

FEDERAL RESERVE BANK
OF NEW YORK

Fiscal Agent of the United States

Circular No. 9438
January 13, 1983

TREASURY TO AUCTION \$7,250 MILLION OF 2-YEAR NOTES

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 will auction \$7,250 million of 2-year notes to refund \$4,647 million of 2-year notes maturing January 31, 1983, and to raise \$2,603 million new cash. The \$4,647 million of maturing 2-year notes are those held by the public, including \$677 million currently held by Federal Reserve Banks as agents for foreign and international monetary authorities.

The \$7,250 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 \$677 million of maturing securities) will be added to that amount.

In addition to the public holdings, Government accounts and Federal Reserve Banks, for their own accounts, hold \$544 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.

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 Government Bond Division (Tel. No. 212-791-6619).

Enclosed is a copy of a standard form for your use 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 19, 1983, 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 18*.

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 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.

ANTHONY M. SOLOMON,
President.

(Over)

**HIGHLIGHTS OF TREASURY
OFFERING TO THE PUBLIC
OF 2-YEAR NOTES
TO BE ISSUED JANUARY 31, 1983**

Amount Offered:

To the public \$7,250 million

Description of Security:

Term and type of security 2-year notes
 Series and CUSIP designation Series Q-1985
 (CUSIP No. 912827 PB2)
 Maturity date January 31, 1985
 Call date No provision
 Interest 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
 Competitive tenders Must be expressed as an annual yield,
 with two decimals, e.g., 7.10%
 Noncompetitive tenders Accepted in full at the average
 price up to \$1,000,000
 Accrued interest payable by investor None
 Payment by non-institutional investors **Full payment to be submitted
 with tender**
 Deposit guarantee by designated institutions Acceptable

Key Dates:

Deadline for receipt of tenders Wednesday, January 19, 1983,
 by 1:30 p.m., EST
 Settlement date (final payment due from institutions)
 a) cash or Federal funds Monday, January 31, 1983
 b) readily collectible check Thursday, January 27, 1983