

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

Circular No. 10,043
June 4, 1986

OFFERING OF TWO SERIES OF TREASURY BILLS

\$7,200,000,000 of 91-Day Bills, To Be Issued June 12, 1986, Due September 11, 1986

\$7,200,000,000 of 182-Day Bills, To Be Issued June 12, 1986, Due December 11, 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 12, 1986. This offering will result in a paydown for the Treasury of about \$75 million, as the maturing bills are outstanding in the amount of \$14,464 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 9, 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 March 13, 1986, and to mature September 11, 1986 (CUSIP No. 912794 LC 6), currently outstanding in the amount of \$6,868 million, the additional and original bills to be freely interchangeable.

182-day bills for approximately \$7,200 million, to be dated June 12, 1986, and to mature December 11, 1986 (CUSIP No. 912794 LN 2).

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 12, 1986. In addition to the maturing 13-week and 26-week bills, there are \$8,533 million of maturing 52-week bills. The disposition of this latter amount was announced last week. 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. For purposes of determining such additional amounts, foreign and international monetary authorities are considered to hold \$1,828 million of the original 13-week and 26-week issues. Federal Reserve Banks currently hold \$1,913 million as agents for foreign and international monetary authorities, and \$5,593 million for their own account. These amounts represent the combined holdings of such accounts for the three issues of maturing bills. 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 JUNE 5, 1986)**

RANGE OF ACCEPTED COMPETITIVE BIDS:	13-week bills			26-week bills		
	maturing September 4, 1986			maturing December 4, 1986		
	Discount Rate	Investment Rate 1/	Price	Discount Rate	Investment Rate 1/	Price
Low	6.29%	6.48%	98.410	6.41%	6.72%	96.759
High	6.33%	6.52%	98.400	6.42%	6.73%	96.754
Average	6.33%	6.52%	98.400	6.41%	6.72%	96.759

Tenders at the high discount rate for the 13-week bills were allotted 91%.
Tenders at the high discount rate for the 26-week bills were allotted 52%.

**TENDERS RECEIVED AND ACCEPTED
(In Thousands)**

Location	Received	Accepted	Received	Accepted
Boston	\$ 39,775	\$ 39,775	\$ 30,575	\$ 30,575
New York	20,403,000	5,876,520	21,908,575	6,416,605
Philadelphia	23,070	23,070	18,775	18,775
Cleveland	47,290	44,215	24,505	24,505
Richmond	50,095	43,895	37,725	33,245
Atlanta	45,585	43,585	73,665	61,665
Chicago	1,271,310	309,810	1,384,360	166,860
St. Louis	77,340	52,840	70,350	46,350
Minneapolis	36,765	25,865	20,355	15,355
Kansas City	64,075	63,075	50,945	45,570
Dallas	33,675	33,675	10,815	10,815
San Francisco	1,044,510	317,470	1,320,545	58,345
Treasury	<u>338,580</u>	<u>338,580</u>	<u>285,085</u>	<u>285,085</u>
TOTALS	\$23,475,070	\$7,212,375	\$25,236,255	\$7,213,730
Type				
Competitive	\$20,360,990	\$4,098,295	\$21,943,370	\$3,920,845
Noncompetitive	<u>1,126,980</u>	<u>1,126,980</u>	<u>777,185</u>	<u>777,185</u>
Subtotal, Public	\$21,487,970	\$5,225,275	\$22,720,555	\$4,698,030
Federal Reserve	1,860,100	1,860,100	1,850,000	1,850,000
Foreign Official Institutions	<u>127,000</u>	<u>127,000</u>	<u>665,700</u>	<u>665,700</u>
TOTALS	\$23,475,070	\$7,212,375	\$25,236,255	\$7,213,730

1/ Equivalent coupon-issue yield.