

FEDERAL RESERVE statistical release



H.4.1

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

December 23, 2010

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 Dec 22, 2010
	Week ended Dec 22, 2010	Change from week ended		
		Dec 15, 2010	Dec 23, 2009	
Reserve Bank credit	2,388,496	+ 14,166	+ 171,611	2,410,384
Securities held outright ¹	2,142,720	+ 13,107	+ 302,972	2,163,097
U.S. Treasury securities	986,545	+ 25,749	+ 209,973	1,007,237
Bills ²	18,423	0	0	18,423
Notes and bonds, nominal ²	915,315	+ 25,488	+ 207,666	934,527
Notes and bonds, inflation-indexed ²	46,737	+ 231	+ 2,094	48,125
Inflation compensation ³	6,070	+ 29	+ 212	6,162
Federal agency debt securities ²	147,521	- 615	- 11,034	147,460
Mortgage-backed securities ⁴	1,008,654	- 12,027	+ 104,033	1,008,400
Repurchase agreements ⁵	0	0	0	0
Term auction credit	0	0	- 75,918	0
Other loans	45,571	+ 355	- 41,509	45,101
Primary credit	28	+ 6	- 18,721	54
Secondary credit	0	0	- 960	0
Seasonal credit	28	0	- 9	26
Credit extended to American International Group, Inc., net ⁶	20,625	+ 545	+ 340	20,272
Term Asset-Backed Securities Loan Facility ⁷	24,890	- 197	- 22,159	24,750
Other credit extensions	0	0	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC ⁸	0	0	- 14,044	0
Net portfolio holdings of Maiden Lane LLC ⁹	26,916	- 509	+ 337	26,929
Net portfolio holdings of Maiden Lane II LLC ¹⁰	16,145	+ 22	+ 567	16,151
Net portfolio holdings of Maiden Lane III LLC ¹¹	23,122	+ 23	+ 479	23,129
Net portfolio holdings of TALF LLC ¹²	653	+ 6	+ 373	665
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ¹³	26,057	0	+ 1,057	26,057
Float	-1,594	+ 140	- 10	-1,719
Central bank liquidity swaps ¹⁴	75	+ 15	- 11,997	75
Other Federal Reserve assets ¹⁵	108,831	+ 1,008	+ 9,303	110,899
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding ¹⁶	43,553	+ 14	+ 863	43,553
Total factors supplying reserve funds	2,448,290	+ 14,180	+ 172,474	2,470,178

Note: Components may not sum to totals because of rounding. Footnotes appear at the end of the table.

H.4.1

1. Factors Affecting Reserve Balances of Depository Institutions (continued)

Millions of dollars

Reserve Bank credit, related items, and reserve balances of depository institutions at Federal Reserve Banks	Averages of daily figures			Wednesday Dec 22, 2010
	Week ended Dec 22, 2010	Change from week ended		
		Dec 15, 2010	Dec 23, 2009	
Currency in circulation ¹⁶	980,488	+ 2,065	+ 55,383	983,646
Reverse repurchase agreements ¹⁷	51,256	+ 1,202	- 9,787	51,134
Foreign official and international accounts	51,256	+ 1,202	- 9,787	51,134
Others	0	0	0	0
Treasury cash holdings	178	- 6	- 51	185
Deposits with F.R. Banks, other than reserve balances	303,516	+ 52,472	+ 187,987	302,348
Term deposits held by depository institutions	5,113	0	+ 5,113	5,113
U.S. Treasury, general account	91,479	+ 61,386	- 3,472	89,913
U.S. Treasury, supplementary financing account	199,961	0	+ 184,961	199,961
Foreign official	4,209	+ 1,113	+ 2,265	4,581
Service-related	2,359	- 2	- 666	2,359
Required clearing balances	2,359	- 2	- 666	2,359
Adjustments to compensate for float	0	0	0	0
Other	395	- 10,025	- 214	421
Funds from American International Group, Inc. asset dispositions, held as agent ¹⁸	26,838	+ 64	+ 26,838	26,896
Other liabilities and capital ¹⁹	73,172	- 672	+ 5,432	72,590
Total factors, other than reserve balances, absorbing reserve funds	1,435,449	+ 55,126	+ 265,803	1,436,799
Reserve balances with Federal Reserve Banks	1,012,841	- 40,946	- 93,329	1,033,379

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

- Includes securities lent to dealers under the overnight securities lending facility; refer to table 1A.
- Face value of the securities.
- Compensation that adjusts for the effect of inflation on the original face value of inflation-indexed securities.
- Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
- Cash value of agreements.
- Includes outstanding principal and capitalized interest net of unamortized deferred commitment fees and allowance for loan restructuring. Excludes credit extended to consolidated LLCs.
- Includes credit extended by the Federal Reserve Bank of New York to eligible borrowers through the Term Asset-Backed Securities Loan Facility.
- Includes the book value of the commercial paper, net of amortized costs and related fees, and other investments held by the Commercial Paper Funding Facility LLC.
- Refer to table 4 and the note on consolidation accompanying table 10.
- Refer to table 5 and the note on consolidation accompanying table 10.
- Refer to table 6 and the note on consolidation accompanying table 10.
- Refer to table 7 and the note on consolidation accompanying table 10.
- Refer to table 8.
- Dollar value of foreign currency held under these agreements valued at the exchange rate to be used when the foreign currency is returned to the foreign central bank. This exchange rate equals the market exchange rate used when the foreign currency was acquired from the foreign central bank.
- Includes other assets denominated in foreign currencies, which are revalued daily at market exchange rates, accrued dividends on the Federal Reserve Bank of New York's (FRBNY) preferred interests in AIA Aurora LLC and ALICO Holdings LLC, and the fair value adjustment to credit extended by the FRBNY to eligible borrowers through the Term Asset-Backed Securities Loan Facility.
- Estimated.
- Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
- Pending the closing of the recapitalization plan announced by American International Group, Inc. (AIG) on September 30, 2010, the cash proceeds from the disposition of certain AIG assets will be held by the FRBNY as agent. At the closing of the recapitalization plan, the proceeds will be used first to repay in full the credit extended to AIG by the FRBNY under the revolving credit facility and then to retire a portion of the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC (preferred interests). Alternatively, if the recapitalization plan is terminated under the terms of the plan, then the proceeds from the initial public offering of AIA and the sale of ALICO will be used to redeem the preferred interests in accordance with the AIA Aurora LLC and ALICO Holdings LLC limited liability company agreements, and any excess proceeds from these transactions, as well as proceeds from the disposition of other assets, will be used to repay the credit extended to AIG under the revolving credit facility.
- Includes the liabilities of Maiden Lane LLC, Maiden Lane II LLC, Maiden Lane III LLC, and TALF LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of these LLCs. Refer to table 4 through table 7 and the note on consolidation accompanying table 10.

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

H.4.1

1A. Memorandum Items

Millions of dollars

Billions of dollars				
Memorandum item	Averages of daily figures			Wednesday Dec 22, 2010
	Week ended Dec 22, 2010	Change from week ended		
		Dec 15, 2010	Dec 23, 2009	
Marketable securities held in custody for foreign official and international accounts ¹	3,351,066	+ 14,023	+ 393,352	3,357,699
U.S. Treasury securities	2,620,365	+ 13,596	+ 433,093	2,625,051
Federal agency securities ²	730,701	+ 427	- 39,741	732,648
Securities lent to dealers	9,961	+ 545	+ 1,468	11,439
Overnight facility ³	9,961	+ 545	+ 1,468	11,439
U.S. Treasury securities	8,756	+ 425	+ 1,128	10,396
Federal agency debt securities	1,205	+ 120	+ 340	1,043

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 and mortgage-backed securities at original face value.
2. Includes debt and mortgage-backed securities.
3. Fully collateralized by U.S. Treasury securities.

2. Maturity Distribution of Securities, Loans, and Selected Other Assets and Liabilities, December 22, 2010

Millions of dollars

Remaining maturity	Within 15 days	16 days to 90 days	91 days to 1 year	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	All
Other loans ¹	80	0	0	45,021	0	...	45,101
U.S. Treasury securities ²							
Holdings	17,447	17,200	55,979	427,120	332,496	156,994	1,007,237
Weekly changes	+ 1,442	- 1,442	+ 1	+ 18,577	+ 18,197	+ 2,908	+ 39,684
Federal agency debt securities ³							
Holdings	0	7,466	35,298	71,752	30,597	2,347	147,460
Weekly changes	- 424	+ 1,302	- 1,302	0	0	0	- 424
Mortgage-backed securities ⁴							
Holdings	0	0	0	25	21	1,008,355	1,008,400
Weekly changes	0	0	0	0	0	- 445	- 445
Asset-backed securities held by TALF LLC ⁵	0	0	0	0	0	0	0
Repurchase agreements ⁶	0	0	...	...	...	...	0
Central bank liquidity swaps ⁷	75	0	0	0	0	0	75
Reverse repurchase agreements ⁶	51,134	0	...	...	...	...	51,134
Term deposits	5,113	0	0	...	...	...	5,113

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

... Not applicable.

1. Excludes the loans from the Federal Reserve Bank of New York (FRBNY) to Maiden Lane LLC, Maiden Lane II LLC, Maiden Lane III LLC, and TALF LLC. The loans were eliminated when preparing the FRBNY's statement of condition consistent with consolidation under generally accepted accounting principles.
2. Face value. For inflation-indexed securities, includes the original face value and compensation that adjusts for the effect of inflation on the original face value of such securities.
3. Face value.
4. Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
5. Face value of asset-backed securities held by TALF LLC, which is the remaining principal balance of the underlying assets.
6. Cash value of agreements.
7. Dollar value of foreign currency held under these agreements valued at the exchange rate to be used when the foreign currency is returned to the foreign central bank. This exchange rate equals the market exchange rate used when the foreign currency was acquired from the foreign central bank.

H.4.1

3. Supplemental Information on Mortgage-Backed Securities Purchase Program

Millions of dollars

Account name	Wednesday Dec 22, 2010
Mortgage-backed securities held outright ¹	1,008,400
Commitments to buy mortgage-backed securities ²	0
Commitments to sell mortgage-backed securities ²	0
Cash and cash equivalents ³	0

1. Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
2. Current face value. Generally settle within 180 days and include commitments associated with outright transactions, dollar rolls, and coupon swaps.
3. This amount is included in other Federal Reserve assets in table 1 and in other assets in table 9 and table 10.

4. Information on Principal Accounts of Maiden Lane LLC

Millions of dollars

Account name	Wednesday Dec 22, 2010
Net portfolio holdings of Maiden Lane LLC ¹	26,929
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	25,228
Accrued interest payable to the Federal Reserve Bank of New York ²	613
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. ³	1,313

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 September 30, 2010. Any assets purchased after this valuation date are initially recorded at cost until their estimated fair value as of the purchase date becomes available.
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 10.
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 9 and table 10.

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.

5. Information on Principal Accounts of Maiden Lane II LLC

Millions of dollars

Account name	Wednesday Dec 22, 2010
Net portfolio holdings of Maiden Lane II LLC ¹	16,151
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	13,034
Accrued interest payable to the Federal Reserve Bank of New York ²	447
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. ³	1,070

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 September 30, 2010. Any assets purchased after this valuation date are initially recorded at cost until their estimated fair value as of the purchase date becomes available.
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 10.
3. Book value. The deferred payment represents the portion of the proceeds of the net portfolio holdings due to subsidiaries of American International Group, Inc. in accordance with the asset purchase agreement. The fair value of this payment and accrued interest payable are included in other liabilities and capital in table 1 and in other liabilities and accrued dividends in table 9 and table 10.

Note: On December 12, 2008, the Federal Reserve Bank of New York (FRBNY) began extending credit to Maiden Lane II LLC under the authority of section 13(3) of the Federal Reserve Act. This limited liability company was formed to purchase residential mortgage-backed securities from the U.S. securities lending reinvestment portfolio of subsidiaries of American International Group, Inc. (AIG subsidiaries). Payments by Maiden Lane II LLC from the proceeds of the net portfolio holdings will be made in the following order: operating expenses of Maiden Lane II LLC, principal due to the FRBNY, interest due to the FRBNY, and deferred payment and interest due to AIG subsidiaries. Any remaining funds will be shared by the FRBNY and AIG subsidiaries.

H.4.1

6. Information on Principal Accounts of Maiden Lane III LLC

Millions of dollars

Account name	Wednesday Dec 22, 2010
Net portfolio holdings of Maiden Lane III LLC ¹	23,129
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	13,526
Accrued interest payable to the Federal Reserve Bank of New York ²	541
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.³</u>	<u>5,361</u>

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 September 30, 2010. Any assets purchased after this valuation date are initially recorded at cost until their estimated fair value as of the purchase date becomes available.
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 10.
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 9 and table 10.

Note: On November 25, 2008, the Federal Reserve Bank of New York (FRBNY) began extending credit to Maiden Lane III LLC under the authority of section 13(3) of the Federal Reserve Act. This limited liability company was formed to purchase multi-sector collateralized debt obligations (CDOs) on which the Financial Products group of American International Group, Inc. (AIG) has written credit default swap (CDS) contracts. In connection with the purchase of CDOs, the CDS counterparties will concurrently unwind the related CDS transactions. Payments by Maiden Lane III LLC from the proceeds of the net portfolio holdings will be made in the following order: operating expenses of Maiden Lane III LLC, principal due to the FRBNY, interest due to the FRBNY, principal due to AIG, and interest due to AIG. Any remaining funds will be shared by the FRBNY and AIG.

7. Information on Principal Accounts of TALF LLC

Millions of dollars

Account name	Wednesday Dec 22, 2010
Asset-backed securities holdings ¹	0
Other investments, net	665
Net portfolio holdings of TALF LLC	665
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	0
Accrued interest payable to the Federal Reserve Bank of New York ²	0
<u>Funding provided by U.S. Treasury to TALF LLC, including accrued interest payable³</u>	<u>106</u>

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.
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 10.
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 9 and table 10.

Note: On November 25, 2008, the Federal Reserve announced the creation of the Term Asset-Backed Securities Loan Facility (TALF) under the authority of section 13(3) of the Federal Reserve Act. The TALF is a facility under which the Federal Reserve Bank of New York (FRBNY) extends loans with a term of up to five years to holders of eligible asset-backed securities. The TALF is intended to assist financial markets in accommodating the credit needs of consumers and businesses by facilitating the issuance of asset-backed securities collateralized by a variety of consumer and business loans. The loans provided through the TALF to eligible borrowers are non-recourse, meaning that the obligation of the borrower can be discharged by surrendering the collateral to the FRBNY. The loans are extended for the market value of the security less an amount known as a haircut. As a result, the borrower bears the initial risk of a decline in the value of the security.

TALF LLC is a limited liability company formed to purchase and manage any asset-backed securities received by the FRBNY in connection with the decision of a borrower not to repay a TALF loan. TALF LLC has committed, for a fee, to purchase all asset-backed securities received by the FRBNY in conjunction with a TALF loan at a price equal to the TALF loan plus accrued but unpaid interest. Losses on asset-backed securities held by TALF LLC will be offset in the following order: by the commitment fees collected by TALF LLC, by the interest received on investments of TALF LLC, by up to \$4.3 billion in subordinated debt funding provided by the U.S. Treasury, and finally, by senior debt funding provided by the FRBNY. Payments by TALF LLC from the proceeds of its net portfolio holdings will be made in the following order: operating expenses of TALF LLC, principal due to the FRBNY, principal due to the U.S. Treasury, interest due to the FRBNY, and interest due to the U.S. Treasury. Any remaining funds will be shared by the FRBNY and the U.S. Treasury.

H.4.1

8. Supplemental Information on the Federal Reserve Bank of New York's Preferred Interests in AIA Aurora LLC and ALICO Holdings LLC

Millions of dollars

Account name	Wednesday Dec 22, 2010
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ¹	26,057
Accrued dividends on preferred interests in AIA Aurora LLC and ALICO Holdings LLC ²	296
Preferred interests in AIA Aurora LLC ¹	16,676
Accrued dividends on preferred interests in AIA Aurora LLC ²	190
Preferred interests in ALICO Holdings LLC ¹	9,380
Accrued dividends on preferred interests in ALICO Holdings LLC ²	107

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

1. Book value.

2. This amount is included in other Federal Reserve assets in table 1 and in other assets in table 9 and table 10.

Note on preferred interests:

In conjunction with the restructuring of the government's assistance to American International Group, Inc. (AIG) announced March 2, 2009, the outstanding balance and amount available of revolving credit provided to AIG by the FRBNY has been reduced in exchange for preferred interests in two special purpose vehicles, AIA Aurora LLC and ALICO Holdings LLC. These two limited liability companies were created to directly or indirectly hold all of the outstanding common stock of American International Assurance Company Ltd. (AIA) and American Life Insurance Company (ALICO), two life insurance subsidiaries of AIG. AIG will retain control of AIA Aurora LLC and ALICO Holdings LLC, and the FRBNY will have certain consent, disposition, and conversion rights with respect to its preferred interests.

Dividends accrue as a percentage of the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC. On a quarterly basis, the accrued dividends are capitalized and added to the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC.

H.4.1

9. Consolidated Statement of Condition of All Federal Reserve Banks

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Dec 22, 2010	Change since	
			Wednesday Dec 15, 2010	Wednesday Dec 23, 2009
Assets				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,148	+ 4	+ 97
Securities, repurchase agreements, term auction credit, and other loans		2,208,198	+ 38,164	+ 197,415
Securities held outright ¹		2,163,097	+ 38,815	+ 316,210
U.S. Treasury securities		1,007,237	+ 39,684	+ 230,661
Bills ²		18,423	0	0
Notes and bonds, nominal ²		934,527	+ 37,949	+ 226,878
Notes and bonds, inflation-indexed ²		48,125	+ 1,619	+ 3,482
Inflation compensation ³		6,162	+ 116	+ 300
Federal agency debt securities ²		147,460	- 424	- 12,419
Mortgage-backed securities ⁴		1,008,400	- 445	+ 97,967
Repurchase agreements ⁵		0	0	0
Term auction credit		0	0	- 75,918
Other loans		45,101	- 651	- 42,877
Net portfolio holdings of Commercial Paper Funding Facility LLC ⁶		0	0	- 14,055
Net portfolio holdings of Maiden Lane LLC ⁷		26,929	+ 15	+ 344
Net portfolio holdings of Maiden Lane II LLC ⁸		16,151	+ 7	+ 570
Net portfolio holdings of Maiden Lane III LLC ⁹		23,129	+ 8	+ 479
Net portfolio holdings of TALF LLC ¹⁰		665	+ 17	+ 367
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ¹¹		26,057	0	+ 1,057
Items in process of collection	(132)	497	+ 230	+ 124
Bank premises		2,226	+ 3	- 19
Central bank liquidity swaps ¹²		75	+ 15	- 10,197
Other assets ¹³		108,460	+ 3,758	+ 15,587
Total assets	(132)	2,430,772	+ 42,222	+ 191,769

Note: Components may not sum to totals because of rounding. Footnotes appear at the end of the table.

H.4.1

9. Consolidated Statement of Condition of All Federal Reserve Banks (continued)

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Dec 22, 2010	Change since	
			Wednesday Dec 15, 2010	Wednesday Dec 23, 2009
Liabilities				
Federal Reserve notes, net of F.R. Bank holdings		942,422	+ 3,986	+ 53,637
Reverse repurchase agreements ¹⁴		51,134	+ 318	- 9,591
Deposits	(0)	1,335,513	+ 38,181	+ 115,144
Term deposits held by depository institutions		5,113	0	+ 5,113
Other deposits held by depository institutions		1,035,524	+ 38,472	- 46,996
U.S. Treasury, general account		89,913	- 1,728	- 29,526
U.S. Treasury, supplementary financing account		199,961	0	+ 184,961
Foreign official		4,581	+ 1,420	+ 2,286
Other	(0)	421	+ 18	- 694
Deferred availability cash items	(132)	2,217	- 94	- 243
Other liabilities and accrued dividends ¹⁵		43,079	+ 150	+ 28,540
Total liabilities	(132)	2,374,365	+ 42,542	+ 187,487
Capital accounts				
Capital paid in		26,474	- 358	+ 831
Surplus		25,945	+ 6	+ 4,472
Other capital accounts		3,988	+ 31	- 1,020
Total capital		56,407	- 321	+ 4,283

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

1. Includes securities lent to dealers under the overnight securities lending facility; 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. Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
5. Cash value of agreements, which are collateralized by U.S. Treasury and federal agency securities.
6. Includes the book value of the commercial paper, net of amortized costs and related fees, and other investments held by the Commercial Paper Funding Facility LLC.
7. Refer to table 4 and the note on consolidation accompanying table 10.
8. Refer to table 5 and the note on consolidation accompanying table 10.
9. Refer to table 6 and the note on consolidation accompanying table 10.
10. Refer to table 7 and the note on consolidation accompanying table 10.
11. Refer to table 8.
12. Dollar value of foreign currency held under these agreements valued at the exchange rate to be used when the foreign currency is returned to the foreign central bank. This exchange rate equals the market exchange rate used when the foreign currency was acquired from the foreign central bank.
13. Includes other assets denominated in foreign currencies, which are revalued daily at market exchange rates, accrued dividends on the Federal Reserve Bank of New York's (FRBNY) preferred interests in AIA Aurora LLC and ALICO Holdings LLC, and the fair value adjustment to credit extended by the FRBNY to eligible borrowers through the Term Asset-Backed Securities Loan Facility.
14. Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
15. Includes the liabilities of Maiden Lane LLC, Maiden Lane II LLC, Maiden Lane III LLC, and TALF LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of these LLCs. Refer to table 4 through table 7 and the note on consolidation accompanying table 10. Also includes funds from American International Group, Inc. asset dispositions, held as agent.

H.4.1

10. Statement of Condition of Each Federal Reserve Bank, December 22, 2010

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	369	4,038	404	463	846	1,385	887	324	203	296	652	1,170
Special drawing rights certificate acct.	5,200	196	1,818	210	237	412	654	424	150	90	153	282	574
Coin	2,148	50	70	171	161	347	186	334	34	58	155	233	350
Securities, repurchase agreements, term auction credit, and other loans	2,208,198	54,741	927,680	50,515	73,493	246,363	204,707	163,070	55,724	29,626	74,212	90,841	237,226
Securities held outright ¹	2,163,097	54,741	882,658	50,515	73,493	246,353	204,689	163,068	55,718	29,612	74,203	90,829	237,218
U.S. Treasury securities	1,007,237	25,490	411,006	23,522	34,222	114,713	95,312	75,932	25,945	13,789	34,552	42,294	110,460
Bills ²	18,423	466	7,517	430	626	2,098	1,743	1,389	475	252	632	774	2,020
Notes and bonds ³	988,814	25,024	403,488	23,092	33,596	112,615	93,569	74,543	25,470	13,537	33,920	41,521	108,439
Federal agency debt securities ²	147,460	3,732	60,171	3,444	5,010	16,794	13,954	11,116	3,798	2,019	5,058	6,192	16,171
Mortgage-backed securities ⁴	1,008,400	25,519	411,481	23,549	34,261	114,846	95,423	76,020	25,975	13,805	34,592	42,343	110,587
Repurchase agreements ⁵	0	0	0	0	0	0	0	0	0	0	0	0	0
Term auction credit	0	0	0	0	0	0	0	0	0	0	0	0	0
Other loans	45,101	0	45,021	0	0	10	18	2	7	14	9	12	8
Net portfolio holdings of Commercial Paper Funding Facility LLC ⁶	0	0	0	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane LLC ⁷	26,929	0	26,929	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC ⁸	16,151	0	16,151	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC ⁹	23,129	0	23,129	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC ¹⁰	665	0	665	0	0	0	0	0	0	0	0	0	0
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ¹¹	26,057	0	26,057	0	0	0	0	0	0	0	0	0	0
Items in process of collection	629	8	0	62	316	6	49	37	19	47	33	24	29
Bank premises	2,226	127	256	68	141	240	217	209	136	107	265	246	213
Central bank liquidity swaps ¹²	75	3	22	8	6	21	5	2	1	2	1	1	5
Other assets ¹³	108,460	3,052	41,435	4,757	4,703	16,523	9,368	6,803	2,377	1,862	3,041	3,830	10,709
Interdistrict settlement account	0	+ 2,550	+ 203,143	+ 17,316	- 24,882	- 31,597	- 47,494	- 40,101	- 17,086	- 7,743	- 16,920	- 3,724	- 33,463
Total assets	2,430,904	61,096	1,271,391	73,511	54,636	233,161	169,077	131,665	41,679	24,254	61,235	92,385	216,813

Note: Components may not sum to totals because of rounding. Footnotes appear at the end of the table.

H.4.1

10. Statement of Condition of Each Federal Reserve Bank, December 22, 2010 (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
<i>Liabilities</i>													
Federal Reserve notes outstanding	1,124,539	41,202	384,338	45,596	46,023	90,219	142,486	86,568	32,411	19,959	33,251	76,192	126,293
Less: Notes held by F.R. Banks	182,116	4,828	65,759	5,037	7,464	13,134	21,294	12,086	4,317	5,822	3,565	11,796	27,014
Federal Reserve notes, net	942,422	36,374	318,579	40,559	38,559	77,085	121,192	74,481	28,094	14,138	29,686	64,396	99,279
Reverse repurchase agreements ¹⁴	51,134	1,294	20,865	1,194	1,737	5,824	4,839	3,855	1,317	700	1,754	2,147	5,608
Deposits	1,335,513	21,256	876,601	25,786	9,741	136,705	39,191	51,307	11,521	7,195	28,964	24,623	102,624
Term deposits held by depository institutions	5,113	20	1,978	800	15	414	12	17	5	5	14	15	1,818
Other deposits held by depository institutions	1,035,524	21,231	579,961	24,980	9,723	136,180	39,175	51,273	11,465	7,185	28,948	24,607	100,795
U.S. Treasury, general account	89,913	0	89,913	0	0	0	0	0	0	0	0	0	0
U.S. Treasury, supplementary financing account	199,961	0	199,961	0	0	0	0	0	0	0	0	0	0
Foreign official	4,581	1	4,552	4	3	11	2	1	0	1	0	1	3
Other	421	3	235	2	1	100	2	16	51	3	1	0	8
Deferred availability cash items	2,349	77	0	281	445	102	128	165	74	424	124	99	430
Other liabilities and accrued dividends ¹⁵	43,079	201	39,327	257	275	757	506	411	183	147	182	260	575
Total liabilities	2,374,498	59,203	1,255,372	68,077	50,758	220,472	165,855	130,219	41,188	22,603	60,710	91,524	208,516
<i>Capital</i>													
Capital paid in	26,474	917	7,682	2,566	1,923	5,439	1,519	673	216	819	239	402	4,079
Surplus	25,945	946	7,738	2,804	1,911	7,141	1,581	621	238	712	210	353	1,689
Other capital	3,988	30	599	63	45	109	121	152	36	120	77	106	2,529
Total liabilities and capital	2,430,904	61,096	1,271,391	73,511	54,636	233,161	169,077	131,665	41,679	24,254	61,235	92,385	216,813

Note: Components may not sum to totals because of rounding. Footnotes appear at the end of the table.

10. Statement of Condition of Each Federal Reserve Bank, December 22, 2010 (continued)

1. Includes securities lent to dealers under the overnight securities lending facility; 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. Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
5. Cash value of agreements, which are collateralized by U.S. Treasury and federal agency securities.
6. Includes the book value of the commercial paper, net of amortized costs and related fees, and other investments held by the Commercial Paper Funding Facility LLC.
7. Refer to table 4 and the note on consolidation below.
8. Refer to table 5 and the note on consolidation below.
9. Refer to table 6 and the note on consolidation below.
10. Refer to table 7 and the note on consolidation below.
11. Refer to table 8.
12. Dollar value of foreign currency held under these agreements valued at the exchange rate to be used when the foreign currency is returned to the foreign central bank. This exchange rate equals the market exchange rate used when the foreign currency was acquired from the foreign central bank.
13. Includes other assets denominated in foreign currencies, which are revalued daily at market exchange rates, accrued dividends on the Federal Reserve Bank of New York's (FRBNY) preferred interests in AIA Aurora LLC and ALICO Holdings LLC, and the fair value adjustment to credit extended by the FRBNY to eligible borrowers through the Term Asset-Backed Securities Loan Facility.
14. Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
15. Includes the liabilities of Maiden Lane LLC, Maiden Lane II LLC, Maiden Lane III LLC, and TALF LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of these LLCs. Refer to table 4 through table 7 and the note on consolidation below. Also includes funds from American International Group, Inc. asset dispositions, held as agent.

Note on consolidation:

The Federal Reserve Bank of New York (FRBNY) has extended loans to several limited liability companies under the authority of section 13(3) of the Federal Reserve Act. On June 26, 2008, a loan was extended to Maiden Lane LLC, which was formed to acquire certain assets of Bear Stearns. On November 25, 2008, a loan was extended to Maiden Lane III LLC, which was formed to purchase multi-sector collateralized debt obligations on which the Financial Products group of the American International Group, Inc. has written credit default swap contracts. On December 12, 2008, a loan was extended to Maiden Lane II LLC, which was formed to purchase residential mortgage-backed securities from the U.S. securities lending reinvestment portfolio of subsidiaries of American International Group, Inc. On November 25, 2008, the Federal Reserve Board authorized the FRBNY to extend credit to TALF LLC, which was formed to purchase and manage any asset-backed securities received by the FRBNY in connection with the decision of a borrower not to repay a loan extended under the Term Asset-Backed Securities Loan Facility.

The FRBNY is the primary beneficiary of TALF LLC, because of the two beneficiaries of the LLC, the FRBNY and the U.S. Treasury, the FRBNY is primarily responsible for directing the financial activities of TALF LLC. The FRBNY is the primary beneficiary of the other LLCs cited above because it will receive a majority of any residual returns of the LLCs and absorb a majority of any residual losses of the LLCs. Consistent with generally accepted accounting principles, the assets and liabilities of these LLCs have been consolidated with the assets and liabilities of the FRBNY in the preparation of the statements of condition shown on this release. As a consequence of the consolidation, the extensions of credit from the FRBNY to the LLCs are eliminated, the net assets of the LLCs appear as assets on the previous page (and in table 1 and table 9), and the liabilities of the LLCs to entities other than the FRBNY, including those with recourse only to the portfolio holdings of the LLCs, are included in other liabilities in this table (and table 1 and table 9).

H.4.1

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

Millions of dollars

Federal Reserve notes and collateral		Wednesday Dec 22, 2010
Federal Reserve notes outstanding		1, 124, 539
Less: Notes held by F.R. Banks not subject to collateralization		182, 116
Federal Reserve notes to be collateralized		942, 422
Collateral held against Federal Reserve notes		942, 422
Gold certificate account		11, 037
Special drawing rights certificate account		5, 200
U.S. Treasury, agency debt, and mortgage-backed securities pledged ^{1,2}		926, 186
Other assets pledged		0
<i>Memo:</i>		
Total U.S. Treasury, agency debt, and mortgage-backed securities ^{1,2}		2, 163, 097
Less: Face value of securities under reverse repurchase agreements		45, 304
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged		2, 117, 793

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

1. Includes face value of U.S. Treasury, agency debt, and mortgage-backed 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.
2. Includes securities lent to dealers under the overnight securities lending facility; refer to table 1A.