

FEDERAL RESERVE statistical release



H.4.1

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

September 1, 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 31, 2011
	Week ended Aug 31, 2011	Change from week ended		
		Aug 24, 2011	Sep 1, 2010	
Reserve Bank credit	2,835,824	- 6,699	+ 549,152	2,837,500
Securities held outright ¹	2,644,507	- 5,726	+ 599,023	2,646,834
U.S. Treasury securities	1,649,786	+ 1,930	+ 863,973	1,652,113
Bills ²	18,423	0	0	18,423
Notes and bonds, nominal ²	1,555,520	+ 1,433	+ 834,826	1,557,455
Notes and bonds, inflation-indexed ²	66,377	+ 429	+ 25,096	66,754
Inflation compensation ³	9,467	+ 68	+ 4,051	9,481
Federal agency debt securities ²	109,776	- 126	- 46,726	109,776
Mortgage-backed securities ⁴	884,945	- 7,530	- 218,224	884,945
Repurchase agreements ⁵	0	0	0	0
Loans	11,698	- 63	- 44,650	11,706
Primary credit	7	+ 6	- 6	17
Secondary credit	0	0	0	0
Seasonal credit	95	- 5	+ 9	93
Credit extended to American International Group, Inc., net ⁶	0	0	- 19,909	0
Term Asset-Backed Securities Loan Facility ⁷	11,595	- 65	- 24,745	11,595
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC ⁸	18,206	+ 28	- 10,798	18,230
Net portfolio holdings of Maiden Lane II LLC ⁹	10,077	+ 8	- 5,952	10,109
Net portfolio holdings of Maiden Lane III LLC ¹⁰	21,321	+ 5	- 2,008	21,327
Net portfolio holdings of TALF LLC ¹¹	775	+ 1	+ 200	775
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ⁶	0	0	- 25,733	0
Float	-928	+ 17	+ 801	-1,158
Central bank liquidity swaps ¹²	0	- 500	- 44	0
Other Federal Reserve assets ¹³	130,168	- 469	+ 38,312	129,677
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding ¹⁴	44,092	+ 14	+ 751	44,092
Total factors supplying reserve funds	2,896,157	- 6,685	+ 549,903	2,897,833

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 31, 2011
	Week ended Aug 31, 2011	Change from week ended		
		Aug 24, 2011	Sep 1, 2010	
Currency in circulation ¹⁴	1,034,094	+ 1,558	+ 86,576	1,037,825
Reverse repurchase agreements ¹⁵	102,548	+ 6,037	+ 40,549	104,544
Foreign official and international accounts	102,548	+ 6,322	+ 40,549	104,544
Others	0	- 286	0	0
Treasury cash holdings	130	+ 14	- 110	126
Deposits with F.R. Banks, other than reserve balances	76,423	- 19,878	- 153,597	95,285
Term deposits held by depository institutions	0	- 5,088	- 2,119	0
U.S. Treasury, General Account	20,320	- 462	- 2,793	42,481
U.S. Treasury, Supplementary Financing Account	0	0	- 199,956	0
Foreign official	4,103	- 89	+ 2,118	2,675
Service-related	2,475	- 9	+ 41	2,475
Required clearing balances	2,475	- 9	+ 41	2,475
Adjustments to compensate for float	0	0	0	0
Other	49,526	- 14,229	+ 49,112	47,654
Funds from American International Group, Inc. asset dispositions, held as agent ⁶	0	0	0	0
Other liabilities and capital ¹⁶	71,336	- 270	- 610	70,570
Total factors, other than reserve balances, absorbing reserve funds	1,284,531	- 12,540	- 27,194	1,308,349
Reserve balances with Federal Reserve Banks	1,611,626	+ 5,855	+ 577,097	1,589,483

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.
- 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 31, 2011
	Week ended Aug 31, 2011	Change from week ended		
		Aug 24, 2011	Sep 1, 2010	
Marketable securities held in custody for foreign official and international accounts ¹	3,486,906	- 4,184	+ 276,056	3,485,059
U.S. Treasury securities	2,754,300	- 2,647	+ 360,476	2,752,450
Federal agency securities ²	732,606	- 1,537	- 84,420	732,609
Securities lent to dealers	12,530	- 236	+ 5,752	13,017
Overnight facility ³	12,530	- 236	+ 5,752	13,017
U.S. Treasury securities	12,012	- 142	+ 6,566	12,486
Federal agency debt securities	518	- 94	- 814	531

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 31, 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 ¹	89	22	2,371	9,225	0	...	11,706
U.S. Treasury securities ²							
Holdings	12,485	18,902	125,263	718,559	579,727	197,178	1,652,113
Weekly changes	- 6,915	+ 3,520	- 2	+ 8,905	- 1,872	+ 42	+ 3,678
Federal agency debt securities ³							
Holdings	147	3,720	18,699	64,718	20,145	2,347	109,776
Weekly changes	+ 147	+ 748	- 895	0	0	0	0
Mortgage-backed securities ⁴							
Holdings	0	0	0	15	22	884,908	884,945
Weekly changes	0	0	0	0	- 1	- 7,404	- 7,405
Asset-backed securities held by TALF LLC ⁵	0	0	0	0	0	0	0
Repurchase agreements ⁶	0	0	...	...	...	...	0
Central bank liquidity swaps ⁷	0	0	0	0	0	0	0
Reverse repurchase agreements ⁶	104,544	0	...	...	...	...	104,544
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 Aug 31, 2011
Mortgage-backed securities held outright ¹	884,945
Commitments to buy mortgage-backed securities ²	0
Commitments to sell mortgage-backed securities ²	0
Cash and cash equivalents ³	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 31, 2011
Net portfolio holdings of Maiden Lane LLC ¹	18,230
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	15,061
Accrued interest payable to the Federal Reserve Bank of New York ²	729
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. ³	1,361

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 31, 2011
Net portfolio holdings of Maiden Lane II LLC ¹	10,109
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	6,808
Accrued interest payable to the Federal Reserve Bank of New York ²	540
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. ³	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 31, 2011
Net portfolio holdings of Maiden Lane III LLC ¹	21,327
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	10,536
Accrued interest payable to the Federal Reserve Bank of New York ²	648
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.³</u>	<u>5,482</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 31, 2011
Asset-backed securities holdings ¹	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 ²	0
Accrued interest payable to the Federal Reserve Bank of New York ²	0
<u>Funding provided by U.S. Treasury to TALF LLC, including accrued interest payable³</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.

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8. Consolidated Statement of Condition of All Federal Reserve Banks

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Wednesday Aug 31, 2011	Change since	
			Wednesday Aug 24, 2011	Wednesday Sep 1, 2010
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,201	- 1	+ 134
Securities, repurchase agreements, and loans		2,658,540	- 3,723	+ 558,553
Securities held outright ¹		2,646,834	- 3,727	+ 600,881
U.S. Treasury securities		1,652,113	+ 3,678	+ 865,830
Bills ²		18,423	0	0
Notes and bonds, nominal ²		1,557,455	+ 2,783	+ 836,682
Notes and bonds, inflation-indexed ²		66,754	+ 806	+ 25,094
Inflation compensation ³		9,481	+ 89	+ 4,054
Federal agency debt securities ²		109,776	0	- 46,726
Mortgage-backed securities ⁴		884,945	- 7,405	- 218,223
Repurchase agreements ⁵		0	0	0
Loans		11,706	+ 4	- 42,328
Net portfolio holdings of Maiden Lane LLC ⁶		18,230	+ 28	- 10,817
Net portfolio holdings of Maiden Lane II LLC ⁷		10,109	+ 38	- 5,920
Net portfolio holdings of Maiden Lane III LLC ⁸		21,327	+ 7	- 2,010
Net portfolio holdings of TALF LLC ⁹		775	0	+ 200
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ¹⁰		0	0	- 25,733
Items in process of collection	(112)	260	- 7	- 15
Bank premises		2,189	- 10	- 33
Central bank liquidity swaps ¹¹		0	- 500	- 44
Other assets ¹²		127,525	- 1,592	+ 37,738
Total assets	(112)	2,857,394	- 5,761	+ 552,053

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 31, 2011	Change since	
			Wednesday Aug 24, 2011	Wednesday Sep 1, 2010
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		996,056	+ 4,445	+ 86,183
Reverse repurchase agreements ¹³		104,544	+ 5,025	+ 46,268
Deposits	(0)	1,684,806	- 14,924	+ 421,450
Term deposits held by depository institutions		0	- 5,088	- 2,119
Other deposits held by depository institutions		1,591,995	- 18,049	+ 579,015
U.S. Treasury, General Account		42,481	+ 31,585	- 3,256
U.S. Treasury, Supplementary Financing Account		0	0	- 199,956
Foreign official		2,675	- 2,553	+ 606
Other	(0)	47,654	- 20,821	+ 47,159
Deferred availability cash items	(112)	1,418	+ 20	- 932
Other liabilities and accrued dividends ¹⁴		18,680	- 387	+ 3,816
Total liabilities	(112)	2,805,504	- 5,821	+ 556,785
<i>Capital accounts</i>				
Capital paid in		25,945	+ 30	- 730
Surplus		25,945	+ 30	+ 94
Other capital accounts		0	0	- 4,095
Total capital		51,890	+ 60	- 4,731

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.
- 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, August 31, 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	2,201	52	72	162	162	365	200	331	40	58	166	228	365
Securities, repurchase agreements, and loans	2,658,540	65,076	1,242,487	90,670	71,496	305,683	196,786	157,195	50,124	40,711	70,432	104,683	263,198
Securities held outright ¹	2,646,834	65,076	1,230,892	90,670	71,496	305,682	196,773	157,183	50,097	40,678	70,407	104,683	263,197
U.S. Treasury securities	1,652,113	40,620	768,304	56,595	44,627	190,802	122,822	98,111	31,270	25,390	43,947	65,341	164,284
Bills ²	18,423	453	8,567	631	498	2,128	1,370	1,094	349	283	490	729	1,832
Notes and bonds ³	1,633,691	40,167	759,736	55,964	44,129	188,675	121,453	97,017	30,921	25,107	43,457	64,613	162,452
Federal agency debt securities ²	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 ⁴	884,945	21,758	411,537	30,315	23,904	102,202	65,789	52,553	16,749	13,600	23,540	35,000	87,998
Repurchase agreements ⁵	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	11,706	0	11,595	0	0	0	13	11	27	33	25	0	1
Net portfolio holdings of Maiden Lane LLC ⁶	18,230	0	18,230	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC ⁷	10,109	0	10,109	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC ⁸	21,327	0	21,327	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC ⁹	775	0	775	0	0	0	0	0	0	0	0	0	0
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ¹⁰	0	0	0	0	0	0	0	0	0	0	0	0	0
Items in process of collection	372	24	0	49	104	6	30	49	6	13	9	29	51
Bank premises	2,189	123	257	67	126	235	214	207	135	106	260	246	213
Central bank liquidity swaps ¹¹	0	0	0	0	0	0	0	0	0	0	0	0	0
Other assets ¹²	127,525	3,432	54,275	6,129	4,749	17,260	9,037	6,627	2,139	2,420	2,916	4,389	14,153
Interdistrict settlement account	0	+ 11,789	+ 219,467	- 2,205	+ 4,204	- 120,780	- 32,452	- 7,041	- 9,209	- 18,069	- 18,861	- 1,406	- 25,438
Total assets	2,857,506	81,083	1,572,683	95,514	81,529	204,052	175,863	158,646	43,704	25,525	55,393	109,179	254,334

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

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9. Statement of Condition of Each Federal Reserve Bank, August 31, 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	1,158,606	43,362	388,275	46,526	55,214	95,663	143,617	90,710	34,023	19,287	32,078	75,414	134,438
Less: Notes held by F.R. Banks	162,550	5,505	43,928	6,393	7,530	12,099	24,550	13,066	4,466	5,492	3,549	10,867	25,104
Federal Reserve notes, net	996,056	37,857	344,347	40,133	47,684	83,564	119,066	77,644	29,557	13,796	28,529	64,546	109,334
Reverse repurchase agreements ¹³	104,544	2,570	48,618	3,581	2,824	12,074	7,772	6,208	1,979	1,607	2,781	4,135	10,396
Deposits	1,684,806	38,474	1,149,778	46,590	26,556	96,357	45,430	72,721	11,472	9,367	23,287	39,309	125,464
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	1,591,995	38,463	1,057,191	46,586	26,552	96,233	45,426	72,692	11,438	9,366	23,286	39,308	125,455
U.S. Treasury, General Account	42,481	0	42,481	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	2,675	1	2,647	4	3	8	2	1	0	1	0	1	6
Other	47,654	10	47,459	0	0	116	2	28	34	0	1	0	3
Deferred availability cash items	1,530	72	5	199	215	43	73	115	46	375	69	80	237
Interest on Federal Reserve notes due to U.S. Treasury ¹⁴	1,329	27	634	41	19	156	107	73	25	20	38	56	132
Other liabilities and accrued dividends ¹⁵	17,351	197	13,722	262	268	738	461	399	174	140	170	269	552
Total liabilities	2,805,616	79,198	1,557,103	90,806	77,565	192,932	172,909	157,160	43,253	25,305	54,875	108,395	246,115
<i>Capital</i>													
Capital paid in	25,945	943	7,790	2,354	1,982	5,560	1,477	743	225	110	259	392	4,109
Surplus	25,945	943	7,790	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
Total liabilities and capital	2,857,506	81,083	1,572,683	95,514	81,529	204,052	175,863	158,646	43,704	25,525	55,393	109,179	254,334

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 31, 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. Refer to table 4 and the note on consolidation below.
7. Refer to table 5 and the note on consolidation below.
8. Refer to table 6 and the note on consolidation below.
9. Refer to table 7 and the note on consolidation below.
10. 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.
11. 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.
12. 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.
13. Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
14. 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.
15. Includes the liabilities of Maiden Lane LLC, Maiden Lane II LLC, Maiden Lane III LLC, and TALF LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of these LLCs. Refer to table 4 through table 7 and the note on consolidation below. 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).

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10. Collateral Held against Federal Reserve Notes: Federal Reserve Agents' Accounts

Millions of dollars

Federal Reserve notes and collateral	Wednesday Aug 31, 2011
Federal Reserve notes outstanding	1,158,606
Less: Notes held by F.R. Banks not subject to collateralization	162,550
Federal Reserve notes to be collateralized	996,056
Collateral held against Federal Reserve notes	996,056
Gold certificate account	11,037
Special drawing rights certificate account	5,200
U.S. Treasury, agency debt, and mortgage-backed securities pledged ^{1,2}	979,819
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities ^{1,2}	2,646,834
Less: Face value of securities under reverse repurchase agreements	91,954
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,554,880

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.