

FEDERAL RESERVE statistical release



H.4.1

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

December 11, 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 Dec 10, 2014
	Week ended Dec 10, 2014	Change from week ended		
		Dec 3, 2014	Dec 11, 2013	
Reserve Bank credit	4,447,760	+ 1,762	+ 542,291	4,448,719
Securities held outright ¹	4,230,075	- 46	+ 547,811	4,230,053
U.S. Treasury securities	2,461,584	- 60	+ 283,566	2,461,560
Bills ²	0	0	0	0
Notes and bonds, nominal ²	2,346,713	0	+ 272,561	2,346,713
Notes and bonds, inflation-indexed ²	98,469	0	+ 8,290	98,469
Inflation compensation ³	16,403	- 60	+ 2,717	16,379
Federal agency debt securities ²	38,677	0	- 19,531	38,677
Mortgage-backed securities ⁴	1,729,814	+ 14	+ 283,775	1,729,816
Unamortized premiums on securities held outright ⁵	207,602	- 350	- 285	207,473
Unamortized discounts on securities held outright ⁵	-18,509	+ 31	- 7,774	-18,498
Repurchase agreements ⁶	0	0	0	0
Loans	100	- 5	- 69	117
Primary credit	7	- 1	- 6	22
Secondary credit	0	0	0	0
Seasonal credit	93	- 4	+ 35	94
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	0	+ 161	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	- 109	0
Float	-584	+ 132	+ 77	-543
Central bank liquidity swaps ¹¹	2	+ 1	- 270	2
Other Federal Reserve assets ¹²	27,394	+ 2,000	+ 2,835	28,433
Foreign currency denominated assets ¹³	21,230	- 202	- 2,736	21,425
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding ¹⁴	46,300	+ 14	+ 814	46,300
Total factors supplying reserve funds	4,531,532	+ 1,575	+ 540,370	4,532,685

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

H.4.1

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

Millions of dollars

Billions of dollars	Averages of daily figures			Wednesday Dec 10, 2014
Reserve Bank credit, related items, and reserve balances of depository institutions at Federal Reserve Banks	Week ended Dec 10, 2014	Change from week ended		
		Dec 3, 2014	Dec 11, 2013	
Currency in circulation ¹⁴	1,318,401	+ 423	+ 90,852	1,321,672
Reverse repurchase agreements ¹⁵	239,906	- 24,206	+ 127,011	247,353
Foreign official and international accounts	92,300	- 8,319	- 8,098	92,031
Others	147,606	- 15,887	+ 135,109	155,322
Treasury cash holdings	192	+ 3	- 37	187
Deposits with F.R. Banks, other than reserve balances	475,906	+ 41,214	+ 413,734	470,535
Term deposits held by depository institutions	402,153	+ 67,439	+ 388,621	402,153
U.S. Treasury, General Account	60,092	- 27,334	+ 31,100	48,807
Foreign official	5,219	- 30	- 2,908	5,252
Other ¹⁶	8,443	+ 1,140	- 3,078	14,323
Other liabilities and capital ¹⁷	63,988	+ 446	- 304	64,004
Total factors, other than reserve balances, absorbing dollar funds	2,098,394	+ 17,880	+ 631,256	2,103,751
Reserve balances with Federal Reserve Banks	2,433,138	- 16,306	- 90,886	2,428,934

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.

H.4.1

1A. Memorandum Items

Millions of dollars

Memorandum item	Averages of daily figures			Wednesday Dec 10, 2014
Week ended Dec 10, 2014	Change from week ended			
	Dec 3, 2014	Dec 11, 2013		
Securities held in custody for foreign official and international accounts	3,324,216	+ 2,468	- 43,799	3,324,395
Marketable U.S. Treasury securities ¹	2,981,547	+ 2,634	- 25,333	2,981,922
Federal agency debt and mortgage-backed securities ²	300,592	+ 281	- 17,463	300,646
Other securities ³	42,076	- 448	- 1,004	41,827
Securities lent to dealers	11,630	+ 2,064	+ 50	11,830
Overnight facility ⁴	11,630	+ 2,064	+ 50	11,830
U.S. Treasury securities	10,984	+ 2,062	+ 336	11,150
Federal agency debt securities	646	+ 2	- 286	680

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, December 10, 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	40	77	0	0	0	...	117
<i>U.S. Treasury securities¹</i>							
Holdings	0	4	3,517	1,105,872	693,735	658,433	2,461,560
Weekly changes	0	0	0	- 9	- 8	- 48	- 65
<i>Federal agency debt securities²</i>							
Holdings	0	1,800	3,933	30,597	0	2,347	38,677
Weekly changes	0	0	0	0	0	0	0
<i>Mortgage-backed securities³</i>							
Holdings	0	0	0	13	6,526	1,723,277	1,729,816
Weekly changes	0	0	0	0	+ 959	- 947	+ 12
Repurchase agreements ⁴	0	0	...	...	...	...	0
Central bank liquidity swaps ⁵	2	0	0	0	0	0	2
Reverse repurchase agreements ⁴	197,353	50,000	...	...	...	...	247,353
Term deposits	402,153	0	0	...	...	...	402,153

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.

H.4.1

3. Supplemental Information on Mortgage-Backed Securities

Millions of dollars

Account name	Wednesday Dec 10, 2014
Mortgage-backed securities held outright ¹	1,729,816
Commitments to buy mortgage-backed securities ²	44,695
Commitments to sell mortgage-backed securities ²	0
Cash and cash equivalents ³	10

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 Dec 10, 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.

H.4.1
5. Consolidated Statement of Condition of All Federal Reserve Banks

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Dec 10, 2014	Change since	
			Wednesday Dec 3, 2014	Wednesday Dec 11, 2013
Assets				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		1,862	+ 23	- 85
Securities, unamortized premiums and discounts, repurchase agreements, and loans		4,419,145	- 348	+ 495,161
Securities held outright ¹		4,230,053	- 53	+ 504,146
U.S. Treasury securities		2,461,560	- 65	+ 275,841
Bills ²		0	0	0
Notes and bonds, nominal ²		2,346,713	0	+ 266,073
Notes and bonds, inflation-indexed ²		98,469	0	+ 7,090
Inflation compensation ³		16,379	- 65	+ 2,679
Federal agency debt securities ²		38,677	0	- 18,544
Mortgage-backed securities ⁴		1,729,816	+ 12	+ 246,850
Unamortized premiums on securities held outright ⁵		207,473	- 343	- 1,542
Unamortized discounts on securities held outright ⁵		-18,498	+ 31	- 7,387
Repurchase agreements ⁶		0	0	0
Loans		117	+ 18	- 56
Net portfolio holdings of Maiden Lane LLC ⁷		1,681	0	+ 161
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	- 109
Items in process of collection	(0)	80	- 16	- 14
Bank premises		2,263	+ 3	- 21
Central bank liquidity swaps ¹⁰		2	+ 1	- 270
Foreign currency denominated assets ¹¹		21,425	+ 219	- 2,654
Other assets ¹²		26,170	+ 2,792	+ 2,826
Total assets	(0)	4,488,865	+ 2,675	+ 494,910

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

H.4.1

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

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Dec 10, 2014	Change since	
			Wednesday Dec 3, 2014	Wednesday Dec 11, 2013
Liabilities				
Federal Reserve notes, net of F.R. Bank holdings		1,277,416	+ 2,930	+ 90,976
Reverse repurchase agreements ¹³		247,353	- 14,528	+ 111,612
Deposits	(0)	2,899,469	+ 12,707	+ 295,964
Term deposits held by depository institutions		402,153	+ 67,439	+ 388,621
Other deposits held by depository institutions		2,428,934	- 50,520	- 111,788
U.S. Treasury, General Account		48,807	- 8,799	+ 27,317
Foreign official		5,252	+ 3	- 2,719
Other ¹⁴	(0)	14,323	+ 4,584	- 5,466
Deferred availability cash items	(0)	623	- 110	- 98
Other liabilities and accrued dividends ¹⁵		6,909	+ 1,167	- 5,658
Total liabilities	(0)	4,431,770	+ 2,166	+ 492,796
Capital accounts				
Capital paid in		28,548	+ 255	+ 1,058
Surplus		28,548	+ 255	+ 1,058
Other capital accounts		0	0	0
Total capital		57,095	+ 508	+ 2,114

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, which are collateralized by U.S. Treasury and federal agency securities.
7. Refer to table 4 and the note on consolidation accompanying table 6.
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 accompanying table 6.
9. Refer to the note on consolidation accompanying table 6.
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. Includes the liability for interest on Federal Reserve notes due to U.S. Treasury.

H.4.1
6. Statement of Condition of Each Federal Reserve Bank, December 10, 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	1,862	30	77	124	119	306	206	274	24	43	151	181	327
Securities, unamortized premiums and discounts, repurchase agreements, and loans	4,419,145	89,393	2,712,240	105,866	96,488	246,983	244,288	180,622	54,508	27,126	58,233	134,656	468,742
Securities held outright ¹	4,230,053	85,567	2,596,252	101,339	92,357	236,421	233,835	172,888	52,175	25,923	55,720	128,891	448,686
U.S. Treasury securities	2,461,560	49,793	1,510,816	58,971	53,744	137,578	136,074	100,607	30,362	15,085	32,424	75,004	261,100
Bills ²	0	0	0	0	0	0	0	0	0	0	0	0	0
Notes and bonds ³	2,461,560	49,793	1,510,816	58,971	53,744	137,578	136,074	100,607	30,362	15,085	32,424	75,004	261,100
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	1,729,816	34,991	1,061,698	41,441	37,768	96,681	95,623	70,700	21,336	10,601	22,786	52,708	183,483
Unamortized premiums on securities held outright ⁵	207,473	4,197	127,340	4,970	4,530	11,596	11,469	8,480	2,559	1,271	2,733	6,322	22,007
Unamortized discounts on securities held outright ⁵	-18,498	-374	-11,353	-443	-404	-1,034	-1,023	-756	-228	-113	-244	-564	-1,962
Repurchase agreements ⁶	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	117	4	1	0	5	0	7	10	2	45	25	7	11
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	80	0	0	0	0	0	79	0	0	1	0	0	0
Bank premises	2,263	124	438	75	110	220	213	199	122	96	242	224	201
Central bank liquidity swaps ¹⁰	2	0	1	0	0	0	0	0	0	0	0	0	0
Foreign currency denominated assets ¹¹	21,425	974	6,892	1,611	1,704	4,467	1,232	591	180	91	225	358	3,100
Other assets ¹²	26,170	558	15,745	743	567	1,611	1,439	1,053	368	186	362	839	2,697
Interdistrict settlement account	0 +	18,118 -	114,193 +	1,997 +	22,368 -	8,886 +	4,462 -	12,328 -	6,292 +	1,735 -	495 +	15,677 +	77,838
Total assets	4,488,865	109,744	2,628,822	110,965	122,057	245,937	253,922	171,542	49,338	29,542	59,163	153,097	554,737

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, December 10, 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	1,466,571	45,416	477,718	46,080	68,706	103,323	214,618	100,849	41,001	22,635	37,817	119,636	188,773
Less: Notes held by F.R. Banks	189,155	5,010	66,731	5,391	8,823	11,655	22,672	10,842	4,899	3,409	5,043	17,767	26,912
Federal Reserve notes, net	1,277,416	40,406	410,988	40,690	59,883	91,668	191,946	90,006	36,102	19,226	32,773	101,869	161,860
Reverse repurchase agreements ¹³	247,353	5,004	151,816	5,926	5,401	13,825	13,674	10,110	3,051	1,516	3,258	7,537	26,237
Deposits	2,899,469	61,527	2,044,249	60,882	52,034	126,780	44,062	69,546	9,491	8,331	22,376	42,620	357,571
Term deposits held by depository institutions	402,153	20,091	274,417	30,323	15,475	10,035	835	16,430	530	65	4,067	3,605	26,280
Other deposits held by depository institutions	2,428,934	41,432	1,701,678	30,531	36,555	116,589	43,219	53,101	8,961	8,266	18,307	39,011	331,283
U.S. Treasury, General Account	48,807	0	48,807	0	0	0	0	0	0	0	0	0	0
Foreign official	5,252	2	5,225	3	3	8	2	1	0	0	0	1	6
Other ¹⁴	14,323	2	14,122	26	0	147	6	13	1	0	1	2	2
Deferred availability cash items	623	0	0	0	0	0	527	0	0	96	0	0	0
Interest on Federal Reserve notes due to U.S. Treasury ¹⁵	2,130	54	1,406	66	59	-77	133	95	28	14	28	70	254
Other liabilities and accrued dividends ¹⁶	4,779	175	1,967	207	225	636	330	253	136	119	126	182	422
Total liabilities	4,431,770	107,166	2,610,426	107,771	117,602	232,831	250,671	170,010	48,808	29,302	58,561	152,277	546,345
<i>Capital</i>													
Capital paid in	28,548	1,289	9,198	1,597	2,228	6,553	1,626	766	265	120	301	410	4,196
Surplus	28,548	1,289	9,198	1,597	2,228	6,553	1,626	766	265	120	301	410	4,196
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and capital	4,488,865	109,744	2,628,822	110,965	122,057	245,937	253,922	171,542	49,338	29,542	59,163	153,097	554,737

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, December 10, 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 Dec 10, 2014
Federal Reserve notes outstanding		1,466,571
Less: Notes held by F.R. Banks not subject to collateralization		189,155
Federal Reserve notes to be collateralized		1,277,416
Collateral held against Federal Reserve notes		1,277,416
Gold certificate account		11,037
Special drawing rights certificate account		5,200
U.S. Treasury, agency debt, and mortgage-backed securities pledged ^{1,2}		1,261,179
Other assets pledged		0
<i>Memo:</i>		
Total U.S. Treasury, agency debt, and mortgage-backed securities ^{1,2}		4,230,053
Less: Face value of securities under reverse repurchase agreements		227,860
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged		4,002,193

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.