

TREASURY



NEWS

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

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CONTACT: Office of Financing  
202/691-3550

## TREASURY NOVEMBER QUARTERLY FINANCING

The Treasury will auction \$16,000 million of 5-year notes and \$7,000 million of 9-3/4-year 5% notes to refund \$21,588 million of publicly held securities maturing November 15, 2001, and to raise about \$1,412 million of new cash.

In addition to the public holdings, Federal Reserve Banks hold \$4,391 million of the maturing securities for their own accounts, 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 \$200 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 \$35 million into the 5-year note and \$13 million into the 9-3/4-year note.

All 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 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%.

Bidders for the 9-3/4-year note may subtract the NLP exclusion amount published in the attached highlights from the combined amount of its holdings of the outstanding security and its holdings of STRIPS principal components from the outstanding security. If the published NLP exclusion amount is greater than the combined holdings, the combined holdings may be calculated as zero but cannot be included in the net long position calculation as a negative number. The exclusion is optional, but if a bidder takes the exclusion, it must include any holdings in excess of the exclusion amount in calculating its net long position.

All of the securities 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.

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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 OFFERINGS TO THE PUBLIC  
 NOVEMBER 2001 QUARTERLY FINANCING

October 31, 2001

<u>Offering Amount</u> .....	\$16,000 million	\$7,000 million
<u>Public Offering</u> .....	\$16,000 million	\$7,000 million
<u>NLP Exclusion Amount</u> .....	None	\$6,300 million

Description of Offering:

Term and type of security .....	5-year notes	9-3/4-year notes (reopening)
Series .....	F-2006	C-2011
CUSIP number .....	912827 7F 3	912827 7B 2
Auction date .....	November 6, 2001	November 7, 2001
Issue date .....	November 15, 2001	November 15, 2001
Dated date .....	November 15, 2001	August 15, 2001
Maturity date .....	November 15, 2006	August 15, 2011
Interest rate .....	Determined based on the highest accepted competitive bid	5%
Amount currently outstanding .....	Not applicable	\$18,046 million
Yield .....	Determined at auction	Determined at auction
Interest payment dates .....	May 15 and November 15	February 15 and August 15
Minimum bid amount and multiples .....	\$1,000	\$1,000
Accrued interest payable by investor .....	None	\$12.50000 per \$1,000 (from August 15, 2001 to November 15, 2001)
Premium or discount .....	Determined at auction	Determined at auction

STRIPS Information:

Minimum amount required .....	\$1,000	\$1,000
Corpus CUSIP number .....	912820 GQ 4	912820 GL 5
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 \$200 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 standard time on auction day

Competitive tenders ..... Prior to 1:00 p.m. eastern standard 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.