

# FEDERAL RESERVE statistical release



H.4.1

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

January 27, 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 Jan 26, 2011
	Week ended Jan 26, 2011	Change from week ended		
		Jan 19, 2011	Jan 27, 2010	
Reserve Bank credit	2,419,420	+ 3,112	+ 184,733	2,426,389
Securities held outright <sup>1</sup>	2,216,739	+ 10,200	+ 304,049	2,224,149
U.S. Treasury securities	1,096,402	+ 24,783	+ 319,786	1,114,448
Bills <sup>2</sup>	18,423	0	0	18,423
Notes and bonds, nominal <sup>2</sup>	1,021,561	+ 24,239	+ 312,689	1,039,604
Notes and bonds, inflation-indexed <sup>2</sup>	50,372	+ 698	+ 6,595	50,372
Inflation compensation <sup>3</sup>	6,047	- 154	+ 503	6,049
Federal agency debt securities <sup>2</sup>	144,804	- 1,400	- 18,029	144,624
Mortgage-backed securities <sup>4</sup>	975,533	- 13,184	+ 2,292	965,077
Repurchase agreements <sup>5</sup>	0	0	0	0
Term auction credit	0	0	- 38,531	0
Other loans	23,573	- 3,055	- 63,802	23,259
Primary credit	39	- 8	- 14,816	54
Secondary credit	0	- 2	- 985	0
Seasonal credit	10	0	+ 10	10
Credit extended to American International Group, Inc., net <sup>6</sup>	0	- 2,904	- 24,440	0
Term Asset-Backed Securities Loan Facility <sup>7</sup>	23,524	- 142	- 23,570	23,195
Other credit extensions	0	0	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>8</sup>	0	0	- 11,199	0
Net portfolio holdings of Maiden Lane LLC <sup>9</sup>	26,399	- 61	- 362	26,431
Net portfolio holdings of Maiden Lane II LLC <sup>10</sup>	15,959	+ 13	+ 533	16,002
Net portfolio holdings of Maiden Lane III LLC <sup>11</sup>	22,430	- 115	- 42	22,437
Net portfolio holdings of TALF LLC <sup>12</sup>	674	+ 9	+ 345	686
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>6</sup>	0	- 3,769	- 25,106	0
Float	-1,600	+ 203	+ 383	-1,464
Central bank liquidity swaps <sup>13</sup>	70	0	- 105	70
Other Federal Reserve assets <sup>14</sup>	115,177	- 311	+ 18,571	114,818
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>	43,605	+ 14	+ 878	43,605
<b>Total factors supplying reserve funds</b>	<b>2,479,266</b>	<b>+ 3,126</b>	<b>+ 185,611</b>	<b>2,486,235</b>

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

#### H.4.1

### 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 Jan 26, 2011
	Week ended Jan 26, 2011	Change from week ended		
		Jan 19, 2011	Jan 27, 2010	
Currency in circulation <sup>15</sup>	976,013	- 2,508	+ 58,091	976,457
Reverse repurchase agreements <sup>16</sup>	52,599	- 1,188	- 4,728	52,620
Foreign official and international accounts	52,599	- 1,188	- 4,728	52,620
Others	0	0	0	0
Treasury cash holdings	200	+ 5	- 48	176
Deposits with F.R. Banks, other than reserve balances	300,077	+ 3,595	+ 153,199	302,512
Term deposits held by depository institutions	0	0	0	0
U.S. Treasury, general account	91,704	+ 32,746	- 43,334	94,186
U.S. Treasury, supplementary financing account	199,962	+ 1	+ 194,961	199,962
Foreign official	5,287	+ 975	+ 1,714	5,149
Service-related	2,362	0	- 399	2,362
Required clearing balances	2,362	0	- 399	2,362
Adjustments to compensate for float	0	0	0	0
Other	762	- 30,126	+ 257	854
Funds from American International Group, Inc. asset dispositions, held as agent <sup>6</sup>	0	- 3,842	0	0
Other liabilities and capital <sup>17</sup>	72,321	+ 221	+ 5,596	70,505
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>1,401,209</b>	<b>- 3,719</b>	<b>+ 212,109</b>	<b>1,402,270</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>1,078,057</b>	<b>+ 6,845</b>	<b>- 26,498</b>	<b>1,083,965</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.

#### H.4.1

### 1A. Memorandum Items

Millions of dollars

Memorandum item	Averages of daily figures			Wednesday Jan 26, 2011
	Week ended Jan 26, 2011	Change from week ended		
		Jan 19, 2011	Jan 27, 2010	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	3,351,017	+ 7,814	+ 402,904	3,352,896
U.S. Treasury securities	2,603,069	+ 4,958	+ 423,605	2,603,987
Federal agency securities <sup>2</sup>	747,948	+ 2,856	- 20,702	748,909
Securities lent to dealers	13,441	- 1,582	+ 8,558	17,796
Overnight facility <sup>3</sup>	13,441	- 1,582	+ 8,558	17,796
U.S. Treasury securities	11,689	- 1,929	+ 7,306	16,084
Federal agency debt securities	1,751	+ 346	+ 1,251	1,712

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, January 26, 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
Other loans <sup>1</sup>	64	0	0	23,195	0	...	23,259
U.S. Treasury securities <sup>2</sup>							
Holdings	16,873	19,520	55,715	471,112	386,665	164,564	1,114,448
Weekly changes	+ 2,157	- 2,156	0	+ 14,759	+ 17,909	+ 2,202	+ 34,870
Federal agency debt securities <sup>3</sup>							
Holdings	0	18,438	24,688	70,180	28,971	2,347	144,624
Weekly changes	- 1,261	+ 2,274	- 2,274	0	0	0	- 1,261
Mortgage-backed securities <sup>4</sup>							
Holdings	0	0	0	23	21	965,033	965,077
Weekly changes	0	0	0	0	- 1	- 15,079	- 15,080
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>	70	0	0	0	0	0	70
Reverse repurchase agreements <sup>6</sup>	52,620	0	...	...	...	...	52,620
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.

#### H.4.1

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

Millions of dollars

Account name	Wednesday Jan 26, 2011
Mortgage-backed securities held outright <sup>1</sup>	965,077
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 Jan 26, 2011
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	26,431
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	24,585
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	631
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,320

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 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 Jan 26, 2011
Net portfolio holdings of Maiden Lane II LLC <sup>1</sup>	16,002
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	12,777
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	463
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. <sup>3</sup>	1,074

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 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.

#### H.4.1

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

Millions of dollars

Account name	Wednesday Jan 26, 2011
Net portfolio holdings of Maiden Lane III LLC <sup>1</sup>	22,437
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	12,668
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	558
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.<sup>3</sup></u>	<u>5,378</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 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 Jan 26, 2011
Asset-backed securities holdings <sup>1</sup>	0
Other investments, net	686
Net portfolio holdings of TALF LLC	686
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 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 Jan 26, 2011	Change since	
			Wednesday Jan 19, 2011	Wednesday Jan 27, 2010
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,318	+ 72	+ 88
Securities, repurchase agreements, term auction credit, and other loans		2,247,408	+ 18,100	+ 210,951
Securities held outright <sup>1</sup>		2,224,149	+ 18,530	+ 314,129
U.S. Treasury securities		1,114,448	+ 34,870	+ 337,829
Bills <sup>2</sup>		18,423	0	0
Notes and bonds, nominal <sup>2</sup>		1,039,604	+ 34,865	+ 330,732
Notes and bonds, inflation-indexed <sup>2</sup>		50,372	0	+ 6,595
Inflation compensation <sup>3</sup>		6,049	+ 5	+ 502
Federal agency debt securities <sup>2</sup>		144,624	- 1,261	- 19,049
Mortgage-backed securities <sup>4</sup>		965,077	- 15,080	- 4,651
Repurchase agreements <sup>5</sup>		0	0	0
Term auction credit		0	0	- 38,531
Other loans		23,259	- 429	- 64,647
Net portfolio holdings of Commercial Paper				
Funding Facility LLC <sup>6</sup>		0	0	- 8,655
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>		26,431	+ 38	- 347
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>		16,002	+ 51	+ 509
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>		22,437	+ 9	- 45
Net portfolio holdings of TALF LLC <sup>10</sup>		686	+ 21	+ 352
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>		0	0	- 25,106
Items in process of collection	(109)	352	- 113	+ 43
Bank premises		2,221	- 1	- 24
Central bank liquidity swaps <sup>12</sup>		70	0	- 105
Other assets <sup>13</sup>		112,597	+ 315	+ 18,934
<b>Total assets</b>	<b>(109)</b>	<b>2,446,760</b>	<b>+ 18,492</b>	<b>+ 196,596</b>

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

H.4.1

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

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Jan 26, 2011	Change since	
			Wednesday Jan 19, 2011	Wednesday Jan 27, 2010
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		935,342	- 2,062	+ 56,967
Reverse repurchase agreements <sup>14</sup>		52,620	- 312	- 5,174
Deposits	(0)	1,386,477	+ 23,069	+ 140,134
Term deposits held by depository institutions		0	0	0
Other deposits held by depository institutions		1,086,327	+ 22,370	- 24,410
U.S. Treasury, general account		94,186	+ 63	- 32,586
U.S. Treasury, supplementary financing account		199,962	+ 1	+ 194,961
Foreign official		5,149	+ 239	+ 1,683
Other	(0)	854	+ 397	+ 487
Deferred availability cash items	(109)	1,816	- 943	- 601
Other liabilities and accrued dividends <sup>15</sup>		17,441	- 1,260	+ 4,577
<b>Total liabilities</b>	<b>(109)</b>	<b>2,393,697</b>	<b>+ 18,492</b>	<b>+ 195,904</b>
<i>Capital accounts</i>				
Capital paid in		26,532	+ 1	+ 864
Surplus		26,532	+ 1	+ 1,238
Other capital accounts		0	0	- 1,408
<b>Total capital</b>		<b>53,063</b>	<b>0</b>	<b>+ 692</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, 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 9.
8. Refer to table 5 and the note on consolidation accompanying table 9.
9. Refer to table 6 and the note on consolidation accompanying table 9.
10. Refer to table 7 and the note on consolidation accompanying table 9.
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. 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.

## H.4.1

## 9. Statement of Condition of Each Federal Reserve Bank, January 26, 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	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	2,318	50	78	178	175	373	203	354	40	64	169	252	382
Securities, repurchase agreements, term auction credit, and other loans	2,247,408	56,306	930,765	51,940	75,567	253,310	210,466	167,690	57,291	30,449	76,307	93,393	243,924
Securities held outright <sup>1</sup>	2,224,149	56,286	907,570	51,940	75,567	253,307	210,466	167,670	57,290	30,448	76,297	93,393	243,914
U.S. Treasury securities	1,114,448	28,203	454,754	26,026	37,864	126,924	105,458	84,014	28,706	15,257	38,230	46,796	122,217
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>	1,096,025	27,737	447,236	25,595	37,238	124,825	103,714	82,625	28,232	15,004	37,598	46,023	120,197
Federal agency debt securities <sup>2</sup>	144,624	3,660	59,014	3,377	4,914	16,471	13,685	10,903	3,725	1,980	4,961	6,073	15,860
Mortgage-backed securities <sup>4</sup>	965,077	24,423	393,803	22,537	32,789	109,912	91,323	72,754	24,859	13,212	33,106	40,524	105,836
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	23,259	20	23,195	0	0	3	0	20	1	1	10	0	10
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>	26,431	0	26,431	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>	16,002	0	16,002	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>	22,437	0	22,437	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC <sup>10</sup>	686	0	686	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	462	6	0	56	91	8	84	38	70	35	25	30	19
Bank premises	2,221	126	256	69	140	238	218	208	136	107	265	247	213
Central bank liquidity swaps <sup>12</sup>	70	3	20	8	5	19	4	2	1	2	1	1	5
Other assets <sup>13</sup>	112,597	3,186	42,714	4,918	4,904	17,209	9,784	7,106	2,490	1,942	3,177	4,000	11,168
Interdistrict settlement account	0	- 6,871	+ 306,561	+ 37,650	- 23,168	- 105,127	- 60,909	- 36,566	- 20,747	- 7,957	- 24,164	- 6,367	- 52,335
<b>Total assets</b>	<b>2,446,870</b>	<b>53,370</b>	<b>1,351,807</b>	<b>95,433</b>	<b>58,414</b>	<b>167,288</b>	<b>161,890</b>	<b>140,143</b>	<b>39,753</b>	<b>24,935</b>	<b>56,229</b>	<b>92,490</b>	<b>205,120</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, January 26, 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	1,118,051	41,108	381,471	45,478	46,092	90,166	141,074	85,830	32,241	19,800	33,066	75,674	126,051
Less: Notes held by F.R. Banks	182,709	5,188	58,208	5,364	8,859	14,137	23,615	12,803	4,705	5,839	4,096	12,022	27,872
Federal Reserve notes, net	935,342	35,920	323,263	40,115	37,232	76,029	117,459	73,027	27,536	13,960	28,971	63,652	98,179
Reverse repurchase agreements <sup>14</sup>	52,620	1,332	21,472	1,229	1,788	5,993	4,979	3,967	1,355	720	1,805	2,210	5,771
Deposits	1,386,477	13,998	978,581	48,457	14,806	73,493	35,677	61,161	10,154	8,104	24,596	25,447	92,003
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	1,086,327	13,963	678,748	48,452	14,802	73,352	35,675	61,134	10,096	8,099	24,594	25,444	91,968
U.S. Treasury, general account	94,186	0	94,186	0	0	0	0	0	0	0	0	0	0
U.S. Treasury, supplementary financing account	199,962	0	199,962	0	0	0	0	0	0	0	0	0	0
Foreign official	5,149	1	5,120	4	3	11	2	1	0	1	0	1	3
Other	854	33	565	1	1	130	0	26	58	3	1	3	33
Deferred availability cash items	1,926	62	0	237	358	75	99	122	58	362	108	94	349
Interest on Federal Reserve notes due to U.S. Treasury <sup>15</sup>	1,292	46	505	44	33	171	131	84	34	19	44	53	128
Other liabilities and accrued dividends <sup>16</sup>	16,149	179	12,621	202	262	650	505	437	184	130	190	260	529
<b>Total liabilities</b>	<b>2,393,806</b>	<b>51,537</b>	<b>1,336,441</b>	<b>90,284</b>	<b>54,479</b>	<b>156,411</b>	<b>158,850</b>	<b>138,797</b>	<b>39,323</b>	<b>23,296</b>	<b>55,714</b>	<b>91,716</b>	<b>196,959</b>
<i>Capital</i>													
Capital paid in	26,532	916	7,683	2,575	1,968	5,439	1,520	673	215	819	257	387	4,080
Surplus	26,532	916	7,683	2,575	1,968	5,439	1,520	673	215	819	257	387	4,080
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and capital</b>	<b>2,446,870</b>	<b>53,370</b>	<b>1,351,807</b>	<b>95,433</b>	<b>58,414</b>	<b>167,288</b>	<b>161,890</b>	<b>140,143</b>	<b>39,753</b>	<b>24,935</b>	<b>56,229</b>	<b>92,490</b>	<b>205,120</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, January 26, 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 Jan 26, 2011
Federal Reserve notes outstanding	1,118,051
Less: Notes held by F.R. Banks not subject to collateralization	182,709
Federal Reserve notes to be collateralized	935,342
Collateral held against Federal Reserve notes	935,342
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>	919,105
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities <sup>1,2</sup>	2,224,149
Less: Face value of securities under reverse repurchase agreements	46,409
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,177,740

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.