

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

Circular No. 9952
November 15, 1985

TREASURY ANNOUNCES NOVEMBER QUARTERLY FINANCING

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 \$22,500 million of new cash by issuing \$8,750 million of 3-year notes, \$7,000 million of 10-year notes, and \$6,750 million of 30-year bonds.

The 10-year note and 30-year bond being offered today will be eligible for exchange in the STRIPS program and, accordingly, may be divided into their separate Interest and Principal Components and maintained on the book-entry records of the Federal Reserve Banks and Branches. Once a security is in the STRIPS form, the components may be maintained and transferred in multiples of \$1,000. Financial institutions should consult their local Federal Reserve Bank or Branch for procedures for requesting securities in STRIPS form.

The three issues totaling \$22,500 million are being offered to the public, and any amounts tendered by Federal Reserve Banks for their own accounts and 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.

Printed on the reverse side is a table summarizing the highlights of the offerings.

The 10-year note and the 30-year bond will be eligible for conversion to STRIPS (Separate Trading of Registered Interest and Principal of Securities). Information about this feature is set forth in the Treasury Department's official offering circulars, copies of which will be furnished upon request directed to the Government Bond Department (Tel. No. 212-791-6619). Questions regarding procedures for requesting securities in STRIPS form 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).

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 Depositaries, 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
NOVEMBER QUARTERLY FINANCING**

| | <u>3-Year Notes</u> | <u>10-Year Notes</u> | <u>30-Year Bonds</u> |
|--|---|---|--|
| Amount Offered: | | | |
| To the public | \$8,750 million | \$7,000 million | \$6,750 million |
| Description of Security: | | | |
| Term and type of security | 3-year notes | 10-year notes | 30-year bonds |
| Series and CUSIP designation..... | Series U-1988 (CUSIP No. 912827 SX1) | Series D-1995 (CUSIP No. 912827 SY9) | Bonds of 2015 (CUSIP No. 912810 DT2) |
| CUSIP Nos. for STRIPS | | | |
| Components | Not applicable | Listed in Attachment A of offering circular | Listed in Attachment A of offering circular |
| Issue date | November 26, 1985 | November 29, 1985 (to be dated November 15, 1985) | November 29, 1985 (to be dated November 15, 1985). |
| Maturity date | November 15, 1988 | November 15, 1995 | November 15, 2015 |
| 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 | May 15 and November 15 | May 15 and November 15 | May 15 and November 15 |
| Minimum denomination available .. | \$5,000 | \$1,000 | \$1,000 |
| Amount Required for STRIPS | Not applicable | To be determined after auction | To be determined after auction |
| Terms of Sale: | | | |
| 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 | To be determined after auction | To be determined after auction |
| 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 |
| Key Dates: | | | |
| Receipt of tenders | Tuesday, November 19, 1985, prior to 1:00 p.m., EST | Thursday, November 21, 1985, prior to 1:00 p.m., EST | Friday, November 22, 1985, prior to 1:00 p.m., EST |
| Settlement | | | |
| a) cash or Federal funds | Tuesday, November 26, 1985 | Friday, November 29, 1985 | Friday, November 29, 1985 |
| b) readily collectible check | Friday, November 22, 1985 | Wednesday, November 27, 1985 | Wednesday, November 27, 1985 |