



FOR RELEASE WHEN AUTHORIZED AT PRESS CONFERENCE
August 5, 1998

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202/219-3350

TREASURY AUGUST QUARTERLY FINANCING

The Treasury will auction \$16,000 million of 5-year notes, \$11,000 million of 9-3/4-year 5-5/8% notes, and \$10,000 million of 30-year bonds to refund \$27,791 million of publicly held securities maturing August 15, 1998, and to raise about \$9,200 million of new cash.

In addition to the public holdings, Federal Reserve Banks hold \$5,970 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 \$2,041 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.

The 5-year note 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 5-year and 9-3/4-year notes and the 30-year bond being offered today are eligible for the STRIPS program.

Tenders will be received at Federal Reserve Banks and Branches and at the Bureau of the Public Debt, Washington, D. C. This offering of Treasury securities is governed by the terms and conditions set forth in the Uniform Offering Circular (31 CFR Part 356, as amended) for the sale and issue by the Treasury to the public of marketable Treasury bills, notes, and bonds.

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

If the auction of 5-year notes to be held Tuesday, August 11, 1998, results in a high yield in a range of 5.750 percent through and including 5.874 percent, the 5-year notes will be considered an additional issue of the outstanding 5-3/4% 10-year notes of Series B-2003 (CUSIP No. 912827L83) originally issued August 16, 1993. The additional issue of the notes would have the same CUSIP number as the outstanding notes, which are currently outstanding in the amount of \$28,011 million.

If the auction results in the issuance of an additional amount of the Series B-2003 notes rather than a new 5-year note, it will be noted at the bottom of the Treasury auction results press release.

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HIGHLIGHTS OF TREASURY OFFERINGS TO THE PUBLIC
AUGUST 1998 QUARTERLY FINANCING

August 5, 1998

<u>Offering Amount</u>	\$16,000 million	\$11,000 million	\$10,000 million
<u>Description of Offering:</u>			
Term and type of security.....	5-year notes	9-3/4-year notes (reopening)	30-year bonds
Series.....	J-2003	C-2008	Bonds of August 2028
CUSIP number.....	912827 4N 9	912827 4F 6	912810 FE 3
Auction date.....	August 11, 1998	August 12, 1998	August 13, 1998
Issue date.....	August 17, 1998	August 17, 1998	August 17, 1998
Dated date.....	August 15, 1998	May 15, 1998	August 15, 1998
Maturity date.....	August 15, 2003	May 15, 2008	August 15, 2028
Interest rate.....	Determined based on the highest accepted competitive bid	5-5/8%	Determined based on the average of accepted competitive bids
Yield.....	Determined at auction	Determined at auction	Determined at auction
Interest payment dates.....	February 15 and August 15	November 15 and May 15	February 15 and August 15
Minimum bid amount.....	\$1,000	\$1,000	\$1,000
Multiples.....	\$1,000	\$1,000	\$1,000
Accrued interest payable by investor.....	Determined at auction	\$14.36821 per \$1,000 (from May 15 to August 17, 1998)	Determined at auction
Premium or discount.....	Determined at auction	Determined at auction	Determined at auction
<u>STRIPS Information:</u>			
Minimum amount required.....	Determined at auction	\$320,000	Determined at auction
Corpus CUSIP number.....	912820 DE 4	912820 CY 1	912803 BP 7
Due date(s) and CUSIP number(s) for additional TINT(s)	Not applicable	Not applicable	February 15, 2028--912833 RY 8 August 15, 2028--912833 RZ 5

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 for the 5-year note auction, and at the average yield of accepted competitive bids for the 9-3/4-year note and 30-year bond auctions.
- 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..... Full payment with tender or by charge to a funds account at a Federal Reserve Bank on issue date