FEDERAL RESERVE statistical release

H.4.1

Factors Affecting Reserve Balances of Depository Institutions and Condition Statement of Federal Reserve Banks

September 4, 2008

1. Factors Affecting Reserve Balances of Depository Institutions

Millions of dollars

Reserve Bank credit, related items, and reserve balances of depository institutions at Federal Reserve Banks	Averages of daily figures			Wednesday Sep 3, 2008
	Week ended Sep 3, 2008	Change from week ended		
		Aug 27, 2008	Sep 5, 2007	
Reserve Bank credit	893,846	+ 9,492	+ 37,175	887,263
Securities held outright	479,701	+ 97	- 299,940	479,726
U.S. Treasury[1]	479,701	+ 97	- 299,940	479,726
Bills[2]	21,740	0	- 245,279	21,740
Notes and bonds, nominal[2]	411,731	0	- 60,411	411,731
Notes and bonds, inflation-indexed[2]	39,832	0	+ 4,079	39,832
Inflation compensation[3]	6,398	+ 97	+ 1,670	6,423
Federal agency[2]	0	0	0	0
Repurchase agreements[4]	115,893	+ 12,500	+ 78,893	109,000
Term auction credit	150,000	0	+ 150,000	150,000
Other loans	19,070	+ 500	+ 17,729	19,089
Primary credit	18,976	+ 507	+ 17,873	19,000
Secondary credit	0	0	0	0
Seasonal credit	93	- 7	- 145	90
Primary dealer credit facility	0	0	0	0
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC[5]	29,253	+ 40	+ 29,253	29,287
Float	-1,474	- 261	- 1,104	-363
Other Federal Reserve assets	101,404	- 3,384	+ 62,346	100,524
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	2,200	0	0	2,200
Treasury currency outstanding[6]	38,803	+ 14	+ 208	38,803
Total factors supplying reserve funds	945,890	+ 9,506	+ 37,384	939,307
Currency in circulation[6]	835,319	+ 5,750	+ 20,394	836,836
Reverse repurchase agreements[7]	42,880	+ 22	+ 7,949	41,756
Foreign official and international accounts	42,880	+ 22	+ 7,949	41,756
Dealers	0	0	0	0
Treasury cash holdings	281	- 21	- 50	276
Deposits with F.R. Banks, other than reserve balances	12,240	- 195	+ 545	13,110
U.S. Treasury, general account	4,746	- 82	+ 61	5,606
Foreign official	100	- 1	+ 5	100
Service-related	7,087	- 88	+ 475	7,087
Required clearing balances	7,087	- 88	+ 475	7,087
Adjustments to compensate for float	0	0	0	0
Other	307	- 25	+ 4	317
Other liabilities and capital[8]	44,277	+ 1,776	+ 3,667	43,498
Total factors, other than reserve balances, absorbing reserve funds	934,997	+ 7,333	+ 32,506	935,476
Reserve balances with Federal Reserve Banks	10,893	+ 2,173	+ 4,878	3,831

Note: Components may not sum to totals because of rounding.

1. Includes securities lent to dealers under the overnight and term securities lending facilities; refer to table 1A.
2. Face value of the securities.
3. Compensation that adjusts for the effect of inflation on the original face value of inflation-indexed securities.
4. Cash value of agreements.
5. Fair value. Refer to table 2 and the note on consolidation accompanying table 5.
6. Estimated.
7. Cash value of agreements, which are collateralized by U.S. Treasury securities.
8. Includes the liabilities of Maiden Lane LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of Maiden Lane LLC. Refer to table 2 and the note on consolidation accompanying table 5.

Sources: Federal Reserve Banks and the U.S. Department of the Treasury.

1A. Memorandum Items, September 3, 2008

Millions of dollars

Memorandum item	Averages of daily figures: Week ended Sep 3, 2008	Change from week ended Aug 27, 2008	Change from week ended Sep 5, 2007	Wednesday Sep 3, 2008
Marketable securities held in custody for foreign official and international accounts[1]	2,403,824	- 1,072	+ 423,629	2,395,399
U.S. Treasury	1,437,964	+ 3,666	+ 230,785	1,436,830
Federal agency	965,860	- 4,738	+ 192,844	958,569
Securities lent to dealers	126,097	+ 4,921	+ 120,211	120,790
Overnight facility[2]	9,992	+ 6,164	+ 4,106	4,892
Term facility[3,4]	116,105	- 1,243	+ 116,105	115,898

Note: Components may not sum to totals because of rounding.

1. Face value of the securities. Includes U.S. Treasury STRIPS and other zero-coupon bonds at face value.
2. Fully collateralized by U.S. Treasury securities.
3. Fully collateralized by U.S. Treasury securities, federal agency securities, and highly rated non-agency asset-backed and mortgage-backed securities.
4. On September 3, 2008, option contracts on draws on the Term Securities Lending Facility totaling $ 24,998 million were outstanding. The exercise date for the options is September 24, 2008, and the draws have a term of September 25, 2008 through October 2, 2008.

2. Information on Principal Accounts of Maiden Lane LLC

Millions of dollars

Account name	Wednesday Sep 3, 2008
Net portfolio holdings of Maiden Lane LLC[1]	29,287
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York[2]	28,820
Accrued interest payable to the Federal Reserve Bank of New York[2]	124
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co.[3]	1,165

1. Fair value. Fair value reflects an estimate of the price that would be received upon selling an asset if the transaction were to be conducted in an orderly market on the measurement date. Revalued quarterly. This table reflects valuations as of June 30, 2008.
2. Book value. This amount was eliminated when preparing the Federal Reserve Bank of New York's statement of condition consistent with consolidation under generally accepted accounting principles. Refer to the note on consolidation accompanying table 5.
3. Book value. The fair value of these obligations is included in other liabilities and capital in table 1 and in other liabilities and accrued dividends in table 4 and table 5.

Note: On June 26, 2008, the Federal Reserve Bank of New York (FRBNY) extended credit to Maiden Lane LLC under the authority of section 13(3) of the Federal Reserve Act. This limited liability company was formed to acquire certain assets of Bear Stearns and to manage those assets through time to maximize repayment of the credit extended and to minimize disruption to financial markets. Payments by Maiden Lane LLC from the proceeds of the net portfolio holdings will be made in the following order: operating expenses of the LLC, principal due to the FRBNY, interest due to the FRBNY, principal due to JPMorgan Chase & Co., and interest due to JPMorgan Chase & Co. Any remaining funds will be paid to the FRBNY.

3. Maturity Distribution of Term Auction Credit, Other Loans, and Securities, September 3, 2008

Millions of dollars

Remaining maturity	Term auction credit	Other loans[1]	U.S. Treasury securities[2]: Holdings	U.S. Treasury securities[2]: Weekly changes	Repurchase agreements[3]	Reverse repurchase agreements[3]
Within 15 days	50,000	4,238	14,851	- 3,604	69,000	41,756
16 days to 90 days	100,000	14,851	31,653	+ 3,439	40,000	0
91 days to 1 year	...	0	69,268	- 1,052	...	...
Over 1 year to 5 years	...	...	170,789	+ 1,250	...	...
Over 5 years to 10 years	...	...	91,851	+ 17	...	...
Over 10 years	...	...	101,314	+ 34	...	...
All	150,000	19,089	479,726	+ 84	109,000	41,756

Note: Components may not sum to totals because of rounding.
... Not applicable.

1. Excludes the loan from the Federal Reserve Bank of New York to Maiden Lane LLC that was eliminated when preparing that Bank's statement of condition consistent with consolidation under generally accepted accounting principles. The loan to Maiden Lane LLC is designed to be repaid from the orderly liquidation of Maiden Lane LLC's portfolio holdings and does not have a fixed amortization schedule.
2. Includes the original face value of inflation-indexed securities and compensation that adjusts for the effect of inflation on the original face value of such securities.
3. Cash value of agreements.

4. Consolidated Statement of Condition of All Federal Reserve Banks

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Sep 3, 2008	Change since Wednesday Aug 27, 2008	Change since Wednesday Sep 5, 2007
Assets				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		2,200	0	0
Coin		1,414	- 1	+ 397
Securities, repurchase agreements, term auction credit, and other loans		757,815	- 1,829	- 58,164
Securities held outright		479,726	+ 84	- 299,914
U.S. Treasury[1]		479,726	+ 84	- 299,914
Bills[2]		21,740	0	- 245,279
Notes and bonds, nominal[2]		411,731	0	- 60,411
Notes and bonds, inflation-indexed[2]		39,832	0	+ 4,079
Inflation compensation[3]		6,423	+ 84	+ 1,696
Federal agency[2]		0	0	0
Repurchase agreements[4]		109,000	- 2,000	+ 74,000
Term auction credit		150,000	0	+ 150,000
Other loans		19,089	+ 87	+ 17,751
Net portfolio holdings of Maiden Lane LLC[5]		29,287	+ 40	+ 29,287
Items in process of collection	(743)	3,366	+ 2,440	- 2,130
Bank premises		2,162	- 4	+ 83
Other assets[6]		98,381	- 3,976	+ 61,137
Total assets	(743)	905,661	- 3,330	+ 30,609
Liabilities				
Federal Reserve notes, net of F.R. Bank holdings		799,719	+ 4,025	+ 21,058
Reverse repurchase agreements[7]		41,756	- 2,012	+ 6,658
Deposits	(0)	16,959	- 7,891	+ 847
Depository institutions		10,936	- 8,441	- 350
U.S. Treasury, general account		5,606	+ 617	+ 1,117
Foreign official		100	0	+ 3
Other	(0)	317	- 68	+ 76
Deferred availability cash items	(743)	3,729	+ 1,115	- 1,041
Other liabilities and accrued dividends[8,9]		2,695	+ 1,419	- 3,371
Total liabilities	(743)	864,859	- 3,343	+ 24,152
Capital accounts				
Capital paid in		20,191	+ 2	+ 3,217
Surplus		18,511	+ 2	+ 3,087
Other capital accounts		2,100	+ 9	+ 153
Total capital		40,803	+ 14	+ 6,458

Note: Components may not sum to totals because of rounding.

1. Includes securities lent to dealers under the overnight and term securities lending facilities; refer to table 1A.
2. Face value of the securities.
3. Compensation that adjusts for the effect of inflation on the original face value of inflation-indexed securities.
4. Cash value of agreements, which are collateralized by U.S. Treasury and federal agency securities.
5. Fair value. Refer to table 2 and the note on consolidation accompanying table 5.
6. Includes assets denominated in foreign currencies, which are revalued daily at market exchange rates.
7. Cash value of agreements, which are collateralized by U.S. Treasury securities.
8. Includes exchange-translation account reflecting the daily revaluation at market exchange rates of foreign exchange commitments.
9. Includes the liabilities of Maiden Lane LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of Maiden Lane LLC. Refer to the note on consolidation accompanying table 5.

5. Statement of Condition of Each Federal Reserve Bank, September 3, 2008

Millions of dollars

Assets, liabilities, and capital	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Assets													
Gold certificate account	11,037	424	3,935	453	423	891	1,221	913	344	199	349	636	1,249
Special drawing rights certificate acct.	2,200	115	874	83	104	147	166	212	71	30	66	98	234
Coin	1,414	37	69	103	122	179	180	166	49	51	97	159	201
Securities, repurchase agreements, term auction credit, and other loans	757,815	31,204	304,878	28,357	31,724	66,554	66,333	55,932	22,760	11,918	28,880	26,899	82,375
Securities held outright	479,726	20,122	170,684	20,946	18,191	43,501	47,732	42,340	16,578	9,057	17,614	19,900	53,063
U.S. Treasury[1]	479,726	20,122	170,684	20,946	18,191	43,501	47,732	42,340	16,578	9,057	17,614	19,900	53,063
Bills[2]	21,740	912	7,735	949	824	1,971	2,163	1,919	751	410	798	902	2,405
Notes and bonds[3]	457,986	19,210	162,949	19,996	17,367	41,529	45,569	40,422	15,826	8,646	16,816	18,998	50,658
Federal agency[2]	0	0	0	0	0	0	0	0	0	0	0	0	0
Repurchase agreements[4]	109,000	4,572	38,782	4,759	4,133	9,884	10,845	9,620	3,767	2,058	4,002	4,521	12,057
Term auction credit	150,000	6,500	83,383	2,582	9,400	12,945	7,510	2,985	2,075	35	7,250	2,000	13,335
Other loans	19,089	11	12,030	71	0	224	246	986	341	768	13	478	3,921
Net portfolio holdings of Maiden Lane LLC[5]	29,287	0	29,287	0	0	0	0	0	0	0	0	0	0
Items in process of collection	4,109	261	96	571	600	166	533	429	116	238	218	296	585
Bank premises	2,162	122	212	64	149	210	226	207	127	111	275	252	208
Other assets[6]	98,381	5,335	26,800	8,887	6,419	24,114	7,765	4,812	1,263	1,873	1,371	2,207	7,535
Interdistrict settlement account	0	- 935	-38,083	+ 3,656	- 2,033	- 7,725	+25,015	+13,153	+ 4,546	+ 2,616	- 1,027	+ 4,731	- 3,913
Total assets	906,404	36,563	328,069	42,175	37,508	84,535	101,439	75,824	29,276	17,035	30,230	35,278	88,473

Note: Components may not sum to totals because of rounding.

1. Includes securities lent to dealers under the overnight and term securities lending facilities; refer to table 1A.
2. Face value of the securities.
3. Includes the original face value of inflation-indexed securities and compensation that adjusts for the effect of inflation on the original face value of such securities.
4. Cash value of agreements, which are collateralized by U.S. Treasury and federal agency securities.
5. Fair value. Refer to the note on consolidation below.
6. Includes assets denominated in foreign currencies, which are revalued daily at market exchange rates.

Note on consolidation:
On June 26, 2008, the Federal Reserve Bank of New York extended a loan under the authority of section 13(3) of the Federal Reserve Act to Maiden Lane LLC, a limited liability company formed to acquire certain assets of Bear Stearns. The Federal Reserve Bank of New York is the primary beneficiary of Maiden Lane LLC. Consistent with generally accepted accounting principles, the assets and liabilities of Maiden Lane LLC have been consolidated with the assets and liabilities of the Federal Reserve Bank of New York in the preparation of the statements of condition shown on this release. As a consequence of the consolidation, the extension of credit from the Federal Reserve Bank of New York to Maiden Lane LLC is eliminated, the net assets of Maiden Lane LLC appear as an asset in this table (and table 1 and table 4), and the liabilities of Maiden Lane LLC to entities other than the Federal Reserve Bank of New York, including those with recourse only to the portfolio holdings of Maiden Lane LLC, are included in other liabilities on the next page (and in table 1 and table 4).

5. Statement of Condition of Each Federal Reserve Bank, September 3, 2008 (continued)

Millions of dollars

Assets, liabilities, and capital	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Liabilities													
Federal Reserve notes outstanding	990,711	37,037	351,119	41,095	39,452	81,087	121,388	81,615	30,292	17,674	31,111	55,187	103,654
Less: Notes held by F.R. Banks	190,992	5,178	56,297	6,713	8,112	12,719	29,345	13,474	3,388	2,850	3,653	23,529	25,733
Federal Reserve notes, net	799,719	31,860	294,822	34,382	31,340	68,368	92,043	68,142	26,904	14,823	27,458	31,658	77,920
Reverse repurchase agreements[1]	41,756	1,751	14,856	1,823	1,583	3,786	4,155	3,685	1,443	788	1,533	1,732	4,619
Deposits	16,959	722	7,734	614	830	1,309	1,252	717	319	288	396	696	2,081
Depository institutions	10,936	713	1,870	610	827	1,189	1,249	715	308	287	395	695	2,078
U.S. Treasury, general account	5,606	0	5,606	0	0	0	0	0	0	0	0	0	0
Foreign official	100	2	70	4	3	11	3	2	0	1	0	1	3
Other	317	7	188	0	0	110	0	0	11	0	1	0	0
Deferred availability cash items	4,472	225	0	721	684	348	377	365	76	353	278	370	673
Other liabilities and accrued dividends[2,3]	2,695	152	258	174	177	434	360	290	153	100	121	171	305
Total liabilities	865,602	34,711	317,672	37,714	34,614	74,245	98,186	73,199	28,896	16,353	29,786	34,627	85,598
Capital													
Capital paid in	20,191	787	5,087	2,328	1,522	5,190	1,596	1,290	182	320	210	267	1,413
Surplus	18,511	1,050	4,674	1,814	1,291	4,999	1,426	815	180	355	193	364	1,351
Other capital	2,100	16	636	318	81	101	232	519	19	8	40	19	112
Total liabilities and capital	906,404	36,563	328,069	42,175	37,508	84,535	101,439	75,824	29,276	17,035	30,230	35,278	88,473

Note: Components may not sum to totals because of rounding.

1. Cash value of agreements, which are collateralized by U.S. Treasury securities.
2. Includes exchange-translation account reflecting the daily revaluation at market exchange rates of foreign exchange commitments.
3. Includes the liabilities of Maiden Lane LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of Maiden Lane LLC. Refer to the note on consolidation on the previous page.

6. Collateral Held against Federal Reserve Notes: Federal Reserve Agents' Accounts

Millions of dollars

Federal Reserve notes and collateral	Wednesday Sep 3, 2008
Federal Reserve notes outstanding	990,711
Less: Notes held by F.R. Banks not subject to collateralization	190,992
Federal Reserve notes to be collateralized	799,719
Collateral held against Federal Reserve notes	799,719
Gold certificate account	11,037
Special drawing rights certificate account	2,200
U.S. Treasury and agency securities pledged[1]	548,031
Other assets pledged	238,451
Memo:	
Total U.S. Treasury and agency securities[1]	588,726
Less: Face value of securities under reverse repurchase agreements	40,694
U.S. Treasury and agency securities eligible to be pledged	548,031

Note: Components may not sum to totals because of rounding.

1. Includes face value of U.S. Treasury and agency securities held outright, compensation to adjust for the effect of inflation on the original face value of inflation-indexed securities, and cash value of repurchase agreements.