

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

Circular No. 10,086
October 8, 1986

OFFERING OF TWO SERIES OF TREASURY BILLS

\$7,000,000,000 of 91-Day Bills, To Be Issued October 16, 1986, Due January 15, 1987

\$7,000,000,000 of 182-Day Bills, To Be Issued October 16, 1986, Due April 16, 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 \$14,000 million, to be issued October 16, 1986. This offering will result in a paydown for the Treasury of about \$475 million, as the maturing bills are outstanding in the amount of \$14,474 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, Tuesday, October 14, 1986.**

The two series offered are as follows:

91-day bills (to maturity date) for approximately \$7,000 million, representing an additional amount of bills dated July 17, 1986, and to mature January 15, 1987 (CUSIP No. 912794 LS 1), currently outstanding in the amount of \$7,483 million, the additional and original bills to be freely interchangeable.

182-day bills for approximately \$7,000 million, representing an additional amount of bills dated April 17, 1986, and to mature April 16, 1987 (CUSIP No. 912794 MF 8), currently outstanding in the amount of \$9,763 million, the additional and original bills to be freely interchangeable.

The amounts of the bills are being reduced in order to ensure that the debt limit is not exceeded on October 16, 1986.

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 October 16, 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. Also, due to Treasury's need to plan for the debt level, the amounts of the bills issued to Federal Reserve Banks, as agents for foreign and international monetary authorities, may not exceed the aggregate amount of maturing bills held by them. Federal Reserve Banks currently hold \$1,269 million as agents for foreign and international monetary authorities, and \$3,657 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 OCTOBER 9, 1986)

RANGE OF ACCEPTED COMPETITIVE BIDS:	13-week bills			:	26-week bills		
	maturing January 8, 1987			:	maturing April 9, 1987		
	Discount	Investment		:	Discount	Investment	
	Rate	Rate 1/	Price	:	Rate	Rate 1/	Price
Low	5.02%	5.16%	98.731	:	5.13%	5.34%	97.407
High	5.08%	5.22%	98.716	:	5.15%	5.36%	97.396
Average	5.08%	5.22%	98.716	:	5.13%	5.34%	97.407

Tenders at the high discount rate for the 13-week bills were allotted 85%.
Tenders at the high discount rate for the 26-week bills were allotted 84%.

TENDERS RECEIVED AND ACCEPTED
(In Thousands)

<u>Location</u>	<u>Received</u>	<u>Accepted</u>	:	<u>Received</u>	<u>Accepted</u>
Boston	\$ 42,190	\$ 42,190	:	\$ 27,420	\$ 27,420
New York	22,674,500	5,964,100	:	28,949,945	6,483,135
Philadelphia	31,530	31,530	:	20,935	20,935
Cleveland	47,380	47,380	:	30,340	30,340
Richmond	49,925	49,925	:	28,910	28,910
Atlanta	44,120	44,120	:	29,795	27,295
Chicago	1,702,895	216,000	:	2,028,895	53,260
St. Louis	49,870	33,870	:	31,140	15,140
Minneapolis	21,400	11,400	:	20,020	10,020
Kansas City	50,150	50,150	:	47,605	46,580
Dallas	41,830	36,080	:	28,865	18,865
San Francisco	1,129,805	361,055	:	1,147,270	49,270
Treasury	340,945	340,945	:	391,375	391,375
TOTALS	\$26,226,540	\$7,228,745	:	\$32,782,515	\$7,202,545
<u>Type</u>					
Competitive	\$23,012,090	\$4,014,295	:	\$29,031,485	\$3,451,515
Noncompetitive	1,147,515	1,147,515	:	861,830	861,830
Subtotal, Public	\$24,159,605	\$5,161,810	:	\$29,893,315	\$4,313,345
Federal Reserve	1,879,035	1,879,035	:	1,700,000	1,700,000
Foreign Official			:		
Institutions	187,900	187,900	:	1,189,200	1,189,200
TOTALS	\$26,226,540	\$7,228,745	:	\$32,782,515	\$7,202,545

1/ Equivalent coupon-issue yield.

October 8, 1986

Correction of Treasury Bill Offering Circular
(91-day Bills to be Issued October 9, 1986)

Last week's Treasury Bill announcement (Cir. No. 10,085, dated October 1, 1986) incorrectly stated, in the heading, the new 91-day bill as maturing January 9, 1988. As the text of the notice indicates, the correct maturity date for the 91-day bill, to be issued on October 9, 1986, is January 8, 1987.

Circulars Division
FEDERAL RESERVE BANK OF NEW YORK

[Enc. Cir. 10,086]