

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

Circular No. 10,029
May 1, 1986

TREASURY ANNOUNCES MAY 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 \$12,800 million of new cash and refund \$14,190 million of securities maturing May 15, 1986, by issuing \$9,000 million of 3-year notes, \$9,000 million of 10-year notes, and \$9,000 million of 30-year bonds. The \$14,190 million of maturing securities are those held by the public, including \$1,025 million held, as of today, by Federal Reserve Banks as agents for foreign and international monetary authorities.

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 \$27,000 million are 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.

In addition to the public holdings, Government accounts and Federal Reserve Banks, for their own accounts, hold \$1,819 million of the maturing securities that may be refunded by issuing additional amounts of the new securities 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 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 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
MAY 1986 FINANCING
TO BE ISSUED MAY 15, 1986**

	<u>3-Year Notes</u>	<u>10-Year Notes</u>	<u>30-Year Bonds</u>
Amount Offered:			
To the public	\$9,000 million	\$9,000 million	\$9,000 million
Description of Security:			
Term and type of security	3-year notes	10-year notes	30-year bonds
Series and CUSIP designation.....	Series R-1989 (CUSIP No. 912827 TP7)	Series C-1996 (CUSIP No. 912827 TQ5)	Bonds of 2016 (CUSIP No. 912810 DW5)
CUSIP Nos. for STRIPS			
Components	Not applicable	Listed in Attachment A of offering circular	Listed in Attachment A of offering circular
Maturity date	May 15, 1989	May 15, 1996	May 15, 2016
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	November 15 and May 15	November 15 and May 15	November 15 and May 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	None	None
Payment Terms:			
Payment through Treasury Tax and Loan (TT&L) Note Accounts.....	Acceptable for TT&L Note Option Depositaries	Acceptable for TT&L Note Option Depositaries	Acceptable for TT&L Note Option Depositaries
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, May 6, 1986, prior to 1:00 p.m., EDST	Wednesday, May 7, 1986, prior to 1:00 p.m., EDST	Thursday, May 8, 1986, prior to 1:00 p.m., EDST
Settlement			
a) funds immediately available to the Treasury.....	Thursday, May 15, 1986	Thursday, May 15, 1986	Thursday, May 15, 1986
b) readily collectible check	Tuesday, May 13, 1986	Tuesday, May 13, 1986	Tuesday, May 13, 1986

**CUSIP NUMBERS AND DESIGNATIONS FOR THE
PRINCIPAL COMPONENT AND INTEREST COMPONENTS OF
TREASURY BONDS OF MAY 15, 2016, CUSIP NO. 912810 DW 5**

The Principal Component is designated
(Interest Rate) Treasury Principal (TPRN) 2016
due May 15, 2016, CUSIP No. 912803 AH 6.

INTEREST COMPONENTS

DESIGNATION		DESIGNATION	
CUSIP NUMBER 912833		CUSIP NUMBER 912833	
Treasury Interest (TINT) due		Treasury Interest (TINT) due	
November 15, 1986	EH 9	November 15, 2001	FP 0
May 15, 1987	EJ 5	May 15, 2002	FQ 8
November 15, 1987	EK 2	November 15, 2002	FR 6
May 15, 1988	EL 0	May 15, 2003	FS 4
November 15, 1988	EM 8	November 15, 2003	FT 2
May 15, 1989	EN 6	May 15, 2004	FU 9
November 15, 1989	EP 1	November 15, 2004	FV 7
May 15, 1990	EQ 9	May 15, 2005	FW 5
November 15, 1990	ER 7	November 15, 2005	FX 3
May 15, 1991	ES 5	May 15, 2006	FY 1
November 15, 1991	ET 3	November 15, 2006	FZ 8
May 15, 1992	EU 0	May 15, 2007	GA 2
November 15, 1992	EV 8	November 15, 2007	GB 0
May 15, 1993	EW 6	May 15, 2008	GC 8
November 15, 1993	EX 4	November 15, 2008	GD 6
May 15, 1994	EY 2	May 15, 2009	GE 4
November 15, 1994	EZ 9	November 15, 2009	GF 1
May 15, 1995	FA 3	May 15, 2010	JU 5
November 15, 1995	FB 1	November 15, 2010	JV 3
May 15, 1996	FC 9	May 15, 2011	JW 1
November 15, 1996	FD 7	November 15, 2011	JX 9
May 15, 1997	FE 5	May 15, 2012	JY 7
November 15, 1997	FF 2	November 15, 2012	JZ 4
May 15, 1998	FG 0	May 15, 2013	KA 7
November 15, 1998	FH 8	November 15, 2013	KB 5
May 15, 1999	FJ 4	May 15, 2014	KC 3
November 15, 1999	FK 1	November 15, 2014	KD 1
May 15, 2000	FL 9	May 15, 2015	KE 9
November 15, 2000	FM 7	November 15, 2015	KF 6
May 15, 2001	FN 5	May 15, 2016	KH 2

**CUSIP NUMBERS AND DESIGNATIONS FOR THE
PRINCIPAL COMPONENT AND INTEREST COMPONENTS OF
TREASURY NOTES OF MAY 15, 1996,
SERIES C-1996, CUSIP NO. 912827 TO 5**

The Principal Component is designated (Interest Rate)
Treasury Principal (TPRN) Series C-1996 due May 15,
1996, CUSIP No. 912820 AG 2.

INTEREST COMPONENTS

DESIGNATION		DESIGNATION	
CUSIP NUMBER 912833		CUSIP NUMBER 912833	
Treasury Interest (TINT) due		Treasury Interest (TINT) due	
November 15, 1986	BH 9	November 15, 1991	ET 3
May 15, 1987	EJ 5	May 15, 1992	EU 0
November 15, 1987	ER 2	November 15, 1992	EV 8
May 15, 1988	EL 0	May 15, 1993	EW 6
November 15, 1988	EM 8	November 15, 1993	EX 4
May 15, 1989	EN 6	May 15, 1994	EY 2
November 15, 1989	EP 1	November 15, 1994	EZ 9
May 15, 1990	EQ 9	May 15, 1995	FA 3
November 15, 1990	ER 7	November 15, 1995	FB 1
May 15, 1991	ES 5	May 15, 1996	FC 9

[Ref. Cir. No. 10,029]

(Over)