

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

ATCIR No 8694
November 28, 1979

RESULTS OF AUCTION OF 2-YEAR NOTES AND 5-1/2-YEAR NOTES

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 Z-1981)

The Department of the Treasury has accepted \$4,301 million of \$7,556 million of tenders received from the public for the 2-year notes, Series Z-1981, auctioned today [November 21]. The range of accepted competitive bids was as follows:

Lowest yield 12.18%¹
Highest yield 12.26%
Average yield 12.24%

¹Excepting five tenders totaling \$35,000.

The interest rate on the notes will be 12-1/8%. At the 12-1/8% rate, the above yields result in the following prices:

Low-yield price 99.905
High-yield price 99.767
Average-yield price 99.801

The \$4,301 million of accepted tenders includes \$1,042 million of noncompetitive tenders and \$2,634 million of competitive tenders from private investors, including 70% of the amount of notes bid for at the high yield. It also includes \$625 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 \$4,301 million of tenders accepted in the auction process, \$502 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 November 30, 1979.

(Over)

**Results of Auction of 5-1/2-Year Treasury Notes
(Notes of Series C-1985)**

The Department of the Treasury has accepted \$2,501 million of \$3,512 million of tenders received from the public for the 5-1/2-year notes, Series C-1985, auctioned today [November 27]. The range of accepted competitive bids was as follows:

Lowest yield	10.28%
Highest yield	10.49%
Average yield	10.40%

The interest rate on the notes will be 10-3/8%. At the 10-3/8% rate, the above yields result in the following prices:

Low-yield price	100.389
High-yield price	99.532
Average-yield price	99.898

The \$2,501 million of accepted tenders includes \$620 million of noncompetitive tenders and \$1,881 million of competitive tenders from private investors, including 17% of the amount of notes bid for at the high yield.

In addition to the \$2,501 million of tenders accepted in the auction process, \$5 million of tenders were accepted at the average price from Federal Reserve Banks as agents for foreign and international monetary authorities for new cash.

THOMAS M. TIMLEN,
First Vice President.