

[21322001]



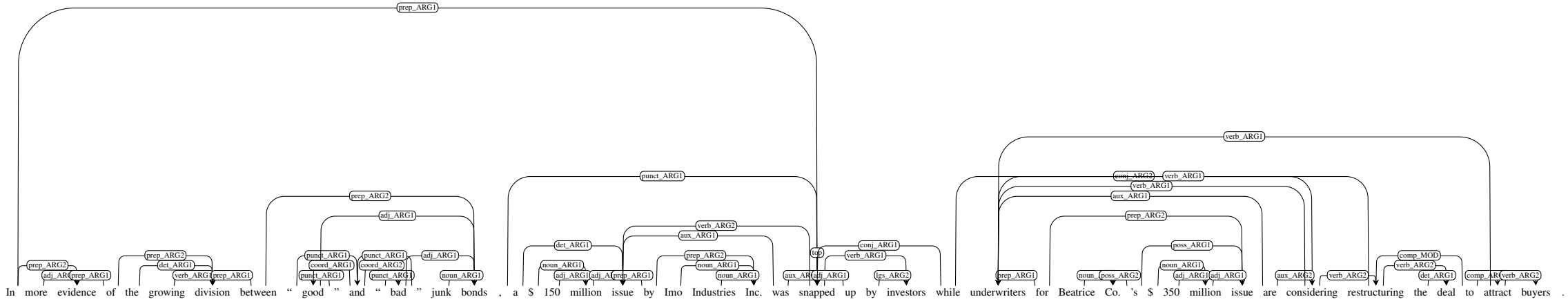
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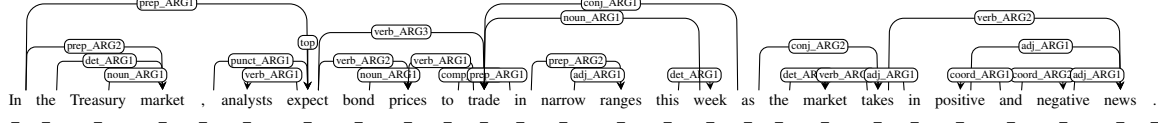
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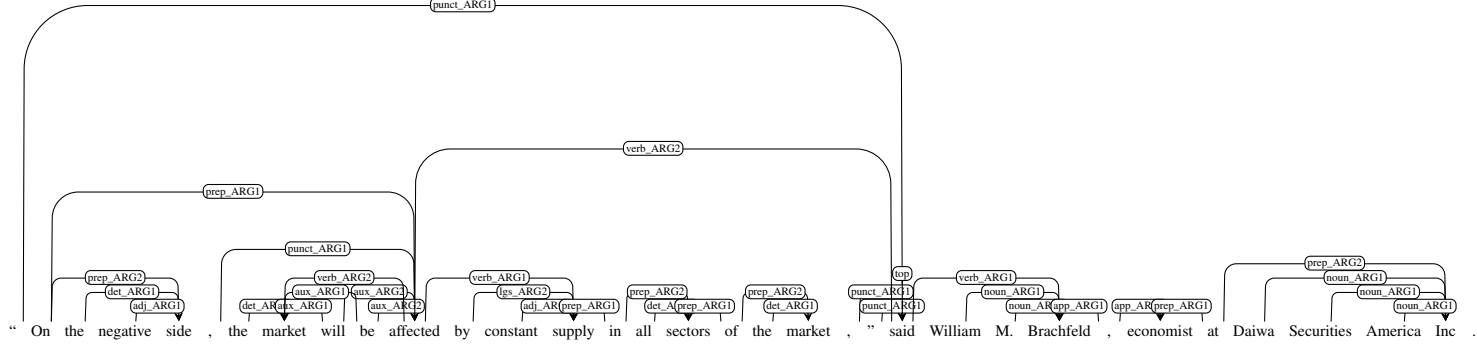




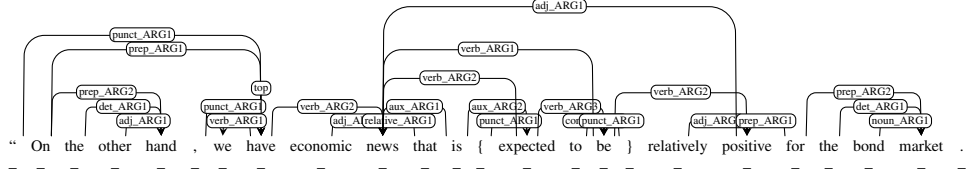
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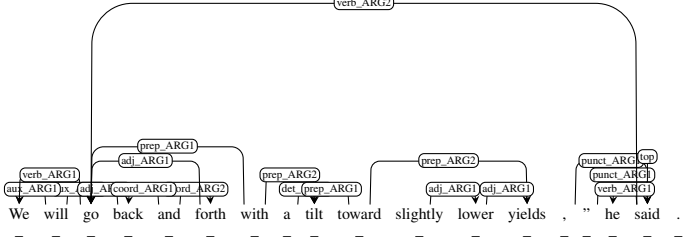
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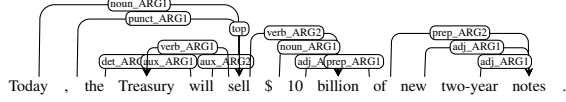
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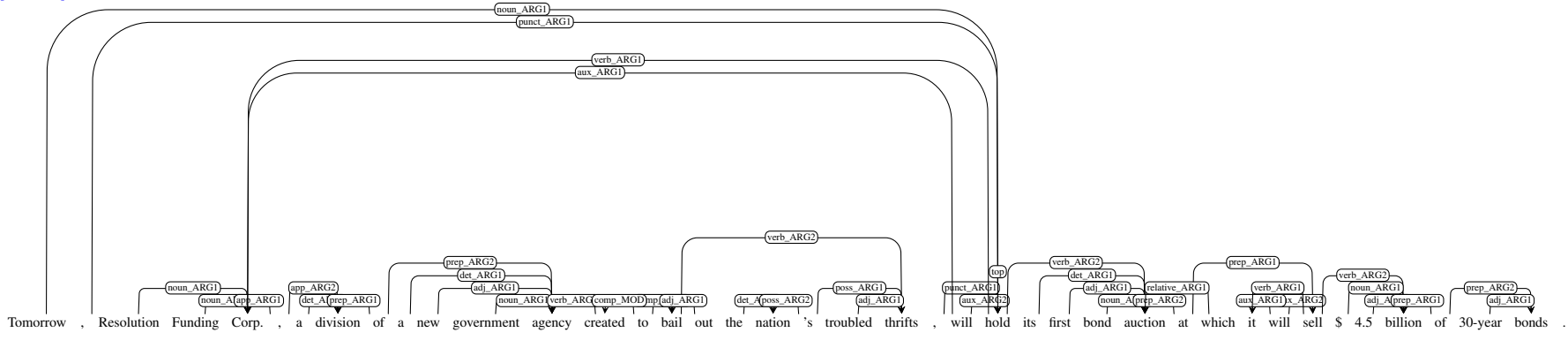
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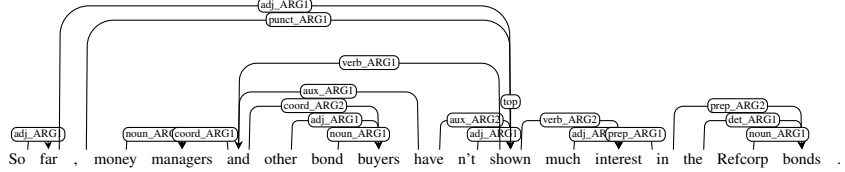
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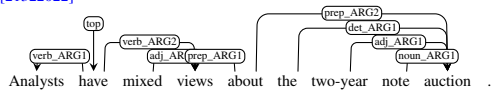
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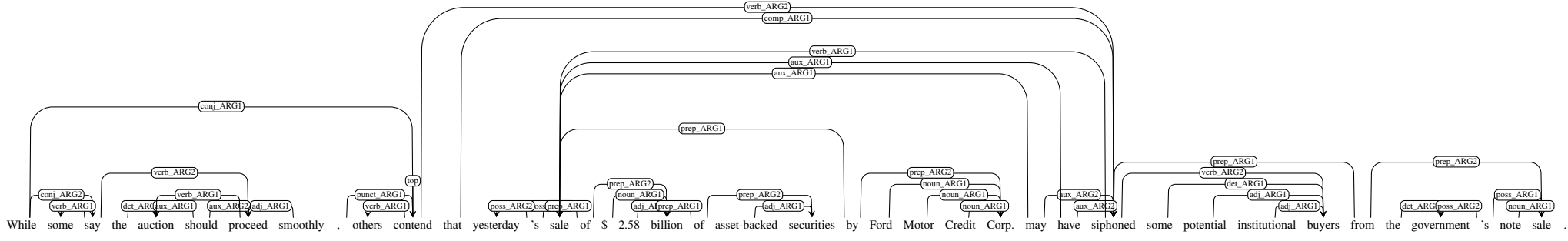
[21322021]



[21322022]



[21322023]



[21322024]

The division of auto maker Ford Motor Co. made its debut in the asset-backed securities market with the second-largest issue in the market's four-year history.

[21322025]

The company offered securities backed by automobile loans through an underwriting group headed by First Boston Corp.

[21322026]

The issue yields 8.90 % and carries a guarantee covering 9 % of the deal from the company.

[21322027]

First Boston sweetened the terms from the original yield estimate in an apparent effort to place the huge offering.

[21322028]

The issue was offered at a yield nearly one percentage point above the yield on two-year Treasuries.

[21322029]

The only asset-backed deal larger than Ford's was a \$ 4 billion offering by General Motors Acceptance Corp. in 1986.

[21322030]

Treasury Securities

[21322031]

Treasury bonds were 1/8 to 1/2 point higher yesterday in light trading.

[21322032]

The benchmark 30-year bond ended at a price of 102 3/32, compared with 101 17/32 Friday.

[21322034]

The latest two-year notes were quoted late at 100 28/32 to yield 7.84 %.

[21322035]

Short-term rates rose yesterday at the government's weekly Treasury bill auction, compared with the previous bill sale.

[21322036]

The Treasury sold \$ 7.81 billion of three-month bills with an average discount rate of 7.52 %, the highest since the average of 7.63 % at the auction on Oct. 10.

[21322038]

The rates were up from last week's auction, when they were 7.37 % and 7.42 %, respectively.

[21322039]

Here are auction details:

[21322040]

Rates are determined by the difference between the purchase price and face value.

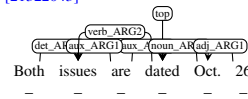
[21322041]

Thus, higher bidding narrows the investor's return while lower bidding widens it.

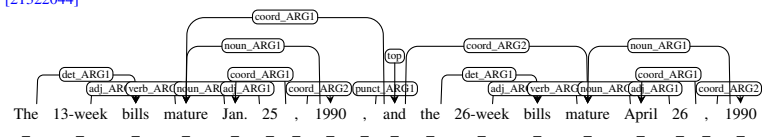
[21322042]

The percentage rates are calculated on a 360-day year, while the coupon-equivalent yield is based on a 365-day year.

[21322043]



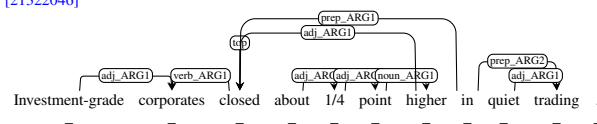
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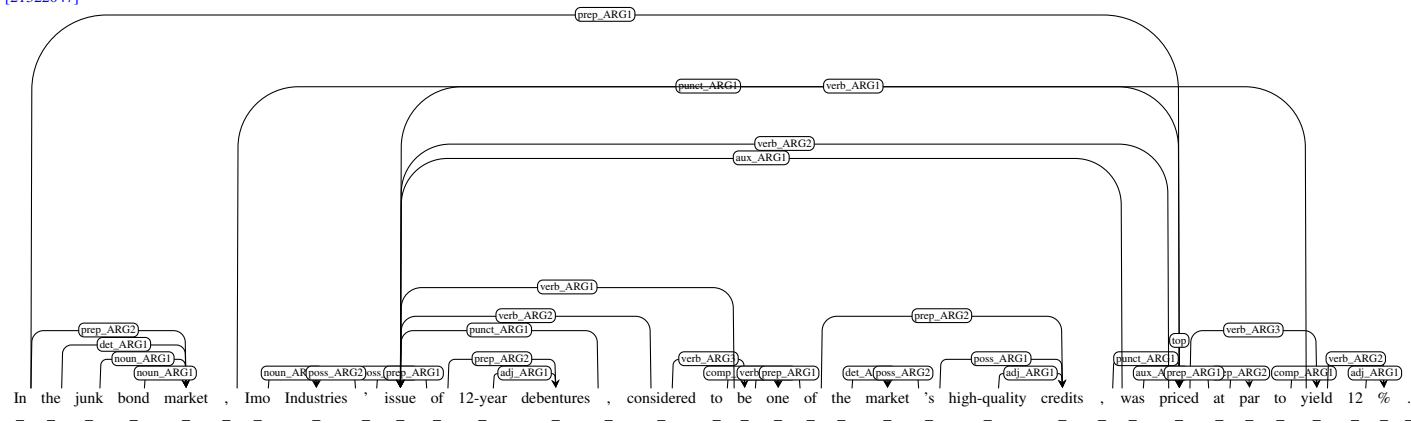
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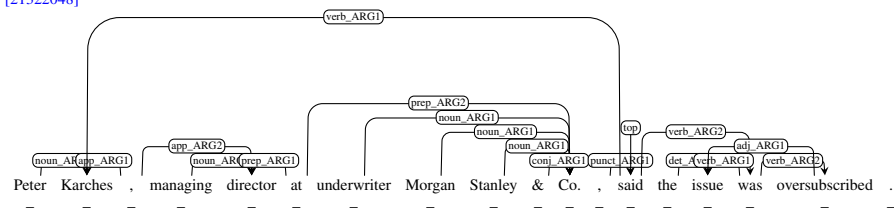
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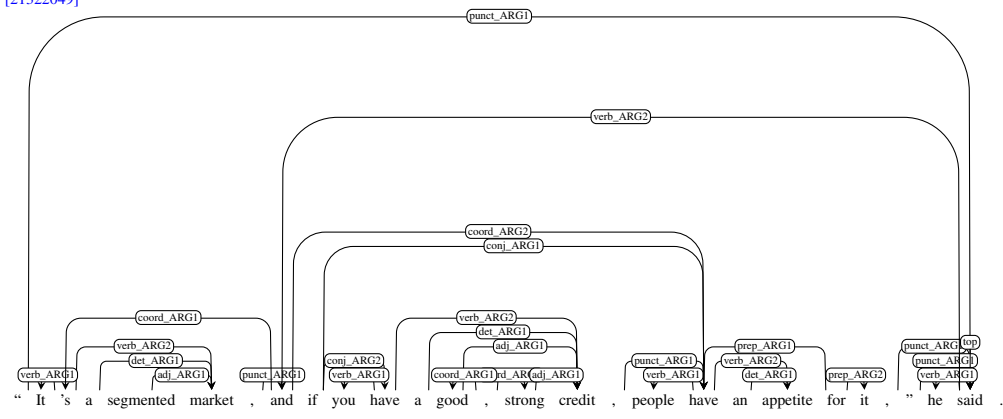
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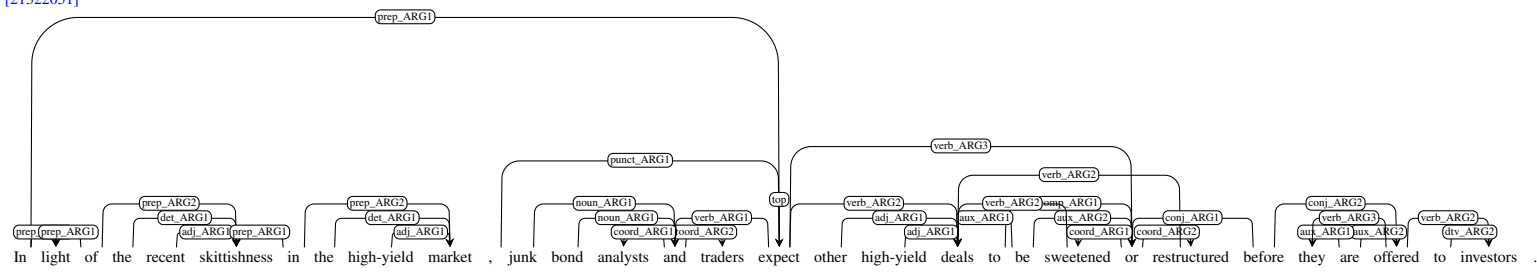
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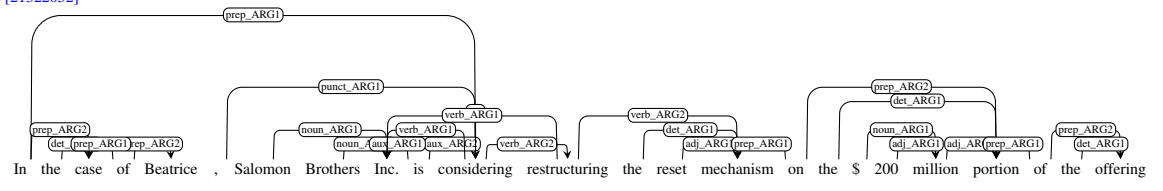
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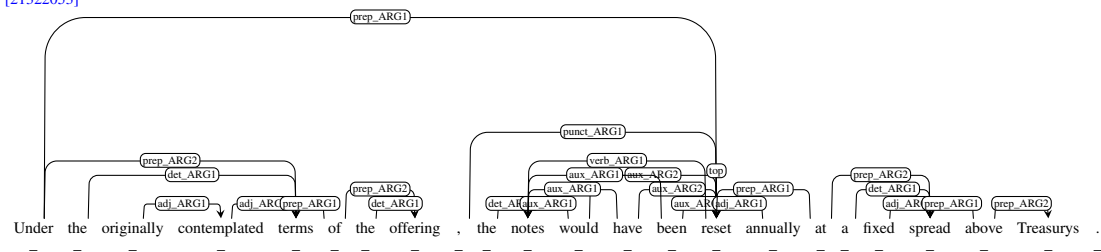
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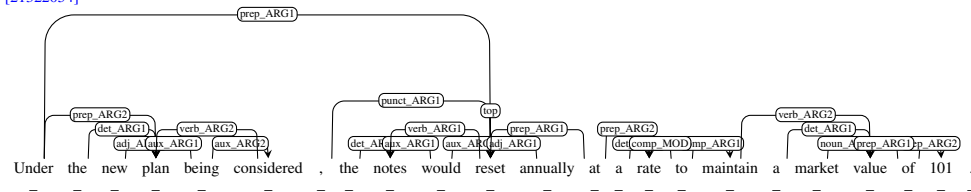
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[21322053]



[21322054]



[21322055]

