

# FEDERAL RESERVE statistical release



H.4.1

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

May 26, 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 May 25, 2011
	Week ended May 25, 2011	Change from week ended		
		May 18, 2011	May 26, 2010	
Reserve Bank credit	2,750,674	+ 11,189	+ 427,408	2,759,361
Securities held outright <sup>1</sup>	2,546,417	+ 14,026	+ 484,246	2,556,276
U.S. Treasury securities	1,504,588	+ 20,993	+ 727,726	1,519,327
Bills <sup>2</sup>	18,423	0	0	18,423
Notes and bonds, nominal <sup>2</sup>	1,417,325	+ 19,663	+ 705,302	1,432,009
Notes and bonds, inflation-indexed <sup>2</sup>	61,004	+ 1,029	+ 19,879	61,004
Inflation compensation <sup>3</sup>	7,837	+ 302	+ 2,547	7,892
Federal agency debt securities <sup>2</sup>	119,205	- 4,044	- 48,172	119,093
Mortgage-backed securities <sup>4</sup>	922,625	- 2,921	- 195,307	917,856
Repurchase agreements <sup>5</sup>	0	0	0	0
Loans	14,651	- 367	- 60,568	14,270
Primary credit	11	+ 8	- 4,304	7
Secondary credit	0	0	- 400	0
Seasonal credit	22	+ 4	- 26	26
Credit extended to American International Group, Inc., net <sup>6</sup>	0	0	- 26,133	0
Term Asset-Backed Securities Loan Facility <sup>7</sup>	14,617	- 381	- 29,705	14,237
Other credit extensions	0	0	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>8</sup>	0	0	- 2	0
Net portfolio holdings of Maiden Lane LLC <sup>9</sup>	24,427	- 36	- 3,884	24,475
Net portfolio holdings of Maiden Lane II LLC <sup>10</sup>	14,987	+ 3	- 869	15,009
Net portfolio holdings of Maiden Lane III LLC <sup>11</sup>	24,375	- 36	+ 1,002	24,379
Net portfolio holdings of TALF LLC <sup>12</sup>	744	+ 11	+ 272	746
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>6</sup>	0	0	- 25,416	0
Float	-835	+ 162	+ 877	-1,107
Central bank liquidity swaps <sup>13</sup>	0	0	- 1,242	0
Other Federal Reserve assets <sup>14</sup>	125,907	- 2,575	+ 32,990	125,313
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>	43,888	+ 14	+ 799	43,888
<b>Total factors supplying reserve funds</b>	<b>2,810,802</b>	<b>+ 11,202</b>	<b>+ 428,206</b>	<b>2,819,490</b>

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

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

Millions of dollars

Reserve Bank credit, related items, and reserve balances of depository institutions at Federal Reserve Banks	Averages of daily figures			Wednesday May 25, 2011
	Week ended May 25, 2011	Change from week ended		
		May 18, 2011	May 26, 2010	
Currency in circulation <sup>15</sup>	1,017,766	+ 484	+ 79,846	1,020,778
Reverse repurchase agreements <sup>16</sup>	55,282	- 348	- 2,798	54,181
Foreign official and international accounts	55,282	- 348	- 2,798	54,181
Others	0	0	0	0
Treasury cash holdings	141	- 7	- 55	144
Deposits with F.R. Banks, other than reserve balances	92,321	- 13,442	- 138,159	81,743
Term deposits held by depository institutions	0	0	0	0
U.S. Treasury, general account	84,259	- 7,189	+ 58,182	73,694
U.S. Treasury, supplementary financing account	5,000	0	- 194,957	5,000
Foreign official	127	- 21	- 1,315	126
Service-related	2,543	- 3	- 100	2,543
Required clearing balances	2,543	- 3	- 100	2,543
Adjustments to compensate for float	0	0	0	0
Other	391	- 6,231	+ 30	380
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>	73,788	+ 270	+ 2,087	73,093
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>1,239,297</b>	<b>- 13,045</b>	<b>- 59,080</b>	<b>1,229,939</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>1,571,505</b>	<b>+ 24,248</b>	<b>+ 487,286</b>	<b>1,589,551</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 May 25, 2011
	Week ended May 25, 2011	Change from week ended		
		May 18, 2011	May 26, 2010	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	3,442,183	- 428	+ 375,915	3,428,775
U.S. Treasury securities	2,698,837	- 1,515	+ 434,323	2,685,357
Federal agency securities <sup>2</sup>	743,346	+ 1,087	- 58,408	743,419
Securities lent to dealers	17,242	- 4,392	+ 13,827	19,938
Overnight facility <sup>3</sup>	17,242	- 4,392	+ 13,827	19,938
U.S. Treasury securities	16,224	- 4,599	+ 14,118	18,890
Federal agency debt securities	1,018	+ 207	- 292	1,048

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, May 25, 2011**

Millions of dollars

Remaining maturity	Within 15 days	16 days to 90 days	91 days to 1 year	Over 1 year to 5 years	Over 5 years to 10 years	Over 10 years	All
Loans <sup>1</sup>	26	7	560	13,677	0	...	14,270
U.S. Treasury securities <sup>2</sup>							
Holdings	21,396	14,850	89,587	655,085	546,030	192,379	1,519,327
Weekly changes	- 2,504	+ 2,503	+ 8	+ 6,424	+ 13,928	+ 3,802	+ 24,161
Federal agency debt securities <sup>3</sup>							
Holdings	0	9,317	16,524	68,156	22,749	2,347	119,093
Weekly changes	- 1,665	+ 884	+ 30	- 914	0	0	- 1,665
Mortgage-backed securities <sup>4</sup>							
Holdings	0	0	0	18	22	917,815	917,856
Weekly changes	0	0	0	0	- 1	- 5,723	- 5,723
Asset-backed securities held by							
TALF LLC <sup>5</sup>	0	0	0	0	0	0	0
Repurchase agreements <sup>6</sup>	0	0	...	...	...	...	0
Central bank liquidity swaps <sup>7</sup>	0	0	0	0	0	0	0
Reverse repurchase agreements <sup>6</sup>	54,181	0	...	...	...	...	54,181
Term deposits	0	0	0	...	...	...	0

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

... Not applicable.

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

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

Millions of dollars

Account name	Wednesday May 25, 2011
Mortgage-backed securities held outright <sup>1</sup>	917,856
Commitments to buy mortgage-backed securities <sup>2</sup>	0
Commitments to sell mortgage-backed securities <sup>2</sup>	0
Cash and cash equivalents <sup>3</sup>	0

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

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

Millions of dollars

Account name	Wednesday May 25, 2011
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	24,475
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	21,719
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	690
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,342

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

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

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

Millions of dollars

Account name	Wednesday May 25, 2011
Net portfolio holdings of Maiden Lane II LLC <sup>1</sup>	15,009
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	10,542
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	514
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. <sup>3</sup>	1,085

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

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

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

Millions of dollars

Account name	Wednesday May 25, 2011
Net portfolio holdings of Maiden Lane III LLC <sup>1</sup>	24,379
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	11,985
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	610
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.<sup>3</sup></u>	<u>5,435</u>

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

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

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

Millions of dollars

Account name	Wednesday May 25, 2011
Asset-backed securities holdings <sup>1</sup>	0
Other investments, net	746
Net portfolio holdings of TALF LLC	746
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	0
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	0
<u>Funding provided by U.S. Treasury to TALF LLC, including accrued interest payable<sup>3</sup></u>	<u>107</u>

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

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

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

## H.4.1

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

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday May 25, 2011	Change since	
			Wednesday May 18, 2011	Wednesday May 26, 2010
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,130	- 19	+ 116
Securities, repurchase agreements, and loans		2,570,545	+ 16,062	+ 438,444
Securities held outright <sup>1</sup>		2,556,276	+ 16,773	+ 499,112
U.S. Treasury securities		1,519,327	+ 24,161	+ 742,450
Bills <sup>2</sup>		18,423	0	0
Notes and bonds, nominal <sup>2</sup>		1,432,009	+ 24,011	+ 719,986
Notes and bonds, inflation-indexed <sup>2</sup>		61,004	0	+ 19,879
Inflation compensation <sup>3</sup>		7,892	+ 150	+ 2,586
Federal agency debt securities <sup>2</sup>		119,093	- 1,665	- 48,284
Mortgage-backed securities <sup>4</sup>		917,856	- 5,723	- 195,054
Repurchase agreements <sup>5</sup>		0	0	0
Loans		14,270	- 710	- 60,667
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>6</sup>		0	0	- 2
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>		24,475	+ 56	- 3,854
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>		15,009	+ 25	- 901
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>		24,379	+ 5	+ 999
Net portfolio holdings of TALF LLC <sup>10</sup>		746	+ 13	+ 268
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>		0	0	- 25,416
Items in process of collection	(141)	272	- 82	- 2
Bank premises		2,213	+ 3	- 23
Central bank liquidity swaps <sup>12</sup>		0	0	- 1,242
Other assets <sup>13</sup>		123,096	+ 858	+ 33,207
<b>Total assets</b>	(141)	2,779,103	+ 16,921	+ 441,596

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 May 25, 2011	Change since	
			Wednesday May 18, 2011	Wednesday May 26, 2010
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		979,160	+ 2,826	+ 79,378
Reverse repurchase agreements <sup>14</sup>		54,181	- 3,245	- 3,977
Deposits	(0)	1,671,290	+ 17,449	+ 364,490
Term deposits held by depository institutions		0	0	0
Other deposits held by depository institutions		1,592,091	+ 53,392	+ 503,688
U.S. Treasury, general account		73,694	- 35,926	+ 56,966
U.S. Treasury, supplementary financing account		5,000	0	- 194,957
Foreign official		126	+ 1	- 1,223
Other	(0)	380	- 16	+ 18
Deferred availability cash items	(141)	1,379	+ 6	- 713
Other liabilities and accrued dividends <sup>15</sup>		20,435	- 175	+ 4,808
<b>Total liabilities</b>	<b>(141)</b>	<b>2,726,445</b>	<b>+ 16,861</b>	<b>+ 443,986</b>
<i>Capital accounts</i>				
Capital paid in		26,329	+ 30	- 87
Surplus		26,329	+ 30	+ 661
Other capital accounts		0	0	- 2,963
<b>Total capital</b>		<b>52,658</b>	<b>+ 61</b>	<b>- 2,390</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, May 25, 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
<i>Assets</i>													
Gold certificate account	11,037	390	3,866	432	450	872	1,394	854	319	197	318	728	1,217
Special drawing rights certificate acct.	5,200	196	1,818	210	237	412	654	424	150	90	153	282	574
Coin	2,130	52	78	159	155	356	176	331	32	61	160	215	354
Securities, repurchase agreements, and loans	2,570,545	62,850	1,203,015	87,568	69,050	295,224	190,050	151,817	48,387	39,292	67,998	101,101	254,192
Securities held outright <sup>1</sup>	2,556,276	62,850	1,188,778	87,568	69,050	295,224	190,040	151,806	48,383	39,286	67,998	101,101	254,192
U.S. Treasury securities	1,519,327	37,355	706,552	52,046	41,040	175,467	112,951	90,226	28,756	23,350	40,415	60,090	151,080
Bills <sup>2</sup>	18,423	453	8,567	631	498	2,128	1,370	1,094	349	283	490	729	1,832
Notes and bonds <sup>3</sup>	1,500,904	36,902	697,985	51,415	40,543	173,339	111,581	89,132	28,408	23,067	39,925	59,361	149,248
Federal agency debt securities <sup>2</sup>	119,093	2,928	55,383	4,080	3,217	13,754	8,854	7,072	2,254	1,830	3,168	4,710	11,842
Mortgage-backed securities <sup>4</sup>	917,856	22,567	426,842	31,442	24,793	106,003	68,236	54,507	17,372	14,106	24,415	36,301	91,270
Repurchase agreements <sup>5</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	14,270	0	14,237	0	0	0	10	12	5	6	0	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>6</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>	24,475	0	24,475	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>	15,009	0	15,009	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>	24,379	0	24,379	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC <sup>10</sup>	746	0	746	0	0	0	0	0	0	0	0	0	0
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Items in process of collection	413	21	0	77	85	7	4	41	8	25	18	21	105
Bank premises	2,213	124	255	68	138	237	217	209	136	107	263	247	212
Central bank liquidity swaps <sup>12</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Other assets <sup>13</sup>	123,096	3,315	52,422	5,915	4,578	16,635	8,721	6,401	2,059	2,331	2,820	4,245	13,655
Interdistrict settlement account	0	- 12,872	+ 264,079	+ 11,570	- 10,449	- 107,100	- 35,381	- 3,986	- 11,304	- 18,135	- 17,427	- 8,151	- 50,844
<b>Total assets</b>	<b>2,779,243</b>	<b>54,075</b>	<b>1,590,142</b>	<b>105,999</b>	<b>64,245</b>	<b>206,643</b>	<b>165,836</b>	<b>156,092</b>	<b>39,788</b>	<b>23,967</b>	<b>54,303</b>	<b>98,688</b>	<b>219,465</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, May 25, 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	1,135,618	43,330	387,556	47,379	52,786	90,477	140,220	89,085	32,370	19,490	32,075	75,091	125,760
Less: Notes held by F.R. Banks	156,459	4,769	42,047	5,638	8,001	12,378	22,482	12,775	4,193	5,486	3,436	11,187	24,067
Federal Reserve notes, net	979,160	38,561	345,509	41,741	44,785	78,099	117,738	76,310	28,177	14,004	28,640	63,904	101,693
Reverse repurchase agreements <sup>14</sup>	54,181	1,332	25,196	1,856	1,464	6,257	4,028	3,218	1,025	833	1,441	2,143	5,388
Deposits	1,671,290	12,023	1,188,403	57,166	13,513	110,358	40,340	74,604	9,886	6,960	23,398	31,425	103,213
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	1,592,091	12,021	1,109,354	57,162	13,509	110,243	40,338	74,602	9,885	6,959	23,397	31,424	103,197
U.S. Treasury, general account	73,694	0	73,694	0	0	0	0	0	0	0	0	0	0
U.S. Treasury, supplementary financing account	5,000	0	5,000	0	0	0	0	0	0	0	0	0	0
Foreign official	126	1	97	4	3	8	2	1	0	1	0	1	6
Other	380	1	258	0	1	107	0	1	0	0	1	0	10
Deferred availability cash items	1,520	73	0	250	201	52	86	104	47	348	72	77	210
Interest on Federal Reserve notes due to U.S. Treasury <sup>15</sup>	1,378	29	759	9	23	122	90	86	27	15	40	58	120
Other liabilities and accrued dividends <sup>16</sup>	19,057	221	14,843	314	311	889	533	440	181	167	192	302	663
<b>Total liabilities</b>	<b>2,726,585</b>	<b>52,240</b>	<b>1,574,711</b>	<b>101,337</b>	<b>60,295</b>	<b>195,777</b>	<b>162,815</b>	<b>154,762</b>	<b>39,343</b>	<b>22,327</b>	<b>53,784</b>	<b>97,909</b>	<b>211,286</b>
<i>Capital</i>													
Capital paid in	26,329	918	7,716	2,331	1,975	5,433	1,510	665	222	820	260	390	4,089
Surplus	26,329	918	7,716	2,331	1,975	5,433	1,510	665	222	820	260	390	4,089
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and capital</b>	<b>2,779,243</b>	<b>54,075</b>	<b>1,590,142</b>	<b>105,999</b>	<b>64,245</b>	<b>206,643</b>	<b>165,836</b>	<b>156,092</b>	<b>39,788</b>	<b>23,967</b>	<b>54,303</b>	<b>98,688</b>	<b>219,465</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, May 25, 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 May 25, 2011
Federal Reserve notes outstanding	1,135,618
Less: Notes held by F.R. Banks not subject to collateralization	156,459
Federal Reserve notes to be collateralized	979,160
Collateral held against Federal Reserve notes	979,160
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>	962,923
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities <sup>1,2</sup>	2,556,276
Less: Face value of securities under reverse repurchase agreements	50,257
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,506,019

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.