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THE PRESIDENT HAS SEEN....

THE SECRETARY OF THE TREASURY
WASHINGTON 20220

JUL 17 1975



MEMORANDUM FOR THE PRESIDENT

Subject: Regular quarterly refinancing

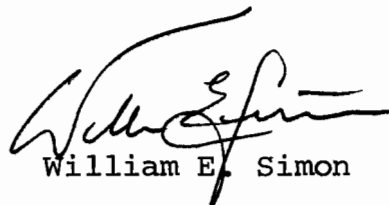
MSA

For your information, there are \$7.7 billion of Treasury notes maturing on August 15. The public holds \$4.6 billion of these notes, and the Federal Reserve Banks and Government accounts hold \$3.1 billion.

As you know, we have had to raise large amounts of new cash in the market in recent months -- \$32.6 billion in the first half of the year -- and this will continue with the need to raise about \$18 billion through the market in this quarter. While a substantial part of the new cash required in this quarter -- probable two-thirds of the total -- can be raised through short-term Treasury bills in our regular sales, it will also be necessary for us to raise cash in this quarter through the sale in the market of some \$6 billion of longer-term coupon securities. This requirement will necessarily influence both the size and composition of the offering we make in this regular quarterly refunding.

Our present thinking is that we can raise about \$1 billion of our cash requirements along with cash necessary to pay off the maturing securities, resulting in a total offering to the public of around \$5.5 billion. It is likely that we will offer several issues, including some or all of the following: a relatively short-term note in line with traditional anchor issues, an intermediate-term note in the 3-year area, a longer-term note near the 7-year authorized maximum, and a long-term bond in the 25-year area in a relatively small amount.

We are meeting with our advisory committees on July 22 and 23, and I will announce my decision after the market closes on July 23.


William E. Simon