

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

ATCIR No 8504
January 25, 1979

**RESULTS OF AUCTION OF 2-YEAR TREASURY NOTES
(Notes of Series P-1981)**

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

The following statement was issued by the Treasury Department:

The Department of the Treasury has accepted \$2,701 million of \$4,044 million of tenders received from the public for the 2-year notes, Series P-1981, auctioned today [January 23]. The range of accepted competitive bids was as follows:

Lowest yield	9.82% ¹
Highest yield	9.87%
Average yield	9.85%

¹Excepting one tender of \$5,000.

The interest rate on the notes will be 9¾%. At the 9¾% rate, the above yields result in the following prices:

Low-yield price	99.876
High-yield price	99.787
Average-yield price	99.822

The \$2,701 million of accepted tenders includes \$780 million of non-competitive tenders and \$1,756 million of competitive tenders from private investors, including 97% of the amount of notes bid for at the high yield. It also includes \$165 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 \$2,701 million of tenders accepted in the auction process, \$151 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 January 31, 1979, and \$235 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.