

TREASURY



NEWS

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FOR RELEASE WHEN AUTHORIZED AT PRESS CONFERENCE  
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## TREASURY MAY QUARTERLY FINANCING

The Treasury will auction \$12,000 million of 5-year notes and \$8,000 million of 9-3/4-year 6-1/2% notes to refund \$27,846 million of publicly held securities maturing May 15, 2000, and to pay down about \$7,846 million.

In addition to the public holdings, Federal Reserve Banks hold \$3,413 million of the maturing securities for their own accounts, which may be refunded by issuing additional amounts of the new securities.

The maturing securities held by the public include \$4,885 million held by Federal Reserve Banks as agents for foreign and international monetary authorities. Amounts bid for these accounts by Federal Reserve Banks will be added to the offering.

*TreasuryDirect* customers requested that we reinvest their maturing holdings of approximately \$280 million into the 5-year note and \$15 million into the 9-3/4-year note.

Both of the auctions being announced today 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).

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

The 8-1/4% Bonds of 2000-05 that were called for redemption on January 14, 2000, are also being redeemed on May 15, 2000. This bond, of which \$2,047 million is publicly held, will be repaid from available funds.

If the auction of 5-year notes to be held Tuesday, May 9, 2000, results in a yield in a range of 6.500% through and including 6.624%, the 5-year notes will be considered an additional issue of the outstanding 6-1/2% 10-year notes of Series B-2005 (CUSIP No. 912827T85) originally issued May 15, 1995. The additional issue of the notes would have the same CUSIP number as the outstanding notes, which are currently outstanding in the amount of \$14,740 million. If the auction results in the issuance of an additional amount of the Series B-2005 notes rather than a new 5-year note, it will be noted in the Treasury's auction results press release. In the event of a reopening, all amounts outstanding for CUSIP No. 912827T85, including the 10-year notes issued May 15, 1995, would be eligible for the STRIPS program.

HIGHLIGHTS OF TREASURY OFFERINGS TO THE PUBLIC  
MAY 2000 QUARTERLY FINANCING

May 3, 2000

|  |   |  |
|--|---|--|
| <u>Offering Amount</u> .....               | \$12,000 million  | \$8,000 million  |
| <u>Description of Offering:</u>            |   |  |
| Term and type of security.....             | 5-year notes  | 9-3/4-year notes (reopening)                                 |
| Series.....                                | E-2005  | B-2010   |
| CUSIP number.....                          | 912827 6D 9   | 912827 5Z 1  |
| Auction date.....                          | May 9, 2000   | May 10, 2000   |
| Issue date.....                            | May 15, 2000  | May 15, 2000   |
| Dated date.....                            | May 15, 2000  | February 15, 2000  |
| Maturity date.....                         | May 15, 2005  | February 15, 2010  |
| Interest rate.....                         | Determined based on the highest<br>accepted competitive bid | 6-1/2%   |
| Amount currently outstanding.....          | Not applicable  | \$12,278 million   |
| Yield.....                                 | Determined at auction                                       | Determined at auction  |
| Interest payment dates.....                | November 15 and May 15                                      | August 15 and February 15                                    |
| Minimum bid amount and multiples.....      | \$1,000   | \$1,000  |
| Accrued interest payable by investor ..... | None  | \$16.07143 per \$1,000 (from<br>February 15 to May 15, 2000) |
| Premium or discount.....                   | Determined at auction                                       | Determined at auction  |

STRIPS Information:

|   |                       |                |
|---|-----------------------|----------------|
| Minimum amount required.....                                    | Determined at auction | \$400,000      |
| Corpus CUSIP number.....  | 912820 ER 4           | 912820 EM 5    |
| Due date(s) and CUSIP number(s)<br>for additional TINT(s) ..... | Not applicable        | Not applicable |

The following rules apply to all securities mentioned above:

Submission of Bids:

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

Competitive bids..... (1) Must be expressed as a yield with three decimals, e.g., 7.123%.

(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.