

Atline No. 8567

FEDERAL RESERVE BANK
OF NEW YORK
Fiscal Agent of the United States

May 3, 1979

RESULTS OF TREASURY'S MAY QUARTERLY FINANCING

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

The following statement has been issued by the Treasury Department:

Through the sale of the two issues offered in the May financing, the Treasury raised approximately \$2.5 billion of new money and refunded \$2.3 billion of securities maturing May 15, 1979. The following table summarizes the results:

	New Issues			Maturing Securities Held	Net New Money Raised
	9 1/4% 10-Year Notes (Series A-1989)	9 1/8% 30-Year Bonds (Bonds of 2004-2009)	Total		
Public	\$2.3	\$2.0	\$4.3	\$1.7	\$2.5
Government accounts and Federal Reserve Banks	0.4	0.2	0.6	0.6	—
Total ¹	<u>\$2.6</u>	<u>\$2.2</u>	<u>\$4.8</u>	<u>\$2.3</u>	<u>\$2.5</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 10-YEAR TREASURY NOTES
(Notes of Series A-1989)

The Department of the Treasury has accepted \$2,255 million of \$6,233 million of tenders received from the public for the 10-year notes, Series A-1989, auctioned today [May 1]. The range of accepted competitive bids was as follows:

Lowest yield	9.36% ¹
Highest yield	9.38%
Average yield	9.37%

¹Excepting one tender of \$15,000.

The interest rate on the notes will be 9-1/4%. At the 9-1/4% rate, the above yields result in the following prices:

Low-yield price	99.296
High-yield price	99.168
Average-yield price	99.232

(Over)

The \$2,255 million of accepted tenders includes \$360 million of noncompetitive tenders and \$1,895 million of competitive tenders from private investors, including 57% of the amount of notes bid for at the high yield.

In addition to the \$2,255 million of tenders accepted in the auction process, \$350 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 May 15, 1979.

RESULTS OF AUCTION OF 30-YEAR TREASURY BONDS
(Bonds of 2004-2009)

The Department of the Treasury has accepted \$2,005 million of \$4,837 million of tenders received from the public for the 30-year bonds, auctioned today [May 2]. The range of accepted competitive bids was as follows:

Lowest yield	9.22%
Highest yield	9.24%
Average yield	9.23%

The interest rate on the bonds will be 9- $\frac{1}{8}$ %. At the 9- $\frac{1}{8}$ % rate, the above yields result in the following prices:

Low-yield price	99.039
High-yield price	98.838
Average-yield price	98.938

The \$2,005 million of accepted tenders includes \$162 million of noncompetitive tenders and \$1,843 million of competitive tenders from private investors, including 36% of the amount of bonds bid for at the high yield.

In addition to the \$2,005 million of tenders accepted in the auction process, \$200 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 May 15, 1979.

PAUL A. VOLCKER,
President.

At-Circ. No. 8567

May 3, 1979

Correction of 10-Year Note Announcement

The CUSIP designation for the 10-year notes, Series A-1989, to be issued by the Treasury Department on May 15, 1979, was incorrectly stated in our Circular No. 8562, dated April 26, 1979, regarding the Treasury's May quarterly financing. The correct CUSIP designation for the notes is CUSIP No. 912827 JQ6.

Securities Department
FEDERAL RESERVE BANK OF NEW YORK