

# FEDERAL RESERVE statistical release



H.4.1

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

June 2, 2011

### 1. Factors Affecting Reserve Balances of Depository Institutions

Millions of dollars

Reserve Bank credit, related items, and reserve balances of depository institutions at Federal Reserve Banks	Averages of daily figures			Wednesday Jun 1, 2011
	Week ended Jun 1, 2011	Change from week ended		
		May 25, 2011	Jun 2, 2010	
Reserve Bank credit	2,770,779	+ 20,105	+ 450,872	2,772,226
Securities held outright <sup>1</sup>	2,566,624	+ 20,207	+ 509,396	2,569,185
U.S. Treasury securities	1,529,675	+ 25,087	+ 752,769	1,532,236
Bills <sup>2</sup>	18,423	0	0	18,423
Notes and bonds, nominal <sup>2</sup>	1,441,983	+ 24,658	+ 729,960	1,443,828
Notes and bonds, inflation-indexed <sup>2</sup>	61,268	+ 264	+ 20,143	61,930
Inflation compensation <sup>3</sup>	8,001	+ 164	+ 2,667	8,056
Federal agency debt securities <sup>2</sup>	119,093	- 112	- 47,717	119,093
Mortgage-backed securities <sup>4</sup>	917,856	- 4,769	- 195,657	917,856
Repurchase agreements <sup>5</sup>	0	0	0	0
Loans	14,068	- 583	- 57,385	13,723
Primary credit	25	+ 14	- 653	66
Secondary credit	3	+ 3	- 297	9
Seasonal credit	26	+ 4	- 13	32
Credit extended to American International Group, Inc., net <sup>6</sup>	0	0	- 26,406	0
Term Asset-Backed Securities Loan Facility <sup>7</sup>	14,014	- 603	- 30,016	13,617
Other credit extensions	0	0	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>8</sup>	0	0	- 1	0
Net portfolio holdings of Maiden Lane LLC <sup>9</sup>	24,489	+ 62	- 3,849	24,531
Net portfolio holdings of Maiden Lane II LLC <sup>10</sup>	15,010	+ 23	- 899	15,012
Net portfolio holdings of Maiden Lane III LLC <sup>11</sup>	24,381	+ 6	+ 994	24,386
Net portfolio holdings of TALF LLC <sup>12</sup>	746	+ 2	+ 268	746
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>6</sup>	0	0	- 25,416	0
Float	-1,177	- 342	+ 539	-1,823
Central bank liquidity swaps <sup>13</sup>	0	0	- 6,642	0
Other Federal Reserve assets <sup>14</sup>	126,638	+ 731	+ 33,866	126,465
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding <sup>15</sup>	43,902	+ 14	+ 812	43,902
<b>Total factors supplying reserve funds</b>	<b>2,830,921</b>	<b>+ 20,119</b>	<b>+ 451,683</b>	<b>2,832,369</b>

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

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

Millions of dollars

Reserve Bank credit, related items, and reserve balances of depository institutions at Federal Reserve Banks	Averages of daily figures			Wednesday Jun 1, 2011
	Week ended Jun 1, 2011	Change from week ended		
		May 25, 2011	Jun 2, 2010	
Currency in circulation <sup>15</sup>	1,023,967	+ 6,201	+ 80,748	1,025,868
Reverse repurchase agreements <sup>16</sup>	58,417	+ 3,135	- 726	59,937
Foreign official and international accounts	58,417	+ 3,135	- 726	59,937
Others	0	0	0	0
Treasury cash holdings	142	+ 1	- 64	133
Deposits with F.R. Banks, other than reserve balances	74,131	- 18,190	- 163,973	82,053
Term deposits held by depository institutions	0	0	0	0
U.S. Treasury, general account	65,992	- 18,267	+ 32,857	73,973
U.S. Treasury, supplementary financing account	5,000	0	- 194,958	5,000
Foreign official	201	+ 74	- 1,784	133
Service-related	2,543	0	- 100	2,543
Required clearing balances	2,543	0	- 100	2,543
Adjustments to compensate for float	0	0	0	0
Other	395	+ 4	+ 12	405
Funds from American International Group, Inc. asset dispositions, held as agent <sup>6</sup>	0	0	0	0
Other liabilities and capital <sup>17</sup>	74,385	+ 597	+ 2,925	73,789
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>1,231,043</b>	<b>- 8,254</b>	<b>- 81,089</b>	<b>1,241,780</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>1,599,878</b>	<b>+ 28,373</b>	<b>+ 532,772</b>	<b>1,590,589</b>

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

1. Includes securities lent to dealers under the overnight securities lending facility; refer to table 1A.
2. Face value of the securities.
3. Compensation that adjusts for the effect of inflation on the original face value of inflation-indexed securities.
4. Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
5. Cash value of agreements.
6. As a result of the closing of the American International Group, Inc. (AIG) recapitalization plan on January 14, 2011, the credit extended to AIG was fully repaid and the Federal Reserve's commitment to lend any further funds was terminated. In addition, the Federal Reserve Bank of New York (FRBNY) has been paid in full for its preferred interests in AIA Aurora LLC and ALICO Holdings LLC. The funds from AIG asset dispositions that FRBNY held as agent were the source of repayment of the credit extended to AIG, as well as a portion of the FRBNY's preferred interests in ALICO Holdings LLC. The remaining FRBNY preferred interests in ALICO Holdings LLC and AIA Aurora LLC, valued at approximately \$20 billion, were purchased by AIG through a draw on the Treasury's Series F preferred stock commitment and then transferred by AIG to the Treasury as consideration for the draw on the available Series F funds.
7. Includes credit extended by the Federal Reserve Bank of New York to eligible borrowers through the Term Asset-Backed Securities Loan Facility.
8. Includes the book value of the commercial paper, net of amortized costs and related fees, and other investments held by the Commercial Paper Funding Facility LLC.
9. Refer to table 4 and the note on consolidation accompanying table 9.
10. Refer to table 5 and the note on consolidation accompanying table 9.
11. Refer to table 6 and the note on consolidation accompanying table 9.
12. Refer to table 7 and the note on consolidation accompanying table 9.
13. 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.
14. Includes other assets denominated in foreign currencies, which are revalued daily at market exchange rates, and the fair value adjustment to credit extended by the FRBNY to eligible borrowers through the Term Asset-Backed Securities Loan Facility. Before the closing of the AIG recapitalization plan on January 14, 2011, included accrued dividends on the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC.
15. Estimated.
16. Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
17. Includes the liabilities of Maiden Lane LLC, Maiden Lane II LLC, Maiden Lane III LLC, and TALF LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of these LLCs. Refer to table 4 through table 7 and the note on consolidation accompanying table 9. Also includes the liability for interest on Federal Reserve notes due to U.S. Treasury. Refer to table 8 and table 9.

Sources: Federal Reserve Banks and the U.S. Department of the Treasury.

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### 1A. Memorandum Items

Millions of dollars

Memorandum item	Averages of daily figures			Wednesday Jun 1, 2011
	Week ended Jun 1, 2011	Change from week ended		
		May 25, 2011	Jun 2, 2010	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	3,432,444	- 9,739	+ 356,583	3,438,553
U.S. Treasury securities	2,688,653	- 10,184	+ 420,961	2,695,279
Federal agency securities <sup>2</sup>	743,791	+ 445	- 64,377	743,274
Securities lent to dealers	19,918	+ 2,676	+ 14,167	17,085
Overnight facility <sup>3</sup>	19,918	+ 2,676	+ 14,167	17,085
U.S. Treasury securities	18,869	+ 2,645	+ 14,802	16,198
Federal agency debt securities	1,049	+ 31	- 635	887

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

1. Face value of the securities. Includes U.S. Treasury STRIPS and other zero-coupon bonds at face value and mortgage-backed securities at original face value.
2. Includes debt and mortgage-backed securities.
3. Fully collateralized by U.S. Treasury securities.

### 2. Maturity Distribution of Securities, Loans, and Selected Other Assets and Liabilities, June 1, 2011

Millions of dollars

Remaining maturity	Within 15 days	16 days to 90 days	91 days to 1 year	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	All
Loans <sup>1</sup>	75	32	495	13,122	0	...	13,723
<i>U.S. Treasury securities</i> <sup>2</sup>							
Holdings	16,005	10,983	95,392	676,155	539,335	194,367	1,532,236
Weekly changes	- 5,391	- 3,867	+ 5,805	+ 21,070	- 6,695	+ 1,988	+ 12,909
<i>Federal agency debt securities</i> <sup>3</sup>							
Holdings	728	8,589	16,524	68,156	22,749	2,347	119,093
Weekly changes	+ 728	- 728	0	0	0	0	0
<i>Mortgage-backed securities</i> <sup>4</sup>							
Holdings	0	0	0	18	22	917,815	917,856
Weekly changes	0	0	0	0	0	0	0
Asset-backed securities held by TALF LLC <sup>5</sup>	0	0	0	0	0	0	0
Repurchase agreements <sup>6</sup>	0	0	...	...	...	...	0
Central bank liquidity swaps <sup>7</sup>	0	0	0	0	0	0	0
Reverse repurchase agreements <sup>6</sup>	59,937	0	...	...	...	...	59,937
Term deposits	0	0	0	...	...	...	0

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

... Not applicable.

1. Excludes the loans from the Federal Reserve Bank of New York (FRBNY) to Maiden Lane LLC, Maiden Lane II LLC, Maiden Lane III LLC, and TALF LLC. The loans were eliminated when preparing the FRBNY's statement of condition consistent with consolidation under generally accepted accounting principles.
2. Face value. For inflation-indexed securities, includes the original face value and compensation that adjusts for the effect of inflation on the original face value of such securities.
3. Face value.
4. Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
5. Face value of asset-backed securities held by TALF LLC, which is the remaining principal balance of the underlying assets.
6. Cash value of agreements.
7. Dollar value of foreign currency held under these agreements valued at the exchange rate to be used when the foreign currency is returned to the foreign central bank. This exchange rate equals the market exchange rate used when the foreign currency was acquired from the foreign central bank.

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### 3. Supplemental Information on Mortgage-Backed Securities Purchase Program

Millions of dollars

Account name	Wednesday Jun 1, 2011
Mortgage-backed securities held outright <sup>1</sup>	917,856
Commitments to buy mortgage-backed securities <sup>2</sup>	0
Commitments to sell mortgage-backed securities <sup>2</sup>	0
Cash and cash equivalents <sup>3</sup>	0

1. Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
2. Current face value. Generally settle within 180 days and include commitments associated with outright transactions, dollar rolls, and coupon swaps.
3. This amount is included in other Federal Reserve assets in table 1 and in other assets in table 8 and table 9.

### 4. Information on Principal Accounts of Maiden Lane LLC

Millions of dollars

Account name	Wednesday Jun 1, 2011
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	24,531
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	21,719
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	693
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,343

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 March 31, 2011. Any assets purchased after this valuation date are initially recorded at cost until their estimated fair value as of the purchase date becomes available.
2. Book value. This amount was eliminated when preparing the Federal Reserve Bank of New York's statement of condition consistent with consolidation under generally accepted accounting principles. Refer to the note on consolidation accompanying table 9.
3. Book value. The fair value of these obligations is included in other liabilities and capital in table 1 and in other liabilities and accrued dividends in table 8 and table 9.

Note: On June 26, 2008, the Federal Reserve Bank of New York (FRBNY) extended credit to Maiden Lane LLC under the authority of section 13(3) of the Federal Reserve Act. This limited liability company was formed to acquire certain assets of Bear Stearns and to manage those assets through time to maximize repayment of the credit extended and to minimize disruption to financial markets. Payments by Maiden Lane LLC from the proceeds of the net portfolio holdings will be made in the following order: operating expenses of the LLC, principal due to the FRBNY, interest due to the FRBNY, principal due to JPMorgan Chase & Co., and interest due to JPMorgan Chase & Co. Any remaining funds will be paid to the FRBNY.

### 5. Information on Principal Accounts of Maiden Lane II LLC

Millions of dollars

Account name	Wednesday Jun 1, 2011
Net portfolio holdings of Maiden Lane II LLC <sup>1</sup>	15,012
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	10,542
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	517
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. <sup>3</sup>	1,086

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 March 31, 2011. Any assets purchased after this valuation date are initially recorded at cost until their estimated fair value as of the purchase date becomes available.
2. Book value. This amount was eliminated when preparing the Federal Reserve Bank of New York's statement of condition consistent with consolidation under generally accepted accounting principles. Refer to the note on consolidation accompanying table 9.
3. Book value. The deferred payment represents the portion of the proceeds of the net portfolio holdings due to subsidiaries of American International Group, Inc. in accordance with the asset purchase agreement. The fair value of this payment and accrued interest payable are included in other liabilities and capital in table 1 and in other liabilities and accrued dividends in table 8 and table 9.

Note: On December 12, 2008, the Federal Reserve Bank of New York (FRBNY) began extending credit to Maiden Lane II LLC under the authority of section 13(3) of the Federal Reserve Act. This limited liability company was formed to purchase residential mortgage-backed securities from the U.S. securities lending reinvestment portfolio of subsidiaries of American International Group, Inc. (AIG subsidiaries). Payments by Maiden Lane II LLC from the proceeds of the net portfolio holdings will be made in the following order: operating expenses of Maiden Lane II LLC, principal due to the FRBNY, interest due to the FRBNY, and deferred payment and interest due to AIG subsidiaries. Any remaining funds will be shared by the FRBNY and AIG subsidiaries.

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### 6. Information on Principal Accounts of Maiden Lane III LLC

Millions of dollars

Account name	Wednesday Jun 1, 2011
Net portfolio holdings of Maiden Lane III LLC <sup>1</sup>	24,386
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	11,985
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	613
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.<sup>3</sup></u>	<u>5,439</u>

1. Fair value. Fair value reflects an estimate of the price that would be received upon selling an asset if the transaction were to be conducted in an orderly market on the measurement date. Revalued quarterly. This table reflects valuations as of March 31, 2011. Any assets purchased after this valuation date are initially recorded at cost until their estimated fair value as of the purchase date becomes available.
2. Book value. This amount was eliminated when preparing the Federal Reserve Bank of New York's statement of condition consistent with consolidation under generally accepted accounting principles. Refer to the note on consolidation accompanying table 9.
3. Book value. The fair value of these obligations is included in other liabilities and capital in table 1 and in other liabilities and accrued dividends in table 8 and table 9.

Note: On November 25, 2008, the Federal Reserve Bank of New York (FRBNY) began extending credit to Maiden Lane III LLC under the authority of section 13(3) of the Federal Reserve Act. This limited liability company was formed to purchase multi-sector collateralized debt obligations (CDOs) on which the Financial Products group of American International Group, Inc. (AIG) has written credit default swap (CDS) contracts. In connection with the purchase of CDOs, the CDS counterparties will concurrently unwind the related CDS transactions. Payments by Maiden Lane III LLC from the proceeds of the net portfolio holdings will be made in the following order: operating expenses of Maiden Lane III LLC, principal due to the FRBNY, interest due to the FRBNY, principal due to AIG, and interest due to AIG. Any remaining funds will be shared by the FRBNY and AIG.

### 7. Information on Principal Accounts of TALF LLC

Millions of dollars

Account name	Wednesday Jun 1, 2011
Asset-backed securities holdings <sup>1</sup>	0
Other investments, net	746
Net portfolio holdings of TALF LLC	746
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	0
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	0
<u>Funding provided by U.S. Treasury to TALF LLC, including accrued interest payable<sup>3</sup></u>	<u>107</u>

1. Fair value. Fair value reflects an estimate of the price that would be received upon selling an asset if the transaction were to be conducted in an orderly market on the measurement date.
2. Book value. This amount was eliminated when preparing the Federal Reserve Bank of New York's statement of condition consistent with consolidation under generally accepted accounting principles. Refer to the note on consolidation accompanying table 9.
3. Book value. The fair value of these obligations is included in other liabilities and capital in table 1 and in other liabilities and accrued dividends in table 8 and table 9.

Note: On November 25, 2008, the Federal Reserve announced the creation of the Term Asset-Backed Securities Loan Facility (TALF) under the authority of section 13(3) of the Federal Reserve Act. The TALF is a facility under which the Federal Reserve Bank of New York (FRBNY) extends loans with a term of up to five years to holders of eligible asset-backed securities. The TALF is intended to assist financial markets in accommodating the credit needs of consumers and businesses by facilitating the issuance of asset-backed securities collateralized by a variety of consumer and business loans. The loans provided through the TALF to eligible borrowers are non-recourse, meaning that the obligation of the borrower can be discharged by surrendering the collateral to the FRBNY. The loans are extended for the market value of the security less an amount known as a haircut. As a result, the borrower bears the initial risk of a decline in the value of the security.

TALF LLC is a limited liability company formed to purchase and manage any asset-backed securities received by the FRBNY in connection with the decision of a borrower not to repay a TALF loan. TALF LLC has committed, for a fee, to purchase all asset-backed securities received by the FRBNY in conjunction with a TALF loan at a price equal to the TALF loan plus accrued but unpaid interest. Losses on asset-backed securities held by TALF LLC will be offset in the following order: by the commitment fees collected by TALF LLC, by the interest received on investments of TALF LLC, by up to \$4.3 billion in subordinated debt funding provided by the U.S. Treasury, and finally, by senior debt funding provided by the FRBNY. Payments by TALF LLC from the proceeds of its net portfolio holdings will be made in the following order: operating expenses of TALF LLC, principal due to the FRBNY, principal due to the U.S. Treasury, interest due to the FRBNY, and interest due to the U.S. Treasury. Any remaining funds will be shared by the FRBNY and the U.S. Treasury.

## H.4.1

**8. Consolidated Statement of Condition of All Federal Reserve Banks**

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Jun 1, 2011	Change since	
			Wednesday May 25, 2011	Wednesday Jun 2, 2010
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,106	- 24	+ 110
Securities, repurchase agreements, and loans		2,582,908	+ 12,363	+ 454,630
Securities held outright <sup>1</sup>		2,569,185	+ 12,909	+ 511,943
U.S. Treasury securities		1,532,236	+ 12,909	+ 755,323
Bills <sup>2</sup>		18,423	0	0
Notes and bonds, nominal <sup>2</sup>		1,443,828	+ 11,819	+ 731,805
Notes and bonds, inflation-indexed <sup>2</sup>		61,930	+ 926	+ 20,805
Inflation compensation <sup>3</sup>		8,056	+ 164	+ 2,714
Federal agency debt securities <sup>2</sup>		119,093	0	- 47,622
Mortgage-backed securities <sup>4</sup>		917,856	0	- 195,758
Repurchase agreements <sup>5</sup>		0	0	0
Loans		13,723	- 547	- 57,312
Net portfolio holdings of Commercial Paper				
Funding Facility LLC <sup>6</sup>		0	0	- 1
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>		24,531	+ 56	- 3,836
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>		15,012	+ 3	- 899
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>		24,386	+ 7	+ 985
Net portfolio holdings of TALF LLC <sup>10</sup>		746	0	+ 268
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>		0	0	- 25,416
Items in process of collection	(232)	426	+ 154	+ 23
Bank premises		2,206	- 7	- 26
Central bank liquidity swaps <sup>12</sup>		0	0	- 6,642
Other assets <sup>13</sup>		124,257	+ 1,161	+ 33,940
<b>Total assets</b>	(232)	2,792,815	+ 13,712	+ 453,137

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

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

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Jun 1, 2011	Change since	
			Wednesday May 25, 2011	Wednesday Jun 2, 2010
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		984,201	+ 5,041	+ 80,474
Reverse repurchase agreements <sup>14</sup>		59,937	+ 5,756	+ 821
Deposits	(0)	1,672,639	+ 1,349	+ 369,361
Term deposits held by depository institutions		0	0	0
Other deposits held by depository institutions		1,593,129	+ 1,038	+ 554,302
U.S. Treasury, general account		73,973	+ 279	+ 11,656
U.S. Treasury, supplementary financing account		5,000	0	- 194,958
Foreign official		133	+ 7	- 1,691
Other	(0)	405	+ 25	+ 54
Deferred availability cash items	(232)	2,249	+ 870	- 976
Other liabilities and accrued dividends <sup>15</sup>		21,101	+ 666	+ 5,726
<b>Total liabilities</b>	<b>(232)</b>	<b>2,740,127</b>	<b>+ 13,682</b>	<b>+ 455,406</b>
<i>Capital accounts</i>				
Capital paid in		26,344	+ 15	- 62
Surplus		26,344	+ 15	+ 679
Other capital accounts		0	0	- 2,886
<b>Total capital</b>		<b>52,688</b>	<b>+ 30</b>	<b>- 2,269</b>

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

- Includes securities lent to dealers under the overnight securities lending facility; refer to table 1A.
- Face value of the securities.
- Compensation that adjusts for the effect of inflation on the original face value of inflation-indexed securities.
- Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
- Cash value of agreements, which are collateralized by U.S. Treasury and federal agency securities.
- Includes the book value of the commercial paper, net of amortized costs and related fees, and other investments held by the Commercial Paper Funding Facility LLC.
- Refer to table 4 and the note on consolidation accompanying table 9.
- Refer to table 5 and the note on consolidation accompanying table 9.
- Refer to table 6 and the note on consolidation accompanying table 9.
- Refer to table 7 and the note on consolidation accompanying table 9.
- As a result of the closing of the AIG recapitalization plan on January 14, 2011, the Federal Reserve Bank of New York has been paid in full for its preferred interests in AIA Aurora LLC and ALICO Holdings LLC. A portion of the preferred interests was redeemed by AIG with the funds from AIG asset dispositions that were held as agent by the Federal Reserve.
- Dollar value of foreign currency held under these agreements valued at the exchange rate to be used when the foreign currency is returned to the foreign central bank. This exchange rate equals the market exchange rate used when the foreign currency was acquired from the foreign central bank.
- Includes other assets denominated in foreign currencies, which are revalued daily at market exchange rates and the fair value adjustment to credit extended by the Federal Reserve Bank of New York (FRBNY) to eligible borrowers through the Term Asset-Backed Securities Loan Facility. Before the closing of the AIG recapitalization plan on January 14, 2011, included accrued dividends on the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC.
- Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
- Includes the liabilities of Maiden Lane LLC, Maiden Lane II LLC, Maiden Lane III LLC, and TALF LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of these LLCs. Refer to table 4 through table 7 and the note on consolidation accompanying table 9. Also includes the liability for interest on Federal Reserve notes due to U.S. Treasury. Before the closing of the AIG recapitalization plan on January 14, 2011, included funds from American International Group, Inc. asset dispositions, held as agent.

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## 9. Statement of Condition of Each Federal Reserve Bank, June 1, 2011

Millions of dollars

Assets, liabilities, and capital	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
<b>Assets</b>													
Gold certificate account	11,037	390	3,866	432	450	872	1,394	854	319	197	318	728	1,217
Special drawing rights certificate acct.	5,200	196	1,818	210	237	412	654	424	150	90	153	282	574
Coin	2,106	52	78	158	151	351	173	325	33	59	159	213	351
Securities, repurchase agreements, and loans	2,582,908	63,167	1,208,398	88,044	69,399	296,715	191,003	152,594	48,633	39,492	68,376	101,611	255,476
Securities held outright <sup>1</sup>	2,569,185	63,167	1,194,781	88,010	69,399	296,715	191,000	152,572	48,627	39,484	68,342	101,611	255,476
U.S. Treasury securities	1,532,236	37,672	712,556	52,488	41,389	176,958	113,910	90,993	29,001	23,548	40,758	60,600	152,363
Bills <sup>2</sup>	18,423	453	8,567	631	498	2,128	1,370	1,094	349	283	490	729	1,832
Notes and bonds <sup>3</sup>	1,513,814	37,219	703,988	51,857	40,891	174,830	112,541	89,898	28,652	23,265	40,268	59,871	150,531
Federal agency debt securities <sup>2</sup>	119,093	2,928	55,383	4,080	3,217	13,754	8,854	7,072	2,254	1,830	3,168	4,710	11,842
Mortgage-backed securities <sup>4</sup>	917,856	22,567	426,842	31,442	24,793	106,003	68,236	54,507	17,372	14,106	24,415	36,301	91,270
Repurchase agreements <sup>5</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	13,723	0	13,617	34	0	0	3	22	6	8	35	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>6</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>	24,531	0	24,531	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>	15,012	0	15,012	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>	24,386	0	24,386	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC <sup>10</sup>	746	0	746	0	0	0	0	0	0	0	0	0	0
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Items in process of collection	658	33	0	163	211	12	1	51	17	32	23	21	94
Bank premises	2,206	123	254	68	138	237	218	207	136	106	262	246	211
Central bank liquidity swaps <sup>12</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Other assets <sup>13</sup>	124,257	3,346	52,876	5,980	4,631	16,815	8,805	6,457	2,083	2,356	2,842	4,276	13,790
Interdistrict settlement account	0	- 2,804	+ 238,229	+ 10,148	- 4,333	- 95,646	- 34,351	- 4,923	- 10,183	- 18,211	- 16,444	- 7,043	- 54,438
<b>Total assets</b>	<b>2,793,047</b>	<b>64,503</b>	<b>1,570,195</b>	<b>105,203</b>	<b>70,883</b>	<b>219,769</b>	<b>167,897</b>	<b>155,989</b>	<b>41,187</b>	<b>24,121</b>	<b>55,689</b>	<b>100,335</b>	<b>217,276</b>

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



## H.4.1

## 9. Statement of Condition of Each Federal Reserve Bank, June 1, 2011 (continued)

Millions of dollars

Assets, liabilities, and capital	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
<i>Liabilities</i>													
Federal Reserve notes outstanding	1,136,344	43,303	387,245	47,358	52,930	90,568	140,196	89,646	32,608	19,479	32,069	75,048	125,895
Less: Notes held by F.R. Banks	152,144	4,506	41,709	5,353	7,508	12,107	21,929	12,475	4,038	5,421	3,269	10,793	23,034
Federal Reserve notes, net	984,201	38,797	345,536	42,005	45,422	78,461	118,267	77,170	28,570	14,057	28,800	64,254	102,860
Reverse repurchase agreements <sup>14</sup>	59,937	1,474	27,873	2,053	1,619	6,922	4,456	3,559	1,134	921	1,594	2,371	5,960
Deposits	1,672,639	21,992	1,165,592	55,599	19,232	122,248	41,313	73,216	10,715	6,870	24,419	32,432	99,013
Term deposits held by depository institutions	0	0	0	0	0	0	0	0	0	0	0	0	0
Other deposits held by depository institutions	1,593,129	21,989	1,086,263	55,595	19,229	122,102	41,311	73,214	10,714	6,869	24,417	32,431	98,997
U.S. Treasury, general account	73,973	0	73,973	0	0	0	0	0	0	0	0	0	0
U.S. Treasury, supplementary financing account	5,000	0	5,000	0	0	0	0	0	0	0	0	0	0
Foreign official	133	1	104	4	3	8	2	1	0	1	0	1	6
Other	405	2	252	0	0	137	0	1	1	0	1	0	10
Deferred availability cash items	2,481	135	1	476	278	109	160	168	104	429	121	135	364
Interest on Federal Reserve notes due to U.S. Treasury <sup>15</sup>	1,999	53	853	90	72	291	152	101	34	38	43	70	202
Other liabilities and accrued dividends <sup>16</sup>	19,102	218	14,905	318	311	874	530	443	185	165	191	294	670
<b>Total liabilities</b>	<b>2,740,359</b>	<b>62,668</b>	<b>1,554,760</b>	<b>100,541</b>	<b>66,934</b>	<b>208,905</b>	<b>164,877</b>	<b>154,658</b>	<b>40,742</b>	<b>22,481</b>	<b>55,168</b>	<b>99,555</b>	<b>209,069</b>
<i>Capital</i>													
Capital paid in	26,344	918	7,717	2,331	1,975	5,432	1,510	665	222	820	260	390	4,104
Surplus	26,344	918	7,717	2,331	1,975	5,432	1,510	665	222	820	260	390	4,104
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and capital</b>	<b>2,793,047</b>	<b>64,503</b>	<b>1,570,195</b>	<b>105,203</b>	<b>70,883</b>	<b>219,769</b>	<b>167,897</b>	<b>155,989</b>	<b>41,187</b>	<b>24,121</b>	<b>55,689</b>	<b>100,335</b>	<b>217,276</b>

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

**9. Statement of Condition of Each Federal Reserve Bank, June 1, 2011 (continued)**

1. Includes securities lent to dealers under the overnight securities lending facility; refer to table 1A.
2. Face value of the securities.
3. Includes the original face value of inflation-indexed securities and compensation that adjusts for the effect of inflation on the original face value of such securities.
4. Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
5. Cash value of agreements, which are collateralized by U.S. Treasury and federal agency securities.
6. Includes the book value of the commercial paper, net of amortized costs and related fees, and other investments held by the Commercial Paper Funding Facility LLC.
7. Refer to table 4 and the note on consolidation below.
8. Refer to table 5 and the note on consolidation below.
9. Refer to table 6 and the note on consolidation below.
10. Refer to table 7 and the note on consolidation below.
11. As a result of the closing of the AIG recapitalization plan on January 14, 2011, the Federal Reserve Bank of New York has been paid in full for its preferred interests in AIA Aurora LLC and ALICO Holdings LLC. A portion of the preferred interests was redeemed by AIG with the funds from AIG asset dispositions that were held as agent by the Federal Reserve.
12. 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.
13. Includes other assets denominated in foreign currencies, which are revalued daily at market exchange rates and the fair value adjustment to credit extended by the Federal Reserve Bank of New York (FRBNY) to eligible borrowers through the Term Asset-Backed Securities Loan Facility. Before the closing of the AIG recapitalization plan on January 14, 2011, included accrued dividends on the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC.
14. Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
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.
16. Includes the liabilities of Maiden Lane LLC, Maiden Lane II LLC, Maiden Lane III LLC, and TALF LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of these LLCs. Refer to table 4 through table 7 and the note on consolidation below. Before the closing of the AIG recapitalization plan on January 14, 2011, included funds from American International Group, Inc. asset dispositions, held as agent.

## Note on consolidation:

The Federal Reserve Bank of New York (FRBNY) has extended loans to several limited liability companies under the authority of section 13(3) of the Federal Reserve Act. On June 26, 2008, a loan was extended to Maiden Lane LLC, which was formed to acquire certain assets of Bear Stearns. On November 25, 2008, a loan was extended to Maiden Lane III LLC, which was formed to purchase multi-sector collateralized debt obligations on which the Financial Products group of the American International Group, Inc. has written credit default swap contracts. On December 12, 2008, a loan was extended to Maiden Lane II LLC, which was formed to purchase residential mortgage-backed securities from the U.S. securities lending reinvestment portfolio of subsidiaries of American International Group, Inc. On November 25, 2008, the Federal Reserve Board authorized the FRBNY to extend credit to TALF LLC, which was formed to purchase and manage any asset-backed securities received by the FRBNY in connection with the decision of a borrower not to repay a loan extended under the Term Asset-Backed Securities Loan Facility.

The FRBNY is the primary beneficiary of TALF LLC, because of the two beneficiaries of the LLC, the FRBNY and the U.S. Treasury, the FRBNY is primarily responsible for directing the financial activities of TALF LLC. The FRBNY is the primary beneficiary of the other LLCs cited above because it will receive a majority of any residual returns of the LLCs and absorb a majority of any residual losses of the LLCs. Consistent with generally accepted accounting principles, the assets and liabilities of these LLCs have been consolidated with the assets and liabilities of the FRBNY in the preparation of the statements of condition shown on this release. As a consequence of the consolidation, the extensions of credit from the FRBNY to the LLCs are eliminated, the net assets of the LLCs appear as assets on the previous page (and in table 1 and table 8), and the liabilities of the LLCs to entities other than the FRBNY, including those with recourse only to the portfolio holdings of the LLCs, are included in other liabilities in this table (and table 1 and table 8).

H.4.1

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

Millions of dollars

Federal Reserve notes and collateral	Wednesday Jun 1, 2011
Federal Reserve notes outstanding	1,136,344
Less: Notes held by F.R. Banks not subject to collateralization	152,144
Federal Reserve notes to be collateralized	984,201
Collateral held against Federal Reserve notes	984,201
Gold certificate account	11,037
Special drawing rights certificate account	5,200
U.S. Treasury, agency debt, and mortgage-backed securities pledged <sup>1,2</sup>	967,964
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities <sup>1,2</sup>	2,569,185
Less: Face value of securities under reverse repurchase agreements	54,908
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,514,277

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.