

FEDERAL RESERVE BANK  
OF NEW YORK

AT Cir No 8554  
April 11, 1979

RESULTS OF AUCTION OF 2-YEAR NOTES AND 14-YEAR 10-MONTH BONDS

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

The following statements have been issued by the Treasury Department:

Results of Auction of 2-Year Treasury Notes  
(Notes of Series R-1981)

The Department of the Treasury has accepted \$2,881 million of \$5,951 million of tenders received from the public for the 2-year notes, Series R-1981, auctioned today [April 5]. The range of accepted competitive bids was as follows:

Lowest yield .....	9.66%*
Highest yield .....	9.70%
Average yield.....	9.68%

\* Excepting one tender of \$25,000.

The interest rate on the notes will be 9-5/8%. At the 9-5/8% rate, the above yields result in the following prices:

Low-yield price .....	99.938
High-yield price.....	99.868
Average-yield price .....	99.903

The \$2,881 million of accepted tenders includes \$730 million of noncompetitive tenders and \$1,408 million of competitive tenders from private investors, including 18 percent of the amount of notes bid for at the high yield. It also includes \$743 million of tenders at the average price from Federal Reserve Banks as agents for foreign and international monetary authorities. The \$743 million for foreign and international monetary authorities is equal to the aggregate amount of their holdings of notes that matured March 31, 1979.

In addition to the \$2,881 million of tenders accepted in the auction process, \$640 million of tenders were accepted at the average price from Federal Reserve Banks for their own account in exchange for maturing short-term bills, and \$9 million of tenders were accepted at the average price from Federal Reserve Banks as agents for foreign and international monetary authorities. The \$9 million is new cash and represents the amount by which the aggregate tenders from foreign and international authorities exceeded the aggregate amount of their holdings of notes that matured March 31, 1979.

(Over)

**Results of Auction of 14-Year 10-Month Treasury Bonds**  
(9% Bonds of 1994)

The Department of the Treasury has accepted \$1,500 million of the \$2,649 million of tenders received from the public for the 14-year 10-month 9% bonds maturing February 15, 1994, auctioned today [April 10]. The range of accepted competitive bids was as follows:

	<i>Price</i>	<i>Approx. yield</i>
High .....	99.09*	9.10%
Low .....	98.69	9.15%
Average .....	98.79	9.14%

\* Excepting two tenders totaling \$7,000.

The \$1,500 million of accepted tenders \$107 million of noncompetitive tenders and \$1,393 million of competitive tenders from private investors, including 65% of the amount of bonds bid for at the low price.

PAUL A. VOLCKER,  
*President.*