

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

Circular No. 10,063
July 30, 1986

OFFERING OF TWO SERIES OF TREASURY BILLS

\$7,600,000,000 of 91-Day Bills, To Be Issued August 7, 1986, Due November 6, 1986

\$7,600,000,000 of 182-Day Bills, To Be Issued August 7, 1986, Due February 5, 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 August 7, 1986. This offering will provide about \$1,025 million of new cash for the Treasury, as the maturing bills are outstanding in the amount of \$14,186 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, August 4, 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 May 8, 1986, and to mature November 6, 1986 (CUSIP No. 912794 LJ 1), currently outstanding in the amount of \$7,197 million, the additional and original bills to be freely interchangeable.

182-day bills for approximately \$7,600 million, to be dated August 7, 1986, and to mature February 5, 1987 (CUSIP No. 912794 LV 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 August 7, 1986. In addition to the maturing 13-week and 26-week bills, there are \$8,778 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 \$1,626 million of the original 13-week and 26-week issues. Federal Reserve Banks currently hold \$1,726 million as agents for foreign and international monetary authorities, and \$5,217 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 JULY 31, 1986)

RANGE OF ACCEPTED COMPETITIVE BIDS:	13-week bills			26-week bills		
	maturing October 30, 1986			maturing January 29, 1987		
	Discount Rate	Investment Rate 1/	Price	Discount Rate	Investment Rate 1/	Price
Low	5.81%	5.98%	98.531	5.85%	6.11%	97.043
High	5.87%	6.04%	98.516	5.90%	6.17%	97.017
Average	5.86%	6.03%	98.519	5.89%	6.16%	97.022

Tenders at the high discount rate for the 13-week bills were allotted 14%.
Tenders at the high discount rate for the 26-week bills were allotted 23%.

TENDERS RECEIVED AND ACCEPTED
(in Thousands)

Location	Received	Accepted	Received	Accepted
Boston	\$ 34,790	\$ 34,790	\$ 32,420	\$ 32,420
New York	22,380,985	6,717,185	23,946,980	6,449,000
Philadelphia	25,825	25,825	21,015	21,015
Cleveland	35,205	35,205	33,065	32,450
Richmond	43,870	43,870	49,435	44,045
Atlanta	38,460	38,460	44,500	42,500
Chicago	1,286,805	49,555	1,317,925	413,925
St. Louis	41,100	25,100	35,410	19,410
Minneapolis	30,820	22,220	27,855	14,005
Kansas City	53,620	53,620	58,845	58,845
Dallas	37,725	32,715	31,885	23,035
San Francisco	1,223,710	197,410	999,785	86,165
Treasury	324,415	324,415	373,745	373,745
TOTALS	\$25,557,330	\$7,600,370	\$26,972,865	\$7,610,560
Type				
Competitive	\$22,569,565	\$4,612,605	\$22,991,120	\$3,628,815
Noncompetitive	973,005	973,005	935,845	935,845
Subtotal, Public	\$23,542,570	\$5,585,610	\$23,926,965	\$4,564,660
Federal Reserve	1,780,460	1,780,460	1,650,000	1,650,000
Foreign Official Institutions	234,300	234,300	1,395,900	1,395,900
TOTALS	\$25,557,330	\$7,600,370	\$26,972,865	\$7,610,560

1/ Equivalent coupon-issue yield.