

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

Circular No. 10,088
October 15, 1986

OFFERING OF TWO SERIES OF TREASURY BILLS

\$7,500,000,000 of 91-Day Bills, To Be Issued October 23, 1986, Due January 22, 1987

\$7,500,000,000 of 182-Day Bills, To Be Issued October 23, 1986, Due April 23, 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 \$15,000 million, to be issued October 23, 1986. This offering will result in a paydown for the Treasury of about \$50 million, as the maturing bills are outstanding in the amount of \$15,038 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, October 20, 1986.**

The two series offered are as follows:

91-day bills (to maturity date) for approximately \$7,500 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 \$16,861 million, the additional and original bills to be freely interchangeable.

182-day bills for approximately \$7,500 million, to be dated October 23, 1986, and to mature April 23, 1987 (CUSIP No. 912794 MG 6).

The amounts of the bills are being reduced in order to ensure that the debt limit is not exceeded on October 23, 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 23, 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 \$1,699 million as agents for foreign and international monetary authorities, and \$3,686 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 16, 1986)

RANGE OF ACCEPTED COMPETITIVE BIDS:	13-week bills			:	26-week bills		
	maturing January 15, 1987			:	maturing April 16, 1987		
	Discount	Investment		:	Discount	Investment	
	Rate	Rate 1/	Price	:	Rate	Rate 1/	Price
Low	5.09%	5.23%	98.713	:	5.19% ^{a/}	5.40%	97.376
High	5.14%	5.28%	98.701	:	5.23%	5.45%	97.356
Average	5.13%	5.27%	98.703	:	5.22%	5.44%	97.361

^{a/} Excepting 1 tender of \$3,000,000.

Tenders at the high discount rate for the 13-week bills were allotted 31%.
Tenders at the high discount rate for the 26-week bills were allotted 44%.

TENDERS RECEIVED AND ACCEPTED
(In Thousands)

Location	Received	Accepted	:	Received	Accepted
Boston	\$ 37,430	\$ 37,430	:	\$ 26,680	\$ 26,680
New York	19,689,165	5,619,985	:	20,973,830	5,940,910
Philadelphia	25,630	25,630	:	23,500	23,500
Cleveland	43,720	43,720	:	28,870	28,870
Richmond	52,605	48,980	:	37,480	29,680
Atlanta	49,295	49,295	:	27,895	27,895
Chicago	1,351,940	291,540	:	1,356,480	205,880
St. Louis	22,880	22,880	:	23,810	23,810
Minneapolis	34,675	27,775	:	31,120	25,520
Kansas City	63,185	63,185	:	37,315	37,315
Dallas	44,975	39,975	:	25,190	20,190
San Francisco	1,113,215	381,775	:	1,183,760	243,200
Treasury	<u>349,605</u>	<u>349,605</u>	:	<u>375,065</u>	<u>375,065</u>
TOTALS	\$22,878,320	\$7,001,775	:	\$24,150,995	\$7,008,515
Type			:		
Competitive	\$19,554,405	\$3,677,860	:	\$20,671,570	\$3,529,090
Noncompetitive	<u>1,091,985</u>	<u>1,091,985</u>	:	<u>791,825</u>	<u>791,825</u>
Subtotal, Public	\$20,646,390	\$4,769,845	:	\$21,463,395	\$4,320,915
Federal Reserve	1,965,730	1,965,730	:	1,700,000	1,700,000
Foreign Official			:		
Institutions	<u>266,200</u>	<u>266,200</u>	:	<u>987,600</u>	<u>987,600</u>
TOTALS	\$22,878,320	\$7,001,775	:	\$24,150,995	\$7,008,515

^{1/} Equivalent coupon-issue yield.