

# FEDERAL RESERVE statistical release



H.4.1

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

December 9, 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 Dec 8, 2010
	Week ended Dec 8, 2010	Change from week ended		
		Dec 1, 2010	Dec 9, 2009	
Reserve Bank credit	2,351,576	+ 33,693	+ 183,712	2,364,435
Securities held outright <sup>1</sup>	2,108,062	+ 30,168	+ 321,774	2,120,443
U.S. Treasury securities	937,231	+ 32,332	+ 160,681	949,612
Bills <sup>2</sup>	18,423	0	0	18,423
Notes and bonds, nominal <sup>2</sup>	868,103	+ 32,320	+ 160,454	880,479
Notes and bonds, inflation-indexed <sup>2</sup>	44,876	0	+ 233	44,876
Inflation compensation <sup>3</sup>	5,829	+ 12	- 7	5,835
Federal agency debt securities <sup>2</sup>	148,178	0	- 7,350	148,178
Mortgage-backed securities <sup>4</sup>	1,022,653	- 2,164	+ 168,443	1,022,653
Repurchase agreements <sup>5</sup>	0	0	0	0
Term auction credit	0	0	- 85,832	0
Other loans	46,162	- 629	- 38,317	45,942
Primary credit	38	- 153	- 19,312	25
Secondary credit	0	0	- 31	0
Seasonal credit	27	0	- 5	27
Asset-Backed Commercial Paper Money Market				
Mutual Fund Liquidity Facility	0	0	0	0
Credit extended to American International Group, Inc., net <sup>6</sup>	20,717	- 205	- 66	20,510
Term Asset-Backed Securities Loan Facility <sup>7</sup>	25,380	- 271	- 18,904	25,380
Other credit extensions	0	0	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>8</sup>	0	0	- 14,600	0
Net portfolio holdings of Maiden Lane LLC <sup>9</sup>	27,606	+ 43	+ 1,138	27,634
Net portfolio holdings of Maiden Lane II LLC <sup>10</sup>	16,243	- 61	+ 635	16,120
Net portfolio holdings of Maiden Lane III LLC <sup>11</sup>	23,202	- 144	+ 592	23,096
Net portfolio holdings of TALF LLC <sup>12</sup>	648	+ 1	+ 382	647
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>13</sup>	26,057	0	+ 1,057	26,057
Float	-1,825	- 117	+ 319	-2,081
Central bank liquidity swaps <sup>14</sup>	60	0	- 16,447	60
Other Federal Reserve assets <sup>15</sup>	105,362	+ 4,433	+ 13,011	106,516
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding <sup>16</sup>	43,539	+ 14	+ 851	43,539
<b>Total factors supplying reserve funds</b>	<b>2,411,355</b>	<b>+ 33,707</b>	<b>+ 184,562</b>	<b>2,424,215</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 Dec 8, 2010
	Week ended Dec 8, 2010	Change from week ended		
		Dec 1, 2010	Dec 9, 2009	
Currency in circulation <sup>16</sup>	976,366	- 1,703	+ 55,082	978,770
Reverse repurchase agreements <sup>17</sup>	50,616	- 4,241	- 7,171	50,019
Foreign official and international accounts	50,616	- 4,241	- 7,069	50,019
Others	0	0	- 103	0
Treasury cash holdings	194	- 3	- 33	185
Deposits with F.R. Banks, other than reserve balances	233,668	- 7,558	+ 179,805	236,546
Term deposits held by depository institutions	5,113	+ 5,113	+ 5,113	5,113
U.S. Treasury, general account	21,184	- 14,194	- 10,609	19,589
U.S. Treasury, supplementary financing account	199,959	0	+ 184,960	199,959
Foreign official	3,026	+ 42	+ 592	3,160
Service-related	2,360	- 5	- 772	2,361
Required clearing balances	2,360	- 5	- 772	2,361
Adjustments to compensate for float	0	0	0	0
Other	2,026	+ 1,486	+ 522	6,364
Funds from American International Group, Inc. asset dispositions, held as agent <sup>18</sup>	26,774	0	+ 26,774	26,774
Other liabilities and capital <sup>19</sup>	73,067	+ 422	+ 5,966	72,997
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>1,360,685</b>	<b>- 13,083</b>	<b>+ 260,422</b>	<b>1,365,291</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>1,050,671</b>	<b>+ 46,791</b>	<b>- 75,860</b>	<b>1,058,924</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.
- 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 10.
- Refer to table 5 and the note on consolidation accompanying table 10.
- Refer to table 6 and the note on consolidation accompanying table 10.
- Refer to table 7 and the note on consolidation accompanying table 10.
- Refer to table 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.
- 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, federal agency debt securities, and mortgage-backed securities.
- Pending the closing of the recapitalization plan announced by American International Group, Inc. (AIG) on September 30, 2010, the cash proceeds from the disposition of certain AIG assets will be held by the FRBNY as agent. At the closing of the recapitalization plan, the proceeds will be used first to repay in full the credit extended to AIG by the FRBNY under the revolving credit facility and then to retire a portion of the FRBNY's preferred interests in AIA Aurora LLC and ALICO Holdings LLC (preferred interests). Alternatively, if the recapitalization plan is terminated under the terms of the plan, then the proceeds from the initial public offering of AIA and the sale of ALICO will be used to redeem the preferred interests in accordance with the AIA Aurora LLC and ALICO Holdings LLC limited liability company agreements, and any excess proceeds from these transactions, as well as proceeds from the disposition of other assets, will be used to repay the credit extended to AIG under the revolving credit facility.
- 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 10.

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 Dec 8, 2010
	Week ended Dec 8, 2010	Change from week ended		
		Dec 1, 2010	Dec 9, 2009	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	3,340,597	- 284	+ 396,954	3,338,902
U.S. Treasury securities	2,609,005	+ 1,108	+ 437,513	2,607,915
Federal agency securities <sup>2</sup>	731,592	- 1,391	- 40,559	730,987
Securities lent to dealers	10,367	+ 2,361	+ 2,030	10,830
Overnight facility <sup>3</sup>	10,367	+ 2,361	+ 2,030	10,830
U.S. Treasury securities	9,229	+ 2,470	+ 1,811	9,618
Federal agency debt securities	1,139	- 108	+ 220	1,212
Term facility <sup>4</sup>	0	0	0	0

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.
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, December 8, 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>	25	27	0	45,890	0	...	45,942
U.S. Treasury securities <sup>2</sup>							
Holdings	13,098	22,509	53,562	409,792	297,233	153,418	949,612
Weekly changes	- 2,503	+ 2,504	+ 1	+ 11,814	+ 18,295	+ 2,050	+ 32,161
Federal agency debt securities <sup>3</sup>							
Holdings	718	4,211	37,340	72,965	30,597	2,347	148,178
Weekly changes	+ 424	- 424	0	0	0	0	0
Mortgage-backed securities <sup>4</sup>							
Holdings	0	0	0	25	21	1,022,607	1,022,653
Weekly changes	0	0	0	0	+ 1	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>	60	0	0	0	0	0	60
Reverse repurchase agreements <sup>6</sup>	50,019	0	...	...	...	...	50,019
Term deposits	0	5,113	0	...	...	...	5,113

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 Dec 8, 2010
Mortgage-backed securities held outright <sup>1</sup>	1,022,653
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 9 and table 10.

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

Millions of dollars

Account name	Wednesday Dec 8, 2010
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	27,634
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	25,975
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	605
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,310

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, 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 10.
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 9 and table 10.

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 Dec 8, 2010
Net portfolio holdings of Maiden Lane II LLC <sup>1</sup>	16,120
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	13,034
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	441
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. <sup>3</sup>	1,069

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, 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 10.
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 9 and table 10.

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 Dec 8, 2010
Net portfolio holdings of Maiden Lane III LLC <sup>1</sup>	23,096
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	13,526
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	534
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.<sup>3</sup></u>	<u>5,355</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 September 30, 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 10.
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 9 and table 10.

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 Dec 8, 2010
Asset-backed securities holdings <sup>1</sup>	0
Other investments, net	647
Net portfolio holdings of TALF LLC	647
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>106</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 10.
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 9 and table 10.

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.

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### 8. 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 Dec 8, 2010
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>1</sup>	26,057
Accrued dividends on preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>2</sup>	246
Preferred interests in AIA Aurora LLC <sup>1</sup>	16,676
Accrued dividends on preferred interests in AIA Aurora LLC <sup>2</sup>	158
Preferred interests in ALICO Holdings LLC <sup>1</sup>	9,380
Accrued dividends on preferred interests in ALICO Holdings LLC <sup>2</sup>	89

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 9 and table 10.

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

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Dec 8, 2010	Change since	
			Wednesday Dec 1, 2010	Wednesday Dec 9, 2009
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,116	+ 23	+ 79
Securities, repurchase agreements, term auction credit, and other loans		2,166,385	+ 31,254	+ 209,243
Securities held outright <sup>1</sup>		2,120,443	+ 32,161	+ 333,431
U.S. Treasury securities		949,612	+ 32,161	+ 173,058
Bills <sup>2</sup>		18,423	0	0
Notes and bonds, nominal <sup>2</sup>		880,479	+ 32,147	+ 172,830
Notes and bonds, inflation-indexed <sup>2</sup>		44,876	0	+ 233
Inflation compensation <sup>3</sup>		5,835	+ 15	- 5
Federal agency debt securities <sup>2</sup>		148,178	0	- 7,967
Mortgage-backed securities <sup>4</sup>		1,022,653	0	+ 168,340
Repurchase agreements <sup>5</sup>		0	0	0
Term auction credit		0	0	- 85,832
Other loans		45,942	- 908	- 38,356
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>6</sup>		0	0	- 14,027
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>		27,634	+ 33	+ 1,143
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>		16,120	- 217	+ 549
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>		23,096	- 256	+ 475
Net portfolio holdings of TALF LLC <sup>10</sup>		647	- 1	+ 381
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>		26,057	0	+ 1,057
Items in process of collection	(93)	243	- 68	- 153
Bank premises		2,217	+ 2	- 17
Central bank liquidity swaps <sup>12</sup>		60	0	- 16,445
Other assets <sup>13</sup>		104,271	+ 4,617	+ 13,211
<b>Total assets</b>	<b>(93)</b>	<b>2,385,084</b>	<b>+ 35,388</b>	<b>+ 195,498</b>

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

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

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Dec 8, 2010	Change since	
			Wednesday Dec 1, 2010	Wednesday Dec 9, 2009
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		937,528	+ 1,137	+ 54,333
Reverse repurchase agreements <sup>14</sup>		50,019	- 2,843	- 6,497
Deposits	(0)	1,295,441	+ 35,768	+ 114,327
Term deposits held by depository institutions		5,113	+ 5,113	+ 5,113
Other deposits held by depository institutions		1,061,256	+ 50,413	- 45,413
U.S. Treasury, general account		19,589	- 25,883	- 35,775
U.S. Treasury, supplementary financing account		199,959	0	+ 184,960
Foreign official		3,160	+ 206	+ 844
Other	(0)	6,364	+ 5,919	+ 4,598
Deferred availability cash items	(93)	2,324	+ 282	- 139
Other liabilities and accrued dividends <sup>15</sup>		42,807	+ 98	+ 28,660
<b>Total liabilities</b>	<b>(93)</b>	<b>2,328,120</b>	<b>+ 34,444</b>	<b>+ 190,685</b>
<i>Capital accounts</i>				
Capital paid in		26,786	- 6	+ 1,161
Surplus		25,933	+ 23	+ 4,476
Other capital accounts		4,245	+ 928	- 825
<b>Total capital</b>		<b>56,964</b>	<b>+ 945</b>	<b>+ 4,812</b>

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

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. 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, 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 accompanying table 10.
8. Refer to table 5 and the note on consolidation accompanying table 10.
9. Refer to table 6 and the note on consolidation accompanying table 10.
10. Refer to table 7 and the note on consolidation accompanying table 10.
11. Refer to table 8.
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, federal agency debt securities, and mortgage-backed securities.
15. 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 10. Also includes funds from American International Group, Inc. asset dispositions, held as agent.

## H.4.1

## 10. Statement of Condition of Each Federal Reserve Bank, December 8, 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
<b>Assets</b>													
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	2,116	55	72	167	158	335	185	329	29	57	154	227	346
Securities, repurchase agreements, term auction credit, and other loans	2,166,385	53,667	911,143	49,529	72,044	241,496	200,652	159,857	54,619	29,047	72,749	89,041	232,541
Securities held outright <sup>1</sup>	2,120,443	53,661	865,253	49,518	72,044	241,496	200,652	159,852	54,619	29,028	72,740	89,038	232,541
U.S. Treasury securities	949,612	24,032	387,492	22,176	32,264	108,151	89,860	71,588	24,460	13,000	32,576	39,875	104,140
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>	931,189	23,565	379,975	21,746	31,638	106,052	88,116	70,199	23,986	12,748	31,944	39,101	102,120
Federal agency debt securities <sup>2</sup>	148,178	3,750	60,464	3,460	5,034	16,876	14,022	11,171	3,817	2,029	5,083	6,222	16,250
Mortgage-backed securities <sup>4</sup>	1,022,653	25,880	417,297	23,882	34,745	116,469	96,771	77,094	26,342	14,000	35,081	42,942	112,150
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	45,942	6	45,890	11	0	0	0	4	0	18	10	3	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>	27,634	0	27,634	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>	16,120	0	16,120	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>	23,096	0	23,096	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC <sup>10</sup>	647	0	647	0	0	0	0	0	0	0	0	0	0
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>	26,057	0	26,057	0	0	0	0	0	0	0	0	0	0
Items in process of collection	336	14	0	54	78	10	32	46	11	6	18	36	30
Bank premises	2,217	127	252	68	140	239	217	209	135	107	264	246	213
Central bank liquidity swaps <sup>12</sup>	60	2	17	7	4	17	4	1	1	2	0	1	4
Other assets <sup>13</sup>	104,271	2,944	39,683	4,661	4,563	16,061	8,984	6,492	2,268	1,810	2,900	3,654	10,251
Interdistrict settlement account	0	+ 5,802	+ 155,054	+ 21,331	- 18,780	- 14,936	- 43,680	- 33,972	- 14,670	- 6,500	- 13,722	- 784	- 35,144
<b>Total assets</b>	<b>2,385,177</b>	<b>63,177</b>	<b>1,205,632</b>	<b>76,432</b>	<b>58,908</b>	<b>244,480</b>	<b>168,433</b>	<b>134,273</b>	<b>42,866</b>	<b>24,822</b>	<b>62,813</b>	<b>93,355</b>	<b>209,986</b>

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

## H.4.1

## 10. Statement of Condition of Each Federal Reserve Bank, December 8, 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	1,125,219	41,258	384,982	45,641	45,912	90,075	141,975	86,909	32,538	20,064	33,429	76,090	126,345
Less: Notes held by F.R. Banks	187,690	4,408	71,178	5,209	7,016	13,015	22,446	11,888	4,358	5,858	3,432	11,379	27,504
Federal Reserve notes, net	937,528	36,850	313,804	40,432	38,896	77,061	119,528	75,021	28,180	14,205	29,998	64,712	98,841
Reverse repurchase agreements <sup>14</sup>	50,019	1,266	20,410	1,168	1,699	5,697	4,733	3,771	1,288	685	1,716	2,100	5,485
Deposits	1,295,441	22,874	816,169	28,636	13,674	148,091	40,274	53,450	12,652	7,716	30,284	25,320	96,300
Term deposits held by depository institutions	5,113	20	1,978	800	15	414	12	17	5	5	14	15	1,818
Other deposits held by depository institutions	1,061,256	22,834	585,377	27,831	13,656	147,539	40,259	53,416	12,594	7,707	30,269	25,304	94,470
U.S. Treasury, general account	19,589	0	19,589	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	3,160	1	3,132	4	3	11	2	1	0	1	0	1	3
Other	6,364	18	6,136	1	0	127	0	16	52	3	1	0	9
Deferred availability cash items	2,417	92	0	247	465	114	129	173	71	413	132	107	474
Other liabilities and accrued dividends <sup>15</sup>	42,807	200	39,089	257	269	755	502	405	183	145	179	256	566
<b>Total liabilities</b>	<b>2,328,213</b>	<b>61,282</b>	<b>1,189,473</b>	<b>70,739</b>	<b>55,005</b>	<b>231,718</b>	<b>165,166</b>	<b>132,820</b>	<b>42,375</b>	<b>23,164</b>	<b>62,309</b>	<b>92,496</b>	<b>201,667</b>
<i>Capital</i>													
Capital paid in	26,786	916	7,676	2,868	1,923	5,439	1,549	673	214	819	227	402	4,079
Surplus	25,933	946	7,727	2,804	1,911	7,141	1,581	621	238	712	210	353	1,689
Other capital	4,245	33	756	20	71	182	136	159	39	127	68	104	2,551
<b>Total liabilities and capital</b>	<b>2,385,177</b>	<b>63,177</b>	<b>1,205,632</b>	<b>76,432</b>	<b>58,908</b>	<b>244,480</b>	<b>168,433</b>	<b>134,273</b>	<b>42,866</b>	<b>24,822</b>	<b>62,813</b>	<b>93,355</b>	<b>209,986</b>

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

**10. Statement of Condition of Each Federal Reserve Bank, December 8, 2010 (continued)**

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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. 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. Refer to table 8.
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, federal agency debt securities, and mortgage-backed securities.
15. 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. Also includes 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 9), 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 9).

H.4.1

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

Millions of dollars

Federal Reserve notes and collateral	Wednesday Dec 8, 2010
Federal Reserve notes outstanding	1,125,219
Less: Notes held by F.R. Banks not subject to collateralization	187,690
Federal Reserve notes to be collateralized	937,528
Collateral held against Federal Reserve notes	937,528
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>	921,292
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities <sup>1,2</sup>	2,120,443
Less: Face value of securities under reverse repurchase agreements	48,939
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,071,504

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.