

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 5014]
March 24, 1961

TREASURY'S CURRENT ADVANCE REFUNDING

Preliminary Figures on Subscriptions

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

The following statement was made public today by the Treasury Department:

Treasury Secretary Douglas Dillon today announced that more than six billion dollars has been subscribed to the Department's latest advance refunding operation, which he described as "a gratifying success." Subscription books for the offering were opened March 20-22. Holders of 31 percent of the outstanding issues exchanged them for new securities.

"The Treasury has accomplished a significant reduction in the debt coming due in 1962 and 1963," Secretary Dillon said. "Consequently, we will be in a much stronger position to conduct the necessary financing operations facing the Treasury in those years. The operation is a gratifying success. It illustrates the fact that the Treasury can obtain an extension of the debt without disturbance in the market for outstanding issues."

Preliminary reports from the Federal Reserve Banks show that total subscriptions received amount to \$6,017 million. These subscriptions (including \$5,438 million from public holders and \$579 million from the Federal Reserve Banks and Government Investment Accounts) have been received to the two issues of 3 $\frac{3}{8}$ percent and 3 $\frac{5}{8}$ percent intermediate-term Treasury bonds included in the current offering of the Treasury to the holders of outstanding issues of 2 $\frac{1}{4}$ percent Treasury Bonds of June 15, 1959-62, and December 15, 1959-62, 2 $\frac{5}{8}$ percent Treasury Notes of February 15, 1963, and 2 $\frac{1}{2}$ percent Treasury Bonds of August 15, 1963, aggregating \$19.5 billion. All subscriptions will be allotted in full. The new 3 $\frac{3}{8}$ percent and 3 $\frac{5}{8}$ percent bonds will be dated March 15, 1961, with delivery to be made on March 30, 1961.

Subscriptions are as follows (in millions of dollars):

<i>New issue</i>	<i>From public holders</i>	<i>From Federal Reserve Banks and Government Investment Accounts</i>	<i>Total</i>
3 $\frac{3}{8}$ % Bonds of 1966	\$2,375	\$ 39	\$2,414
3 $\frac{5}{8}$ % Bonds of 1967	3,063	540	3,603
TOTAL	\$5,438	\$579	\$6,017

Details by Federal Reserve Banks as to subscriptions will be announced when final reports are received.

ALFRED HAYES,
President.