

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

Circular No. 9880  
June 19, 1985

TREASURY ANNOUNCES NOTE AND BOND OFFERINGS  
TOTALING \$17,000 MILLION

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

The following is quoted from a statement issued yesterday by the Treasury Department:

The Treasury will raise about \$13,875 million of new cash by issuing \$6,500 million of 4-year notes, \$6,000 million of 7-year notes, and \$4,500 million of 20-year 1-month bonds. This offering will also refund \$3,116 million of 4-year notes maturing June 30, 1985. The \$3,116 million of maturing 4-year notes are those held by the public, including \$826 million currently held by Federal Reserve Banks as agents for foreign and international monetary authorities.

In addition to the maturing 4-year notes, there are \$8,000 million of maturing 2-year notes held by the public. The disposition of this latter amount was announced last week. Federal Reserve Banks, as agents for foreign and international monetary authorities, currently hold \$1,161 million, and Government accounts and Federal Reserve Banks for their own account hold \$1,299 million of maturing 2-year and 4-year notes. The maturing securities held by Federal Reserve Banks for their own account may be refunded by issuing additional amounts of the new 2-year and 4-year notes at the average prices of accepted competitive tenders.

The \$17,000 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 prices of accepted competitive tenders.

*The 20-year 1-month bond will become eligible for STRIPS (Separate Trading of Registered Interest and Principal of Securities) on February 18, 1986. Generic CUSIP numbers will be assigned to the Interest Components created from the bond in accordance with the pertinent interest payment date list which will be effective July 29, 1985.*

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 made in cash, by check, in Treasury securities maturing on or before the issue date of the securities being purchased, by a charge to an institution's reserve account at this Bank, or, in the case of Treasury Tax and Loan Note Option Depositories, by credit to a Treasury Tax and Loan Note Account. Payment by check must be in the form of an official bank check, a Federal funds check (a check drawn by a depository institution on its Federal Reserve account), or a personal check, which need not be certified. All checks must be drawn payable to the Federal Reserve Bank of New York; *checks endorsed to this Bank will not be accepted.*

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. 716-849-5158 (offerings) and Tel. No. 716-849-5046 (results). 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.

E. GERALD CORRIGAN, *President.*

(Over)



**HIGHLIGHTS OF TREASURY  
OFFERINGS TO THE PUBLIC  
OF 4-YEAR NOTES, 7-YEAR NOTES,  
AND 20-YEAR 1-MONTH BONDS**

	<u>4-Year Notes</u>	<u>7-Year Notes</u>	<u>20-Year 1-Month Bonds</u>
<b>Amount Offered:</b>			
To the public .....	\$6,500 million	\$6,000 million	\$4,500 million
<b>Description of Security:</b>			
Term and type of security .....	4-year notes	7-year notes	20-year 1-month bonds
Series and CUSIP designation .....	Series M-1989 (CUSIP No. 912827 SK9)	Series F-1992 (CUSIP No. 912827 SL7)	Bonds of 2005 (CUSIP No. 912810 DR6)
Issue date .....	July 1, 1985	July 2, 1985	July 2, 1985
Maturity date .....	June 30, 1989	July 15, 1992	August 15, 2005
Call date .....	No provision	No provision	No provision
Interest 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 .....	December 31 and June 30	January 15 and July 15 (first payment on January 15, 1986)	February 15 and August 15 (first payment on February 15, 1986)
Minimum denomination available ..	\$1,000	\$1,000	\$1,000
<b>Terms of Sale:</b>			
Method of sale .....	Yield auction	Yield auction	Yield auction
Competitive tenders .....	Must be expressed as an annual yield, with two decimals, e.g., 7.10%	Must be expressed as an annual yield, with two decimals, e.g., 7.10%	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	Accepted in full at the average price up to \$1,000,000	Accepted in full at the average price up to \$1,000,000
Accrued interest payable by investor ..	None	None	None
Payment through Treasury Tax and Loan (TT&L) Note Accounts. ....	Acceptable for TT&L Note Option Depositories	Acceptable for TT&L Note Option Depositories	Acceptable for TT&L Note Option Depositories
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
<b>Key Dates:</b>			
Receipt of tenders .....	<b>Tuesday, June 25, 1985, prior to 1:00 p.m., EDST</b>	<b>Wednesday, June 26, 1985, prior to 1:00 p.m., EDST</b>	<b>Thursday, June 27, 1985, prior to 1:00 p.m., EDST</b>
Settlement (final payment due from institutions)			
a) cash or Federal funds .....	Monday, July 1, 1985	Tuesday, July 2, 1985	Tuesday, July 2, 1985
b) readily collectible check .....	Thursday, June 27, 1985	Friday, June 28, 1985	Friday, June 28, 1985



Encl. Ref. Cir. 9880

June 19, 1985

TREASURY ANNOUNCES CHANGE TO GENERIC CUSIPS FOR STRIPS

The following statement was issued by the Treasury Department on June 14:

Effective July 29, 1985, the Department will begin assigning a single CUSIP number for each interest payment date for Interest Components issued under the STRIPS (Separate Trading of Registered Interest and Principal of Securities) program. A generic CUSIP number will be assigned to all Interest Components paying interest on the same date, including those previously issued with specific CUSIP numbers. Separate CUSIP numbers will continue to be assigned to each Principal Component.

During the weekend of July 27-28, the Treasury and Federal Reserve Banks will convert the specific CUSIP numbers currently assigned to Interest Components to a single CUSIP number for each payment date. On and after July 29, the designated generic CUSIP numbers will be used for maintaining and trading Interest Components, as well as for future issues of Interest Components having the same payment dates.

Federal Reserve Banks will make available to financial institutions a list of the generic CUSIP numbers for interest payment dates, and a table for conversion of current multiple CUSIP numbers (for a specific payment date) into the generic CUSIP numbers. The change to generic CUSIP numbers may require financial institutions to revise their internal recordkeeping systems. Financial institutions should direct any questions regarding the conversion process to their local Federal Reserve Bank.

The change to generic CUSIP numbers will further increase the liquidity of the STRIPS program by substantially reducing the number of CUSIP designations, and thus transactions, thereby reducing transaction costs and at the same time broadening the marketability of STRIPS.

Questions regarding this change or the STRIPS program in general should be directed to H. John Costalos, Manager, Securities Transfer Department (Tel. No. 212-791-5986) or Daniel Bolwell, Chief, Securities Transfer Division (Tel. No. 212-791-5379).

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