

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

Circular No. 10,051
June 25, 1986

OFFERING OF TWO SERIES OF TREASURY BILLS

\$7,400,000,000 of 91-Day Bills, To Be Issued July 3, 1986, Due October 2, 1986

\$7,400,000,000 of 183-Day Bills, To Be Issued July 3, 1986, Due January 2, 1987

*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 \$14,800 million, to be issued July 3, 1986. This offering will provide about \$125 million of new cash for the Treasury, as the maturing bills are outstanding in the amount of \$14,673 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 30, 1986.**

The two series offered are as follows:

91-day bills (to maturity date) for approximately \$7,400 million, representing an additional amount of bills dated October 3, 1985, and to mature October 2, 1986 (CUSIP No. 912794 KR 4), currently outstanding in the amount of \$15,447 million, the additional and original bills to be freely interchangeable.

183-day bills for approximately \$7,400 million, to be dated July 3, 1986, and to mature January 2, 1987 (CUSIP No. 912794 LQ 5).

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 July 3, 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 \$946 million as agents for foreign and international monetary authorities, and \$3,732 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 Treasury bills maturing January 2, 1987, will be 183-day bills.

(Over)

RESULTS OF LAST WEEKLY OFFERING OF TREASURY BILLS
(TWO SERIES TO BE ISSUED JUNE 26, 1986)

RANGE OF ACCEPTED COMPETITIVE BIDS:	13-week bills			:	26-week bills		
	maturing September 23, 1986			:	maturing December 26, 1986		
	Discount	Investment		:	Discount	Investment	
	Rate	Rate 1/	Price	:	Rate	Rate 1/	Price
Low	6.07%	6.25%	98.466	:	6.11%	6.39%	96.894
High	6.10%	6.28%	98.458	:	6.14%	6.43%	96.879
Average	6.09%	6.27%	98.461	:	6.13%	6.41%	96.884

Tenders at the high discount rate for the 13-week bills were allotted 18%.
Tenders at the high discount rate for the 26-week bills were allotted 42%.

TENDERS RECEIVED AND ACCEPTED
(In Thousands)

Location	Received	Accepted	:	Received	Accepted
Boston	\$ 34,175	\$ 34,175	:	\$ 19,305	\$ 19,305
New York	22,319,160	6,337,560	:	21,664,510	6,417,310
Philadelphia	21,245	21,245	:	10,353	10,355
Cleveland	127,565	107,065	:	45,115	30,615
Richmond	40,260	39,795	:	55,320	47,420
Atlanta	37,900	36,150	:	22,640	21,640
Chicago	1,679,270	223,950	:	1,731,510	452,610
St. Louis	84,640	48,120	:	74,165	39,845
Minneapolis	26,420	12,320	:	23,395	23,395
Kansas City	44,905	44,905	:	39,175	39,175
Dallas	36,735	32,635	:	18,490	15,590
San Francisco	2,122,150	193,410	:	1,303,080	107,500
Treasury	276,460	276,460	:	184,285	184,285
TOTALS	\$26,850,885	\$7,407,790	:	\$25,191,345	\$7,409,045
<u>Type</u>					
Competitive	\$24,142,550	\$4,699,455	:	\$21,807,130	\$4,024,830
Noncompetitive	954,760	954,760	:	585,740	585,740
Subtotal, Public	\$25,097,310	\$5,654,215	:	\$22,392,870	\$4,610,570
Federal Reserve	1,524,430	1,524,430	:	1,500,000	1,500,000
Foreign Official Institutions	229,145	229,145	:	1,298,475	1,298,475
TOTALS	\$26,850,885	\$7,407,790	:	\$25,191,345	\$7,409,045

An additional \$25,255 thousand of 13-week bills and an additional \$120.725 thousand of 26-week bills will be issued to foreign official institutions for new cash.

1/ Equivalent coupon-issue yield.