

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

Circular No. 10,036
May 21, 1986

OFFERING OF TWO SERIES OF TREASURY BILLS

\$7,200,000,000 of 91-Day Bills, To Be Issued May 29, 1986, Due August 28, 1986
\$7,200,000,000 of 183-Day Bills, To Be Issued May 29, 1986, Due November 28, 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 \$14,400 million, to be issued May 29, 1986. This offering will provide about \$125 million of new cash for the Treasury, as the maturing bills are outstanding in the amount of \$14,271 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, Tuesday, May 27, 1986.**

The two series offered are as follows:

91-day bills (to maturity date) for approximately \$7,200 million, representing an additional amount of bills dated February 27, 1986, and to mature August 28, 1986 (CUSIP No. 912794 LB 8), currently outstanding in the amount of \$6,829 million, the additional and original bills to be freely interchangeable.

183-day bills (to maturity date) for approximately \$7,200 million, representing an additional amount of bills dated November 29, 1985, and to mature November 28, 1986 (CUSIP No. 912794 KT 0), currently outstanding in the amount of \$9,064 million, the additional and original bills to be freely interchangeable.

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 29, 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 \$2,078 million as agents for foreign and international monetary authorities, and \$3,364 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.

Please note that the auction will be held Tuesday, May 27, 1986.

Please also note that the Treasury bills maturing November 28, 1986, will be 183-day bills.

(Over)

RESULTS OF LAST WEEKLY OFFERING OF TREASURY BILLS
(TWO SERIES TO BE ISSUED MAY 22, 1986)

RANGE OF ACCEPTED COMPETITIVE BIDS:	13-week bills			:	26-week bills		
	maturing August 21, 1986			:	maturing November 20, 1986		
	Discount	Investment		:	Discount	Investment	
	Rate	Rate 1/	Price	:	Rate	Rate 1/	Price
Low	6.17%	6.36%	98.440	:	6.26%	6.55%	96.835
High	6.23%	6.42%	98.425	:	6.28%	6.58%	96.825
Average	6.22%	6.41%	98.428	:	6.28%	6.58%	96.825

Tenders at the high discount rate for the 13-week bills were allotted 60%.
Tenders at the high discount rate for the 26-week bills were allotted 80%.

TENDERS RECEIVED AND ACCEPTED
(In Thousands)

<u>Location</u>	<u>Received</u>	<u>Accepted</u>	:	<u>Received</u>	<u>Accepted</u>
Boston	\$ 40,380	\$ 40,380	:	\$ 30,055	\$ 26,855
New York	17,837,875	5,628,875	:	19,890,595	6,119,395
Philadelphia	24,800	24,800	:	19,000	19,000
Cleveland	56,390	56,390	:	23,490	23,490
Richmond	52,455	52,055	:	29,460	27,460
Atlanta	32,600	32,600	:	49,145	44,145
Chicago	1,382,225	397,225	:	1,178,575	221,695
St. Louis	65,610	45,610	:	60,555	40,555
Minneapolis	19,380	19,380	:	17,285	16,285
Kansas City	66,595	66,595	:	37,565	37,565
Dallas	46,735	41,735	:	22,730	16,730
San Francisco	2,172,975	245,975	:	1,263,985	131,385
Treasury	348,880	348,880	:	300,450	300,450
TOTALS	\$22,146,900	\$7,000,500	:	\$22,922,490	\$7,025,010
<u>Type</u>			:		
Competitive	\$18,786,160	\$3,639,760	:	\$19,584,825	\$3,687,345
Noncompetitive	1,129,555	1,129,555	:	734,440	734,440
Subtotal, Public	\$19,915,715	\$4,769,315	:	\$20,319,265	\$4,421,785
Federal Reserve	1,904,010	1,904,010	:	1,875,000	1,875,000
Foreign Official Institutions	327,175	327,175	:	728,225	728,225
TOTALS	\$22,146,900	\$7,000,500	:	\$22,922,490	\$7,025,010

An additional \$37,025 thousand of 13-week bills and an additional \$63,975 thousand of 26-week bills will be issued to foreign official institutions for new cash.

1/ Equivalent coupon-issue yield.