

**FEDERAL RESERVE BANK  
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. 5703]  
September 27, 1965]

**Results of Treasury's One-Year Bill Offering**

*To All Incorporated Banks and Trust Companies, and Others Concerned,  
in the Second Federal Reserve District:*

The following statement was issued by the Treasury Department and released for publication in morning newspapers, Saturday, September 25:

The Treasury Department announced last evening that the tenders for \$1,000,000,000, or thereabouts, of 365-day Treasury bills to be dated September 30, 1965, and to mature September 30, 1966, which were offered on September 16, were opened at the Federal Reserve Banks on September 24.

The details of this issue are as follows:

Total applied for \$2,969,748,000  
Total accepted .. \$1,000,359,000 (includes \$56,988,000 entered on a non-competitive basis and accepted in full at the average price shown below)

Range of accepted competitive bids:

High .....	95.722	Equivalent rate of discount approx.	4.219% per annum
Low .....	95.698	Equivalent rate of discount approx.	4.243% per annum
Average .....	95.705	Equivalent rate of discount approx.	4.236% per annum <sup>1</sup>

(40 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 .....	\$ 82,730,000	\$ 55,730,000
New York .....	2,261,017,000	769,503,000
Philadelphia .....	13,038,000	2,938,000
Cleveland .....	51,672,000	5,092,000
Richmond .....	4,732,000	2,732,000
Atlanta .....	33,866,000	6,231,000
Chicago .....	303,828,000	95,098,000
St. Louis .....	25,758,000	15,058,000
Minneapolis .....	9,647,000	1,647,000
Kansas City .....	16,511,000	8,911,000
Dallas .....	32,877,000	2,372,000
San Francisco .....	134,072,000	35,047,000
<b>TOTAL.....</b>	<b>\$2,969,748,000</b>	<b>\$1,000,359,000</b>

<sup>1</sup> On a coupon issue of the same length and for the same amount invested, the return on these bills would provide a yield of 4.44 percent. 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.*