

The U.S. Government issues debt in three types



Treasury Bills

- Mature in one year or less

- Do not pay interest prior to maturity

Treasury Notes

- Mature in 2-10 years

- Pay interest every six months



Treasury Bonds

-Longest maturity 10-30 years

- Pay interest every six months

UNITED STATES SAVINGS BOND

1000

THE UNITED STATES OF AMERICA
ONE THOUSAND DOLLARS

SERIES EE

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Fig. 2. *Figure 2*

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COUPON BOND

THE UNITED STATES
OF AMERICA

TREASURY
BOND

1000

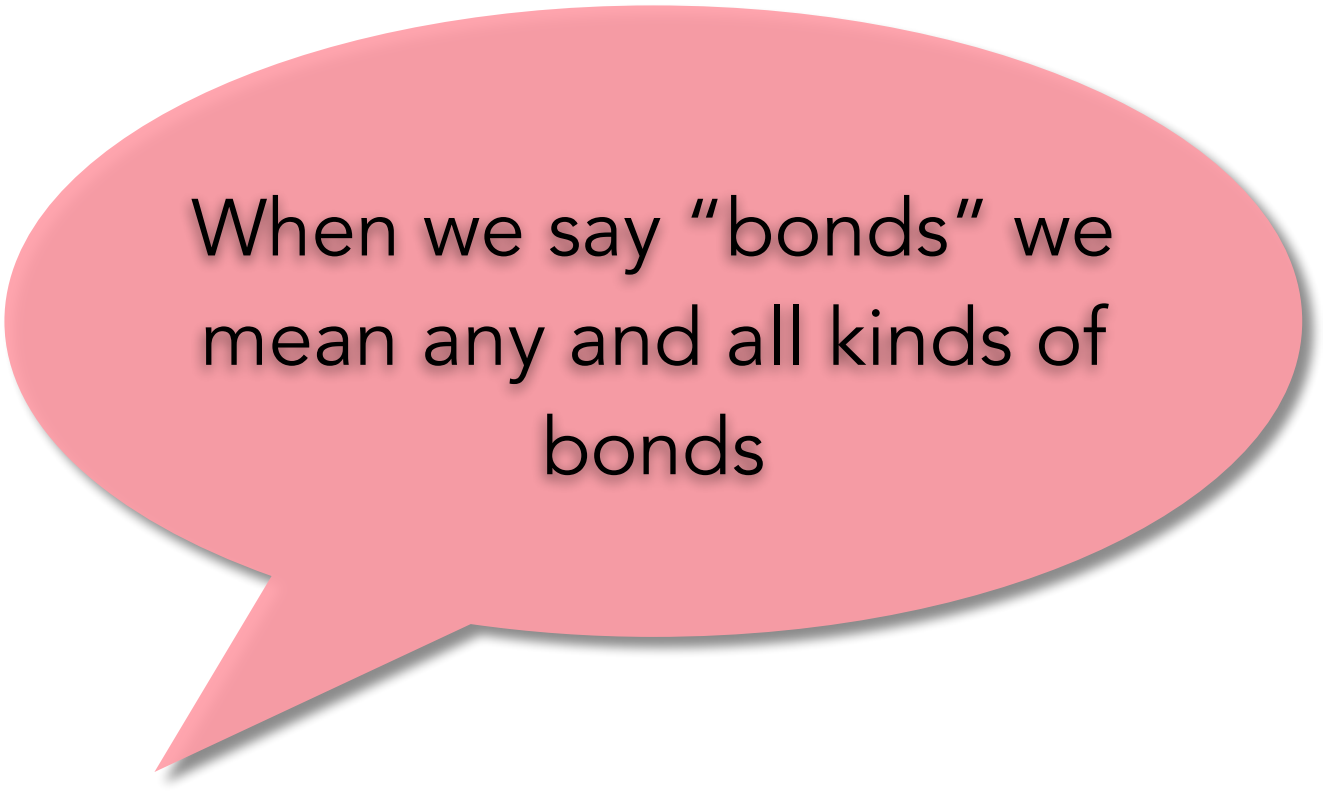
2003-2008

DATED AUGUST 15, 1978
DUE AUGUST 15, 2008

Redeemable on call on and after
August 15, 2003

CUSIP 912810 CC 0

INTEREST PAYABLE
FEBRUARY 15 AND AUGUST 15



When we say “bonds” we
mean any and all kinds of
bonds

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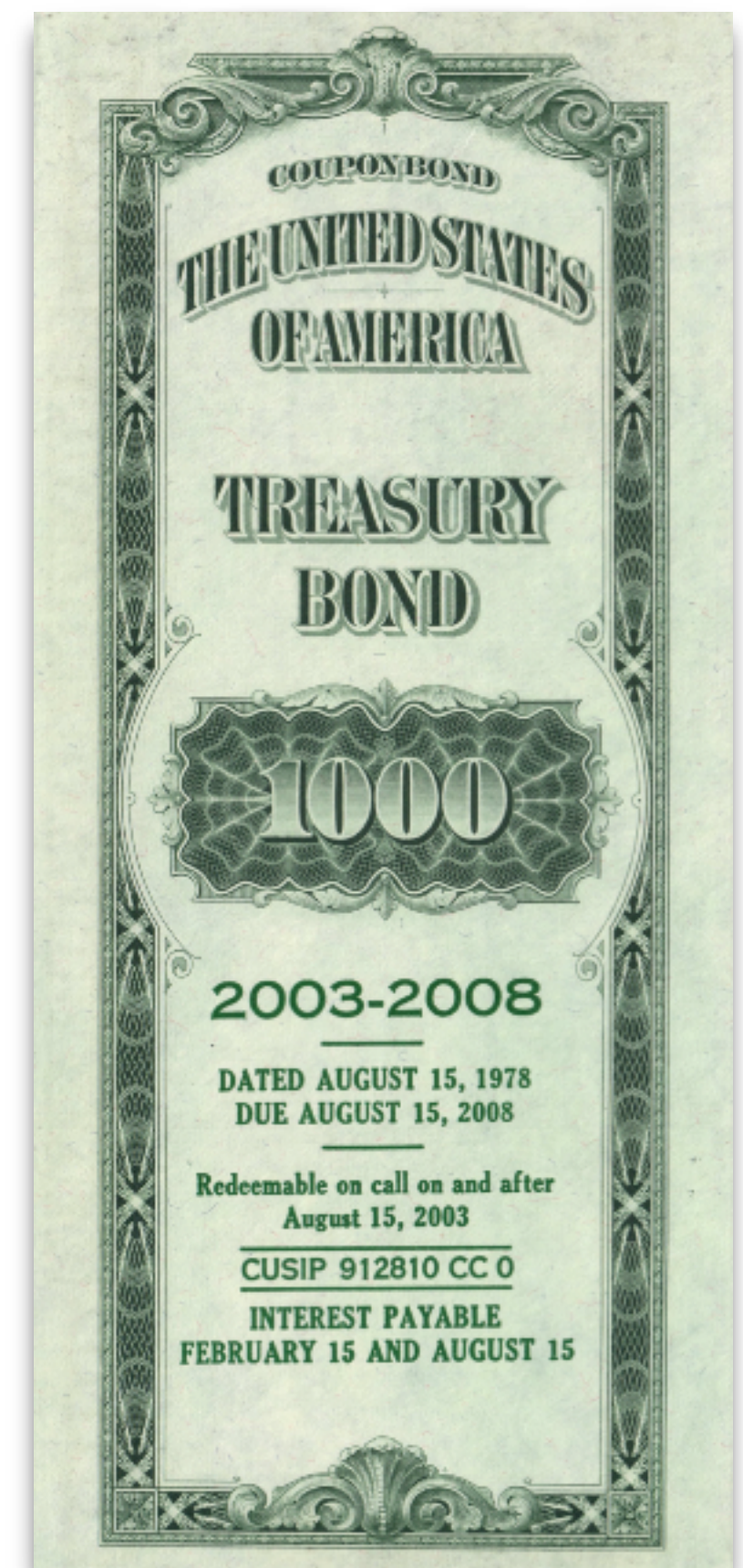
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Monetary Policy Tools

1. Open Market Operations