

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

[Circular No. 8463]
November 22, 1978

OFFERING OF TWO SERIES OF TREASURY BILLS

**\$2,800,000,000 of 91-Day Bills, Additional Amount, Series Dated August 31, 1978, Due March 1, 1979
(To Be Issued November 30, 1978)**

\$2,900,000,000 of 182-Day Bills, Dated November 30, 1978, Due May 31, 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 November 30, 1978. This offering will not provide new cash for the Treasury as the maturing bills are outstanding in the amount of \$5,709 million. The two series offered are as follows:

91-day bills (to maturity date) for approximately \$2,800 million, representing an additional amount of bills dated August 31, 1978, and to mature March 1, 1979 (CUSIP No. 912793 X27), originally issued in the amount of \$3,404 million, the additional and original bills to be freely interchangeable.

182-day bills for approximately \$2,900 million to be dated November 30, 1978, and to mature May 31, 1979 (CUSIP No. 912793 Y75).

Both series of bills will be issued for cash and in exchange for Treasury bills maturing November 30, 1978. Federal Reserve Banks, for themselves and as agents of foreign and international monetary authorities, presently hold \$3,137 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 noncompetitive 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 Standard time, Monday, November 27, 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 Standard time, Monday, November 27, 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 (90-day bills to be issued November 24, 1978, representing an additional amount of bills dated August 24, 1978, maturing February 22, 1979; and 181-day bills dated November 24, 1978, maturing May 24, 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 NOVEMBER 22, 1978)

Range of Accepted Competitive Bids

	<i>90-Day Treasury Bills Maturing February 22, 1979</i>			<i>181-Day Treasury Bills Maturing May 24, 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	97.874 ^a	8.504%	8.81%	95.490	8.970%	9.52%
Low	97.807	8.772%	9.09%	95.472	9.006%	9.56%
Average	97.826	8.696%	9.01%	95.477	8.996%	9.55%

¹ Equivalent coupon-issue yield.

^a Excepting two tenders totaling \$210,000.

(72 percent of the amount of 90-day bills
bid for at the low price was accepted.)

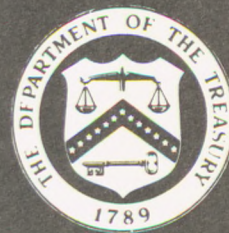
(23 percent of the amount of 181-day bills
bid for at the low price was accepted.)

Total Tenders Received and Accepted

	<i>90-Day Treasury Bills Maturing February 22, 1979</i>		<i>181-Day Treasury Bills Maturing May 24, 1979</i>	
<i>F.R. District (and U.S. Treasury)</i>	<i>Received</i>	<i>Accepted</i>	<i>Received</i>	<i>Accepted</i>
Boston	\$ 26,125,000	\$ 26,125,000	\$ 20,625,000	\$ 20,625,000
New York	3,588,615,000	2,215,145,000	4,643,365,000	2,639,465,000
Philadelphia	20,640,000	20,640,000	11,955,000	11,955,000
Cleveland	24,670,000	24,670,000	31,455,000	21,455,000
Richmond	19,935,000	19,935,000	17,890,000	16,390,000
Atlanta	26,920,000	26,920,000	52,455,000	28,605,000
Chicago	331,215,000	256,215,000	356,080,000	32,230,000
St. Louis	31,295,000	24,295,000	41,640,000	20,140,000
Minneapolis	20,275,000	20,275,000	29,045,000	25,965,000
Kansas City	23,685,000	23,685,000	32,480,000	32,480,000
Dallas	13,310,000	13,310,000	11,895,000	11,595,000
San Francisco	172,000,000	122,000,000	239,450,000	27,450,000
U.S. Treasury	6,825,000	6,825,000	12,175,000	12,175,000
TOTALS	\$4,305,510,000	\$2,800,040,000^b	\$5,500,510,000	\$2,900,530,000^c

^b Includes \$355,755,000 noncompetitive tenders from the public.

^c Includes \$279,045,000 noncompetitive tenders from the public.



FOR IMMEDIATE RELEASE
November 8, 1978

Contact: John P. Plum
202/566-2615

**TREASURY WILL TERMINATE ISSUE OF
\$100,000 DENOMINATION TREASURY BILL**

The Treasury Department today announced that Treasury bills in physical form will not be available on new offerings after December 31, 1978.

Under Section 350.17 of Department Circular, Public Debt Series No. 26-76, provision was made for the issue of \$100,000 denomination bills through December 31, 1978, to investors legally required to hold securities in physical form. The grace period was established to provide an opportunity for appropriate changes in any Federal, State, municipal or local laws or regulations that precluded certain types of investors from holding or pledging securities in book-entry form.

A relatively small number of definitive bills have been issued to institutional investors which were able to establish their entitlement to physical securities. However, there have been no developments that would warrant a continuation of the offering of Treasury bills in definitive form beyond the date established in the regulations. All new Treasury bills offered for sale after December 31, 1978, will be available only in book-entry form.

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