

# FEDERAL RESERVE statistical release



H.4.1

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

July 21, 2011

### 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 Jul 20, 2011
	Week ended Jul 20, 2011	Change from week ended		
		Jul 13, 2011	Jul 21, 2010	
Reserve Bank credit	2,854,859	- 4,244	+ 539,171	2,855,494
Securities held outright <sup>1</sup>	2,651,436	- 794	+ 590,202	2,652,311
U.S. Treasury securities	1,631,801	+ 3,495	+ 854,791	1,634,093
Bills <sup>2</sup>	18,423	0	0	18,423
Notes and bonds, nominal <sup>2</sup>	1,538,655	+ 3,416	+ 826,635	1,540,917
Notes and bonds, inflation-indexed <sup>2</sup>	65,521	0	+ 24,392	65,521
Inflation compensation <sup>3</sup>	9,203	+ 79	+ 3,764	9,232
Federal agency debt securities <sup>2</sup>	114,627	- 443	- 45,144	114,036
Mortgage-backed securities <sup>4</sup>	905,008	- 3,845	- 219,445	904,182
Repurchase agreements <sup>5</sup>	0	0	0	0
Loans	12,504	- 14	- 53,401	12,531
Primary credit	6	- 2	- 19	26
Secondary credit	0	0	- 1	0
Seasonal credit	76	+ 10	- 3	83
Credit extended to American International Group, Inc., net <sup>6</sup>	0	0	- 24,154	0
Term Asset-Backed Securities Loan Facility <sup>7</sup>	12,422	- 22	- 29,224	12,422
Other credit extensions	0	0	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>8</sup>	0	0	- 1	0
Net portfolio holdings of Maiden Lane LLC <sup>9</sup>	21,173	- 2,704	- 7,365	20,744
Net portfolio holdings of Maiden Lane II LLC <sup>10</sup>	11,454	+ 3	- 4,096	11,461
Net portfolio holdings of Maiden Lane III LLC <sup>11</sup>	23,634	- 687	+ 665	23,518
Net portfolio holdings of TALF LLC <sup>12</sup>	757	0	+ 246	757
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>6</sup>	0	0	- 25,733	0
Float	-1,075	+ 105	+ 596	-1,053
Central bank liquidity swaps <sup>13</sup>	0	0	- 1,246	0
Other Federal Reserve assets <sup>14</sup>	134,976	- 153	+ 39,303	135,225
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding <sup>15</sup>	44,008	+ 14	+ 757	44,008
<b>Total factors supplying reserve funds</b>	<b>2,915,108</b>	<b>- 4,230</b>	<b>+ 539,928</b>	<b>2,915,742</b>

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

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### 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 Jul 20, 2011
	Week ended Jul 20, 2011	Change from week ended		
		Jul 13, 2011	Jul 21, 2010	
Currency in circulation <sup>15</sup>	1,028,352	- 1,864	+ 85,322	1,029,334
Reverse repurchase agreements <sup>16</sup>	65,706	- 838	+ 2,338	64,695
Foreign official and international accounts	65,706	- 838	+ 2,338	64,695
Others	0	0	0	0
Treasury cash holdings	153	+ 13	- 90	134
Deposits with F.R. Banks, other than reserve balances	111,353	+ 41,092	- 148,272	125,150
Term deposits held by depository institutions	0	0	- 4,241	0
U.S. Treasury, general account	90,719	+ 40,380	+ 39,412	96,422
U.S. Treasury, supplementary financing account	5,000	0	- 194,962	5,000
Foreign official	142	- 11	- 1,115	178
Service-related	2,530	- 2	+ 61	2,530
Required clearing balances	2,530	- 2	+ 61	2,530
Adjustments to compensate for float	0	0	0	0
Other	12,962	+ 726	+ 12,573	21,020
Funds from American International Group, Inc. asset dispositions, held as agent <sup>6</sup>	0	0	0	0
Other liabilities and capital <sup>17</sup>	72,478	- 498	- 241	71,758
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>1,278,042</b>	<b>+ 37,906</b>	<b>- 60,943</b>	<b>1,291,071</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>1,637,065</b>	<b>- 42,136</b>	<b>+ 600,870</b>	<b>1,624,671</b>

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.
- As a result of the closing of the American International Group, Inc. (AIG) recapitalization plan on January 14, 2011, the credit extended to AIG was fully repaid and the Federal Reserve's commitment to lend any further funds was terminated. In addition, the Federal Reserve Bank of New York (FRBNY) has been paid in full for its preferred interests in AIA Aurora LLC and ALICO Holdings LLC. The funds from AIG asset dispositions that FRBNY held as agent were the source of repayment of the credit extended to AIG, as well as a portion of the FRBNY's preferred interests in ALICO Holdings LLC. The remaining FRBNY preferred interests in ALICO Holdings LLC and AIA Aurora LLC, valued at approximately \$20 billion, were purchased by AIG through a draw on the Treasury's Series F preferred stock commitment and then transferred by AIG to the Treasury as consideration for the draw on the available Series F funds.
- 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 9.
- Refer to table 5 and the note on consolidation accompanying table 9.
- Refer to table 6 and the note on consolidation accompanying table 9.
- Refer to table 7 and the note on consolidation accompanying table 9.
- 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, and the fair value adjustment to credit extended by the FRBNY to eligible borrowers through the Term Asset-Backed Securities Loan Facility. Before the closing of the AIG recapitalization plan on January 14, 2011, included accrued dividends on the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC.
- Estimated.
- Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
- 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 9. Also includes the liability for interest on Federal Reserve notes due to U.S. Treasury. Refer to table 8 and table 9.

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

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### 1A. Memorandum Items

Millions of dollars

Memorandum item	Averages of daily figures			Wednesday Jul 20, 2011
	Week ended Jul 20, 2011	Change from week ended		
		Jul 13, 2011	Jul 21, 2010	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	3,453,945	+ 3,175	+ 322,168	3,454,428
U.S. Treasury securities	2,719,889	+ 5,061	+ 416,382	2,721,855
Federal agency securities <sup>2</sup>	734,056	- 1,887	- 94,215	732,573
Securities lent to dealers	14,411	- 1,019	+ 9,955	14,113
Overnight facility <sup>3</sup>	14,411	- 1,019	+ 9,955	14,113
U.S. Treasury securities	13,808	- 832	+ 10,508	13,538
Federal agency debt securities	603	- 187	- 553	575

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, July 20, 2011

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
Loans <sup>1</sup>	89	20	1,760	10,662	0	...	12,531
<i>U.S. Treasury securities<sup>2</sup></i>							
Holdings	15,085	15,309	114,135	710,280	579,576	199,706	1,634,093
Weekly changes	+ 444	- 445	+ 10,268	- 3,654	- 2,972	+ 37	+ 3,679
<i>Federal agency debt securities<sup>3</sup></i>							
Holdings	1,601	4,767	16,639	68,537	20,145	2,347	114,036
Weekly changes	- 1,034	+ 600	- 145	+ 2,149	- 2,604	0	- 1,034
<i>Mortgage-backed securities<sup>4</sup></i>							
Holdings	0	0	0	16	23	904,143	904,182
Weekly changes	0	0	0	- 1	0	- 4,671	- 4,671
Asset-backed securities held by TALF LLC <sup>5</sup>	0	0	0	0	0	0	0
Repurchase agreements <sup>6</sup>	0	0	...	...	...	...	0
Central bank liquidity swaps <sup>7</sup>	0	0	0	0	0	0	0
Reverse repurchase agreements <sup>6</sup>	64,695	0	...	...	...	...	64,695
Term deposits	0	0	0	...	...	...	0

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.

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### 3. Supplemental Information on Mortgage-Backed Securities Purchase Program

Millions of dollars

Account name	Wednesday Jul 20, 2011
Mortgage-backed securities held outright <sup>1</sup>	904,182
Commitments to buy mortgage-backed securities <sup>2</sup>	0
Commitments to sell mortgage-backed securities <sup>2</sup>	0
Cash and cash equivalents <sup>3</sup>	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 8 and table 9.

### 4. Information on Principal Accounts of Maiden Lane LLC

Millions of dollars

Account name	Wednesday Jul 20, 2011
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	20,744
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	17,693
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	715
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,353

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 March 31, 2011. 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 9.
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 8 and table 9.

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 Jul 20, 2011
Net portfolio holdings of Maiden Lane II LLC <sup>1</sup>	11,461
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	6,971
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	530
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. <sup>3</sup>	1,090

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 March 31, 2011. 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 9.
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 8 and table 9.

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.

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### 6. Information on Principal Accounts of Maiden Lane III LLC

Millions of dollars

Account name	Wednesday Jul 20, 2011
Net portfolio holdings of Maiden Lane III LLC <sup>1</sup>	23,518
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	10,854
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	633
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.<sup>3</sup></u>	<u>5,462</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 March 31, 2011. 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 9.
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 8 and table 9.

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 Jul 20, 2011
Asset-backed securities holdings <sup>1</sup>	0
Other investments, net	757
Net portfolio holdings of TALF LLC	757
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	0
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	0
<u>Funding provided by U.S. Treasury to TALF LLC, including accrued interest payable<sup>3</sup></u>	<u>108</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 9.
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 8 and table 9.

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. Consolidated Statement of Condition of All Federal Reserve Banks**

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Jul 20, 2011	Change since	
			Wednesday Jul 13, 2011	Wednesday Jul 21, 2010
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,167	+ 50	+ 134
Securities, repurchase agreements, and loans		2,664,842	- 2,005	+ 538,307
Securities held outright <sup>1</sup>		2,652,311	- 2,026	+ 591,327
U.S. Treasury securities		1,634,093	+ 3,679	+ 857,080
Bills <sup>2</sup>		18,423	0	0
Notes and bonds, nominal <sup>2</sup>		1,540,917	+ 3,600	+ 828,897
Notes and bonds, inflation-indexed <sup>2</sup>		65,521	0	+ 24,392
Inflation compensation <sup>3</sup>		9,232	+ 79	+ 3,790
Federal agency debt securities <sup>2</sup>		114,036	- 1,034	- 45,345
Mortgage-backed securities <sup>4</sup>		904,182	- 4,671	- 220,408
Repurchase agreements <sup>5</sup>		0	0	0
Loans		12,531	+ 21	- 53,020
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>6</sup>		0	0	- 1
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>		20,744	- 3,168	- 7,826
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>		11,461	+ 8	- 4,095
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>		23,518	- 840	+ 538
Net portfolio holdings of TALF LLC <sup>10</sup>		757	0	+ 217
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>		0	0	- 25,733
Items in process of collection	(134)	264	0	- 94
Bank premises		2,201	+ 2	- 30
Central bank liquidity swaps <sup>12</sup>		0	0	- 1,246
Other assets <sup>13</sup>		133,019	- 841	+ 39,300
<b>Total assets</b>	(134)	2,875,211	- 6,793	+ 539,471

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

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

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Jul 20, 2011	Change since	
			Wednesday Jul 13, 2011	Wednesday Jul 21, 2010
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		987,624	- 661	+ 85,365
Reverse repurchase agreements <sup>14</sup>		64,695	- 357	+ 3,228
Deposits	(0)	1,749,817	- 5,432	+ 451,508
Term deposits held by depository institutions		0	0	- 4,241
Other deposits held by depository institutions		1,627,197	- 60,318	+ 578,912
U.S. Treasury, general account		96,422	+ 57,006	+ 52,557
U.S. Treasury, supplementary financing account		5,000	0	- 194,962
Foreign official		178	+ 17	- 1,270
Other	(0)	21,020	- 2,137	+ 20,512
Deferred availability cash items	(134)	1,317	- 205	- 819
Other liabilities and accrued dividends <sup>15</sup>		20,085	- 137	+ 5,355
<b>Total liabilities</b>	<b>(134)</b>	<b>2,823,538</b>	<b>- 6,792</b>	<b>+ 544,638</b>
<i>Capital accounts</i>				
Capital paid in		25,836	- 1	- 825
Surplus		25,836	- 1	+ 20
Other capital accounts		0	0	- 4,362
<b>Total capital</b>		<b>51,673</b>	<b>- 1</b>	<b>- 5,167</b>

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, which are collateralized by U.S. Treasury and federal agency securities.
- 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 9.
- Refer to table 5 and the note on consolidation accompanying table 9.
- Refer to table 6 and the note on consolidation accompanying table 9.
- Refer to table 7 and the note on consolidation accompanying table 9.
- As a result of the closing of the AIG recapitalization plan on January 14, 2011, the Federal Reserve Bank of New York has been paid in full for its preferred interests in AIA Aurora LLC and ALICO Holdings LLC. A portion of the preferred interests was redeemed by AIG with the funds from AIG asset dispositions that were held as agent by the Federal Reserve.
- 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 and the fair value adjustment to credit extended by the Federal Reserve Bank of New York (FRBNY) to eligible borrowers through the Term Asset-Backed Securities Loan Facility. Before the closing of the AIG recapitalization plan on January 14, 2011, included accrued dividends on the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC.
- Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
- 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 9. Also includes the liability for interest on Federal Reserve notes due to U.S. Treasury. Before the closing of the AIG recapitalization plan on January 14, 2011, included funds from American International Group, Inc. asset dispositions, held as agent.

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## 9. Statement of Condition of Each Federal Reserve Bank, July 20, 2011

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>Assets</i>													
Gold certificate account	11,037	390	3,866	432	450	872	1,394	854	319	197	318	728	1,217
Special drawing rights certificate acct.	5,200	196	1,818	210	237	412	654	424	150	90	153	282	574
Coin	2,167	49	72	161	160	357	192	327	41	61	165	221	360
Securities, repurchase agreements, and loans	2,664,842	65,211	1,245,862	90,861	71,664	306,315	197,185	157,521	50,223	40,792	70,566	104,899	263,742
Securities held outright <sup>1</sup>	2,652,311	65,211	1,233,439	90,858	71,644	306,315	197,180	157,509	50,200	40,762	70,553	104,899	263,742
U.S. Treasury securities	1,634,093	40,177	759,923	55,978	44,140	188,721	121,483	97,041	30,929	25,114	43,468	64,629	162,492
Bills <sup>2</sup>	18,423	453	8,567	631	498	2,128	1,370	1,094	349	283	490	729	1,832
Notes and bonds <sup>3</sup>	1,615,670	39,724	751,356	55,346	43,643	186,593	120,113	95,947	30,580	24,830	42,978	63,900	160,660
Federal agency debt securities <sup>2</sup>	114,036	2,804	53,032	3,906	3,080	13,170	8,478	6,772	2,158	1,753	3,033	4,510	11,340
Mortgage-backed securities <sup>4</sup>	904,182	22,231	420,484	30,974	24,424	104,424	67,219	53,695	17,113	13,896	24,052	35,761	89,911
Repurchase agreements <sup>5</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	12,531	0	12,424	3	20	0	6	12	22	30	14	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>6</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>	20,744	0	20,744	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>	11,461	0	11,461	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>	23,518	0	23,518	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC <sup>10</sup>	757	0	757	0	0	0	0	0	0	0	0	0	0
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Items in process of collection	398	25	0	71	107	5	22	38	6	30	16	19	59
Bank premises	2,201	123	256	68	137	236	214	207	136	106	261	246	211
Central bank liquidity swaps <sup>12</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Other assets <sup>13</sup>	133,019	3,568	56,919	6,261	4,880	17,856	9,445	6,966	2,257	2,497	3,073	4,624	14,672
Interdistrict settlement account	0	- 10,549	+ 281,332	+ 3,592	- 8,501	- 113,177	- 44,820	- 9,930	- 8,624	- 20,982	- 19,437	- 5,239	- 43,664
<b>Total assets</b>	<b>2,875,345</b>	<b>59,013</b>	<b>1,646,605</b>	<b>101,656</b>	<b>69,134</b>	<b>212,877</b>	<b>164,285</b>	<b>156,407</b>	<b>44,508</b>	<b>22,791</b>	<b>55,116</b>	<b>105,781</b>	<b>237,171</b>

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



## H.4.1

## 9. Statement of Condition of Each Federal Reserve Bank, July 20, 2011 (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	1,148,038	43,132	384,901	47,007	54,964	94,834	139,317	90,331	34,146	19,412	32,182	75,186	132,627
Less: Notes held by F.R. Banks	160,414	5,072	40,446	6,333	7,607	12,727	24,949	13,370	4,481	5,570	3,301	11,356	25,201
Federal Reserve notes, net	987,624	38,060	344,455	40,674	47,358	82,106	114,367	76,960	29,664	13,842	28,881	63,830	107,426
Reverse repurchase agreements <sup>14</sup>	64,695	1,591	30,086	2,216	1,748	7,472	4,810	3,842	1,224	994	1,721	2,559	6,433
Deposits	1,749,817	17,211	1,241,142	53,502	15,544	111,180	41,500	73,504	12,908	7,308	23,688	38,194	114,135
Term deposits held by depository institutions	0	0	0	0	0	0	0	0	0	0	0	0	0
Other deposits held by depository institutions	1,627,197	17,206	1,118,879	53,481	15,540	110,922	41,498	73,479	12,883	7,307	23,687	38,194	114,124
U.S. Treasury, general account	96,422	0	96,422	0	0	0	0	0	0	0	0	0	0
U.S. Treasury, supplementary financing account	5,000	0	5,000	0	0	0	0	0	0	0	0	0	0
Foreign official	178	1	150	4	3	8	2	1	0	1	0	1	6
Other	21,020	4	20,691	18	1	250	0	25	25	0	1	0	5
Deferred availability cash items	1,452	76	0	227	217	51	79	106	51	252	83	68	242
Interest on Federal Reserve notes due to U.S. Treasury <sup>15</sup>	1,689	36	821	59	55	195	105	94	30	22	42	64	168
Other liabilities and accrued dividends <sup>16</sup>	18,396	197	14,666	259	264	747	484	414	180	153	182	288	562
<b>Total liabilities</b>	<b>2,823,672</b>	<b>57,171</b>	<b>1,631,169</b>	<b>96,937</b>	<b>65,185</b>	<b>201,751</b>	<b>161,345</b>	<b>154,921</b>	<b>44,058</b>	<b>22,571</b>	<b>54,597</b>	<b>105,002</b>	<b>228,965</b>
<i>Capital</i>													
Capital paid in	25,836	921	7,718	2,359	1,975	5,563	1,470	743	225	110	259	389	4,103
Surplus	25,836	921	7,718	2,359	1,975	5,563	1,470	743	225	110	259	389	4,103
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and capital</b>	<b>2,875,345</b>	<b>59,013</b>	<b>1,646,605</b>	<b>101,656</b>	<b>69,134</b>	<b>212,877</b>	<b>164,285</b>	<b>156,407</b>	<b>44,508</b>	<b>22,791</b>	<b>55,116</b>	<b>105,781</b>	<b>237,171</b>

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

**9. Statement of Condition of Each Federal Reserve Bank, July 20, 2011 (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. As a result of the closing of the AIG recapitalization plan on January 14, 2011, the Federal Reserve Bank of New York has been paid in full for its preferred interests in AIA Aurora LLC and ALICO Holdings LLC. A portion of the preferred interests was redeemed by AIG with the funds from AIG asset dispositions that were held as agent by the Federal Reserve.
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 and the fair value adjustment to credit extended by the Federal Reserve Bank of New York (FRBNY) to eligible borrowers through the Term Asset-Backed Securities Loan Facility. Before the closing of the AIG recapitalization plan on January 14, 2011, included accrued dividends on the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC.
14. Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
15. Represents the estimated weekly remittances to U.S. Treasury as interest on Federal Reserve notes or, in those cases where the Reserve Bank's net earnings are not sufficient to equate surplus to capital paid-in, the deferred asset for interest on Federal Reserve notes. The amount of any deferred asset, which is presented as a negative amount in this line, represents the amount of the Federal Reserve Bank's earnings that must be retained before remittances to the U.S. Treasury resume. The amounts on this line are calculated in accordance with Board of Governors policy, which requires the Federal Reserve Banks to remit residual earnings to the U.S. Treasury as interest on Federal Reserve notes after providing for the costs of operations, payment of dividends, and the amount necessary to equate surplus with capital paid-in.
16. 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. Before the closing of the AIG recapitalization plan on January 14, 2011, included 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 8), 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 8).

H.4.1

**10. Collateral Held against Federal Reserve Notes: Federal Reserve Agents' Accounts**

Millions of dollars

Federal Reserve notes and collateral	Wednesday Jul 20, 2011
Federal Reserve notes outstanding	1,148,038
Less: Notes held by F.R. Banks not subject to collateralization	160,414
Federal Reserve notes to be collateralized	987,624
Collateral held against Federal Reserve notes	987,624
Gold certificate account	11,037
Special drawing rights certificate account	5,200
U.S. Treasury, agency debt, and mortgage-backed securities pledged <sup>1,2</sup>	971,387
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities <sup>1,2</sup>	2,652,311
Less: Face value of securities under reverse repurchase agreements	58,394
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,593,918

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.