

# FEDERAL RESERVE statistical release



H.4.1

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

May 20, 2010

### 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 May 19, 2010
	Week ended May 19, 2010	Change from week ended		
		May 12, 2010	May 20, 2009	
Reserve Bank credit	2,339,071	+ 28,883	+ 173,956	2,333,366
Securities held outright <sup>1</sup>	2,065,529	+ 23,062	+ 979,929	2,063,896
U.S. Treasury securities	776,819	+ 43	+ 196,253	776,834
Bills <sup>2</sup>	18,423	0	0	18,423
Notes and bonds, nominal <sup>2</sup>	712,023	0	+ 195,795	712,023
Notes and bonds, inflation-indexed <sup>2</sup>	41,125	0	- 128	41,125
Inflation compensation <sup>3</sup>	5,247	+ 43	+ 586	5,263
Federal agency debt securities <sup>2</sup>	167,747	- 365	+ 93,198	167,577
Mortgage-backed securities <sup>4</sup>	1,120,963	+ 23,384	+ 690,478	1,119,485
Repurchase agreements <sup>5</sup>	0	0	0	0
Term auction credit	0	0	- 428,835	0
Other loans	76,232	- 954	- 51,699	75,861
Primary credit	5,114	- 36	- 33,041	4,627
Secondary credit	400	- 86	+ 380	400
Seasonal credit	44	+ 1	+ 33	47
Asset-Backed Commercial Paper Money Market				
Mutual Fund Liquidity Facility	0	0	- 28,121	0
Credit extended to American International Group, Inc., net <sup>6</sup>	26,176	- 632	- 19,532	26,296
Term Asset-Backed Securities Loan Facility <sup>7</sup>	44,497	- 202	+ 28,582	44,491
Other credit extensions	0	0	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>8</sup>	2	0	- 160,779	2
Net portfolio holdings of Maiden Lane LLC <sup>9</sup>	28,269	+ 8	+ 2,577	28,308
Net portfolio holdings of Maiden Lane II LLC <sup>10</sup>	15,842	+ 3	- 310	15,847
Net portfolio holdings of Maiden Lane III LLC <sup>11</sup>	23,363	+ 64	+ 3,050	23,372
Net portfolio holdings of TALF LLC <sup>12</sup>	439	0	+ 439	439
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>13</sup>	25,416	0	+ 25,416	25,416
Float	-1,894	- 11	+ 99	-2,129
Central bank liquidity swaps <sup>14</sup>	9,205	+ 7,890	- 227,254	9,205
Other Federal Reserve assets <sup>15</sup>	96,669	- 1,179	+ 31,323	93,148
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	+ 3,000	5,200
Treasury currency outstanding <sup>16</sup>	42,843	+ 14	+ 517	42,843
<b>Total factors supplying reserve funds</b>	<b>2,398,155</b>	<b>+ 28,897</b>	<b>+ 177,473</b>	<b>2,392,450</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 May 19, 2010
	Week ended May 19, 2010	Change from week ended		
		May 12, 2010	May 20, 2009	
Currency in circulation <sup>16</sup>	937,574	- 61	+ 32,805	938,179
Reverse repurchase agreements <sup>17</sup>	56,326	+ 2,085	- 13,442	55,764
Foreign official and international accounts	56,326	+ 2,085	- 13,442	55,764
Dealers	0	0	0	0
Treasury cash holdings	187	+ 2	- 105	194
Deposits with F.R. Banks, other than reserve balances	238,515	- 3,144	- 22,710	234,635
U.S. Treasury, general account	21,159	- 13,146	- 28,679	30,213
U.S. Treasury, supplementary financing account	199,959	+ 1	+ 29	199,959
Foreign official	1,604	+ 124	- 1,111	1,478
Service-related	2,663	- 2	- 1,679	2,663
Required clearing balances	2,663	- 2	- 1,679	2,663
Adjustments to compensate for float	0	0	0	0
Other	13,130	+ 9,879	+ 8,730	322
Other liabilities and capital <sup>18</sup>	73,355	+ 2,660	+ 22,985	70,963
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>1,305,956</b>	<b>+ 1,541</b>	<b>+ 19,533</b>	<b>1,299,734</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>1,092,199</b>	<b>+ 27,356</b>	<b>+ 157,940</b>	<b>1,092,716</b>

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

- Includes securities lent to dealers under the overnight and term securities lending facilities; 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.
- Includes outstanding principal and capitalized interest net of unamortized deferred commitment fees and allowance for loan restructuring. Excludes credit extended to consolidated LLCs.
- 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 7 and the note on consolidation accompanying table 11.
- Refer to table 4 and the note on consolidation accompanying table 11.
- Refer to table 5 and the note on consolidation accompanying table 11.
- Refer to table 6 and the note on consolidation accompanying table 11.
- Refer to table 8 and the note on consolidation accompanying table 11.
- Refer to table 9.
- 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, accrued dividends on the Federal Reserve Bank of New York's (FRBNY) preferred interests in AIA Aurora LLC and ALICO Holdings LLC, and the fair value adjustment to credit extended by the FRBNY to eligible borrowers through the Term Asset-Backed Securities Loan Facility.
- Estimated.
- Cash value of agreements, which are collateralized by U.S. Treasury securities and federal agency debt securities.
- Includes the liabilities of Commercial Paper Funding Facility LLC, 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 8 and the note on consolidation accompanying table 11.

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 May 19, 2010
	Week ended May 19, 2010	Change from week ended		
		May 12, 2010	May 20, 2009	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	3,056,634	- 7,138	+ 347,063	3,059,194
U.S. Treasury securities	2,261,485	- 11,588	+ 367,393	2,262,707
Federal agency securities <sup>2</sup>	795,149	+ 4,450	- 20,330	796,486
Securities lent to dealers	4,084	+ 852	- 32,634	4,762
Overnight facility <sup>3</sup>	4,084	+ 852	- 84	4,762
U.S. Treasury securities	2,836	+ 785	- 1,332	3,508
Federal agency debt securities	1,249	+ 69	+ 1,249	1,254
Term facility <sup>4</sup>	0	0	- 32,550	0

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

1. Face value of the securities. Includes U.S. Treasury STRIPS, other zero-coupon bonds, and mortgage-backed securities at face value.
2. Includes debt and mortgage-backed securities.
3. Fully collateralized by U.S. Treasury securities.
4. U.S. Treasury securities only. Fully collateralized by U.S. Treasury securities, federal agency securities, and other highly rated debt securities.

### 2. Maturity Distribution of Securities, Loans, and Selected Other Assets and Liabilities, May 19, 2010

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
Other loans <sup>1</sup>	5,073	1	0	70,787	0	...	75,861
U.S. Treasury securities <sup>2</sup>							
Holdings	17,097	15,271	46,915	340,378	213,483	143,691	776,834
Weekly changes	- 2,186	- 181	- 4,427	+ 12,836	- 4,760	- 1,240	+ 42
Federal agency debt securities <sup>3</sup>							
Holdings	862	9,504	37,335	83,981	33,548	2,347	167,577
Weekly changes	+ 127	+ 1,508	+ 3,072	- 5,242	0	0	- 535
Mortgage-backed securities <sup>4</sup>							
Holdings	0	0	0	32	20	1,119,433	1,119,485
Weekly changes	0	0	0	- 1	0	+ 21,131	+ 21,130
Commercial paper held by Commercial Paper Funding Facility LLC <sup>5</sup>	0	0	0	...	...	...	0
Asset-backed securities held by TALF LLC <sup>6</sup>	0	0	0	0	0	0	0
Repurchase agreements <sup>7</sup>	0	0	...	...	...	...	0
Central bank liquidity swaps <sup>8</sup>	9,205	0	0	0	0	0	9,205
Reverse repurchase agreements <sup>7</sup>	55,764	0	...	...	...	...	55,764

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 Commercial Paper Funding Facility LLC, 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 commercial paper held by Commercial Paper Funding Facility LLC.
6. Face value of asset-backed securities held by TALF LLC, which is the remaining principal balance of the underlying assets.
7. Cash value of agreements.
8. 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 May 19, 2010
Mortgage-backed securities held outright <sup>1</sup>	1,119,485
Commitments to buy mortgage-backed securities <sup>2</sup>	38,230
Commitments to sell mortgage-backed securities <sup>2</sup>	0
Cash and cash equivalents <sup>3</sup>	624

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 as well as dollar rolls.
3. This amount is included in other Federal Reserve assets in table 1 and in other assets in table 10 and table 11.

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

Millions of dollars

Account name	Wednesday May 19, 2010
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	28,308
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	28,820
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	487
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,273

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, 2010. 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 11.
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 10 and table 11.

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 May 19, 2010
Net portfolio holdings of Maiden Lane II LLC <sup>1</sup>	15,847
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	14,532
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	338
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. <sup>3</sup>	1,049

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, 2010. 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 11.
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 10 and table 11.

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 May 19, 2010
Net portfolio holdings of Maiden Lane III LLC <sup>1</sup>	23,372
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	16,206
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	423
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.<sup>3</sup></u>	<u>5,257</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, 2010. 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 11.
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 10 and table 11.

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 Commercial Paper Funding Facility LLC

Millions of dollars

Account name	Wednesday May 19, 2010
Commercial paper holdings, net <sup>1</sup>	0
Other investments, net	2
Net portfolio holdings of Commercial Paper Funding Facility LLC	2
Memorandum: Commercial paper holdings, face value	0
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	0
<u>Accrued interest payable to the Federal Reserve Bank of New York<sup>2</sup></u>	<u>0</u>

1. Book value, which includes amortized cost and related fees.
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 11.

Note: On October 27, 2008, the Federal Reserve Bank of New York began extending loans under the authority of section 13(3) of the Federal Reserve Act to Commercial Paper Funding Facility LLC. This LLC is a limited liability company formed to purchase three-month U.S. dollar-denominated commercial paper from eligible issuers and thereby foster liquidity in short-term funding markets and increase the availability of credit for businesses and households.

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

Millions of dollars

Account name	Wednesday May 19, 2010
Asset-backed securities holdings <sup>1</sup>	0
Other investments, net	439
Net portfolio holdings of TALF LLC	439
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
Funding provided by U.S. Treasury to TALF LLC, including accrued interest payable <sup>3</sup>	104

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 11.
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 10 and table 11.

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 \$20 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.

### 9. Supplemental Information on the Federal Reserve Bank of New York's Preferred Interests in AIA Aurora LLC and ALICO Holdings LLC

Millions of dollars

Account name	Wednesday May 19, 2010
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>1</sup>	25,416
Accrued dividends on preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>2</sup>	171
Preferred interests in AIA Aurora LLC <sup>1</sup>	16,266
Accrued dividends on preferred interests in AIA Aurora LLC <sup>2</sup>	109
Preferred interests in ALICO Holdings LLC <sup>1</sup>	9,150
Accrued dividends on preferred interests in ALICO Holdings LLC <sup>2</sup>	61

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

1. Book value.
2. This amount is included in other Federal Reserve assets in table 1 and in other assets in table 10 and table 11.

Note on preferred interests:

In conjunction with the restructuring of the government's assistance to American International Group, Inc. (AIG) announced March 2, 2009, the outstanding balance and amount available of revolving credit provided to AIG by the FRBNY has been reduced in exchange for preferred interests in two special purpose vehicles, AIA Aurora LLC and ALICO Holdings LLC. These two limited liability companies were created to directly or indirectly hold all of the outstanding common stock of American International Assurance Company Ltd. (AIA) and American Life Insurance Company (ALICO), two life insurance subsidiaries of AIG. AIG will retain control of AIA Aurora LLC and ALICO Holdings LLC, and the FRBNY will have certain consent, disposition, and conversion rights with respect to its preferred interests.

Dividends accrue as a percentage of the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC. On a quarterly basis, the accrued dividends are capitalized and added to the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC.

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

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday May 19, 2010	Change since	
			Wednesday May 12, 2010	Wednesday May 20, 2009
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	+ 3,000
Coin		2,042	- 23	+ 224
Securities, repurchase agreements, term auction credit, and other loans		2,139,758	+ 19,864	+ 493,148
Securities held outright <sup>1</sup>		2,063,896	+ 20,638	+ 972,470
U.S. Treasury securities		776,834	+ 42	+ 193,563
Bills <sup>2</sup>		18,423	0	0
Notes and bonds, nominal <sup>2</sup>		712,023	0	+ 193,098
Notes and bonds, inflation-indexed <sup>2</sup>		41,125	0	- 128
Inflation compensation <sup>3</sup>		5,263	+ 43	+ 592
Federal agency debt securities <sup>2</sup>		167,577	- 535	+ 90,903
Mortgage-backed securities <sup>4</sup>		1,119,485	+ 21,130	+ 688,005
Repurchase agreements <sup>5</sup>		0	0	0
Term auction credit		0	0	- 428,835
Other loans		75,861	- 775	- 50,488
Net portfolio holdings of Commercial Paper				
Funding Facility LLC <sup>6</sup>		2	0	- 157,081
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>		28,308	+ 46	+ 2,625
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>		15,847	+ 6	- 316
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>		23,372	+ 11	+ 3,007
Net portfolio holdings of TALF LLC <sup>10</sup>		439	0	+ 439
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>		25,416	0	+ 25,416
Items in process of collection	(44)	229	+ 69	- 178
Bank premises		2,238	+ 1	+ 42
Central bank liquidity swaps <sup>12</sup>		9,205	0	- 225,907
Other assets <sup>13</sup>		91,271	- 5,157	+ 26,784
<b>Total assets</b>	(44)	2,354,364	+ 14,817	+ 171,203

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

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

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday May 19, 2010	Change since	
			Wednesday May 12, 2010	Wednesday May 20, 2009
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		897,568	- 1,113	+ 31,103
Reverse repurchase agreements <sup>14</sup>		55,764	- 883	- 11,994
Deposits	(0)	1,327,711	+ 16,869	+ 131,749
Depository institutions		1,095,739	+ 2,894	+ 140,519
U.S. Treasury, general account		30,213	+ 13,920	- 7,716
U.S. Treasury, supplementary financing account		199,959	+ 1	+ 29
Foreign official		1,478	+ 65	- 1,123
Other	(0)	322	- 11	+ 40
Deferred availability cash items	(44)	2,359	- 13	- 445
Other liabilities and accrued dividends <sup>15</sup>		15,941	- 269	+ 9,573
<b>Total liabilities</b>	<b>(44)</b>	<b>2,299,342</b>	<b>+ 14,589</b>	<b>+ 159,985</b>
<i>Capital accounts</i>				
Capital paid in		26,423	+ 37	+ 2,596
Surplus		25,636	+ 22	+ 7,092
Other capital accounts		2,964	+ 170	+ 1,531
<b>Total capital</b>		<b>55,022</b>	<b>+ 228</b>	<b>+ 11,218</b>

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

- Includes securities lent to dealers under the overnight and term securities lending facilities; 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.
- Refer to table 7 and the note on consolidation accompanying table 11.
- Refer to table 4 and the note on consolidation accompanying table 11.
- Refer to table 5 and the note on consolidation accompanying table 11.
- Refer to table 6 and the note on consolidation accompanying table 11.
- Refer to table 8 and the note on consolidation accompanying table 11.
- Refer to table 9.
- 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, accrued dividends on the Federal Reserve Bank of New York's (FRBNY) preferred interests in AIA Aurora LLC and ALICO Holdings LLC, and the fair value adjustment to credit extended by the FRBNY to eligible borrowers through the Term Asset-Backed Securities Loan Facility.
- Cash value of agreements, which are collateralized by U.S. Treasury securities and federal agency debt securities.
- Includes the liabilities of Commercial Paper Funding Facility LLC, 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 8 and the note on consolidation accompanying table 11.

## H.4.1

## 11. Statement of Condition of Each Federal Reserve Bank, May 19, 2010

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>Assets</i>													
Gold certificate account	11,037	369	4,038	404	463	846	1,385	887	324	203	296	652	1,170
Special drawing rights certificate acct.	5,200	196	1,818	210	237	412	654	424	150	90	153	282	574
Coin	2,042	71	79	167	147	298	187	322	27	65	144	199	337
Securities, repurchase agreements, term auction credit, and other loans	2,139,758	52,232	917,917	48,221	70,122	235,056	195,329	155,610	53,167	28,276	70,803	86,666	226,358
Securities held outright <sup>1</sup>	2,063,896	52,230	842,179	48,198	70,122	235,056	195,302	155,590	53,162	28,254	70,800	86,664	226,340
U.S. Treasury securities	776,834	19,659	316,990	18,141	26,393	88,473	73,510	58,563	20,010	10,635	26,649	32,620	85,192
Bills <sup>2</sup>	18,423	466	7,517	430	626	2,098	1,743	1,389	475	252	632	774	2,020
Notes and bonds <sup>3</sup>	758,412	19,193	309,472	17,711	25,768	86,375	71,767	57,174	19,535	10,382	26,017	31,846	83,172
Federal agency debt securities <sup>2</sup>	167,577	4,241	68,380	3,913	5,694	19,085	15,857	12,633	4,316	2,294	5,749	7,037	18,378
Mortgage-backed securities <sup>4</sup>	1,119,485	28,330	456,809	26,143	38,035	127,497	105,934	84,394	28,836	15,326	38,403	47,008	122,770
Repurchase agreements <sup>5</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Term auction credit	0	0	0	0	0	0	0	0	0	0	0	0	0
Other loans	75,861	2	75,738	23	0	0	27	20	4	22	3	2	18
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>6</sup>	2	0	2	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>	28,308	0	28,308	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>	15,847	0	15,847	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>	23,372	0	23,372	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC <sup>10</sup>	439	0	439	0	0	0	0	0	0	0	0	0	0
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>	25,416	0	25,416	0	0	0	0	0	0	0	0	0	0
Items in process of collection	273	11	0	21	57	5	62	20	4	26	9	39	20
Bank premises	2,238	123	260	70	143	238	220	211	136	109	266	250	212
Central bank liquidity swaps <sup>12</sup>	9,205	339	2,672	1,006	686	2,563	568	222	86	256	75	127	606
Other assets <sup>13</sup>	91,271	2,593	34,739	4,166	4,041	14,245	7,780	5,584	1,978	1,602	2,498	3,155	8,890
Interdistrict settlement account	0	- 10,285	+ 108,814	+ 20,290	- 18,366	+ 56,882	- 52,816	- 41,407	- 16,579	+ 20,816	- 22,214	- 15,424	- 29,711
<b>Total assets</b>	<b>2,354,408</b>	<b>45,649</b>	<b>1,163,721</b>	<b>74,554</b>	<b>57,530</b>	<b>310,544</b>	<b>153,368</b>	<b>121,873</b>	<b>39,292</b>	<b>51,444</b>	<b>52,031</b>	<b>75,946</b>	<b>208,456</b>

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

## H.4.1

## 11. Statement of Condition of Each Federal Reserve Bank, May 19, 2010 (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	1,077,863	34,846	392,177	38,745	44,475	84,307	135,621	86,788	32,129	20,050	29,476	65,449	113,800
Less: Notes held by F.R. Banks	180,296	4,253	57,681	5,749	9,391	12,626	29,699	11,956	4,655	3,044	3,395	12,334	25,513
Federal Reserve notes, net	897,567	30,593	334,496	32,996	35,083	71,681	105,922	74,832	27,474	17,006	26,081	53,115	88,287
Reverse repurchase agreements <sup>14</sup>	55,764	1,411	22,755	1,302	1,895	6,351	5,277	4,204	1,436	763	1,913	2,342	6,115
Deposits	1,327,711	11,443	779,462	34,138	15,795	218,746	38,070	40,769	9,586	31,570	23,207	19,153	105,769
Depository institutions	1,095,739	11,441	547,652	34,134	15,791	218,639	38,068	40,740	9,584	31,569	23,206	19,152	105,763
U.S. Treasury, general account	30,213	0	30,213	0	0	0	0	0	0	0	0	0	0
U.S. Treasury, supplementary financing account	199,959	0	199,959	0	0	0	0	0	0	0	0	0	0
Foreign official	1,478	1	1,450	4	3	11	2	1	0	1	0	1	3
Other	322	1	189	0	2	96	0	28	2	0	1	0	3
Deferred availability cash items	2,403	65	0	206	573	81	156	166	53	384	116	117	486
Other liabilities and accrued dividends <sup>15</sup>	15,941	242	11,202	291	323	968	667	536	224	170	240	327	751
<b>Total liabilities</b>	<b>2,299,386</b>	<b>43,756</b>	<b>1,147,915</b>	<b>68,933</b>	<b>53,669</b>	<b>297,827</b>	<b>150,092</b>	<b>120,507</b>	<b>38,774</b>	<b>49,893</b>	<b>51,558</b>	<b>75,054</b>	<b>201,409</b>
<i>Capital</i>													
Capital paid in	26,423	916	7,543	2,947	1,906	5,452	1,548	624	239	803	211	414	3,819
Surplus	25,636	945	7,563	2,674	1,910	7,140	1,581	620	240	712	210	353	1,688
Other capital	2,964	32	700	0	43	126	147	122	40	36	53	126	1,540
<b>Total liabilities and capital</b>	<b>2,354,408</b>	<b>45,649</b>	<b>1,163,721</b>	<b>74,554</b>	<b>57,530</b>	<b>310,544</b>	<b>153,368</b>	<b>121,873</b>	<b>39,292</b>	<b>51,444</b>	<b>52,031</b>	<b>75,946</b>	<b>208,456</b>

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

**11. Statement of Condition of Each Federal Reserve Bank, May 19, 2010 (continued)**

1. Includes securities lent to dealers under the overnight and term securities lending facilities; 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. Refer to table 7 and the note on consolidation below.
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 8 and the note on consolidation below.
11. Refer to table 9.
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, accrued dividends on the Federal Reserve Bank of New York's (FRBNY) preferred interests in AIA Aurora LLC and ALICO Holdings LLC, and the fair value adjustment to credit extended by the FRBNY to eligible borrowers through the Term Asset-Backed Securities Loan Facility.
14. Cash value of agreements, which are collateralized by U.S. Treasury securities and federal agency debt securities.
15. Includes the liabilities of Commercial Paper Funding Facility LLC, 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 8 and the note on consolidation below.

## 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 October 27, 2008, the FRBNY began extending loans to Commercial Paper Funding Facility LLC, which was formed to purchase three-month U.S. dollar-denominated commercial paper from eligible issuers. 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 sole beneficiary of Commercial Paper Funding Facility LLC. 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 10), 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 10).

H.4.1

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

Millions of dollars

Federal Reserve notes and collateral	Wednesday May 19, 2010
Federal Reserve notes outstanding	1,077,863
Less: Notes held by F.R. Banks not subject to collateralization	180,296
Federal Reserve notes to be collateralized	897,568
Collateral held against Federal Reserve notes	897,568
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>	881,331
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities <sup>1,2</sup>	2,063,896
Less: Face value of securities under reverse repurchase agreements	54,964
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,008,932

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 and term securities lending facilities; refer to table 1A.