

FEDERAL RESERVE BANK  
OF NEW YORK

Fiscal Agent of the United States

Circular No. 8739  
January 17, 1980

**TREASURY TO AUCTION \$4,000 MILLION OF 2-YEAR NOTES**

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

The following statement was issued yesterday by the Treasury Department:

The Department of the Treasury will auction \$4,000 million of 2-year notes to refund \$3,472 million of notes maturing January 31, 1980, and to raise \$528 million new cash. The \$3,472 million of maturing notes are those held by the public, including \$673 million currently held by Federal Reserve Banks as agents for foreign and international monetary authorities.

In addition to the public holdings, Government accounts and Federal Reserve Banks, for their own accounts, hold \$403 million of the maturing securities that may be refunded by issuing additional amounts of the new notes at the average price of accepted competitive tenders. Additional amounts of the new security may also be issued at the average price to Federal Reserve Banks, as agents for foreign and international monetary authorities, to the extent that the aggregate amount of tenders for such accounts exceeds the aggregate amount of maturing securities held by them.

Printed on the reverse side is a table summarizing the highlights of the offering. Copies of the official offering circular will be furnished upon request directed to our Treasury and Agency Issues Division (Tel. No. 212-791-6619).

Enclosed is a copy of a standard form that can be used in submitting tenders for this offering (or for any subsequent offering of 2-year notes).

This Bank will receive tenders up to 1:30 p.m., Eastern Standard time, Wednesday, January 23, 1980, at the Securities Department of its Head Office and at its Buffalo Branch. *All competitive tenders*, whether transmitted by mail or by other means, must reach this Bank or its Branch by that time. However, for investors who wish to submit noncompetitive tenders and who find it more convenient to mail their tenders than to present them in person, the official offering circular provides that *noncompetitive* tenders will be considered timely received if they are mailed to this Bank or its Branch under a postmark *no later than January 22*.

Bidders submitting noncompetitive tenders should realize that it is possible that the average price may be above par, in which case they would have to pay more than the face value for the securities.

Payment may be made by personal check, or an official bank check, payable on its face to the Federal Reserve Bank of New York; *checks endorsed to this Bank will not be accepted*. A personal check submitted with the tender, either as a deposit or for the face amount of the securities, does not have to be certified. However, in cases where only a deposit is submitted with the tender, a personal check submitted for the final payment must be certified.

As provided in the official offering circular, "in every case where full payment is not completed on time, the deposit submitted with the tender, up to 5 percent of the face amount of securities allotted, shall, at the discretion of the Secretary of the Treasury, be forfeited to the United States."

Recorded messages provide information about this and other Treasury offerings and about auction results: at the Head Office — Tel. No. 212-791-7773 (offerings) and Tel. No. 212-791-5823 (results); at the Buffalo Branch — Tel. No. 716-849-5046. Additional inquiries regarding this offering may be made by calling, at the Head Office, Tel. No. 212-791-6619, or, at the Buffalo Branch, Tel. No. 716-849-5016.

THOMAS M. TIMLEN,  
First Vice President.

(Over)

**HIGHLIGHTS OF TREASURY  
OFFERING TO THE PUBLIC  
OF 2-YEAR NOTES  
TO BE ISSUED JANUARY 31, 1980**

*(Delivery date for coupon securities is February 8, 1980)*

**Amount Offered:**

To the public ..... \$4,000 million

**Description of Security:**

Term and type of security ..... 2-year notes  
 Series and CUSIP designation ..... Series N-1982  
 (CUSIP No. 912827 KH4)  
 Maturity date ..... January 31, 1982  
 Call date ..... No provision  
 Interest coupon rate ..... To be determined, based on the  
 average of accepted bids  
 Investment yield ..... To be determined at auction  
 Premium or discount ..... To be determined after auction  
 Interest payment dates ..... July 31 and January 31  
 Minimum denomination available ..... \$5,000

**Terms of Sale:**

Method of sale ..... Yield auction  
 Accrued interest payable by investor ..... None  
 Preferred allotment ..... Noncompetitive bid for  
 \$1,000,000 or less  
 Deposit requirement ..... 5% of face amount  
 Deposit guarantee by designated institutions ..... Acceptable

**Key Dates:**

Deadline for receipt of tenders ..... Wednesday, January 23, 1980,  
 by 1:30 p.m., EST  
 Settlement date (final payment due)  
 a) cash or Federal funds ..... Thursday, January 31, 1980  
 b) check drawn on bank within FRB district where submitted ..... Tuesday, January 29, 1980  
 c) check drawn on bank outside FRB district where submitted ..... Monday, January 28, 1980  
 Delivery date for coupon securities ..... **Friday, February 8, 1980**