

FEDERAL RESERVE BANK OF NEW YORK

Fiscal Agent of the United States

Circular No. 9922
September 18, 1985

OFFERING OF TWO SERIES OF TREASURY BILLS

\$4,500,000,000 of 91-Day Bills, To Be Issued September 26, 1985, Due December 26, 1985
\$4,500,000,000 of 182-Day Bills, To Be Issued September 26, 1985, Due March 27, 1986

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

Following is the text of a notice issued by the Treasury Department:

The Department of the Treasury, by this public notice, invites tenders for two series of Treasury bills totaling approximately \$9,000 million, to be issued September 26, 1985. This offering will result in a paydown for the Treasury of about \$5,100 million, as the maturing bills are outstanding in the amount of \$14,093 million. *The size of this offering has been reduced from recent levels in order to ensure that the current debt ceiling is not exceeded.* Tenders will be received at Federal Reserve Banks and Branches and at the Bureau of the Public Debt, Washington, D.C. 20239, prior to 1:00 p.m., Eastern Daylight Saving time, Monday, September 23, 1985. The two series offered are as follows:

91-day bills (to maturity date) for approximately \$4,500 million, representing an additional amount of bills dated December 27, 1984, and to mature December 26, 1985 (CUSIP No. 912794 HQ0), currently outstanding in the amount of \$15,626 million, the additional and original bills to be freely interchangeable. 182-day bills for approximately \$4,500 million, to be dated September 26, 1985, and to mature March 27, 1986 (CUSIP No. 912794 JY1).

The bills will be issued on a discount basis under competitive and non-competitive bidding, and at maturity their par amount will be payable without interest. Both series of bills will be issued entirely in book-entry form in a minimum amount of \$10,000 and in any higher \$5,000 multiple, on the records either of the Federal Reserve Banks and Branches, or of the Department of the Treasury.

The bills will be issued for cash and in exchange for Treasury bills maturing September 26, 1985. Tenders from Federal Reserve Banks for their own account and as agents for foreign and international monetary authorities will be accepted at the weighted average bank discount rates of accepted competitive tenders. Additional amounts of the bills may be issued 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 bills held by them. Federal Reserve Banks currently hold \$1,593 million as agents for foreign and international monetary authorities, and \$2,743 million for their own account. Tenders for bills to be maintained on the book-entry records of the Department of the Treasury should be submitted on Form PD 4632-2 (for 26-week series) or Form PD 4632-3 (for 13-week series).

Each tender must state the par amount of bills bid for, which must be a minimum of \$10,000. Tenders over \$10,000 must be in multiples of \$5,000. Competitive tenders must also show the yield desired, expressed on a bank discount rate basis with two decimals, e.g., 7.15%. Fractions may not be used. A single bidder, as defined in Treasury's single bidder guidelines, shall not submit noncompetitive tenders totaling more than \$1,000,000.

Banking institutions and dealers who make primary markets in Government securities and report daily to the Federal Reserve Bank of New York their positions in and borrowings on such securities may submit tenders for account of customers, if the names of the customers and the amount for each customer are furnished. Others are only permitted to submit tenders for their own account. Each tender must state the amount of any net long position in the bills being offered if such position is in excess of \$200 million. This information should reflect positions held as of 12:30 p.m., Eastern time, on the day of the auction. Such positions would include bills acquired through "when issued" trading, and futures and forward transactions as well as holdings of outstanding bills with the same maturity date as the new offering, e.g., bills with three months to maturity previously offered as six-month bills. Dealers, who make primary markets in Govern-

This Bank will receive tenders for both series prior to 1:00 p.m., Eastern Daylight Saving time, Monday, September 23, 1985, at the Securities Department of its Head Office and at its Buffalo Branch. Tender forms for both series are enclosed. Please be sure to use them to submit tenders and return them in the enclosed envelope. Forms for submitting tenders directly to the Treasury are available from the Government Bond Division of this Bank. Tenders not requiring a deposit may be submitted by telegraph, subject to written confirmation; no tenders may be submitted by telephone. Settlement must be made in cash or other immediately available funds or in Treasury securities maturing on or before the issue date. Treasury Tax and Loan Note Option Depositories may make payment for Treasury bills by credit to their Treasury Tax and Loan Note Accounts.

Results of the last weekly offering are shown on the reverse side of this circular.

E. GERALD CORRIGAN,
President.

(OVER)

RESULTS OF LAST WEEKLY OFFERING OF TREASURY BILLS
(TWO SERIES TO BE ISSUED SEPTEMBER 19, 1985)

RANGE OF ACCEPTED COMPETITIVE BIDS:	13-week bills			:	26-week bills		
	maturing December 19, 1985			:	maturing March 20, 1986		
	Discount	Investment		:	Discount	Investment	
	Rate	Rate 1/	Price	:	Rate	Rate 1/	Price
Low	7.14%	7.37%	98.195	:	7.31%	7.70%	96.304
High	7.18%	7.41%	98.185	:	7.33%	7.72%	96.294
Average	7.17%	7.40%	98.188	:	7.32%	7.71%	96.299

Tenders at the high discount rate for the 13-week bills were allotted 8%.
Tenders at the high discount rate for the 26-week bills were allotted 38%.

TENDERS RECEIVED AND ACCEPTED
(In Thousands)

Location	Received	Accepted	:	Received	Accepted
Boston	\$ 67,295	\$ 47,295	:	\$ 68,500	\$ 47,780
New York	17,271,610	5,466,070	:	16,775,980	6,252,360
Philadelphia	45,450	45,450	:	26,090	26,090
Cleveland	54,080	54,080	:	40,305	40,305
Richmond	91,815	51,465	:	104,445	51,345
Atlanta	50,470	43,030	:	56,555	50,245
Chicago	2,074,775	865,255	:	1,158,175	123,935
St. Louis	93,940	53,940	:	86,075	46,075
Minneapolis	316,865	132,865	:	44,325	19,325
Kansas City	60,070	58,950	:	46,535	46,375
Dallas	42,110	32,110	:	39,215	29,215
San Francisco	3,093,785	82,865	:	2,470,360	98,090
Treasury	<u>286,275</u>	<u>286,275</u>	:	<u>371,115</u>	<u>371,115</u>
TOTALS	\$23,548,540	\$7,219,650	:	\$21,287,675	\$7,202,255
<u>Type</u>			:		
Competitive	\$20,079,125	\$3,750,235	:	\$17,750,745	\$3,665,325
Noncompetitive	<u>1,160,160</u>	<u>1,160,160</u>	:	<u>1,103,130</u>	<u>1,103,130</u>
Subtotal, Public	\$21,239,285	\$4,910,395	:	\$18,853,875	\$4,768,455
Federal Reserve	1,899,055	1,899,055	:	1,900,000	1,900,000
Foreign Official			:		
Institutions	<u>410,200</u>	<u>410,200</u>	:	<u>533,800</u>	<u>533,800</u>
TOTALS	\$23,548,540	\$7,219,650	:	\$21,287,675	\$7,202,255

1/ Equivalent coupon-issue yield.