

# FEDERAL RESERVE statistical release



H.4.1

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

August 25, 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 Aug 24, 2011
	Week ended Aug 24, 2011	Change from week ended		
		Aug 17, 2011	Aug 25, 2010	
Reserve Bank credit	2,842,528	- 5,702	+ 548,355	2,843,324
Securities held outright <sup>1</sup>	2,650,233	- 1,852	+ 599,073	2,650,561
U.S. Treasury securities	1,647,856	+ 2,709	+ 865,027	1,648,435
Bills <sup>2</sup>	18,423	0	0	18,423
Notes and bonds, nominal <sup>2</sup>	1,554,087	+ 2,728	+ 836,230	1,554,672
Notes and bonds, inflation-indexed <sup>2</sup>	65,948	0	+ 24,819	65,948
Inflation compensation <sup>3</sup>	9,399	- 18	+ 3,978	9,392
Federal agency debt securities <sup>2</sup>	109,902	- 1,772	- 47,005	109,776
Mortgage-backed securities <sup>4</sup>	892,475	- 2,789	- 218,949	892,350
Repurchase agreements <sup>5</sup>	0	0	0	0
Loans	11,761	- 143	- 46,118	11,702
Primary credit	1	- 5	- 27	0
Secondary credit	0	0	- 1	0
Seasonal credit	100	+ 2	+ 7	107
Credit extended to American International Group, Inc., net <sup>6</sup>	0	0	- 20,090	0
Term Asset-Backed Securities Loan Facility <sup>7</sup>	11,660	- 141	- 26,007	11,595
Other credit extensions	0	0	0	0
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>8</sup>	0	0	0	0
Net portfolio holdings of Maiden Lane LLC <sup>9</sup>	18,178	- 9	- 10,804	18,202
Net portfolio holdings of Maiden Lane II LLC <sup>10</sup>	10,069	+ 4	- 5,907	10,071
Net portfolio holdings of Maiden Lane III LLC <sup>11</sup>	21,316	- 35	- 2,009	21,320
Net portfolio holdings of TALF LLC <sup>12</sup>	774	+ 7	+ 204	775
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>6</sup>	0	0	- 25,733	0
Float	-945	+ 137	+ 727	-1,131
Central bank liquidity swaps <sup>13</sup>	500	+ 300	+ 461	500
Other Federal Reserve assets <sup>14</sup>	130,642	- 4,111	+ 38,461	131,322
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>	44,078	+ 14	+ 745	44,078
<b>Total factors supplying reserve funds</b>	<b>2,902,847</b>	<b>- 5,688</b>	<b>+ 549,101</b>	<b>2,903,642</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 Aug 24, 2011
	Week ended Aug 24, 2011	Change from week ended		
		Aug 17, 2011	Aug 25, 2010	
Currency in circulation <sup>15</sup>	1,032,536	- 969	+ 86,244	1,033,360
Reverse repurchase agreements <sup>16</sup>	96,511	- 3,429	+ 36,078	99,519
Foreign official and international accounts	96,226	- 3,705	+ 35,793	99,519
Others	286	+ 277	+ 286	0
Treasury cash holdings	116	+ 3	- 105	131
Deposits with F.R. Banks, other than reserve balances	96,301	+ 13,424	- 129,235	92,170
Term deposits held by depository institutions	5,088	0	+ 2,969	5,088
U.S. Treasury, general account	20,782	+ 610	+ 1,959	10,896
U.S. Treasury, supplementary financing account	0	0	- 199,954	0
Foreign official	4,192	- 991	+ 2,501	5,228
Service-related	2,484	- 2	+ 26	2,484
Required clearing balances	2,484	- 2	+ 26	2,484
Adjustments to compensate for float	0	0	0	0
Other	63,755	+ 13,807	+ 63,264	68,475
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>	71,606	+ 791	- 437	70,897
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>1,297,071</b>	<b>+ 9,822</b>	<b>- 7,454</b>	<b>1,296,077</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>1,605,776</b>	<b>- 15,510</b>	<b>+ 556,555</b>	<b>1,607,566</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 Aug 24, 2011
	Week ended Aug 24, 2011	Change from week ended		
		Aug 17, 2011	Aug 25, 2010	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	3,491,090	+ 12,467	+ 293,890	3,483,601
U.S. Treasury securities	2,756,947	+ 12,666	+ 381,155	2,749,019
Federal agency securities <sup>2</sup>	734,143	- 200	- 87,265	734,581
Securities lent to dealers	12,766	- 1,707	+ 7,359	10,878
Overnight facility <sup>3</sup>	12,766	- 1,707	+ 7,359	10,878
U.S. Treasury securities	12,154	- 1,653	+ 8,143	10,252
Federal agency debt securities	612	- 54	- 785	626

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, August 24, 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>	95	12	2,319	9,276	0	...	11,702
U.S. Treasury securities <sup>2</sup>							
Holdings	19,400	15,382	125,265	709,654	581,599	197,136	1,648,435
Weekly changes	+ 3,867	- 3,867	- 1	- 3	+ 5,508	- 4,701	+ 802
Federal agency debt securities <sup>3</sup>							
Holdings	0	2,972	19,594	64,718	20,145	2,347	109,776
Weekly changes	- 884	+ 693	+ 1,198	- 1,891	0	0	- 884
Mortgage-backed securities <sup>4</sup>							
Holdings	0	0	0	15	23	892,312	892,350
Weekly changes	0	0	0	0	0	- 219	- 219
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>	500	0	0	0	0	0	500
Reverse repurchase agreements <sup>6</sup>	99,519	0	...	...	...	...	99,519
Term deposits	5,088	0	0	...	...	...	5,088

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 Aug 24, 2011
Mortgage-backed securities held outright <sup>1</sup>	892,350
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 Aug 24, 2011
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	18,202
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	15,061
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	727
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,360

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 June 30, 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 Aug 24, 2011
Net portfolio holdings of Maiden Lane II LLC <sup>1</sup>	10,071
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	6,808
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	538
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. <sup>3</sup>	1,094

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 June 30, 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 Aug 24, 2011
Net portfolio holdings of Maiden Lane III LLC <sup>1</sup>	21,320
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	10,536
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	646
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.<sup>3</sup></u>	<u>5,479</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 June 30, 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 Aug 24, 2011
Asset-backed securities holdings <sup>1</sup>	0
Other investments, net	775
Net portfolio holdings of TALF LLC	775
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>108</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 Aug 24, 2011	Change since	
			Wednesday Aug 17, 2011	Wednesday Aug 25, 2010
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,202	+ 13	+ 133
Securities, repurchase agreements, and loans		2,662,263	- 502	+ 561,713
Securities held outright <sup>1</sup>		2,650,561	- 301	+ 606,394
U.S. Treasury securities		1,648,435	+ 802	+ 863,937
Bills <sup>2</sup>		18,423	0	0
Notes and bonds, nominal <sup>2</sup>		1,554,672	+ 820	+ 835,142
Notes and bonds, inflation-indexed <sup>2</sup>		65,948	0	+ 24,819
Inflation compensation <sup>3</sup>		9,392	- 18	+ 3,975
Federal agency debt securities <sup>2</sup>		109,776	- 884	- 46,726
Mortgage-backed securities <sup>4</sup>		892,350	- 219	- 210,817
Repurchase agreements <sup>5</sup>		0	0	0
Loans		11,702	- 201	- 44,681
Net portfolio holdings of Commercial Paper Funding Facility LLC <sup>6</sup>		0	0	0
Net portfolio holdings of Maiden Lane LLC <sup>7</sup>		18,202	+ 28	- 10,788
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>		10,071	+ 3	- 5,959
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>		21,320	+ 5	- 2,007
Net portfolio holdings of TALF LLC <sup>10</sup>		775	+ 8	+ 200
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>11</sup>		0	0	- 25,733
Items in process of collection	(109)	267	+ 45	- 52
Bank premises		2,199	0	- 30
Central bank liquidity swaps <sup>12</sup>		500	+ 300	+ 461
Other assets <sup>13</sup>		129,117	+ 1,558	+ 40,839
<b>Total assets</b>	(109)	2,863,155	+ 1,460	+ 558,779

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 Aug 24, 2011	Change since	
			Wednesday Aug 17, 2011	Wednesday Aug 25, 2010
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		991,611	- 771	+ 85,334
Reverse repurchase agreements <sup>14</sup>		99,519	+ 3,608	+ 38,404
Deposits	(0)	1,699,730	- 1,456	+ 436,083
Term deposits held by depository institutions		5,088	0	+ 2,969
Other deposits held by depository institutions		1,610,044	- 37,113	+ 556,702
U.S. Treasury, general account		10,896	+ 1,991	+ 5,007
U.S. Treasury, supplementary financing account		0	0	- 199,954
Foreign official		5,228	+ 102	+ 3,318
Other	(0)	68,475	+ 33,565	+ 68,042
Deferred availability cash items	(109)	1,398	+ 54	- 587
Other liabilities and accrued dividends <sup>15</sup>		19,067	+ 11	+ 4,027
<b>Total liabilities</b>	<b>(109)</b>	<b>2,811,325</b>	<b>+ 1,447</b>	<b>+ 563,260</b>
<i>Capital accounts</i>				
Capital paid in		25,915	+ 6	- 807
Surplus		25,915	+ 6	+ 70
Other capital accounts		0	0	- 3,743
<b>Total capital</b>		<b>51,830</b>	<b>+ 13</b>	<b>- 4,481</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.

## H.4.1

## 9. Statement of Condition of Each Federal Reserve Bank, August 24, 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	2,202	51	72	163	162	365	198	333	41	57	166	228	365
Securities, repurchase agreements, and loans	2,662,263	65,168	1,244,220	90,798	71,597	306,113	197,060	157,414	50,202	40,772	70,522	104,830	263,568
Securities held outright <sup>1</sup>	2,650,561	65,168	1,232,625	90,798	71,597	306,113	197,050	157,405	50,167	40,735	70,506	104,830	263,568
U.S. Treasury securities	1,648,435	40,529	766,593	56,469	44,528	190,377	122,549	97,893	31,200	25,334	43,849	65,196	163,918
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>	1,630,013	40,076	758,026	55,838	44,030	188,250	121,179	96,799	30,851	25,051	43,359	64,467	162,086
Federal agency debt securities <sup>2</sup>	109,776	2,699	51,051	3,760	2,965	12,678	8,161	6,519	2,078	1,687	2,920	4,342	10,916
Mortgage-backed securities <sup>4</sup>	892,350	21,940	414,981	30,568	24,104	103,057	66,340	52,993	16,890	13,714	23,737	35,293	88,734
Repurchase agreements <sup>5</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	11,702	0	11,595	0	0	0	10	10	35	37	16	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>	18,202	0	18,202	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC <sup>8</sup>	10,071	0	10,071	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC <sup>9</sup>	21,320	0	21,320	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC <sup>10</sup>	775	0	775	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	376	24	0	51	113	5	28	44	9	16	10	26	49
Bank premises	2,199	123	255	67	137	236	214	207	135	106	261	247	212
Central bank liquidity swaps <sup>12</sup>	500	17	145	48	37	103	29	13	4	15	5	8	77
Other assets <sup>13</sup>	129,117	3,473	55,010	6,186	4,792	17,450	9,152	6,719	2,162	2,442	2,959	4,456	14,316
Interdistrict settlement account	0	- 1,007	+ 231,159	- 2,543	+ 4,823	- 124,235	- 33,475	- 9,084	- 9,501	- 18,968	- 19,213	+ 60	- 18,016
<b>Total assets</b>	<b>2,863,264</b>	<b>68,436</b>	<b>1,586,914</b>	<b>95,413</b>	<b>82,349</b>	<b>201,320</b>	<b>175,254</b>	<b>156,923</b>	<b>43,521</b>	<b>24,728</b>	<b>55,180</b>	<b>110,866</b>	<b>262,362</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, August 24, 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	1,156,484	43,211	386,489	46,564	55,275	95,740	143,289	90,713	34,017	19,303	32,100	75,246	134,539
Less: Notes held by F.R. Banks	164,873	5,556	44,368	6,474	7,897	12,556	24,008	13,419	4,525	5,550	3,522	11,165	25,833
Federal Reserve notes, net	991,611	37,655	342,121	40,090	47,378	83,184	119,280	77,294	29,492	13,753	28,578	64,081	108,706
Reverse repurchase agreements <sup>14</sup>	99,519	2,447	46,281	3,409	2,688	11,493	7,398	5,910	1,884	1,529	2,647	3,936	9,896
Deposits	1,699,730	26,142	1,168,439	46,692	27,800	94,548	44,937	71,625	11,437	8,718	23,142	41,647	134,603
Term deposits held by depository institutions	5,088	20	1,485	805	0	1,765	0	22	75	40	6	30	840
Other deposits held by depository institutions	1,610,044	26,102	1,082,607	45,884	27,796	92,644	44,935	71,574	11,321	8,676	23,134	41,617	133,754
U.S. Treasury, general account	10,896	0	10,896	0	0	0	0	0	0	0	0	0	0
U.S. Treasury, supplementary financing account	0	0	0	0	0	0	0	0	0	0	0	0	0
Foreign official	5,228	1	5,199	4	3	8	2	1	0	1	0	1	6
Other	68,475	18	68,252	0	1	130	0	28	41	0	1	0	3
Deferred availability cash items	1,507	69	0	203	214	59	89	112	49	341	72	68	232
Interest on Federal Reserve notes due to U.S. Treasury <sup>15</sup>	1,359	33	641	37	33	156	107	84	27	21	40	58	122
Other liabilities and accrued dividends <sup>16</sup>	17,709	205	13,911	273	273	760	489	412	181	146	183	291	585
<b>Total liabilities</b>	<b>2,811,434</b>	<b>66,550</b>	<b>1,571,392</b>	<b>90,704</b>	<b>78,385</b>	<b>190,200</b>	<b>172,300</b>	<b>155,437</b>	<b>43,070</b>	<b>24,508</b>	<b>54,662</b>	<b>110,082</b>	<b>254,143</b>
<i>Capital</i>													
Capital paid in	25,915	943	7,761	2,354	1,982	5,560	1,477	743	225	110	259	392	4,109
Surplus	25,915	943	7,761	2,354	1,982	5,560	1,477	743	225	110	259	392	4,109
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and capital</b>	<b>2,863,264</b>	<b>68,436</b>	<b>1,586,914</b>	<b>95,413</b>	<b>82,349</b>	<b>201,320</b>	<b>175,254</b>	<b>156,923</b>	<b>43,521</b>	<b>24,728</b>	<b>55,180</b>	<b>110,866</b>	<b>262,362</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, August 24, 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 Aug 24, 2011
Federal Reserve notes outstanding	1,156,484
Less: Notes held by F.R. Banks not subject to collateralization	164,873
Federal Reserve notes to be collateralized	991,611
Collateral held against Federal Reserve notes	991,611
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>	975,374
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities <sup>1,2</sup>	2,650,561
Less: Face value of securities under reverse repurchase agreements	86,607
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,563,954

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.