

FEDERAL RESERVE statistical release



H.4.1

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

November 28, 2014

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 Nov 26, 2014
	Week ended Nov 26, 2014	Change from week ended		
		Nov 19, 2014	Nov 27, 2013	
Reserve Bank credit	4,453,580	- 8,752	+ 571,378	4,445,550
Securities held outright ¹	4,237,173	- 675	+ 576,589	4,230,112
U.S. Treasury securities	2,461,635	+ 21	+ 303,170	2,461,645
Bills ²	0	0	0	0
Notes and bonds, nominal ²	2,346,713	0	+ 291,959	2,346,713
Notes and bonds, inflation-indexed ²	98,469	0	+ 8,490	98,469
Inflation compensation ³	16,453	+ 20	+ 2,722	16,463
Federal agency debt securities ²	38,677	- 1,023	- 19,695	38,677
Mortgage-backed securities ⁴	1,736,861	+ 328	+ 293,114	1,729,790
Unamortized premiums on securities held outright ⁵	208,523	- 303	+ 674	208,133
Unamortized discounts on securities held outright ⁵	-18,574	+ 36	- 8,585	-18,555
Repurchase agreements ⁶	0	0	0	0
Loans	121	- 8	- 56	111
Primary credit	10	- 5	- 2	3
Secondary credit	0	0	0	0
Seasonal credit	111	- 3	+ 44	108
Term Asset-Backed Securities Loan Facility ⁷	0	0	- 98	0
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC ⁸	1,681	+ 2	+ 164	1,681
Net portfolio holdings of Maiden Lane II LLC ⁹	0	0	- 63	0
Net portfolio holdings of Maiden Lane III LLC ⁹	0	0	- 22	0
Net portfolio holdings of TALF LLC ¹⁰	0	0	- 110	0
Float	-567	+ 45	+ 9	-647
Central bank liquidity swaps ¹¹	1	+ 1	- 271	1
Other Federal Reserve assets ¹²	25,223	- 7,849	+ 3,050	24,714
Foreign currency denominated assets ¹³	21,483	- 147	- 2,390	21,568
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding ¹⁴	46,272	+ 14	+ 805	46,272
Total factors supplying reserve funds	4,537,576	- 8,886	+ 569,793	4,529,631

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

Billions of dollars	Averages of daily figures			Wednesday Nov 26, 2014
Reserve Bank credit, related items, and reserve balances of depository institutions at Federal Reserve Banks	Week ended Nov 26, 2014	Change from week ended		
		Nov 19, 2014	Nov 27, 2013	
Currency in circulation ¹⁴	1,313,124	+ 1,365	+ 90,951	1,317,441
Reverse repurchase agreements ¹⁵	254,823	+ 32,113	+ 150,663	251,473
Foreign official and international accounts	100,685	- 559	+ 617	103,189
Others	154,138	+ 32,672	+ 150,046	148,284
Treasury cash holdings	185	- 8	- 30	189
Deposits with F.R. Banks, other than reserve balances	418,850	- 7,867	+ 308,671	418,089
Term deposits held by depository institutions	318,691	+ 10,968	+ 305,159	334,714
U.S. Treasury, General Account	79,769	- 15,512	+ 26,025	71,901
Foreign official	5,254	- 7	- 3,482	5,250
Other ¹⁶	15,136	- 3,316	- 19,031	6,224
Other liabilities and capital ¹⁷	64,021	- 890	- 251	63,145
Total factors, other than reserve balances, absorbing reserve funds	2,051,002	+ 24,711	+ 550,003	2,050,337
Reserve balances with Federal Reserve Banks	2,486,574	- 33,597	+ 19,789	2,479,295

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. The current face value shown is the remaining principal balance of the securities.
5. Reflects the premium or discount, which is the difference between the purchase price and the face value of the securities that has not been amortized. For U.S. Treasury and Federal agency debt securities, amortization is on a straight-line basis. For mortgage-backed securities, amortization is on an effective-interest basis.
6. Cash value of agreements.
7. Includes credit extended by the Federal Reserve Bank of New York to eligible borrowers through the Term Asset-Backed Securities Loan Facility.
8. Refer to table 4 and the note on consolidation accompanying table 6.
9. 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. Refer to the note on consolidation accompanying table 6.
10. Refer to the note on consolidation accompanying table 6.
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 accrued interest, which represents the daily accumulation of interest earned, and other accounts receivable. Also, includes Reserve Bank premises and equipment net of allowances for depreciation.
13. Revalued daily at current foreign currency exchange rates.
14. Estimated.
15. Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
16. Includes deposits held at the Reserve Banks by international and multilateral organizations, government-sponsored enterprises, and designated financial market utilities.
17. Includes the liability for interest on Federal Reserve notes due to U.S. Treasury.

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 Nov 26, 2014
		Week ended Nov 26, 2014	Change from week ended		
			Nov 19, 2014	Nov 27, 2013	
Securities held in custody for foreign official and international accounts		3,313,943	+ 6,330	- 35,376	3,309,745
Marketable U.S. Treasury securities ¹		2,972,281	- 8,905	- 14,326	2,967,578
Federal agency debt and mortgage-backed securities ²		299,626	+ 15,012	- 20,001	299,482
Other securities ³		42,036	+ 223	- 1,049	42,684
Securities lent to dealers		9,645	+ 112	- 2,446	8,183
Overnight facility ⁴		9,645	+ 112	- 2,446	8,183
U.S. Treasury securities		8,925	+ 82	- 2,031	7,540
Federal agency debt securities		720	+ 30	- 415	643

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

1. Includes securities and U.S. Treasury STRIPS at face value, and inflation compensation on TIPS. Does not include securities pledged as collateral to foreign official and international account holders against reverse repurchase agreements with the Federal Reserve presented in tables 1, 5, and 6.
2. Face value of federal agency securities and current face value of mortgage-backed securities, which is the remaining principal balance of the securities.
3. Includes non-marketable U.S. Treasury securities, supranationals, corporate bonds, asset-backed securities, and commercial paper at face value.
4. Face value. Fully collateralized by U.S. Treasury securities.

2. Maturity Distribution of Securities, Loans, and Selected Other Assets and Liabilities, November 26, 2014

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 year to 10 years	Over 10 years	All
Loans	111	0	0	0	0	...	111
<i>U.S. Treasury securities¹</i>							
Holdings	0	4	3,517	1,098,900	700,729	658,495	2,461,645
Weekly changes	0	0	0	+ 3	+ 3	+ 17	+ 23
<i>Federal agency debt securities²</i>							
Holdings	0	1,800	3,933	30,597	0	2,347	38,677
Weekly changes	- 1,023	0	0	0	0	0	- 1,023
<i>Mortgage-backed securities³</i>							
Holdings	0	0	0	11	5,568	1,724,210	1,729,790
Weekly changes	0	0	0	- 1	- 91	- 5,007	- 5,099
Repurchase agreements ⁴	0	0	...	...	...	...	0
Central bank liquidity swaps ⁵	1	0	0	0	0	0	1
Reverse repurchase agreements ⁴	251,473	0	...	...	...	...	251,473
Term deposits	334,714	0	0	...	...	...	334,714

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

...Not applicable.

1. 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.
2. Face value.
3. Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. The current face value shown is the remaining principal balance of the securities.
4. Cash value of agreements.
5. 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 Nov 26, 2014
Mortgage-backed securities held outright ¹	1,729,790
Commitments to buy mortgage-backed securities ²	34,856
Commitments to sell mortgage-backed securities ²	0
Cash and cash equivalents ³	38

1. Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. The current face value shown is the remaining principal balance of the securities.

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 5 and table 6.

4. Information on Principal Accounts of Maiden Lane LLC

Millions of dollars

Account name	Wednesday Nov 26, 2014
Net portfolio holdings of Maiden Lane LLC ¹	1,681
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
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. ³	0

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, 2014. 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 6.

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 5 and table 6.

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. The remaining outstanding balances of the senior loan from FRBNY to Maiden Lane LLC, and the subordinated loan from JPMorgan Chase & Co. to Maiden Lane LLC were repaid in full, with interest.

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5. Consolidated Statement of Condition of All Federal Reserve Banks

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Nov 26, 2014	Change since	
			Wednesday Nov 19, 2014	Wednesday Nov 27, 2013
Assets				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		1,841	- 18	- 85
Securities, unamortized premiums and discounts, repurchase agreements, and loans		4,419,801	- 6,600	+ 560,265
Securities held outright ¹		4,230,112	- 6,098	+ 568,220
U.S. Treasury securities		2,461,645	+ 23	+ 297,979
Bills ²		0	0	0
Notes and bonds, nominal ²		2,346,713	0	+ 286,771
Notes and bonds, inflation-indexed ²		98,469	0	+ 8,490
Inflation compensation ³		16,463	+ 23	+ 2,718
Federal agency debt securities ²		38,677	- 1,023	- 19,695
Mortgage-backed securities ⁴		1,729,790	- 5,099	+ 289,936
Unamortized premiums on securities held outright ⁵		208,133	- 523	+ 447
Unamortized discounts on securities held outright ⁵		-18,555	+ 42	- 8,341
Repurchase agreements ⁶		0	0	0
Loans		111	- 20	- 61
Net portfolio holdings of Maiden Lane LLC ⁷		1,681	0	+ 164
Net portfolio holdings of Maiden Lane II LLC ⁸		0	0	- 63
Net portfolio holdings of Maiden Lane III LLC ⁸		0	0	- 22
Net portfolio holdings of TALF LLC ⁹		0	0	- 110
Items in process of collection	(0)	88	- 3	- 1
Bank premises		2,265	0	- 29
Central bank liquidity swaps ¹⁰		1	+ 1	- 271
Foreign currency denominated assets ¹¹		21,568	- 41	- 2,276
Other assets ¹²		22,449	- 168	+ 2,483
Total assets	(0)	4,485,931	- 6,828	+ 560,055

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

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

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Nov 26, 2014	Change since	
			Wednesday Nov 19, 2014	Wednesday Nov 27, 2013
Liabilities				
Federal Reserve notes, net of F.R. Bank holdings		1,273,194	+ 5,482	+ 89,201
Reverse repurchase agreements ¹³		251,473	- 15,527	+ 143,734
Deposits	(0)	2,897,384	+ 3,046	+ 327,480
Term deposits held by depository institutions		334,714	+ 26,991	+ 321,182
Other deposits held by depository institutions		2,479,295	- 7,019	- 9,092
U.S. Treasury, General Account		71,901	- 7,733	+ 26,468
Foreign official		5,250	- 54	- 3,490
Other ¹⁴	(0)	6,224	- 9,139	- 7,589
Deferred availability cash items	(0)	735	+ 57	- 4
Other liabilities and accrued dividends ¹⁵		6,561	+ 95	- 1,976
Total liabilities	(0)	4,429,346	- 6,847	+ 558,434
Capital accounts				
Capital paid in		28,292	+ 9	+ 810
Surplus		28,292	+ 9	+ 810
Other capital accounts		0	0	0
Total capital		56,585	+ 19	+ 1,621

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. The current face value shown is the remaining principal balance of the securities.
- Reflects the premium or discount, which is the difference between the purchase price and the face value of the securities that has not been amortized. For U.S. Treasury and Federal agency debt securities, amortization is on a straight-line basis. For mortgage-backed securities, amortization is on an effective-interest basis.
- Cash value of agreements, which are collateralized by U.S. Treasury and federal agency securities.
- Refer to table 4 and the note on consolidation accompanying table 6.
- 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. Refer to the note on consolidation accompanying table 6.
- Refer to the note on consolidation accompanying table 6.
- 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.
- Revalued daily at current foreign currency exchange rates.
- Includes accrued interest, which represents the daily accumulation of interest earned, and other accounts receivable.
- Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
- Includes deposits held at the Reserve Banks by international and multilateral organizations, government-sponsored enterprises, and designated financial market utilities.
- Includes the liability for interest on Federal Reserve notes due to U.S. Treasury.

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6. Statement of Condition of Each Federal Reserve Bank, November 26, 2014

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	352	4,125	338	464	824	1,349	706	278	173	291	880	1,257
Special drawing rights certificate acct.	5,200	196	1,818	210	237	412	654	424	150	90	153	282	574
Coin	1,841	29	76	124	115	306	207	271	23	43	148	173	325
Securities, unamortized premiums and discounts, repurchase agreements, and loans	4,419,801	89,403	2,712,645	105,882	96,497	247,019	244,328	180,650	54,516	27,144	58,240	134,676	468,801
Securities held outright ¹	4,230,112	85,568	2,596,289	101,341	92,358	236,424	233,838	172,891	52,176	25,924	55,720	128,893	448,692
U.S. Treasury securities	2,461,645	49,795	1,510,868	58,974	53,746	137,583	136,078	100,611	30,363	15,086	32,426	75,007	261,109
Bills ²	0	0	0	0	0	0	0	0	0	0	0	0	0
Notes and bonds ³	2,461,645	49,795	1,510,868	58,974	53,746	137,583	136,078	100,611	30,363	15,086	32,426	75,007	261,109
Federal agency debt securities ²	38,677	782	23,739	927	844	2,162	2,138	1,581	477	237	509	1,178	4,103
Mortgage-backed securities ⁴	1,729,790	34,991	1,061,682	41,441	37,767	96,679	95,622	70,699	21,336	10,601	22,785	52,707	183,481
Unamortized premiums on securities held outright ⁵	208,133	4,210	127,745	4,986	4,544	11,633	11,505	8,507	2,567	1,276	2,742	6,342	22,077
Unamortized discounts on securities held outright ⁵	-18,555	-375	-11,389	-445	-405	-1,037	-1,026	-758	-229	-114	-244	-565	-1,968
Repurchase agreements ⁶	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	111	0	0	0	0	0	10	11	2	59	22	7	0
Net portfolio holdings of Maiden Lane LLC ⁷	1,681	0	1,681	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC ⁸	0	0	0	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC ⁸	0	0	0	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC ⁹	0	0	0	0	0	0	0	0	0	0	0	0	0
Items in process of collection	88	0	0	0	0	0	86	0	0	1	0	0	0
Bank premises	2,265	122	440	75	111	220	212	199	123	96	242	224	201
Central bank liquidity swaps ¹⁰	1	0	0	0	0	0	0	0	0	0	0	0	0
Foreign currency denominated assets ¹¹	21,568	981	6,939	1,621	1,715	4,497	1,240	595	181	91	227	361	3,121
Other assets ¹²	22,449	477	13,432	659	484	1,404	1,218	903	322	162	312	781	2,296
Interdistrict settlement account	0 +	26,211 -	112,129 -	445 +	21,097 -	1,161 +	4,282 -	6,524 -	6,123 +	1,560 -	918 +	14,896 +	59,255
Total assets	4,485,931	117,770	2,629,027	108,464	120,719	253,521	253,576	177,224	49,470	29,361	58,695	152,273	535,831

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

H.4.1
6. Statement of Condition of Each Federal Reserve Bank, November 26, 2014 (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	1,461,313	44,602	478,532	45,434	68,405	103,159	214,170	99,932	40,526	21,857	37,241	119,685	187,770
Less: Notes held by F.R. Banks	188,119	5,002	66,497	5,314	8,503	11,362	22,343	10,097	4,840	3,501	5,098	18,812	26,750
Federal Reserve notes, net	1,273,194	39,601	412,035	40,120	59,902	91,797	191,827	89,834	35,686	18,356	32,144	100,873	161,019
Reverse repurchase agreements ¹³	251,473	5,087	154,345	6,025	5,491	14,055	13,901	10,278	3,102	1,541	3,312	7,662	26,674
Deposits	2,897,384	70,291	2,041,459	58,862	50,602	134,314	43,545	75,214	9,981	8,922	22,485	42,656	339,053
Term deposits held by depository institutions	334,714	91	232,910	30,338	9,450	10,026	840	18,190	428	181	3,857	3,605	24,799
Other deposits held by depository institutions	2,479,295	70,193	1,725,433	28,494	41,149	124,107	42,696	57,010	9,553	8,741	18,626	39,048	314,246
U.S. Treasury, General Account	71,901	0	71,901	0	0	0	0	0	0	0	0	0	0
Foreign official	5,250	2	5,222	3	3	8	2	1	0	0	0	1	6
Other ¹⁴	6,224	5	5,993	28	0	173	7	13	0	0	1	2	2
Deferred availability cash items	735	0	0	0	0	0	565	0	0	169	0	0	0
Interest on Federal Reserve notes due to U.S. Treasury ¹⁵	2,042	27	1,279	47	41	103	119	88	26	14	23	62	213
Other liabilities and accrued dividends ¹⁶	4,519	186	1,514	216	235	647	366	281	146	118	130	200	480
Total liabilities	4,429,346	115,191	2,610,631	105,270	116,270	240,917	250,324	175,696	48,940	29,120	58,094	151,454	527,440
<i>Capital</i>													
Capital paid in	28,292	1,289	9,198	1,597	2,224	6,302	1,626	764	265	120	300	410	4,196
Surplus	28,292	1,289	9,198	1,597	2,224	6,302	1,626	764	265	120	300	410	4,196
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and capital	4,485,931	117,770	2,629,027	108,464	120,719	253,521	253,576	177,224	49,470	29,361	58,695	152,273	535,831

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

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6. Statement of Condition of Each Federal Reserve Bank, November 26, 2014 (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. The current face value shown is the remaining principal balance of the securities.
5. Reflects the premium or discount, which is the difference between the purchase price and the face value of the securities that has not been amortized. For U.S. Treasury and Federal agency debt securities, amortization is on a straight-line basis. For mortgage-backed securities, amortization is on an effective-interest basis.
6. Cash value of agreements, which are collateralized by U.S. Treasury and federal agency securities.
7. Refer to table 4 and the note on consolidation below.
8. 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. Refer to the note on consolidation below.
9. Refer to the note on consolidation below.
10. 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.
11. Revalued daily at current foreign currency exchange rates.
12. Includes accrued interest, which represents the daily accumulation of interest earned, and other accounts receivable.
13. Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
14. Includes deposits held at the Reserve Banks by international and multilateral organizations, government-sponsored enterprises, and designated financial market utilities.
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.

Note on consolidation:

The Federal Reserve Bank of New York (FRBNY) 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 June 14, 2012, the remaining outstanding balance of the senior loan from FRBNY to Maiden Lane LLC was repaid in full, with interest. On November 15, 2012, the remaining outstanding balance of the subordinated loan from JPMorgan Chase & Co. to Maiden Lane LLC was repaid in full, with interest. 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. had written credit default swap contracts. On June 14, 2012, the loan from FRBNY to Maiden Lane III was repaid in full, with interest. 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 March 1, 2012, the loan from FRBNY to Maiden Lane II was repaid in full, with interest. 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. On January 15, 2013 the FRBNY's commitment to extend credit to TALF LLC was eliminated.

The FRBNY was the primary beneficiary of TALF LLC, because of the two beneficiaries of the LLC, the FRBNY and the U.S. Treasury, the FRBNY was primarily responsible for directing the financial activities of TALF LLC. The FRBNY was the primary beneficiary of the other LLCs cited above because it received a majority of any residual returns of the LLCs and absorbed a majority of any residual losses of the LLCs. Consistent with generally accepted accounting principles, the assets and liabilities of these LLCs were 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 were eliminated, the net assets of the LLCs appeared as assets on the previous page (and in table 1 and table 5), and the liabilities of the LLCs to entities other than the FRBNY, including those with recourse only to the portfolio holdings of the LLCs, were included in other liabilities in this table (and table 1 and table 5).

H.4.1

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

Millions of dollars

Federal Reserve notes and collateral		Wednesday Nov 26, 2014
Federal Reserve notes outstanding		1,461,313
Less: Notes held by F.R. Banks not subject to collateralization		188,119
Federal Reserve notes to be collateralized		1,273,194
Collateral held against Federal Reserve notes		1,273,194
Gold certificate account		11,037
Special drawing rights certificate account		5,200
U.S. Treasury, agency debt, and mortgage-backed securities pledged ^{1,2}		1,256,957
Other assets pledged		0
<i>Memo:</i>		
Total U.S. Treasury, agency debt, and mortgage-backed securities ^{1,2}		4,230,112
Less: Face value of securities under reverse repurchase agreements		234,745
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged		3,995,367

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.