

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Announces First Floating Rate Note Auction

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Floating Rate Note Auction Marks Introduction of First New Treasury Security in 17 Years

WASHINGTON – The U.S. Department of the Treasury’s Bureau of the Fiscal Service today announced details of the first Floating Rate Note (FRN) auction, a new type of marketable security with a floating interest rate that resets each day and makes coupon payments each quarter. Today’s announcement marks the first new security Treasury has offered since Treasury Inflation Protected Securities (TIPS) were first auctioned in 1997.

“Floating Rate Notes bring additional diversity to Treasury’s current portfolio and help support our goal of saving taxpayer dollars by financing the government’s borrowing needs at the lowest cost over time,” said Under Secretary for Domestic Finance Mary J. Miller. “Over the past three years, Treasury has worked closely with market participants to design the FRN program and we appreciate their continued feedback.”

In addition to helping to finance the government at a lower cost, FRNs should also help to expand Treasury’s investor base and support its debt management goal of extending the average maturity of Treasury debt.

In the initial auction, Treasury will offer \$15 billion of FRN securities with a two-year maturity date. Treasury expects to auction additional new FRN securities quarterly in April, July, and October with two reopenings in the subsequent months of each quarter.

To view today’s auction announcement, please click [HERE](#) .

For more information on FRNs, please click [HERE](#).

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