

DEPARTMENT OF THE TREASURY

TREASURY



NEWS

OFFICE OF PUBLIC AFFAIRS • 1500 PENNSYLVANIA AVENUE, N.W. • WASHINGTON, D.C. • 20220 • (202) 622-2960

EMBARGOED UNTIL 2:30 P.M.
July 5, 2000

CONTACT: Office of Financing
202/691-3550

TREASURY TO AUCTION \$5,000 MILLION OF
9-1/2-YEAR 4-1/4% INFLATION-INDEXED NOTES

The Treasury will auction \$5,000 million of 9-1/2-year 4-1/4% inflation-indexed notes to raise cash.

Amounts bid by Federal Reserve Banks for their own accounts and as agents for foreign and international monetary authorities will be added to the offering.

The auction will be conducted in the single-price auction format. All competitive and noncompetitive awards will be at the highest yield of accepted competitive tenders.

The notes being offered today are eligible for the STRIPS program.

This offering of Treasury securities is governed by the terms and conditions set forth in the Uniform Offering Circular for the Sale and Issue of Marketable Book-Entry Treasury Bills, Notes, and Bonds (31 CFR Part 356, as amended).

For original issue discount (OID), IRS regulations permit reopenings of inflation-indexed securities without regard to OID rules, provided that the reopenings occur not more than one year after the original securities were first issued to the public. Therefore, the OID limit does not apply to this auction.

Details about the security are given in the attached offering highlights.

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Attachment

For press releases, speeches, public schedules and official biographies, call our 24-hour fax line at (202) 622-2040

HIGHLIGHTS OF TREASURY OFFERING TO THE PUBLIC OF
9-1/2-YEAR INFLATION-INDEXED NOTES TO BE ISSUED JULY 17, 2000

July 5, 2000

Offering Amount\$5,000 million

Description of Offering:

Term and type of security9-1/2-year inflation-
indexed notes (reopening)

SeriesA-2010

CUSIP number912827 5W 8

Auction dateJuly 12, 2000

Issue dateJuly 17, 2000

Dated dateJanuary 15, 2000

Maturity dateJanuary 15, 2010

Interest rate4-1/4%

Amount originally issued\$6,318 million

Adjusted amount currently outstanding\$6,430 million

Real yieldDetermined at auction

Interest payment datesJanuary 15 and July 15

Minimum bid amount and multiples\$1,000

Accrued interest\$0.23098 per \$1,000 (from
July 15 to July 17, 2000)

Adjusted accrued interest payable by investor..\$0.23511 per \$1,000

Premium or discountDetermined at auction

STRIPS Information:

Minimum amount required\$1,000

Corpus CUSIP number912820 EK 9

TIIN conversion factor per \$1,00012.630378193

Submission of Bids:

Noncompetitive bids: Will be accepted in full up to \$5,000,000 at the
highest accepted yield.

Competitive bids:

- (1) Must be expressed as a real yield with three decimals, e.g., 3.123%.
- (2) Net long position for each bidder must be reported when the sum of the total bid amount, at all yields, and the net long position is \$2 billion or greater.
- (3) Net long position must be determined as of one half-hour prior to the closing time for receipt of competitive tenders.

Maximum Recognized Bid at a Single Yield 35% of public offering

Maximum Award 35% of public offering

Receipt of Tenders:

Noncompetitive tenders: Prior to 12:00 noon Eastern Daylight Saving time
on auction day.

Competitive tenders: Prior to 1:00 p.m. Eastern Daylight Saving time on
auction day.

Payment Terms: By charge to a funds account at a Federal Reserve Bank on issue date, or payment of full par amount with tender. *TreasuryDirect* customers can use the Pay Direct feature which authorizes a charge to their account of record at their financial institution on issue date.

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