will be issued entirely in book-entry form in a minimum amount of \$10,000 and in any higher \$5,000 multiple, on the records either of the Federal Reserve Banks and Branches, or of the Department of the Treasury.

Tenders will be received at Federal Reserve Banks and Branches and at the Bureau of the Public Debt, Washington, D.C. 20226, up to 1:30 p.m., Eastern Daylight Saving time, Monday, October 23, 1978. Form PD 4632-2 (for 26-week series) or Form PD 4632-3 (for 13-week series) should be used to submit tenders for bills to be maintained on the book-entry records of the Department of the Treasury.

Each tender must be for a minimum of \$10,000. Tenders over \$10,000 must be in multiples of \$5,000. In the case of competitive tenders the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used.

Banking institutions and dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions in and borrowings on such securities may submit tenders for account of customers, if the names of the customers and the amount for each customer are furnished. Others are only permitted to submit tenders for their own account.

This Bank will receive tenders for both series up to 1:30 p.m., Eastern Daylight Saving time, Monday, October 23, 1978, at the Securities Department of its Head Office and at its Buffalo Branch. Tender forms for the respective series are enclosed. Please use the appropriate forms to submit tenders and return them in the enclosed envelope marked "Tender for Treasury Bills." Forms for submitting tenders directly to the Treasury are available from the Government Bond Division of the Bank. Tenders not requiring a deposit may be submitted by telegraph, subject to written confirmation; no tenders may be submitted by telephone. *Payment for Treasury bills cannot be made by credit through the Treasury Tax and Loan Account. Settlement must be made in cash or other immediately available funds or in maturing Treasury bills.*

Results of the last weekly offering of Treasury bills (91-day bills to be issued October 19, 1978, representing an additional amount of bills dated July 20, 1978, maturing January 18, 1979; and 182-day bills dated October 19, 1978, maturing April 19, 1979) are shown on the reverse side of this circular.

PAUL A. VOLCKER,
President.

(OVER)

**RESULTS OF LAST WEEKLY OFFERING OF TREASURY BILLS
(TWO SERIES TO BE ISSUED OCTOBER 19, 1978)**

Range of Accepted Competitive Bids

	<i>91-Day Treasury Bills Maturing January 18, 1979</i>			<i>182-Day Treasury Bills Maturing April 19, 1979</i>		
	<i>Price</i>	<i>Discount Rate</i>	<i>Investment Rate¹</i>	<i>Price</i>	<i>Discount Rate</i>	<i>Investment Rate¹</i>
High	97.928 ^a	8.197%	8.49%	95.694	8.517%	9.02%
Low	97.923	8.217%	8.51%	95.658	8.589%	9.10%
Average	97.925	8.209%	8.50%	95.672	8.561%	9.07%

¹ Equivalent coupon-issue yield.
^a Excepting one tender of \$180,000.

(89 percent of the amount of 91-day bills bid for at the low price was accepted.)

(1 percent of the amount of 182-day bills bid for at the low price was accepted.)

Total Tenders Received and Accepted

	<i>91-Day Treasury Bills Maturing January 18, 1979</i>		<i>182-Day Treasury Bills Maturing April 19, 1979</i>	
<i>F.R. District (and U.S. Treasury)</i>	<i>Received</i>	<i>Accepted</i>	<i>Received</i>	<i>Accepted</i>
Boston	\$ 42,475,000	\$ 26,975,000	\$ 40,060,000	\$ 40,060,000
New York	3,775,960,000	1,912,475,000	4,438,335,000	2,849,935,000
Philadelphia	23,040,000	22,840,000	16,700,000	16,700,000
Cleveland	73,565,000	42,130,000	44,365,000	44,365,000
Richmond	32,005,000	27,005,000	20,455,000	20,455,000
Atlanta	28,995,000	27,680,000	21,495,000	21,495,000
Chicago	208,470,000	83,375,000	207,535,000	122,685,000
St. Louis	32,890,000	16,890,000	36,680,000	25,680,000
Minneapolis	31,805,000	4,805,000	59,865,000	59,865,000
Kansas City	36,510,000	31,060,000	55,020,000	49,020,000
Dallas	17,000,000	17,000,000	7,965,000	7,965,000
San Francisco	256,050,000	77,235,000	190,645,000	130,645,000
U.S. Treasury	11,540,000	11,540,000	12,435,000	12,435,000
TOTALS	\$4,570,305,000	\$2,301,010,000^b	\$5,151,555,000	\$3,401,305,000^c

^b Includes \$466,335,000 noncompetitive tenders from the public.
^c Includes \$285,690,000 noncompetitive tenders from the public.