



EMBARGOED UNTIL 9:00 A.M.
May 1, 2002

CONTACT: Office of Financing
202/691-3550

TREASURY MAY QUARTERLY FINANCING

The Treasury will auction \$22,000 million of 5-year notes and \$11,000 million of 9-3/4-year 4-7/8% notes to refund \$8,982 million of publicly held securities maturing May 15, 2002, and to raise about \$24,018 million of new cash.

In addition to the public holdings, Federal Reserve Banks, for their own accounts, hold \$2,732 million of the maturing securities, which may be refunded by issuing additional amounts of the new securities.

Up to \$1,000 million in noncompetitive bids from Foreign and International Monetary Authority (FIMA) accounts bidding through the Federal Reserve Bank of New York will be included within the offering amount of each auction. These noncompetitive bids will have a limit of \$100 million per account and will be accepted in the order of smallest to largest, up to the aggregate award limit of \$1,000 million.

TreasuryDirect customers requested that we reinvest their maturing holdings of approximately \$34 million into the 5-year note and \$10 million into the 9-3/4-year note.

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 allocation percentage applied to bids awarded at the highest yield will be rounded up to the next hundredth of a whole percentage point, e.g., 17.13%.

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.

oOo

Attachment

HIGHLIGHTS OF TREASURY OFFERINGS TO THE PUBLIC
MAY 2002 QUARTERLY FINANCING

May 1, 2002

<u>Offering Amount</u>	\$22,000 million	\$11,000 million
<u>Public Offering</u>	\$22,000 million	\$11,000 million
<u>NLP Exclusion Amount</u>	None	\$4,400 million
 <u>Description of Offering:</u>		
Term and type of security.....	5-year notes	9-3/4-year notes (reopening)
Series.....	E-2007	B-2012
CUSIP number.....	912828 AC 4	912827 7L 0
Auction date.....	May 7, 2002	May 8, 2002
Issue date.....	May 15, 2002	May 15, 2002
Dated date.....	May 15, 2002	February 15, 2002
Maturity date.....	May 15, 2007	February 15, 2012
Interest rate.....	Determined based on the highest accepted competitive bid	4-7/8%
Amount currently outstanding.....	Not applicable	\$13,389 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	\$11.98550 per \$1,000 (from February 15, 2002 to May 15, 2002)
Premium or discount.....	Determined at auction	Determined at auction

STRIPS Information:

Minimum amount required.....	\$1,000	\$1,000
Corpus CUSIP number.....	912820 GZ 4	912820 GV 3
Due date(s) and CUSIP number(s) 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.

Foreign and International Monetary Authority (FIMA) bids: Noncompetitive bids submitted through the Federal Reserve Banks as agents for FIMA accounts. Accepted in order of size from smallest to largest with no more than \$100 million awarded per account. The total noncompetitive amount awarded to Federal Reserve Banks as agents for FIMA accounts will not exceed \$1,000 million. A single bid that would cause the limit to be exceeded will be partially accepted in the amount that brings the aggregate award total to the \$1,000 million limit. However, if there are two or more bids of equal amounts that would cause the limit to be exceeded, each will be prorated to avoid exceeding the limit.

Competitive bids:

- (1) Must be expressed as a yield with three decimals, e.g., 7.123%.
- (2) Net long position (NLP) 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.