

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

Circular No. 10,034
May 14, 1986

OFFERING OF TWO SERIES OF TREASURY BILLS

\$7,000,000,000 of 91-Day Bills, To Be Issued May 22, 1986, Due August 21, 1986
\$7,000,000,000 of 182-Day Bills, To Be Issued May 22, 1986, Due November 20, 1986

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

The following notice has been issued by the Treasury Department:

The Department of the Treasury, by this public notice, invites tenders for two series of Treasury bills totaling approximately \$14,000 million, to be issued May 22, 1986. This offering will result in a paydown for the Treasury of about \$300 million, as the maturing bills are outstanding in the amount of \$14,304 million. **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, May 19, 1986.**

The two series offered are as follows:

91-day bills (to maturity date) for approximately \$7,000 million, representing an additional amount of bills dated February 20, 1986, and to mature August 21, 1986 (CUSIP No. 912794 LA 0), currently outstanding in the amount of \$6,860 million, the additional and original bills to be freely interchangeable.

182-day bills for approximately \$7,000 million, to be dated May 22, 1986, and to mature November 20, 1986 (CUSIP No. 912794 LL 6).

The bills will be issued on a discount basis under competitive and noncompetitive 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 May 22, 1986. 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 \$1,083 million as agents for foreign and international monetary authorities, and \$3,753 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).

This Bank will receive tenders at the time indicated in the above notice 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 may not be submitted by telephone. Settlement must be made in cash or other immediately available funds or in maturing Treasury securities. Treasury Tax and Loan Note Option Depositories may make payment for Treasury bills by credit to their Treasury Tax and Loan Note Accounts.

A document containing the standard terms and conditions of Treasury bill offerings may be obtained from the Circulars Division of this Bank. Results of the previous 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 MAY 15, 1986)

RANGE OF ACCEPTED COMPETITIVE BIDS:	13-week bills			26-week bills		
	maturing August 14, 1986			maturing November 13, 1986		
	Discount Rate	Investment Rate 1/	Price	Discount Rate	Investment Rate 1/	Price
Low	6.05%	6.23%	98.471	6.09%	6.37%	96.921
High	6.07%	6.25%	98.466	6.11%	6.39%	96.911
Average	6.07%	6.25%	98.466	6.10%	6.38%	96.916

Tenders at the high discount rate for the 13-week bills were allotted 67%.
Tenders at the high discount rate for the 26-week bills were allotted 31%.

TENDERS RECEIVED AND ACCEPTED
(In Thousands)

Location	Received	Accepted	Received	Accepted
Boston	\$ 45,105	\$ 42,105	\$ 27,780	\$ 27,780
New York	23,153,835	5,717,060	20,218,995	5,758,295
Philadelphia	29,690	29,690	19,045	19,045
Cleveland	53,660	50,690	28,490	28,490
Richmond	47,260	47,260	42,330	42,330
Atlanta	40,985	36,860	58,760	32,210
Chicago	1,709,790	375,290	1,984,185	423,125
St. Louis	72,795	52,795	55,295	35,295
Minneapolis	34,455	21,155	17,900	14,450
Kansas City	57,540	55,735	60,460	60,460
Dallas	46,255	36,255	24,160	15,710
San Francisco	1,557,915	209,175	1,570,885	205,555
Treasury	363,200	363,200	348,855	348,855
TOTALS	\$27,212,485	\$7,037,270	\$24,057,140	\$7,011,600
Type				
Competitive	\$23,922,225	\$3,747,010	\$20,688,430	\$3,642,890
Noncompetitive	1,179,435	1,179,435	861,525	861,525
Subtotal, Public	\$25,101,660	\$4,926,445	\$21,549,955	\$4,504,415
Federal Reserve	1,683,915	1,683,915	1,600,000	1,600,000
Foreign Official Institutions	426,910	426,910	907,185	907,185
TOTALS	\$27,212,485	\$7,037,270	\$24,057,140	\$7,011,600

An additional \$20,090 thousand of 13-week bills and an additional \$26,715 thousand of 26-week bills will be issued to foreign official institutions for new cash.

1/ Equivalent coupon-issue yield.