

FEDERAL RESERVE statistical release



H.4.1

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

December 22, 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 Dec 21, 2011
	Week ended Dec 21, 2011	Change from week ended		
		Dec 14, 2011	Dec 22, 2010	
Reserve Bank credit	2,884,945	+ 17,829	+ 496,236	2,898,852
Securities held outright ¹	2,628,660	+ 11,065	+ 485,940	2,640,671
U.S. Treasury securities	1,673,837	+ 2,306	+ 687,292	1,684,249
Bills ²	18,423	0	0	18,423
Notes and bonds, nominal ²	1,577,280	+ 1,248	+ 661,965	1,587,705
Notes and bonds, inflation-indexed ²	68,468	+ 984	+ 21,731	68,468
Inflation compensation ³	9,667	+ 74	+ 3,597	9,653
Federal agency debt securities ²	104,696	- 1,213	- 42,825	104,696
Mortgage-backed securities ⁴	850,127	+ 9,973	- 158,527	851,726
Repurchase agreements ⁵	0	0	0	0
Loans	9,548	- 433	- 36,023	9,514
Primary credit	13	- 380	- 15	57
Secondary credit	0	0	0	0
Seasonal credit	26	+ 2	- 2	26
Credit extended to American International Group, Inc., net ⁶	0	0	- 20,625	0
Term Asset-Backed Securities Loan Facility ⁷	9,509	- 54	- 15,381	9,431
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC ⁸	7,214	- 2,922	- 19,702	7,235
Net portfolio holdings of Maiden Lane II LLC ⁹	9,239	+ 3	- 6,906	9,243
Net portfolio holdings of Maiden Lane III LLC ¹⁰	17,721	- 179	- 5,401	17,733
Net portfolio holdings of TALF LLC ¹¹	804	+ 1	+ 151	811
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ⁶	0	0	- 26,057	0
Float	-869	+ 48	+ 724	-1,061
Central bank liquidity swaps ¹²	62,599	+ 8,264	+ 62,524	62,599
Other Federal Reserve assets ¹³	150,028	+ 1,981	+ 40,984	152,107
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding ¹⁴	44,236	+ 14	+ 701	44,236
Total factors supplying reserve funds	2,945,422	+ 17,843	+ 496,936	2,959,329

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 Dec 21, 2011
	Week ended Dec 21, 2011	Change from week ended		
		Dec 14, 2011	Dec 22, 2010	
Currency in circulation ¹⁴	1,066,495	+ 2,125	+ 86,025	1,070,339
Reverse repurchase agreements ¹⁵	87,227	+ 2,472	+ 35,971	90,070
Foreign official and international accounts	87,227	+ 2,472	+ 35,971	90,070
Others	0	0	0	0
Treasury cash holdings	116	+ 2	- 62	120
Deposits with F.R. Banks, other than reserve balances	209,113	+ 105,525	- 94,399	222,524
Term deposits held by depository institutions	0	- 5,055	- 5,113	0
U.S. Treasury, General Account	112,404	+ 90,920	+ 20,925	106,592
U.S. Treasury, Supplementary Financing Account	0	0	- 199,961	0
Foreign official	190	- 19	- 4,019	426
Service-related	2,489	- 9	+ 134	2,489
Required clearing balances	2,489	- 9	+ 134	2,489
Adjustments to compensate for float	0	0	0	0
Other	94,030	+ 19,688	+ 93,635	113,016
Funds from American International Group, Inc. asset dispositions, held as agent ⁶	0	0	- 26,838	0
Other liabilities and capital ¹⁶	72,502	- 672	- 670	72,074
Total factors, other than reserve balances, absorbing reserve funds	1,435,453	+ 109,452	+ 26	1,455,127
Reserve balances with Federal Reserve Banks	1,509,968	- 91,610	+ 496,910	1,504,201

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.
- 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

Averages of daily figures				
Memorandum item	Week ended Dec 21, 2011	Change from week ended		Wednesday Dec 21, 2011
		Dec 14, 2011	Dec 22, 2010	
Marketable securities held in custody for foreign official and international accounts ¹	3,440,474	- 2,195	+ 89,408	3,433,849
U.S. Treasury securities	2,712,768	- 10,421	+ 92,403	2,702,218
Federal agency securities ²	727,706	+ 8,225	- 2,995	731,631
Securities lent to dealers	14,801	+ 2,970	+ 4,840	16,504
Overnight facility ³	14,801	+ 2,970	+ 4,840	16,504
U.S. Treasury securities	13,658	+ 2,992	+ 4,902	15,287
Federal agency debt securities	1,143	- 21	- 62	1,217

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 21, 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 ¹	84	0	4,294	5,136	0	...	9,514
U.S. Treasury securities ²							
Holdings	15,691	27,662	87,287	667,121	655,879	230,610	1,684,249
Weekly changes	- 2,729	+ 4,896	- 7,106	- 4,943	+ 15,175	+ 5,482	+ 10,774
Federal agency debt securities ³							
Holdings	702	5,002	19,709	63,103	13,833	2,347	104,696
Weekly changes	- 1,213	+ 811	- 811	+ 2,313	- 2,313	0	- 1,213
Mortgage-backed securities ⁴							
Holdings	0	0	0	14	34	851,677	851,726
Weekly changes	0	0	0	+ 3	+ 11	- 6,366	- 6,352
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	6,488	56,111	0	0	0	0	62,599
Reverse repurchase agreements ⁶	90,070	0	...	...	...	...	90,070
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

Millions of dollars

Account name	Wednesday Dec 21, 2011
Mortgage-backed securities held outright ¹	851,726
Commitments to buy mortgage-backed securities ²	36,640
Commitments to sell mortgage-backed securities ²	4,350
Cash and cash equivalents ³	197

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 Dec 21, 2011
Net portfolio holdings of Maiden Lane LLC ¹	7,235
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	4,104
Accrued interest payable to the Federal Reserve Bank of New York ²	754
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. ³	1,383

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, 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 Dec 21, 2011
Net portfolio holdings of Maiden Lane II LLC ¹	9,243
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	6,223
Accrued interest payable to the Federal Reserve Bank of New York ²	567
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. ³	1,105

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, 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 Dec 21, 2011
Net portfolio holdings of Maiden Lane III LLC ¹	17,733
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	9,134
Accrued interest payable to the Federal Reserve Bank of New York ²	688
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.³</u>	<u>5,537</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, 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 Dec 21, 2011
Asset-backed securities holdings ¹	0
Other investments, net	811
Net portfolio holdings of TALF LLC	811
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>109</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.

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8. Consolidated Statement of Condition of All Federal Reserve Banks

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Dec 21, 2011	Change since	
			Wednesday Dec 14, 2011	Wednesday Dec 22, 2010
Assets				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,297	+ 17	+ 149
Securities, repurchase agreements, and loans		2,650,185	+ 3,135	+ 441,987
Securities held outright ¹		2,640,671	+ 3,209	+ 477,574
U.S. Treasury securities		1,684,249	+ 10,774	+ 677,012
Bills ²		18,423	0	0
Notes and bonds, nominal ²		1,587,705	+ 10,811	+ 653,178
Notes and bonds, inflation-indexed ²		68,468	0	+ 20,343
Inflation compensation ³		9,653	- 37	+ 3,491
Federal agency debt securities ²		104,696	- 1,213	- 42,764
Mortgage-backed securities ⁴		851,726	- 6,352	- 156,674
Repurchase agreements ⁵		0	0	0
Loans		9,514	- 74	- 35,587
Net portfolio holdings of Maiden Lane LLC ⁶		7,235	+ 24	- 19,694
Net portfolio holdings of Maiden Lane II LLC ⁷		9,243	+ 4	- 6,908
Net portfolio holdings of Maiden Lane III LLC ⁸		17,733	+ 14	- 5,396
Net portfolio holdings of TALF LLC ⁹		811	+ 8	+ 146
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ¹⁰		0	0	- 26,057
Items in process of collection	(103)	191	- 128	- 306
Bank premises		2,187	+ 3	- 39
Central bank liquidity swaps ¹¹		62,599	+ 8,264	+ 62,524
Other assets ¹²		149,787	+ 2,203	+ 41,327
Total assets	(103)	2,918,506	+ 13,547	+ 487,734

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 Dec 21, 2011	Change since	
			Wednesday Dec 14, 2011	Wednesday Dec 22, 2010
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		1,028,516	+ 3,887	+ 86,094
Reverse repurchase agreements ¹³		90,070	+ 7,598	+ 38,936
Deposits	(0)	1,726,593	+ 1,752	+ 391,080
Term deposits held by depository institutions		0	- 5,055	- 5,113
Other deposits held by depository institutions		1,506,559	- 108,609	+ 471,035
U.S. Treasury, General Account		106,592	+ 80,941	+ 16,679
U.S. Treasury, Supplementary Financing Account		0	0	- 199,961
Foreign official		426	- 274	- 4,155
Other	(0)	113,016	+ 34,749	+ 112,595
Deferred availability cash items	(103)	1,252	- 82	- 965
Other liabilities and accrued dividends ¹⁴		18,191	+ 386	- 24,888
Total liabilities	(103)	2,864,623	+ 13,542	+ 490,258
<i>Capital accounts</i>				
Capital paid in		26,941	+ 2	+ 467
Surplus		26,941	+ 2	+ 996
Other capital accounts		0	0	- 3,988
Total capital		53,883	+ 4	- 2,524

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. Refer to table 4 and the note on consolidation accompanying table 9.
7. Refer to table 5 and the note on consolidation accompanying table 9.
8. Refer to table 6 and the note on consolidation accompanying table 9.
9. Refer to table 7 and the note on consolidation accompanying table 9.
10. 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.
11. 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.
12. 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.
13. Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
14. 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, December 21, 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	2,297	52	80	161	171	408	204	332	35	59	175	238	381
Securities, repurchase agreements, and loans	2,650,185	64,927	1,237,456	90,464	71,330	304,971	196,316	156,823	49,982	40,588	70,255	104,439	262,634
Securities held outright ¹	2,640,671	64,925	1,228,025	90,459	71,330	304,971	196,314	156,817	49,980	40,583	70,243	104,439	262,584
U.S. Treasury securities	1,684,249	41,410	783,248	57,696	45,495	194,514	125,211	100,020	31,878	25,884	44,802	66,612	167,479
Bills ²	18,423	453	8,567	631	498	2,128	1,370	1,094	349	283	490	729	1,832
Notes and bonds ³	1,665,827	40,957	774,681	57,065	44,997	192,386	123,842	98,926	31,529	25,601	44,312	65,884	165,647
Federal agency debt securities ²	104,696	2,574	48,688	3,586	2,828	12,091	7,783	6,217	1,982	1,609	2,785	4,141	10,411
Mortgage-backed securities ⁴	851,726	20,941	396,089	29,177	23,007	98,366	63,319	50,580	16,121	13,090	22,656	33,686	84,694
Repurchase agreements ⁵	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	9,514	2	9,431	5	0	0	2	6	2	5	12	0	50
Net portfolio holdings of Maiden Lane LLC ⁶	7,235	0	7,235	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC ⁷	9,243	0	9,243	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC ⁸	17,733	0	17,733	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC ⁹	811	0	811	0	0	0	0	0	0	0	0	0	0
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ¹⁰	0	0	0	0	0	0	0	0	0	0	0	0	0
Items in process of collection	294	14	0	87	85	5	-97	21	5	11	6	14	141
Bank premises	2,187	122	263	67	126	232	214	206	134	105	259	246	213
Central bank liquidity swaps ¹¹	62,599	2,163	18,131	6,064	4,644	12,836	3,587	1,586	510	1,934	564	948	9,633
Other assets ¹²	149,787	3,969	64,866	6,797	5,278	19,684	10,708	8,001	2,577	2,740	3,537	5,341	16,288
Interdistrict settlement account	0	- 1,229	+ 337,320	- 25,579	- 8,275	- 128,296	- 47,409	- 20,898	- 9,822	- 19,054	- 19,792	- 648	- 56,318
Total assets	2,918,609	70,604	1,698,822	78,702	74,046	211,124	165,572	147,350	43,890	26,671	55,475	111,588	234,764

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

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9. Statement of Condition of Each Federal Reserve Bank, December 21, 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	1,205,814	44,372	425,654	46,220	54,341	94,761	145,345	89,366	33,997	21,045	34,663	80,375	135,675
Less: Notes held by F.R. Banks	177,298	4,596	50,711	6,673	9,684	11,486	28,895	12,824	4,232	5,315	3,672	12,274	26,936
Federal Reserve notes, net	1,028,516	39,776	374,944	39,547	44,658	83,274	116,450	76,542	29,765	15,730	30,991	68,101	108,739
Reverse repurchase agreements ¹³	90,070	2,215	41,887	3,085	2,433	10,402	6,696	5,349	1,705	1,384	2,396	3,562	8,956
Deposits	1,726,593	26,421	1,250,982	30,911	22,465	105,307	38,705	63,407	11,751	8,835	21,297	38,681	107,832
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	1,506,559	26,377	1,031,154	30,902	22,461	105,210	38,703	63,372	11,750	8,832	21,293	38,679	107,825
U.S. Treasury, General Account	106,592	0	106,592	0	0	0	0	0	0	0	0	0	0
U.S. Treasury, Supplementary Financing Account	0	0	0	0	0	0	0	0	0	0	0	0	0
Foreign official	426	1	398	4	3	8	2	1	0	1	0	1	6
Other	113,016	42	112,838	5	1	88	0	34	0	2	4	1	1
Deferred availability cash items	1,355	69	0	157	176	34	79	68	41	338	54	62	278
Interest on Federal Reserve notes due to U.S. Treasury ¹⁴	1,632	39	769	54	45	214	120	85	22	23	36	51	174
Other liabilities and accrued dividends ¹⁵	16,559	199	12,892	282	293	764	445	374	168	140	167	269	566
Total liabilities	2,864,726	68,718	1,681,473	74,036	70,069	199,996	162,495	145,825	43,451	26,451	54,940	110,726	226,545
<i>Capital</i>													
Capital paid in	26,941	943	8,675	2,333	1,988	5,564	1,538	762	220	110	268	431	4,109
Surplus	26,941	943	8,675	2,333	1,988	5,564	1,538	762	220	110	268	431	4,109
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and capital	2,918,609	70,604	1,698,822	78,702	74,046	211,124	165,572	147,350	43,890	26,671	55,475	111,588	234,764

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, December 21, 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. Refer to table 4 and the note on consolidation below.
7. Refer to table 5 and the note on consolidation below.
8. Refer to table 6 and the note on consolidation below.
9. Refer to table 7 and the note on consolidation below.
10. 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.
11. 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.
12. 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.
13. Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
14. 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.
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. 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).

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

Millions of dollars

Federal Reserve notes and collateral		Wednesday Dec 21, 2011
Federal Reserve notes outstanding		1, 205, 814
Less: Notes held by F.R. Banks not subject to collateralization		177, 298
Federal Reserve notes to be collateralized		1, 028, 516
Collateral held against Federal Reserve notes		1, 028, 516
Gold certificate account		11, 037
Special drawing rights certificate account		5, 200
U.S. Treasury, agency debt, and mortgage-backed securities pledged ^{1,2}		1, 012, 279
Other assets pledged		0
<i>Memo:</i>		
Total U.S. Treasury, agency debt, and mortgage-backed securities ^{1,2}		2, 640, 671
Less: Face value of securities under reverse repurchase agreements		77, 985
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged		2, 562, 686

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.