

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

*Air. No. 8630*  
August 24, 1979

**RESULTS OF AUCTION OF 2-YEAR TREASURY NOTES  
(Notes of Series W-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 \$3,255 million of \$6,975 million of tenders received from the public for the 2-year notes, Series W-1981, auctioned today [August 22]. The range of accepted competitive bids was as follows:

Lowest yield .....	9.60% <sup>1</sup>
Highest yield .....	9.66%
Average yield .....	9.65%

<sup>1</sup>Excepting three tenders totaling \$1,050,000.

The interest rate on the notes will be 9 $\frac{5}{8}$ %. At the 9 $\frac{5}{8}$ % rate, the above yields result in the following prices:

Low-yield price .....	100.045
High-yield price .....	99.938
Average-yield price .....	99.955

The \$3,255 million of accepted tenders includes \$585 million of noncompetitive tenders and \$1,710 million of competitive tenders from private investors, including 28% of the amount of notes bid for at the high yield. It also includes \$960 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 \$3,255 million of tenders accepted in the auction process, \$456 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 August 31, 1979.

THOMAS M. TIMLEN,  
*First Vice President.*