

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

Circular No. 9363
September 15, 1982

**Treasury Announces Auctions of \$11,750 Million of Notes and Bonds
and Elimination of Bearer Securities for New Bond Issues**

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

The following statement has been issued by the Treasury Department:

The Treasury will raise about \$9,350 million of new cash by issuing \$5,000 million of 4-year notes, \$4,000 million of 7-year notes, and \$2,750 million of 20-year 1-month bonds. This offering will also refund \$2,401 million of 4-year 1-month notes maturing September 30, 1982. The \$2,401 million of maturing 4-year 1-month notes are those held by the public, including \$335 million currently held by Federal Reserve Banks as agents for foreign and international monetary authorities.

The \$11,750 million is being offered to the public, and any amounts tendered by Federal Reserve Banks as agents for foreign and international monetary authorities (including the \$335 million of maturing 4-year 1-month notes, which may be used in settlement only for the new 4-year notes to be issued September 30, 1982) will be added to that amount.

In addition to the public holdings, Government accounts and Federal Reserve Banks, for their own accounts, hold \$100 million of the maturing 4-year 1-month notes that may be refunded by issuing additional amounts of the new 4-year notes at the average price of accepted competitive tenders.

The settlement date for the 7-year and 20-year 1-month securities is being advanced from early October to September 29 due to uncertainty as to the timing of Congressional action on extension of the debt limit.

Effective with the offering of this 20-year 1-month bond, new issues of marketable Treasury bonds will no longer be available in bearer form. New offerings of Treasury bonds will be available only in book-entry and registered forms. This action is consistent with a provision of the Tax Equity and Fiscal Responsibility Act of 1982, which requires Treasury bonds issued after September 5, 1982, and notes issued after December 31, 1982, to be in registered or book-entry form. In addition, a recent Treasury study concluded that significant operational savings will result from the elimination of bearer securities.

At this time, it is anticipated that new issues of Treasury notes will continue to be offered in bearer form through 1982, but only in book-entry and registered forms beginning in 1983.

Bearer securities will remain available through maturity for all currently outstanding note and bond issues as well as for notes issued prior to January 1, 1983.

Printed on the reverse side is a table summarizing the highlights of the offerings. Copies of the official offering circulars will be furnished upon request directed to our Government Bond Division (Tel. No. 212-791-6619). In addition, enclosed are copies of the forms to be used in submitting tenders.

This Bank will receive tenders at the Securities Department of its Head Office and at its Buffalo Branch on the dates and times specified on the reverse side of this circular as the deadlines for receipt of tenders. *All competitive tenders*, whether transmitted by mail or by other means, must reach this Bank or its Branch by that time on the specified dates. 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 for each offering 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 the date preceding the date specified for receipt of tenders.

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 with a tender may be in the form of a personal check, which need not be certified, an official bank check, or a Federal funds check (a check drawn by a depository institution on its Federal Reserve account). All checks must be drawn payable to the Federal Reserve Bank of New York; *checks endorsed to this Bank will not be accepted*. Payment may also be made in cash or in Treasury securities maturing on or before the issue date of the securities being purchased.

Recorded messages provide information about 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 these offerings may be made by calling, at the Head Office, Tel. No. 212-791-6619, or, at the Buffalo Branch, Tel. No. 716-849-5016.

ANTHONY M. SOLOMON,
President.

(Over)

HIGHLIGHTS OF TREASURY OFFERINGS TO THE PUBLIC

	<u>4-Year Notes</u>	<u>7-Year Notes</u>	<u>20-Year 1-Month Bonds</u>
Amount Offered:			
To the public	\$5,000 million	\$4,000 million	\$2,750 million
Description of Security:			
Term and type of security	4-year notes	7-year notes	20-year 1-month bonds
Series and CUSIP designation.....	Series J-1986 (CUSIP No. 912827 NR9)	Series F-1989 (CUSIP No. 912827 NS7)	Bonds of 2002 (CUSIP No. 912810 SD3)
Issue date	September 30, 1982	September 29, 1982	September 29, 1982
Maturity date	September 30, 1986	October 15, 1989	November 15, 2002
Call date	No provision	No provision	No provision
Interest coupon rate	To be determined, based on the average of accepted bids	To be determined, based on the average of accepted bids	To be determined, based on the average of accepted bids
Investment yield	To be determined at auction	To be determined at auction	To be determined at auction
Premium or discount	To be determined after auction	To be determined after auction	To be determined after auction
Interest payment dates	March 31 and September 30	April 15 and October 15 (first payment on April 15, 1983)	May 15 and November 15 (first payment on May 15, 1983)
Minimum denomination available ..	\$1,000	\$1,000	\$1,000
Terms of Sale:			
Method of sale	Yield auction	Yield auction	Yield auction
Accrued interest payable by investor ..	None	None	None
Preferred allotment	Noncompetitive bid for \$1,000,000 or less	Noncompetitive bid for \$1,000,000 or less	Noncompetitive bid for \$1,000,000 or less
Payment by non-institutional investors	Full payment to be submitted with tender	Full payment to be submitted with tender	Full payment to be submitted with tender
Deposit guarantee by designated institutions	Acceptable	Acceptable	Acceptable
Key Dates:			
Deadline for receipt of tenders	Tuesday, September 21, 1982, by 1:30 p.m., EDST	Wednesday, September 22, 1982, by 1:30 p.m., EDST	Thursday, September 23, 1982, by 1:30 p.m., EDST
Settlement date (final payment due from institutions)			
a) cash or Federal funds	Thursday, September 30, 1982	Wednesday, September 29, 1982	Wednesday, September 29, 1982
b) readily collectible check	Tuesday, September 28, 1982	Monday, September 27, 1982	Monday, September 27, 1982
Delivery date for coupon securities ...	Tuesday, October 12, 1982	Wednesday, October 13, 1982	Not applicable