

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

Circular No. 10,040
May 28, 1986

OFFERING OF TWO SERIES OF TREASURY BILLS

\$7,200,000,000 of 91-Day Bills, To Be Issued June 5, 1986, Due September 4, 1986
\$7,200,000,000 of 182-Day Bills, To Be Issued June 5, 1986, Due December 4, 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 June 5, 1986. This offering will result in a paydown for the Treasury of about \$100 million, as the maturing bills are outstanding in the amount of \$14,500 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, June 2, 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 September 5, 1985, and to mature September 4, 1986 (CUSIP No. 912794 KQ 6), currently outstanding in the amount of \$15,642 million, the additional and original bills to be freely interchangeable.

182-day bills for approximately \$7,200 million, to be dated June 5, 1986, and to mature December 4, 1986 (CUSIP No. 912794 LM 4).

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 June 5, 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 \$1,129 million as agents for foreign and international monetary authorities, and \$3,667 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 29, 1986)

RANGE OF ACCEPTED COMPETITIVE BIDS:	13-week bills			:	26-week bills		
	maturing August 28, 1986			:	maturing November 28, 1986		
	Discount Rate	Investment Rate 1/	Price	:	Discount Rate	Investment Rate 1/	Price
Low	6.12%	6.30%	98.453	:	6.19%	6.48%	96.853
High	6.16%	6.34%	98.443	:	6.22%	6.51%	96.838
Average	6.15%	6.34%	98.443	:	6.21%	6.50%	96.843

Tenders at the high discount rate for the 13-week bills were allotted 74%.
Tenders at the high discount rate for the 26-week bills were allotted 100%.

TENDERS RECEIVED AND ACCEPTED
(In Thousands)

<u>Location</u>	<u>Received</u>	<u>Accepted</u>	:	<u>Received</u>	<u>Accepted</u>
Boston	\$ 41,835	\$ 41,835	:	\$ 24,645	\$ 24,645
New York	17,603,885	5,380,185	:	19,308,900	6,213,900
Philadelphia	29,010	29,010	:	13,760	13,760
Cleveland	44,095	44,095	:	25,585	25,585
Richmond	48,650	48,650	:	50,295	50,295
Atlanta	45,280	42,680	:	35,205	35,205
Chicago	1,530,110	465,050	:	1,532,715	262,715
St. Louis	84,455	58,455	:	76,225	48,225
Minneapolis	24,115	24,115	:	8,800	8,800
Kansas City	51,355	51,355	:	35,320	35,320
Dallas	43,090	38,090	:	24,515	14,515
San Francisco	1,400,985	673,685	:	997,640	242,640
Treasury	302,820	302,820	:	244,270	244,270
TOTALS	\$21,251,685	\$7,200,025	:	\$22,377,875	\$7,219,875
<u>Type</u>			:		
Competitive	\$18,258,365	\$4,206,705	:	\$19,148,085	\$3,990,085
Noncompetitive	1,018,235	1,018,235	:	687,090	687,090
Subtotal, Public	\$19,276,600	\$5,224,940	:	\$19,835,175	\$4,677,175
Federal Reserve	1,766,185	1,766,185	:	1,700,000	1,700,000
Foreign Official Institutions	208,900	208,900	:	842,700	842,700
TOTALS	\$21,251,685	\$7,200,025	:	\$22,377,875	\$7,219,875

1/ Equivalent coupon-issue yield.