FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

Circular No. 9673 April 19, 1984

TREASURY TO AUCTION \$8,250 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 \$8,250 million of 2-year notes to refund \$5,051 million of 2-year notes maturing April 30, 1984, and to raise \$3,200 million new cash. The \$5,051 million of maturing 2-year notes are those held by the public, including \$577 million currently held by Federal Reserve Banks as agents for foreign and international monetary authorities.

The \$8,250 million is being offered to the public, and any amounts tendered by Federal Reserve Banks as agents for foreign and international monetary authorities will be added to that amount. Tenders for such accounts will be accepted at the average price of accepted competitive tenders.

In addition to the public holdings, Government accounts and Federal Reserve Banks, for their own accounts, hold \$826 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.

This Bank will receive tenders prior to 1:00 p.m., Eastern Standard time, Wednesday, April 25, 1984, 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 April 24*.

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. *Treasury Tax and Loan Note Option Depositaries may make payment for Treasury securities by credit to their Treasury Tax and Loan Note Accounts.*

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.

HIGHLIGHTS OF TREASURY OFFERING TO THE PUBLIC OF 2-YEAR NOTES TO BE ISSUED APRIL 30, 1984

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Amount Offered:	
To the public	\$8,250 million
Description of Security:	
Term and type of security	2-year notes
Series and CUSIP designation	Series T-1986 (CUSIP No. 912827 QS4)
Maturity date	April 30, 1986
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	October 31 and April 30
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
Payment through Treasury Tax and Loan (TT&L)	
Note Accounts	Acceptable for TT&L Note Option Depositaries
Deposit guarantee by designated institutions	Acceptable
Key Dates:	
Receipt of tenders	Wednesday, April 25, 1984, prior to 1:00 p.m., EST
Settlement (final payment due from institutions)	
a) cash or Federal funds	Monday, April 30, 1984
b) readily collectible check	Thursday, April 26, 1984