

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

At Circ. No. 8452
November 9, 1978

RESULTS OF TREASURY'S NOVEMBER 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 three issues offered in the November financing, the Treasury raised approximately \$2.2 billion of new money and refunded \$8.2 billion of securities maturing November 15, 1978. The following table summarizes the results:

	<u>New Issues</u>					<u>Maturing Securities Held</u>	<u>Net New Money Raised</u>
	<u>9-1/4% 3-1/2 Year Notes (Series K-1982)</u>	<u>8-3/4% 10-Year Notes (Series B-1988)</u>	<u>8-3/4% 30-Year Bonds (Bonds of 2003-2008)</u>	<u>Non- marketable Special Issues</u>	<u>Total</u>		
Public	\$2.5	\$2.5	\$1.8	—	\$6.8	\$4.6	\$2.2
Government accounts and Federal Reserve Banks	<u>1.0</u>	<u>0.9</u>	<u>0.7</u>	<u>\$1.0</u>	<u>3.6</u>	<u>3.6</u>	<u>—</u>
Total ¹	<u>\$3.5</u>	<u>\$3.4</u>	<u>\$2.4</u>	<u>\$1.0</u>	<u>\$10.4</u>	<u>\$8.2</u>	<u>\$2.2</u>

¹Details 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 3½-YEAR TREASURY NOTES
(Notes of Series K-1982)

The Department of the Treasury has accepted \$2,512 million of \$7,032 million of tenders received from the public for the 3½-year notes, Series K-1982, auctioned today [October 31]. The range of accepted competitive bids was as follows:

Lowest yield	9.33% ¹
Highest yield	9.37%
Average yield	9.36%

¹Excepting eleven tenders totaling \$1,435,000.

The interest rate on the notes will be 9¼%. At the 9¼% rate, the above yields result in the following prices:

Low-yield price	99.766
High-yield price	99.649
Average-yield price	99.678

The \$2,512 million of accepted tenders includes \$1,099 million of noncompetitive tenders and \$1,113 million of competitive tenders from private investors, including 29% of the amount of notes bid for at the high yield. It also includes \$300 million of tenders at the average price from Federal Reserve Banks as agents for foreign and international monetary authorities in exchange for maturing securities.

(Over)

In addition to the \$2,512 million of tenders accepted in the auction process, \$978 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 November 15, 1978.

RESULTS OF AUCTION OF 10-YEAR TREASURY NOTES

(Notes of Series B-1988)

The Department of the Treasury has accepted \$2,501 million of the \$3,162 million of tenders received from the public for the 10-year notes, Series B-1988, auctioned today [November 2]. The range of accepted competitive bids was as follows:

Lowest yield	8.75%
Highest yield	8.90%
Average yield	8.85%

The interest rate on the notes will be $8\frac{3}{4}\%$. At the $8\frac{3}{4}\%$ rate, the above yields result in the following prices:

Low-yield price	100.000
High-yield price	99.020
Average-yield price	99.345

The \$2,501 million of accepted tenders includes \$303 million of noncompetitive tenders and \$2,198 million of competitive tenders from private investors, including 65% of the amount of notes bid for at the high yield.

In addition to the \$2,501 million of tenders accepted in the auction process, \$931 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 November 15, 1978.

RESULTS OF AUCTION OF 30-YEAR TREASURY BONDS

(Bonds of 2003-2008)

The Department of the Treasury has accepted \$1,752 million of the \$4,877 million of tenders received from the public for the 30-year bonds, auctioned today [November 3]. The range of accepted competitive bids was as follows:

Lowest yield	8.82%
Highest yield	8.87%
Average yield	8.86%

The interest rate on the bonds will be $8\frac{3}{4}\%$. At the $8\frac{3}{4}\%$ rate, the above yields result in the following prices:

Low-yield price	99.266
High-yield price	98.747
Average-yield price	98.851

The \$1,752 million of accepted tenders includes \$163 million of noncompetitive tenders and \$1,589 million of competitive tenders from private investors, including 89% of the amount of bonds bid for at the high yield.

In addition to the \$1,752 million of tenders accepted in the auction process, \$678 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 November 15, 1978.

PAUL A. VOLCKER,
President.