

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

Circular No. 10,056
July 16, 1986

OFFERING OF TWO SERIES OF TREASURY BILLS

\$7,600,000,000 of 91-Day Bills, To Be Issued July 24, 1986, Due October 23, 1986

\$7,600,000,000 of 182-Day Bills, To Be Issued July 24, 1986, Due January 22, 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 \$15,200 million, to be issued July 24, 1986. This offering will provide about \$825 million of new cash for the Treasury, as the maturing bills are outstanding in the amount of \$14,385 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, July 21, 1986.**

The two series offered are as follows:

91-day bills (to maturity date) for approximately \$7,600 million, representing an additional amount of bills dated April 24, 1986, and to mature October 23, 1986 (CUSIP No. 912794 LH 5), currently outstanding in the amount of \$7,407 million, the additional and original bills to be freely interchangeable.

182-day bills (to maturity date) for approximately \$7,600 million, representing an additional amount of bills dated January 23, 1986, and to mature January 22, 1987 (CUSIP No. 912794 LT 9), currently outstanding in the amount of \$7,238 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 July 24, 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 \$1,529 million as agents for foreign and international monetary authorities, and \$3,442 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 JULY 17, 1986)

RANGE OF ACCEPTED COMPETITIVE BIDS:	13-week bills			:	26-week bills		
	maturing October 16, 1986			:	maturing January 15, 1987		
	Discount Rate	Investment Rate 1/	Price	:	Discount Rate	Investment Rate 1/	Price
Low	5.75%	5.91%	98.547	:	5.78%	6.04%	97.078
High	5.79%	5.96%	98.536	:	5.80%	6.06%	97.068
Average	5.78%	5.95%	98.539	:	5.80%	6.06%	97.068

Tenders at the high discount rate for the 13-week bills were allotted 93%.
Tenders at the high discount rate for the 26-week bills were allotted 68%.

TENDERS RECEIVED AND ACCEPTED
(In Thousands)

<u>Location</u>	<u>Received</u>	<u>Accepted</u>	:	<u>Received</u>	<u>Accepted</u>
Boston	\$ 38,560	\$ 38,560	:	\$ 25,765	\$ 25,765
New York	20,366,925	6,055,085	:	22,566,305	6,380,905
Philadelphia	24,490	24,490	:	17,930	17,930
Cleveland	42,535	42,535	:	34,405	34,405
Richmond	46,585	45,885	:	45,855	35,855
Atlanta	41,590	41,590	:	37,410	33,810
Chicago	1,593,465	455,825	:	1,557,805	280,085
St. Louis	38,490	26,490	:	39,745	26,465
Minneapolis	13,375	19,375	:	11,935	11,935
Kansas City	69,130	69,130	:	42,450	42,450
Dallas	41,235	40,885	:	29,070	22,470
San Francisco	989,450	204,130	:	734,635	95,235
Treasury	353,900	353,900	:	411,010	411,010
TOTALS	\$23,659,730	\$7,411,880	:	\$25,554,320	\$7,418,320
<u>Type</u>			:		
Competitive	\$20,607,905	\$4,360,055	:	\$21,658,895	\$3,522,895
Noncompetitive	1,066,820	1,066,820	:	961,800	961,800
Subtotal, Public	\$21,674,725	\$5,426,875	:	\$22,620,695	\$4,484,695
Federal Reserve	1,750,030	1,750,030	:	1,700,000	1,700,000
Foreign Official Institutions	234,975	234,975	:	1,233,625	1,233,625
TOTALS	\$23,659,730	\$7,411,880	:	\$25,554,320	\$7,418,320

An additional \$5,225 thousand of 13-week bills and an additional \$36,275 thousand of 26-week bills will be issued to foreign official institutions for new cash.

1/ Equivalent coupon-issue yield.