

FEDERAL RESERVE statistical release



H.4.1

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

February 26, 2015

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 Feb 25, 2015
	Week ended Feb 25, 2015	Change from week ended		
		Feb 18, 2015	Feb 26, 2014	
Reserve Bank credit	4,459,378	- 14,486	+ 342,174	4,447,571
Securities held outright ¹	4,247,218	- 2,688	+ 348,446	4,237,251
U.S. Treasury securities	2,460,226	- 152	+ 187,181	2,460,167
Bills ²	0	0	0	0
Notes and bonds, nominal ²	2,346,711	0	+ 180,592	2,346,711
Notes and bonds, inflation-indexed ²	98,469	0	+ 4,886	98,469
Inflation compensation ³	15,046	- 152	+ 1,703	14,987
Federal agency debt securities ²	36,877	0	- 14,534	36,877
Mortgage-backed securities ⁴	1,750,115	- 2,536	+ 175,799	1,740,208
Unamortized premiums on securities held outright ⁵	205,066	- 361	- 4,481	204,622
Unamortized discounts on securities held outright ⁵	-18,138	+ 34	- 2,743	-18,122
Repurchase agreements ⁶	0	0	0	0
Loans	6	- 11	- 94	8
Primary credit	2	- 8	0	3
Secondary credit	0	- 1	0	0
Seasonal credit	4	- 2	+ 1	5
Term Asset-Backed Securities Loan Facility ⁷	0	0	- 96	0
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC ⁸	1,686	0	+ 106	1,686
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	- 106	0
Float	-452	- 36	+ 140	-575
Central bank liquidity swaps ¹¹	3	+ 3	- 357	3
Other Federal Reserve assets ¹²	23,988	- 11,428	+ 1,347	22,697
Foreign currency denominated assets ¹³	20,253	- 39	- 3,746	20,252
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding ¹⁴	46,413	+ 14	+ 751	46,413
Total factors supplying reserve funds	4,542,285	- 14,512	+ 339,178	4,530,477

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 Feb 25, 2015
Reserve Bank credit, related items, and reserve balances of depository institutions at Federal Reserve Banks	Week ended Feb 25, 2015	Change from week ended		
		Feb 18, 2015	Feb 26, 2014	
Currency in circulation ¹⁴	1,349,342	+ 2,882	+ 100,944	1,351,152
Reverse repurchase agreements ¹⁵	306,160	+ 62,120	+ 97,971	306,171
Foreign official and international accounts	128,656	+ 2,074	+ 24,235	126,421
Others	177,503	+ 60,045	+ 73,735	179,750
Treasury cash holdings	225	+ 17	- 44	216
Deposits with F.R. Banks, other than reserve balances	492,582	+ 49,350	+ 408,903	462,400
Term deposits held by depository institutions	404,150	+ 107,229	+ 404,150	404,150
U.S. Treasury, General Account	68,114	- 50,722	+ 21,410	46,714
Foreign official	5,244	+ 25	- 2,728	5,213
Other ¹⁶	15,074	- 7,182	- 13,929	6,323
Other liabilities and capital ¹⁷	65,012	- 426	+ 2,338	63,541
Total factors, other than reserve balances, absorbing dollar funds	2,213,322	+ 113,944	+ 610,113	2,183,480
Reserve balances with Federal Reserve Banks	2,328,963	- 128,456	- 270,935	2,346,998

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			Wednesday Feb 25, 2015
Memorandum item	Week ended Feb 25, 2015	Change from week ended		
		Feb 18, 2015	Feb 26, 2014	
Securities held in custody for foreign official and international accounts	3,266,440	+ 3,657	- 58,927	3,265,567
Marketable U.S. Treasury securities ¹	2,939,764	+ 6,746	- 30,598	2,939,331
Federal agency debt and mortgage-backed securities ²	283,387	- 3,454	- 25,758	282,905
Other securities ³	43,289	+ 365	- 2,571	43,331
Securities lent to dealers	13,774	+ 1,682	+ 1,775	13,225
Overnight facility ⁴	13,774	+ 1,682	+ 1,775	13,225
U.S. Treasury securities	13,328	+ 1,667	+ 2,522	12,727
Federal agency debt securities	445	+ 14	- 748	498

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, February 25, 2015

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	8	0	0	0	0	...	8
<i>U.S. Treasury securities¹</i>							
Holdings	0	1,900	8,397	1,147,442	658,967	643,460	2,460,167
Weekly changes	0	0	0	- 24	- 32	- 107	- 161
<i>Federal agency debt securities²</i>							
Holdings	0	982	4,577	28,971	0	2,347	36,877
Weekly changes	0	0	0	0	0	0	0
<i>Mortgage-backed securities³</i>							
Holdings	0	0	0	15	7,787	1,732,405	1,740,208
Weekly changes	0	0	0	0	- 144	- 8,676	- 8,819
Repurchase agreements ⁴	0	0	...	...	...	...	0
Central bank liquidity swaps ⁵	3	0	0	0	0	0	3
Reverse repurchase agreements ⁴	306,171	0	...	...	...	...	306,171
Term deposits	404,150	0	0	...	...	...	404,150

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 Feb 25, 2015
Mortgage-backed securities held outright ¹	1,740,208
Commitments to buy mortgage-backed securities ²	24,006
Commitments to sell mortgage-backed securities ²	0
Cash and cash equivalents ³	63

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 Feb 25, 2015
Net portfolio holdings of Maiden Lane LLC ¹	1,686
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 Feb 25, 2015	Change since	
			Wednesday Feb 18, 2015	Wednesday Feb 26, 2014
Assets				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		1,898	- 33	- 122
Securities, unamortized premiums and discounts, repurchase agreements, and loans		4,423,760	- 9,537	+ 330,192
Securities held outright ¹		4,237,251	- 8,981	+ 337,518
U.S. Treasury securities		2,460,167	- 161	+ 181,911
Bills ²		0	0	0
Notes and bonds, nominal ²		2,346,711	0	+ 175,380
Notes and bonds, inflation-indexed ²		98,469	0	+ 4,886
Inflation compensation ³		14,987	- 161	+ 1,645
Federal agency debt securities ²		36,877	0	- 14,534
Mortgage-backed securities ⁴		1,740,208	- 8,819	+ 170,141
Unamortized premiums on securities held outright ⁵		204,622	- 596	- 4,690
Unamortized discounts on securities held outright ⁵		-18,122	+ 37	- 2,545
Repurchase agreements ⁶		0	0	0
Loans		8	+ 2	- 92
Net portfolio holdings of Maiden Lane LLC ⁷		1,686	0	+ 105
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	- 106
Items in process of collection	(0)	192	+ 8	+ 84
Bank premises		2,252	- 2	- 31
Central bank liquidity swaps ¹⁰		3	+ 3	- 357
Foreign currency denominated assets ¹¹		20,252	+ 45	- 3,707
Other assets ¹²		20,446	- 610	+ 781
Total assets	(0)	4,486,725	- 10,126	+ 326,753

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 Feb 25, 2015	Change since	
			Wednesday Feb 18, 2015	Wednesday Feb 26, 2014
Liabilities				
Federal Reserve notes, net of F.R. Bank holdings		1,306,848	+ 2,662	+ 99,279
Reverse repurchase agreements ¹³		306,171	+ 9,117	+ 73,497
Deposits	(0)	2,809,398	- 21,436	+ 151,693
Term deposits held by depository institutions		404,150	+ 107,229	+ 404,150
Other deposits held by depository institutions		2,346,998	- 98,903	- 263,542
U.S. Treasury, General Account		46,714	- 26,383	+ 19,287
Foreign official		5,213	+ 1	- 2,759
Other ¹⁴	(0)	6,323	- 3,380	- 5,443
Deferred availability cash items	(0)	767	- 98	+ 49
Other liabilities and accrued dividends ¹⁵		5,983	- 686	+ 554
Total liabilities	(0)	4,429,168	- 10,440	+ 325,073
Capital accounts				
Capital paid in		28,779	+ 157	+ 840
Surplus		28,779	+ 157	+ 840
Other capital accounts		0	0	0
Total capital		57,557	+ 314	+ 1,680

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, February 25, 2015

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	1,898	37	78	133	121	306	196	284	20	47	155	184	336
Securities, unamortized premiums and discounts, repurchase agreements, and loans	4,423,760	89,486	2,715,137	105,980	96,586	247,246	244,543	180,809	54,564	27,111	58,272	134,793	469,233
Securities held outright ¹	4,237,251	85,712	2,600,670	101,512	92,514	236,823	234,233	173,182	52,264	25,967	55,814	129,110	449,450
U.S. Treasury securities	2,460,167	49,765	1,509,961	58,938	53,714	137,500	135,997	100,550	30,344	15,077	32,406	74,962	260,952
Bills ²	0	0	0	0	0	0	0	0	0	0	0	0	0
Notes and bonds ³	2,460,167	49,765	1,509,961	58,938	53,714	137,500	135,997	100,550	30,344	15,077	32,406	74,962	260,952
Federal agency debt securities ²	36,877	746	22,634	883	805	2,061	2,039	1,507	455	226	486	1,124	3,912
Mortgage-backed securities ⁴	1,740,208	35,201	1,068,076	41,690	37,995	97,261	96,198	71,125	21,464	10,665	22,923	53,025	184,586
Unamortized premiums on securities held outright ⁵	204,622	4,139	125,590	4,902	4,468	11,436	11,311	8,363	2,524	1,254	2,695	6,235	21,704
Unamortized discounts on securities held outright ⁵	-18,122	-367	-11,123	-434	-396	-1,013	-1,002	-741	-224	-111	-239	-552	-1,922
Repurchase agreements ⁶	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	8	1	0	0	0	0	1	4	0	1	1	0	1
Net portfolio holdings of Maiden Lane LLC ⁷	1,686	0	1,686	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	192	0	0	0	0	0	191	0	0	1	0	0	0
Bank premises	2,252	122	434	75	110	218	210	202	121	95	241	222	200
Central bank liquidity swaps ¹⁰	3	0	1	0	0	1	0	0	0	0	0	0	0
Foreign currency denominated assets ¹¹	20,252	918	6,529	1,131	1,579	4,647	1,152	544	189	85	213	292	2,973
Other assets ¹²	20,446	455	11,946	497	455	1,300	1,139	841	450	151	297	754	2,161
Interdistrict settlement account	0 +	27,119 -	224,543 +	37,002 +	28,091 +	10,155 +	6,492 -	3,234 -	312 +	7,413 +	9,715 +	22,792 +	79,310
Total assets	4,486,725	118,685	2,517,211	145,366	127,642	265,110	255,927	180,575	55,459	35,166	69,337	160,200	556,045

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, February 25, 2015 (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	1,492,639	50,312	474,064	48,701	72,098	104,798	212,153	104,083	44,346	26,575	41,743	122,060	191,706
Less: Notes held by F.R. Banks	185,791	5,539	66,079	5,915	9,816	12,339	22,434	11,867	4,559	3,057	5,270	14,265	24,652
Federal Reserve notes, net	1,306,848	44,774	407,985	42,786	62,282	92,460	189,718	92,216	39,787	23,518	36,473	107,795	167,055
Reverse repurchase agreements ¹³	306,171	6,193	187,917	7,335	6,685	17,112	16,925	12,514	3,776	1,876	4,033	9,329	32,476
Deposits	2,809,398	64,967	1,899,628	91,816	53,986	141,820	45,150	73,993	11,226	9,099	28,103	42,028	347,580
Term deposits held by depository institutions	404,150	280	226,123	67,740	16,850	3,575	1,258	14,495	104	70	3,391	2,356	67,908
Other deposits held by depository institutions	2,346,998	64,682	1,615,471	24,049	37,133	138,105	43,883	59,483	11,122	9,029	24,710	39,668	279,663
U.S. Treasury, General Account	46,714	0	46,714	0	0	0	0	0	0	0	0	0	0
Foreign official	5,213	2	5,186	2	3	9	2	1	0	0	0	1	6
Other ¹⁴	6,323	4	6,135	25	0	130	7	13	0	0	2	3	4
Deferred availability cash items	767	0	0	0	0	0	473	0	0	294	0	0	0
Interest on Federal Reserve notes due to U.S. Treasury ¹⁵	1,366	28	820	24	35	82	85	56	10	6	16	45	160
Other liabilities and accrued dividends ¹⁶	4,617	141	2,163	191	192	511	308	253	120	129	111	173	326
Total liabilities	4,429,168	116,103	2,498,512	142,152	123,180	251,984	252,659	179,031	54,920	34,923	68,736	159,370	547,597
<i>Capital</i>													
Capital paid in	28,779	1,291	9,350	1,607	2,231	6,563	1,634	772	270	121	300	415	4,224
Surplus	28,779	1,291	9,350	1,607	2,231	6,563	1,634	772	270	121	300	415	4,224
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and capital	4,486,725	118,685	2,517,211	145,366	127,642	265,110	255,927	180,575	55,459	35,166	69,337	160,200	556,045

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, February 25, 2015 (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 Feb 25, 2015
Federal Reserve notes outstanding		1,492,639
Less: Notes held by F.R. Banks not subject to collateralization		185,791
Federal Reserve notes to be collateralized		1,306,848
Collateral held against Federal Reserve notes		1,306,848
Gold certificate account		11,037
Special drawing rights certificate account		5,200
U.S. Treasury, agency debt, and mortgage-backed securities pledged ^{1,2}		1,290,612
Other assets pledged		0
<i>Memo:</i>		
Total U.S. Treasury, agency debt, and mortgage-backed securities ^{1,2}		4,237,251
Less: Face value of securities under reverse repurchase agreements		274,226
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged		3,963,025

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.