

SECRET

Investment Recommendation No. 10

13 April 1966

MEMORANDUM FOR: Director of Finance

SUBJECT : Recommended Investment in U. S. Treasury Securities for CIA Retirement Fund

I. Funds Available for Investment

Cash on Hand GL 906 - COB 11 April 1966	[REDACTED]	25X1A
Reserve for Annuity Payments	[REDACTED]	
Cash Available for Investment	[REDACTED]	25X1A
Due from CSC 11 April 1966	[REDACTED]	25X1A

[REDACTED]
Chief, Compensation and Tax Division

II. Investment Proposal

A. The following U. S. Treasury securities are submitted for your consideration:

1. 4 1/8% U.S. Treasury Bonds maturing 15 November 1973 ✓
2. 4 1/8% U.S. Treasury Bonds maturing 15 February 1974
3. 4% U.S. Treasury Bonds maturing 15 February 1972

B. Specific Recommendation

Discussions today with our advisors in Treasury concerned the advisability of acquiring some shorter term bonds to balance our portfolio. They have recommended proposal A-1 above as being the first choice with A-2 as second choice. A-1 is currently selling at about 95 3/8 with a yield to maturity of 4.87. This recommendation of A-1 above is predicated on the present market value and our intention to hold such securities until the full maturity date.

25X1A

[REDACTED]
Deputy Chief, Monetary Division

25X1A

APPROVED: [REDACTED]
Director of Finance

4/13/66
Date

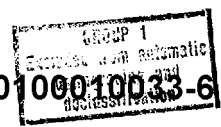
25X1A

III. Action Taken

Verbally instructed [REDACTED] (Treas 184-5651)
on 13 April 1966 to purchase Bonds

25X1A

Approved [REDACTED] 4999/09/27 : CIA-RDP80-01503R000100010033-6



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CPYRGHT

Yields on Treasuries

The highest yield on the Treasury list, 4.85%, was provided by two issues—the 4½s of 1973 and the 4¼% notes, due May 15, 1967. The 4¼s of 1987-92, usually considered the bellwether of long-term U.S. Government bonds, closed on some quotation sheets unchanged at 94 8-32 bid, 94 16-32 asked, to yield 4.62%.

Dollar-quoted tax-exempt revenue bonds—those supported by income from toll roads, bridges, tunnels and similar public projects—were mostly unchanged to ¼ point easier in yesterday's light trading.

Chicago & North Western convertible 4½s of 1999 fell 2½ points in railroad-bond trading on the New York Stock Exchange. They closed at 208½.

In foreign-bond trading, Antioquia 3s of 1978, a Colombian issue, set a new 1966 high of 70½, up two points from their last previous sale.

JOURNAL 14/12/66

ROUTING AND RECORD SHEET

SUBJECT: (Optional)			
FROM: Chief, Monetary Division Room 713 Key Building x8855	EXTENSION	NO.	
		DATE	
TO: (Officer designation, room number, and building)	DATE		COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED	OFFICER'S INITIALS
1. Director of Finance			[Signature]
2. Chief, MD			Prior to this purchase, we are holding the following: 3 1/2% 1980 4% 1980 4 1/8% 1973 4 1/4% 1975/85 4 1/4% 1987/92
3.			
4.			
5.			
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14.			
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25X1A