

**FEDERAL RESERVE BANK  
OF NEW YORK**

Fiscal Agent of the United States

Circular No. 10125  
December 24, 1986

**OFFERING OF TWO SERIES OF TREASURY BILLS**

**\$7,600,000,000 of 90-Day Bills, To Be Issued January 2, 1987, Due April 2, 1987**

**\$7,600,000,000 of 181-Day Bills, To Be Issued January 2, 1987, Due July 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 \$15,200 million, to be issued January 2, 1987. This offering will provide about \$1,025 million of new cash for the Treasury, as the maturing bills are outstanding in the amount of \$14,170 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 Standard time, Monday, December 29, 1986.**

The two series offered are as follows:

90-day bills (to maturity date) for approximately \$7,600 million, representing an additional amount of bills dated October 2, 1986, and to mature April 2, 1987 (CUSIP No. 912794 MD 3), currently outstanding in the amount of \$6,333 million, the additional and original bills to be freely interchangeable.

181-day bills for approximately \$7,600 million, to be dated January 2, 1987, and to mature July 2, 1987 (CUSIP No. 912794 MS 0).

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 January 2, 1987. 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 \$1,464 million as agents for foreign and international monetary authorities, and \$3,838 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 current offering is for 90-day and 181-day Treasury bills.*

(Over)

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

RANGE OF ACCEPTED COMPETITIVE BIDS:	13-week bills			:	26-week bills		
	maturing March 26, 1987			:	maturing June 25, 1987		
	Discount Rate	Investment Rate 1/	Price	:	Discount Rate	Investment Rate 1/	Price
Low	5.44%	5.59%	98.640	:	5.54%	5.78%	97.215
High	5.50%	5.65%	98.625	:	5.57%	5.81%	97.200
Average	5.49%	5.64%	98.628	:	5.56%	5.80%	97.205

Tenders at the high discount rate for the 13-week bills were allotted 74%.  
Tenders at the high discount rate for the 26-week bills were allotted 62%.

**TENDERS RECEIVED AND ACCEPTED**  
(In Thousands)

<u>Location</u>	<u>Received</u>	<u>Accepted</u>	:	<u>Received</u>	<u>Accepted</u>
Boston	\$ 33,240	\$ 33,240	:	\$ 22,660	\$ 22,245
New York	20,436,560	5,757,760	:	23,238,935	6,414,315
Philadelphia	26,445	26,445	:	17,310	15,310
Cleveland	34,960	34,960	:	43,360	43,360
Richmond	63,175	60,575	:	53,145	43,145
Atlanta	45,410	44,410	:	27,125	27,125
Chicago	1,697,630	383,870	:	1,765,635	234,135
St. Louis	23,090	23,090	:	16,875	16,875
Minneapolis	34,075	34,075	:	54,980	43,980
Kansas City	49,810	49,810	:	45,630	45,630
Dallas	31,250	24,950	:	22,640	12,640
San Francisco	1,148,520	1,069,260	:	1,268,665	704,495
Treasury	<u>260,265</u>	<u>260,265</u>	:	<u>191,135</u>	<u>191,135</u>
<b>TOTALS</b>	<b>\$23,884,430</b>	<b>\$7,802,710</b>	:	<b>\$26,768,095</b>	<b>\$7,813,990</b>
<u>Type</u>			:		
Competitive	\$20,814,355	\$4,732,635	:	\$22,429,860	\$3,475,755
Noncompetitive	<u>936,735</u>	<u>936,735</u>	:	<u>592,375</u>	<u>592,375</u>
Subtotal, Public	\$21,751,090	\$5,669,370	:	\$23,022,235	\$4,068,130
Federal Reserve	1,734,130	1,734,130	:	1,650,000	1,650,000
Foreign Official Institutions	<u>399,210</u>	<u>399,210</u>	:	<u>2,095,860</u>	<u>2,095,860</u>
<b>TOTALS</b>	<b>\$23,884,430</b>	<b>\$7,802,710</b>	:	<b>\$26,768,095</b>	<b>\$7,813,990</b>

An additional \$31,590 thousand of 13-week bills and an additional \$191,040 thousand of 26-week bills will be issued to foreign official institutions for new cash.

1/ Equivalent coupon-issue yield.