

FEDERAL RESERVE statistical release



H.4.1

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

December 29, 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 24, 2014
	Week ended Dec 24, 2014	Change from week ended		
		Dec 17, 2014	Dec 25, 2013	
Reserve Bank credit	4,471,568	+ 7,707	+ 485,979	4,469,654
Securities held outright ¹	4,249,952	+ 6,149	+ 490,697	4,247,474
U.S. Treasury securities	2,461,452	- 67	+ 256,522	2,461,420
Bills ²	0	0	0	0
Notes and bonds, nominal ²	2,346,712	- 1	+ 246,760	2,346,712
Notes and bonds, inflation-indexed ²	98,469	0	+ 7,090	98,469
Inflation compensation ³	16,271	- 66	+ 2,672	16,239
Federal agency debt securities ²	38,677	0	- 18,544	38,677
Mortgage-backed securities ⁴	1,749,822	+ 6,215	+ 252,717	1,747,377
Unamortized premiums on securities held outright ⁵	207,761	- 44	- 1,447	207,466
Unamortized discounts on securities held outright ⁵	-18,441	+ 36	- 6,329	-18,425
Repurchase agreements ⁶	0	0	0	0
Loans	112	+ 17	- 81	119
Primary credit	32	+ 24	+ 5	32
Secondary credit	0	0	0	0
Seasonal credit	80	- 8	+ 11	87
Term Asset-Backed Securities Loan Facility ⁷	0	0	- 97	0
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC ⁸	1,678	- 3	+ 153	1,678
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	-473	+ 61	+ 154	-533
Central bank liquidity swaps ¹¹	30	+ 28	- 243	30
Other Federal Reserve assets ¹²	30,950	+ 1,465	+ 3,271	31,845
Foreign currency denominated assets ¹³	21,131	- 361	- 2,666	21,041
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding ¹⁴	46,339	+ 14	+ 849	46,339
Total factors supplying reserve funds	4,555,279	+ 7,360	+ 484,161	4,553,276

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 Dec 24, 2014
Reserve Bank credit, related items, and reserve balances of depository institutions at Federal Reserve Banks	Week ended Dec 24, 2014	Change from week ended		
		Dec 17, 2014	Dec 25, 2013	
Currency in circulation ¹⁴	1,332,901	+ 10,099	+ 97,043	1,338,522
Reverse repurchase agreements ¹⁵	280,447	+ 45,153	+ 146,107	298,833
Foreign official and international accounts	98,274	+ 1,007	- 6,321	96,096
Others	182,173	+ 44,146	+ 152,428	202,737
Treasury cash holdings	191	+ 4	- 39	197
Deposits with F.R. Banks, other than reserve balances	195,545	+ 58,131	+ 33,066	242,812
Term deposits held by depository institutions	0	0	0	0
U.S. Treasury, General Account	175,093	+ 60,317	+ 75,971	177,911
Foreign official	5,213	+ 6	- 2,776	5,209
Other ¹⁶	15,239	- 2,192	- 40,129	59,692
Other liabilities and capital ¹⁷	64,393	- 922	+ 337	63,277
Total factors, other than reserve balances, absorbing reserve funds	1,873,478	+ 112,466	+ 276,515	1,943,641
Reserve balances with Federal Reserve Banks	2,681,801	- 105,106	+ 207,646	2,609,634

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.
- 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 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.
- 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.
- Revalued daily at current foreign currency exchange rates.
- Estimated.
- 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.

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 24, 2014	Change from week ended		Wednesday Dec 24, 2014
		Dec 17, 2014	Dec 25, 2013	
Securities held in custody for foreign official and international accounts	3,308,131	- 20,027	- 66,114	3,298,867
Marketable U.S. Treasury securities ¹	2,972,932	- 13,728	- 44,992	2,965,047
Federal agency debt and mortgage-backed securities ²	293,388	- 6,235	- 19,534	292,021
Other securities ³	41,811	- 64	- 1,588	41,799
Securities lent to dealers	12,376	+ 1,038	- 721	12,315
Overnight facility ⁴	12,376	+ 1,038	- 721	12,315
U.S. Treasury securities	11,718	+ 1,029	- 343	11,639
Federal agency debt securities	658	+ 9	- 379	676

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 24, 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	119	0	0	0	0	...	119
<i>U.S. Treasury securities¹</i>							
Holdings	1	4	3,516	1,105,853	693,716	658,330	2,461,420
Weekly changes	0	0	0	- 10	- 10	- 55	- 75
<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	6,563	1,740,801	1,747,377
Weekly changes	0	0	0	0	0	+ 5,419	+ 5,420
Repurchase agreements ⁴	0	0	...	...	...	...	0
Central bank liquidity swaps ⁵	30	0	0	0	0	0	30
Reverse repurchase agreements ⁴	298,833	0	...	...	...	...	298,833
Term deposits	0	0	0	...	...	...	0

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 Dec 24, 2014
Mortgage-backed securities held outright ¹	1,747,377
Commitments to buy mortgage-backed securities ²	27,500
Commitments to sell mortgage-backed securities ²	0
Cash and cash equivalents ³	46

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 24, 2014
Net portfolio holdings of Maiden Lane LLC ¹	1,678
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 Dec 24, 2014	Change since	
			Wednesday Dec 17, 2014	Wednesday Dec 25, 2013
Assets				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		1,871	- 5	- 92
Securities, unamortized premiums and discounts, repurchase agreements, and loans		4,436,634	+ 5,245	+ 476,720
Securities held outright ¹		4,247,474	+ 5,345	+ 484,481
U.S. Treasury securities		2,461,420	- 75	+ 252,591
Bills ²		0	0	0
Notes and bonds, nominal ²		2,346,712	0	+ 242,840
Notes and bonds, inflation-indexed ²		98,469	0	+ 7,090
Inflation compensation ³		16,239	- 75	+ 2,661
Federal agency debt securities ²		38,677	0	- 18,544
Mortgage-backed securities ⁴		1,747,377	+ 5,420	+ 250,434
Unamortized premiums on securities held outright ⁵		207,466	- 166	- 1,636
Unamortized discounts on securities held outright ⁵		-18,425	+ 38	- 6,053
Repurchase agreements ⁶		0	0	0
Loans		119	+ 29	- 73
Net portfolio holdings of Maiden Lane LLC ⁷		1,678	0	+ 137
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)	126	+ 25	- 35
Bank premises		2,265	+ 1	- 25
Central bank liquidity swaps ¹⁰		30	+ 28	- 243
Foreign currency denominated assets ¹¹		21,041	- 422	- 2,745
Other assets ¹²		29,580	+ 2,343	+ 3,364
Total assets	(0)	4,509,462	+ 7,215	+ 476,887

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 Dec 24, 2014	Change since	
			Wednesday Dec 17, 2014	Wednesday Dec 25, 2013
Liabilities				
Federal Reserve notes, net of F.R. Bank holdings		1,294,247	+ 11,685	+ 99,046
Reverse repurchase agreements ¹³		298,833	+ 68,817	+ 147,576
Deposits	(0)	2,852,447	- 73,029	+ 232,110
Term deposits held by depository institutions		0	0	0
Other deposits held by depository institutions		2,609,635	- 129,475	+ 158,902
U.S. Treasury, General Account		177,911	+ 6,597	+ 84,018
Foreign official		5,209	+ 3	- 2,771
Other ¹⁴	(0)	59,692	+ 49,846	- 8,039
Deferred availability cash items	(0)	658	+ 23	- 556
Other liabilities and accrued dividends ¹⁵		6,142	- 301	- 3,407
Total liabilities	(0)	4,452,327	+ 7,196	+ 474,770
Capital accounts				
Capital paid in		28,568	+ 10	+ 1,059
Surplus		28,568	+ 10	+ 1,059
Other capital accounts		0	0	0
Total capital		57,135	+ 19	+ 2,117

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.

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6. Statement of Condition of Each Federal Reserve Bank, December 24, 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	1,871	30	77	122	119	308	208	279	22	44	152	187	323
Securities, unamortized premiums and discounts, repurchase agreements, and loans	4,436,634	89,744	2,722,973	106,285	96,865	247,960	245,260	181,337	54,725	27,233	58,481	135,186	470,586
Securities held outright ¹	4,247,474	85,919	2,606,945	101,757	92,737	237,394	234,798	173,600	52,390	26,030	55,949	129,422	450,534
U.S. Treasury securities	2,461,420	49,790	1,510,730	58,968	53,741	137,570	136,066	100,602	30,360	15,084	32,423	75,000	261,085
Bills ²	0	0	0	0	0	0	0	0	0	0	0	0	0
Notes and bonds ³	2,461,420	49,790	1,510,730	58,968	53,741	137,570	136,066	100,602	30,360	15,084	32,423	75,000	261,085
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	1,747,377	35,346	1,072,476	41,862	38,151	97,662	96,594	71,418	21,553	10,709	23,017	53,243	185,346
Unamortized premiums on securities held outright ⁵	207,466	4,197	127,335	4,970	4,530	11,595	11,469	8,479	2,559	1,271	2,733	6,322	22,006
Unamortized discounts on securities held outright ⁵	-18,425	-373	-11,309	-441	-402	-1,030	-1,019	-753	-227	-113	-243	-561	-1,954
Repurchase agreements ⁶	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	119	1	2	0	0	0	12	10	4	44	41	4	0
Net portfolio holdings of Maiden Lane LLC ⁷	1,678	0	1,678	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	126	0	0	0	0	0	95	0	0	30	0	0	0
Bank premises	2,265	124	438	75	110	219	213	200	122	96	242	224	201
Central bank liquidity swaps ¹⁰	30	1	10	2	2	6	2	1	0	0	0	1	4
Foreign currency denominated assets ¹¹	21,041	957	6,769	1,582	1,673	4,387	1,210	581	177	89	221	352	3,044
Other assets ¹²	29,580	627	17,778	827	642	1,776	1,617	1,189	411	208	410	1,043	3,053
Interdistrict settlement account	0 +	25,990 -	84,803 -	9,924 +	26,967 -	9,074 -	280 -	6,289 -	6,641 +	2,641 +	189 +	14,598 +	46,626
Total assets	4,509,462	118,021	2,670,863	99,517	127,080	246,818	250,327	178,427	49,245	30,605	60,138	152,752	525,668

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, December 24, 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	1,471,865	46,052	476,358	46,632	68,887	103,615	214,356	101,678	41,553	23,257	38,415	120,194	190,867
Less: Notes held by F.R. Banks	177,618	4,926	59,902	5,231	8,228	11,454	22,720	10,785	4,792	3,191	4,666	15,485	26,238
Federal Reserve notes, net	1,294,247	41,126	416,456	41,401	60,658	92,162	191,637	90,893	36,762	20,065	33,750	104,709	164,629
Reverse repurchase agreements ¹³	298,833	6,045	183,413	7,159	6,525	16,702	16,519	12,214	3,686	1,831	3,936	9,106	31,698
Deposits	2,852,447	68,063	2,049,883	47,529	55,199	124,154	37,892	73,447	8,109	8,253	21,709	37,873	320,337
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	2,609,635	68,059	1,807,258	47,500	55,196	124,036	37,883	73,434	8,108	8,253	21,707	37,871	320,329
U.S. Treasury, General Account	177,911	0	177,911	0	0	0	0	0	0	0	0	0	0
Foreign official	5,209	2	5,182	3	3	8	2	1	0	0	0	1	6
Other ¹⁴	59,692	2	59,532	26	0	109	6	12	0	0	1	2	2
Deferred availability cash items	658	0	0	0	0	0	574	0	0	84	0	0	0
Interest on Federal Reserve notes due to U.S. Treasury ¹⁵	1,853	19	1,266	18	15	39	111	75	28	12	35	65	170
Other liabilities and accrued dividends ¹⁶	4,289	180	1,430	217	227	648	342	267	129	119	108	179	444
Total liabilities	4,452,327	115,433	2,652,447	96,324	122,625	233,704	247,075	176,896	48,713	30,365	59,537	151,932	517,276
<i>Capital</i>													
Capital paid in	28,568	1,294	9,208	1,597	2,228	6,557	1,626	766	266	120	301	410	4,196
Surplus	28,568	1,294	9,208	1,597	2,228	6,557	1,626	766	266	120	301	410	4,196
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and capital	4,509,462	118,021	2,670,863	99,517	127,080	246,818	250,327	178,427	49,245	30,605	60,138	152,752	525,668

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, December 24, 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 24, 2014
Federal Reserve notes outstanding	1,471,865
Less: Notes held by F.R. Banks not subject to collateralization	177,618
Federal Reserve notes to be collateralized	1,294,247
Collateral held against Federal Reserve notes	1,294,247
Gold certificate account	11,037
Special drawing rights certificate account	5,200
U.S. Treasury, agency debt, and mortgage-backed securities pledged ^{1,2}	1,278,010
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities ^{1,2}	4,247,474
Less: Face value of securities under reverse repurchase agreements	277,086
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	3,970,388

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.