

# FEDERAL RESERVE statistical release



H.4.1

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

February 24, 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 Feb 23, 2011
	Week ended Feb 23, 2011	Change from week ended		
		Feb 16, 2011	Feb 24, 2010	
Reserve Bank credit	2,505,378	+ 13,370	+ 235,936	2,516,136
Securities held outright <sup>1</sup>	2,303,929	+ 16,995	+ 328,645	2,315,746
U.S. Treasury securities	1,201,400	+ 22,198	+ 424,843	1,213,425
Bills <sup>2</sup>	18,423	0	0	18,423
Notes and bonds, nominal <sup>2</sup>	1,122,726	+ 20,988	+ 413,854	1,134,743
Notes and bonds, inflation-indexed <sup>2</sup>	53,863	+ 1,070	+ 10,086	53,863
Inflation compensation <sup>3</sup>	6,389	+ 141	+ 904	6,397
Federal agency debt securities <sup>2</sup>	144,154	- 396	- 21,838	144,119
Mortgage-backed securities <sup>4</sup>	958,375	- 4,807	- 74,360	958,201
Repurchase agreements <sup>5</sup>	0	0	0	0
Term auction credit	0	0	- 15,425	0
Other loans	21,908	- 186	- 65,299	21,025
Primary credit	18	- 3	- 13,942	24
Secondary credit	0	0	814	0
Seasonal credit	3	+ 3	+ 3	4
Credit extended to American International Group, Inc., net <sup>6</sup>	0	0	- 25,473	0
Term Asset-Backed Securities Loan Facility <sup>7</sup>	21,887	- 186	- 25,073	20,997
Other credit extensions	0	0	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>8</sup>	0	0	- 7,724	0
Net portfolio holdings of Maiden Lane LLC <sup>9</sup>	26,033	- 295	- 1,178	26,035
Net portfolio holdings of Maiden Lane II LLC <sup>10</sup>	16,044	+ 6	+ 556	16,046
Net portfolio holdings of Maiden Lane III LLC <sup>11</sup>	22,815	- 115	+ 422	22,820
Net portfolio holdings of TALF LLC <sup>12</sup>	691	+ 5	+ 341	703
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>6</sup>	0	0	- 25,106	0
Float	-1,435	+ 188	+ 279	-2,300
Central bank liquidity swaps <sup>13</sup>	70	0	+ 70	70
Other Federal Reserve assets <sup>14</sup>	115,325	- 3,225	+ 20,358	115,991
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>	43,661	+ 14	+ 918	43,661
<b>Total factors supplying reserve funds</b>	<b>2,565,280</b>	<b>+ 13,384</b>	<b>+ 236,854</b>	<b>2,576,038</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 Feb 23, 2011
	Week ended Feb 23, 2011	Change from week ended		
		Feb 16, 2011	Feb 24, 2010	
Currency in circulation <sup>15</sup>	995,357	+ 6,386	+ 63,714	997,233
Reverse repurchase agreements <sup>16</sup>	57,861	- 380	+ 2,557	59,484
Foreign official and international accounts	57,861	- 380	+ 2,557	59,484
Others	0	0	0	0
Treasury cash holdings	181	+ 2	- 23	185
Deposits with F.R. Banks, other than reserve balances	173,510	- 35,240	+ 128,217	156,108
Term deposits held by depository institutions	5,070	0	+ 5,070	5,070
U.S. Treasury, general account	40,558	- 5,865	+ 7,667	23,123
U.S. Treasury, supplementary financing account	124,976	- 24,996	+ 119,976	124,976
Foreign official	130	- 16	- 3,862	129
Service-related	2,326	- 1	- 420	2,326
Required clearing balances	2,326	- 1	- 420	2,326
Adjustments to compensate for float	0	0	0	0
Other	451	- 4,362	- 213	485
Funds from American International Group, Inc. asset dispositions, held as agent <sup>6</sup>	0	0	0	0
Other liabilities and capital <sup>17</sup>	72,502	+ 834	+ 4,117	72,534
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>1,299,412</b>	<b>- 28,397</b>	<b>+ 198,583</b>	<b>1,285,543</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>1,265,868</b>	<b>+ 41,782</b>	<b>+ 38,271</b>	<b>1,290,496</b>

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

- Includes securities lent to dealers under the overnight securities lending facility; refer to table 1A.
- Face value of the securities.
- Compensation that adjusts for the effect of inflation on the original face value of inflation-indexed securities.
- Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
- Cash value of agreements.
- 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.
- 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 9.
- Refer to table 5 and the note on consolidation accompanying table 9.
- Refer to table 6 and the note on consolidation accompanying table 9.
- Refer to table 7 and the note on consolidation accompanying table 9.
- Dollar value of foreign currency held under these agreements valued at the exchange rate to be used when the foreign currency is returned to the foreign central bank. This exchange rate equals the market exchange rate used when the foreign currency was acquired from the foreign central bank.
- Includes other assets denominated in foreign currencies, which are revalued daily at market exchange rates, and the fair value adjustment to credit extended by the 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.
- Estimated.
- Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
- Includes the liabilities of Maiden Lane LLC, Maiden Lane II LLC, Maiden Lane III LLC, and TALF LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of these LLCs. Refer to table 4 through table 7 and the note on consolidation accompanying table 9. Also includes the liability for interest on Federal Reserve notes due to U.S. Treasury. Refer to table 8 and table 9.

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

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**1A. Memorandum Items**

Millions of dollars

Memorandum item	Averages of daily figures			Wednesday Feb 23, 2011
	Week ended Feb 23, 2011	Change from week ended		
		Feb 16, 2011	Feb 24, 2010	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	3,388,098	+ 4,146	+ 423,532	3,390,855
U.S. Treasury securities	2,627,399	+ 775	+ 430,664	2,629,473
Federal agency securities <sup>2</sup>	760,698	+ 3,370	- 7,133	761,382
Securities lent to dealers	14,919	- 3,774	+ 9,840	14,209
Overnight facility <sup>3</sup>	14,919	- 3,774	+ 9,840	14,209
U.S. Treasury securities	13,725	- 3,570	+ 9,442	12,835
Federal agency debt securities	1,194	- 205	+ 398	1,374

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, February 23, 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>	28	0	0	20,997	0	...	21,025
<i>U.S. Treasury securities<sup>2</sup></i>							
Holdings	20,574	18,186	61,118	507,120	435,528	170,899	1,213,425
Weekly changes	+ 2,157	- 2,155	0	+ 6,693	+ 17,030	- 641	+ 23,084
<i>Federal agency debt securities<sup>3</sup></i>							
Holdings	870	24,156	18,276	69,499	28,971	2,347	144,119
Weekly changes	- 246	+ 1,665	- 1,665	0	0	0	- 246
<i>Mortgage-backed securities<sup>4</sup></i>							
Holdings	0	0	0	22	22	958,158	958,201
Weekly changes	0	0	0	0	0	- 242	- 243
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>	59,484	0	...	...	...	...	59,484
Term deposits	5,070	0	0	...	...	...	5,070

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 Feb 23, 2011
Mortgage-backed securities held outright <sup>1</sup>	958,201
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 Feb 23, 2011
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	26,035
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	24,022
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	646
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,325

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 December 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 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 Feb 23, 2011
Net portfolio holdings of Maiden Lane II LLC <sup>1</sup>	16,046
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	12,551
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	476
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. <sup>3</sup>	1,076

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 December 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 9.
3. Book value. The deferred payment represents the portion of the proceeds of the net portfolio holdings due to subsidiaries of American International Group, Inc. in accordance with the asset purchase agreement. The fair value of this payment and accrued interest payable are included in other liabilities and capital in table 1 and in other liabilities and accrued dividends in table 8 and table 9.

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

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

Millions of dollars

Account name	Wednesday Feb 23, 2011
Net portfolio holdings of Maiden Lane III LLC <sup>1</sup>	22,820
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	12,434
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	570
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.<sup>3</sup></u>	<u>5,391</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 December 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 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 Feb 23, 2011
Asset-backed securities holdings <sup>1</sup>	0
Other investments, net	703
Net portfolio holdings of TALF LLC	703
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 Feb 23, 2011	Change since	
			Wednesday Feb 16, 2011	Wednesday Feb 24, 2010
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,260	- 29	+ 94
Securities, repurchase agreements, term auction credit, and other loans		2,336,771	+ 21,542	+ 259,678
Securities held outright <sup>1</sup>		2,315,746	+ 22,596	+ 340,105
U.S. Treasury securities		1,213,425	+ 23,084	+ 436,876
Bills <sup>2</sup>		18,423	0	0
Notes and bonds, nominal <sup>2</sup>		1,134,743	+ 23,058	+ 425,871
Notes and bonds, inflation-indexed <sup>2</sup>		53,863	0	+ 10,086
Inflation compensation <sup>3</sup>		6,397	+ 26	+ 920
Federal agency debt securities <sup>2</sup>		144,119	- 246	- 22,414
Mortgage-backed securities <sup>4</sup>		958,201	- 243	- 74,359
Repurchase agreements <sup>5</sup>		0	0	0
Term auction credit		0	0	- 15,425
Other loans		21,025	- 1,053	- 65,001
Net portfolio holdings of Commercial Paper				
Funding Facility LLC <sup>6</sup>		0	0	- 7,734
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>		26,035	+ 3	- 1,180
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>		16,046	+ 3	+ 554
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>		22,820	+ 6	+ 421
Net portfolio holdings of TALF LLC <sup>10</sup>		703	+ 17	+ 331
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>		0	0	- 25,106
Items in process of collection	(138)	229	+ 38	- 181
Bank premises		2,219	+ 2	- 23
Central bank liquidity swaps <sup>12</sup>		70	0	+ 70
Other assets <sup>13</sup>		113,786	+ 2,887	+ 20,747
<b>Total assets</b>	<b>(138)</b>	<b>2,537,175</b>	<b>+ 24,467</b>	<b>+ 247,671</b>

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

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

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Feb 23, 2011	Change since	
			Wednesday Feb 16, 2011	Wednesday Feb 24, 2010
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		956,012	+ 4,583	+ 63,950
Reverse repurchase agreements <sup>14</sup>		59,484	+ 1,658	+ 2,921
Deposits	(0)	1,446,617	+ 16,383	+ 174,405
Term deposits held by depository institutions		5,070	0	+ 5,070
Other deposits held by depository institutions		1,292,835	+ 72,775	+ 43,912
U.S. Treasury, general account		23,123	- 31,438	+ 10,201
U.S. Treasury, supplementary financing account		124,976	- 24,996	+ 119,976
Foreign official		129	+ 11	- 4,504
Other	(0)	485	+ 31	- 248
Deferred availability cash items	(138)	2,528	+ 550	+ 394
Other liabilities and accrued dividends <sup>15</sup>		19,499	+ 1,282	+ 6,250
<b>Total liabilities</b>	<b>(138)</b>	<b>2,484,141</b>	<b>+ 24,457</b>	<b>+ 247,922</b>
<i>Capital accounts</i>				
Capital paid in		26,517	+ 5	+ 719
Surplus		26,517	+ 5	+ 1,242
Other capital accounts		0	0	- 2,212
<b>Total capital</b>		<b>53,035</b>	<b>+ 11</b>	<b>- 250</b>

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

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

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## 9. Statement of Condition of Each Federal Reserve Bank, February 23, 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	2,260	51	76	176	169	377	190	345	32	62	163	239	381
Securities, repurchase agreements, term auction credit, and other loans	2,336,771	58,604	965,944	54,098	78,679	263,738	219,133	174,576	59,651	31,708	79,439	97,239	253,960
Securities held outright <sup>1</sup>	2,315,746	58,604	944,947	54,079	78,679	263,738	219,133	174,576	59,649	31,702	79,439	97,239	253,959
U.S. Treasury securities	1,213,425	30,708	495,142	28,337	41,227	138,196	114,824	91,476	31,256	16,612	41,625	50,952	133,072
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>	1,195,003	30,242	487,624	27,907	40,601	136,098	113,080	90,087	30,781	16,359	40,993	50,179	131,051
Federal agency debt securities <sup>2</sup>	144,119	3,647	58,808	3,366	4,897	16,414	13,638	10,865	3,712	1,973	4,944	6,052	15,805
Mortgage-backed securities <sup>4</sup>	958,201	24,249	390,997	22,377	32,556	109,129	90,672	72,235	24,682	13,118	32,870	40,235	105,082
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	21,025	0	20,997	18	0	0	0	0	2	6	0	0	1
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>	26,035	0	26,035	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>	16,046	0	16,046	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>	22,820	0	22,820	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC <sup>10</sup>	703	0	703	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	367	7	0	64	126	12	-23	27	10	51	31	23	38
Bank premises	2,219	126	257	68	140	238	217	208	136	107	264	246	213
Central bank liquidity swaps <sup>12</sup>	70	2	20	7	5	14	4	2	1	2	1	1	11
Other assets <sup>13</sup>	113,786	3,156	43,173	4,625	4,937	15,419	9,773	7,219	2,502	2,043	3,237	4,085	13,617
Interdistrict settlement account	0	- 5,732	+ 223,539	+ 45,320	- 22,572	- 43,911	- 64,941	- 41,682	- 20,719	- 4,804	- 23,449	- 7,593	- 33,456
<b>Total assets</b>	<b>2,537,314</b>	<b>56,778</b>	<b>1,304,469</b>	<b>104,971</b>	<b>62,184</b>	<b>237,145</b>	<b>166,393</b>	<b>142,006</b>	<b>42,087</b>	<b>29,462</b>	<b>60,135</b>	<b>95,176</b>	<b>236,508</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, February 23, 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	1,115,072	41,330	379,315	46,133	46,310	90,505	139,510	85,628	32,180	19,715	32,975	75,310	126,160
Less: Notes held by F.R. Banks	159,059	4,741	48,144	4,905	8,368	12,339	21,710	11,511	3,805	5,331	3,407	10,277	24,522
Federal Reserve notes, net	956,012	36,589	331,171	41,228	37,942	78,165	117,800	74,117	28,375	14,384	29,568	65,033	101,638
Reverse repurchase agreements <sup>14</sup>	59,484	1,505	24,273	1,389	2,021	6,775	5,629	4,484	1,532	814	2,041	2,498	6,523
Deposits	1,446,617	16,481	919,320	56,507	17,589	140,231	39,031	61,307	11,402	12,001	27,587	26,357	118,805
Term deposits held by depository institutions	5,070	14	2,651	800	10	515	0	293	50	16	3	0	719
Other deposits held by depository institutions	1,292,835	16,464	768,213	55,702	17,575	139,607	39,029	60,980	11,298	11,981	27,582	26,356	118,048
U.S. Treasury, general account	23,123	0	23,123	0	0	0	0	0	0	0	0	0	0
U.S. Treasury, supplementary financing account	124,976	0	124,976	0	0	0	0	0	0	0	0	0	0
Foreign official	129	1	100	4	3	8	2	1	0	1	0	1	6
Other	485	2	257	1	1	101	0	34	53	3	1	0	32
Deferred availability cash items	2,667	114	0	396	322	104	184	155	105	446	162	148	532
Interest on Federal Reserve notes due to U.S. Treasury <sup>15</sup>	1,803	51	678	65	78	236	165	119	40	31	55	67	218
Other liabilities and accrued dividends <sup>16</sup>	17,696	204	13,639	235	296	760	581	488	205	147	213	297	632
<b>Total liabilities</b>	<b>2,484,279</b>	<b>54,944</b>	<b>1,289,081</b>	<b>99,820</b>	<b>58,248</b>	<b>226,270</b>	<b>163,390</b>	<b>140,671</b>	<b>41,658</b>	<b>27,823</b>	<b>59,626</b>	<b>94,399</b>	<b>228,349</b>
<i>Capital</i>													
Capital paid in	26,517	917	7,694	2,576	1,968	5,437	1,501	667	215	820	255	388	4,080
Surplus	26,517	917	7,694	2,576	1,968	5,437	1,501	667	215	820	255	388	4,080
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and capital</b>	<b>2,537,314</b>	<b>56,778</b>	<b>1,304,469</b>	<b>104,971</b>	<b>62,184</b>	<b>237,145</b>	<b>166,393</b>	<b>142,006</b>	<b>42,087</b>	<b>29,462</b>	<b>60,135</b>	<b>95,176</b>	<b>236,508</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, February 23, 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 Feb 23, 2011
Federal Reserve notes outstanding	1,115,072
Less: Notes held by F.R. Banks not subject to collateralization	159,059
Federal Reserve notes to be collateralized	956,012
Collateral held against Federal Reserve notes	956,012
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>	939,776
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities <sup>1,2</sup>	2,315,746
Less: Face value of securities under reverse repurchase agreements	58,155
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,257,590

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.