

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. **4986**]
January 12, 1961

Results of Bidding for Special 365-Day Treasury Bills, Dated January 15, 1961

*To All Banking Institutions, and Others Concerned,
in the Second Federal Reserve District:*

The Treasury Department announced last evening that the tenders for \$1,500,000,000, or thereabouts, of 365-day Treasury bills to be dated January 15, 1961, and to mature January 15, 1962, which were offered on January 5, were opened at the Federal Reserve Banks on January 11.

The details of this issue are as follows:

Total applied for ..	\$3,076,431,000	
Total accepted	\$1,500,095,000	(includes \$146,681,000 entered on a non-competitive basis and accepted in full at the average price shown below)
Range of accepted competitive bids (excepting one tender of \$400,000):		
High	97.318	Equivalent rate of discount approx. 2.645% per annum
Low	97.262	Equivalent rate of discount approx. 2.700% per annum
Average	97.284	Equivalent rate of discount approx. 2.679% per annum ¹

(23 percent of the amount bid for at the low price was accepted.)

<u>Federal Reserve District</u>	<u>Total applied for</u>	<u>Total accepted</u>
Boston	\$ 43,099,000	\$ 22,249,000
New York	2,173,884,000	1,145,224,000
Philadelphia	34,200,000	4,200,000
Cleveland	139,812,000	43,212,000
Richmond	15,792,000	10,791,000
Atlanta	44,517,000	27,332,000
Chicago	279,410,000	137,220,000
St. Louis	26,924,000	23,824,000
Minneapolis	18,062,000	5,312,000
Kansas City	39,031,000	22,031,000
Dallas	37,450,000	10,450,000
San Francisco	224,250,000	48,250,000
TOTAL	\$3,076,431,000	\$1,500,095,000

¹ On a coupon issue of the same length and for the same amount invested, the return on these bills would provide a yield of 2.77 per cent. Interest rates on bills are quoted in terms of bank discount, with the return related to the face amount of the bills payable at maturity rather than the amount invested, and their length in actual number of days related to a 360-day year. In contrast, yields on certificates, notes, and bonds are computed in terms of interest on the amount invested, and relate the number of days remaining in an interest payment period to the actual number of days in the period, with semiannual compounding if more than one coupon period is involved.

ALFRED HAYES,
President.