

# FEDERAL RESERVE statistical release



H.4.1

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

December 29, 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 Dec 28, 2011
	Week ended Dec 28, 2011	Change from week ended		
		Dec 21, 2011	Dec 29, 2010	
Reserve Bank credit	2,920,316	+ 35,371	+ 512,794	2,908,581
Securities held outright <sup>1</sup>	2,623,796	- 4,864	+ 464,619	2,613,382
U.S. Treasury securities	1,671,444	- 2,393	+ 661,159	1,672,092
Bills <sup>2</sup>	18,423	0	0	18,423
Notes and bonds, nominal <sup>2</sup>	1,574,925	- 2,355	+ 637,359	1,575,584
Notes and bonds, inflation-indexed <sup>2</sup>	68,468	0	+ 20,343	68,468
Inflation compensation <sup>3</sup>	9,628	- 39	+ 3,456	9,617
Federal agency debt securities <sup>2</sup>	104,596	- 100	- 42,864	103,994
Mortgage-backed securities <sup>4</sup>	847,756	- 2,371	- 153,676	837,295
Repurchase agreements <sup>5</sup>	0	0	0	0
Loans	9,108	- 440	- 36,004	9,082
Primary credit	12	- 1	- 40	42
Secondary credit	1	+ 1	- 14	0
Seasonal credit	26	0	+ 2	28
Credit extended to American International Group, Inc., net <sup>6</sup>	0	0	- 20,278	0
Term Asset-Backed Securities Loan Facility <sup>7</sup>	9,069	- 440	- 15,674	9,013
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC <sup>8</sup>	7,234	+ 20	- 19,701	7,228
Net portfolio holdings of Maiden Lane II LLC <sup>9</sup>	9,249	+ 10	- 6,908	9,281
Net portfolio holdings of Maiden Lane III LLC <sup>10</sup>	17,734	+ 13	- 5,397	17,739
Net portfolio holdings of TALF LLC <sup>11</sup>	811	+ 7	+ 146	811
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>6</sup>	0	0	- 26,057	0
Float	-654	+ 215	+ 758	-1,136
Central bank liquidity swaps <sup>12</sup>	99,823	+ 37,224	+ 99,748	99,823
Other Federal Reserve assets <sup>13</sup>	153,216	+ 3,188	+ 41,592	152,371
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding <sup>14</sup>	44,250	+ 14	+ 711	44,250
<b>Total factors supplying reserve funds</b>	<b>2,980,807</b>	<b>+ 35,385</b>	<b>+ 513,506</b>	<b>2,969,071</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 Dec 28, 2011
	Week ended Dec 28, 2011	Change from week ended		
		Dec 21, 2011	Dec 29, 2010	
Currency in circulation <sup>14</sup>	1,073,645	+ 7,150	+ 89,974	1,076,340
Reverse repurchase agreements <sup>15</sup>	90,843	+ 3,616	+ 35,080	88,674
Foreign official and international accounts	90,843	+ 3,616	+ 35,080	88,674
Others	0	0	0	0
Treasury cash holdings	121	+ 5	- 63	128
Deposits with F.R. Banks, other than reserve balances	208,803	- 310	- 91,427	165,149
Term deposits held by depository institutions	0	0	- 5,113	0
U.S. Treasury, General Account	98,652	- 13,752	+ 11,180	91,418
U.S. Treasury, Supplementary Financing Account	0	0	- 199,963	0
Foreign official	178	- 12	- 3,971	378
Service-related	2,488	- 1	+ 133	2,488
Required clearing balances	2,488	- 1	+ 133	2,488
Adjustments to compensate for float	0	0	0	0
Other	107,484	+ 13,454	+ 106,305	70,866
Funds from American International Group, Inc. asset dispositions, held as agent <sup>6</sup>	0	0	- 26,896	0
Other liabilities and capital <sup>16</sup>	72,989	+ 487	- 468	71,870
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>1,446,401</b>	<b>+ 10,948</b>	<b>+ 6,199</b>	<b>1,402,160</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>1,534,406</b>	<b>+ 24,438</b>	<b>+ 507,307</b>	<b>1,566,911</b>

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

1. Includes securities lent to dealers under the overnight securities lending facility; refer to table 1A.
2. Face value of the securities.
3. Compensation that adjusts for the effect of inflation on the original face value of inflation-indexed securities.
4. Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
5. Cash value of agreements.
6. As a result of the closing of the American International Group, Inc. (AIG) recapitalization plan on January 14, 2011, the credit extended to AIG was fully repaid and the Federal Reserve's commitment to lend any further funds was terminated. In addition, the Federal Reserve Bank of New York (FRBNY) has been paid in full for its preferred interests in AIA Aurora LLC and ALICO Holdings LLC. The funds from AIG asset dispositions that FRBNY held as agent were the source of repayment of the credit extended to AIG, as well as a portion of the FRBNY's preferred interests in ALICO Holdings LLC. The remaining FRBNY preferred interests in ALICO Holdings LLC and AIA Aurora LLC, valued at approximately \$20 billion, were purchased by AIG through a draw on the Treasury's Series F preferred stock commitment and then transferred by AIG to the Treasury as consideration for the draw on the available Series F funds.
7. Includes credit extended by the Federal Reserve Bank of New York to eligible borrowers through the Term Asset-Backed Securities Loan Facility.
8. Refer to table 4 and the note on consolidation accompanying table 9.
9. Refer to table 5 and the note on consolidation accompanying table 9.
10. Refer to table 6 and the note on consolidation accompanying table 9.
11. Refer to table 7 and the note on consolidation accompanying table 9.
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 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. Estimated.
15. Cash value of agreements, which are collateralized by U.S. Treasury securities, federal agency debt securities, and mortgage-backed securities.
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 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 Dec 28, 2011
	Week ended Dec 28, 2011	Change from week ended		
		Dec 21, 2011	Dec 29, 2010	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	3,420,192	- 20,282	+ 69,867	3,411,007
U.S. Treasury securities	2,688,487	- 24,281	+ 72,100	2,679,204
Federal agency securities <sup>2</sup>	731,705	+ 3,999	- 2,233	731,803
Securities lent to dealers	16,244	+ 1,443	+ 5,614	14,009
Overnight facility <sup>3</sup>	16,244	+ 1,443	+ 5,614	14,009
U.S. Treasury securities	14,993	+ 1,335	+ 5,612	12,794
Federal agency debt securities	1,251	+ 108	+ 2	1,215

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, December 28, 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>	70	1	4,355	4,657	0	...	9,082
<i>U.S. Treasury securities</i> <sup>2</sup>							
Holdings	17,847	25,506	87,285	650,378	660,486	230,591	1,672,092
Weekly changes	+ 2,156	- 2,156	- 2	- 16,743	+ 4,607	- 19	- 12,157
<i>Federal agency debt securities</i> <sup>3</sup>							
Holdings	1,751	5,765	19,695	60,603	13,833	2,347	103,994
Weekly changes	+ 1,049	+ 763	- 14	- 2,500	0	0	- 702
<i>Mortgage-backed securities</i> <sup>4</sup>							
Holdings	0	0	0	13	34	837,248	837,295
Weekly changes	0	0	0	- 1	0	- 14,429	- 14,431
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>	43,712	56,111	0	0	0	0	99,823
Reverse repurchase agreements <sup>6</sup>	88,674	0	...	...	...	...	88,674
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

Millions of dollars

Account name	Wednesday Dec 28, 2011
Mortgage-backed securities held outright <sup>1</sup>	837,295
Commitments to buy mortgage-backed securities <sup>2</sup>	39,970
Commitments to sell mortgage-backed securities <sup>2</sup>	4,350
Cash and cash equivalents <sup>3</sup>	293

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 Dec 28, 2011
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	7,228
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	4,104
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	755
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,384

1. Fair value. Fair value reflects an estimate of the price that would be received upon selling an asset if the transaction were to be conducted in an orderly market on the measurement date. Revalued quarterly. This table reflects valuations as of September 30, 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 Dec 28, 2011
Net portfolio holdings of Maiden Lane II LLC <sup>1</sup>	9,281
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	6,223
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	568
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. <sup>3</sup>	1,106

1. Fair value. Fair value reflects an estimate of the price that would be received upon selling an asset if the transaction were to be conducted in an orderly market on the measurement date. Revalued quarterly. This table reflects valuations as of September 30, 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 Dec 28, 2011
Net portfolio holdings of Maiden Lane III LLC <sup>1</sup>	17,739
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	9,134
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	691
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.<sup>3</sup></u>	<u>5,540</u>

1. Fair value. Fair value reflects an estimate of the price that would be received upon selling an asset if the transaction were to be conducted in an orderly market on the measurement date. Revalued quarterly. This table reflects valuations as of September 30, 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 Dec 28, 2011
Asset-backed securities holdings <sup>1</sup>	0
Other investments, net	811
Net portfolio holdings of TALF LLC	811
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>109</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 Dec 28, 2011	Change since	
			Wednesday Dec 21, 2011	Wednesday Dec 29, 2010
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,306	+ 9	+ 142
Securities, repurchase agreements, and loans		2,622,464	- 27,721	+ 421,677
Securities held outright <sup>1</sup>		2,613,382	- 27,289	+ 457,679
U.S. Treasury securities		1,672,092	- 12,157	+ 655,990
Bills <sup>2</sup>		18,423	0	0
Notes and bonds, nominal <sup>2</sup>		1,575,584	- 12,121	+ 632,207
Notes and bonds, inflation-indexed <sup>2</sup>		68,468	0	+ 20,343
Inflation compensation <sup>3</sup>		9,617	- 36	+ 3,439
Federal agency debt securities <sup>2</sup>		103,994	- 702	- 43,466
Mortgage-backed securities <sup>4</sup>		837,295	- 14,431	- 154,846
Repurchase agreements <sup>5</sup>		0	0	0
Loans		9,082	- 432	- 36,002
Net portfolio holdings of Maiden Lane LLC <sup>6</sup>		7,228	- 7	- 19,746
Net portfolio holdings of Maiden Lane II LLC <sup>7</sup>		9,281	+ 38	- 6,916
Net portfolio holdings of Maiden Lane III LLC <sup>8</sup>		17,739	+ 6	- 5,403
Net portfolio holdings of TALF LLC <sup>9</sup>		811	0	+ 146
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>10</sup>		0	0	- 26,057
Items in process of collection	(100)	358	+ 167	+ 133
Bank premises		2,188	+ 1	- 41
Central bank liquidity swaps <sup>11</sup>		99,823	+ 37,224	+ 99,748
Other assets <sup>12</sup>		150,051	+ 264	+ 41,344
<b>Total assets</b>	(100)	2,928,485	+ 9,979	+ 505,028

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 Dec 28, 2011	Change since	
			Wednesday Dec 21, 2011	Wednesday Dec 29, 2010
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		1,034,520	+ 6,004	+ 90,771
Reverse repurchase agreements <sup>13</sup>		88,674	- 1,396	+ 29,428
Deposits	(0)	1,731,928	+ 5,335	+ 413,173
Term deposits held by depository institutions		0	0	- 5,113
Other deposits held by depository institutions		1,569,267	+ 62,708	+ 548,541
U.S. Treasury, General Account		91,418	- 15,174	+ 2,513
U.S. Treasury, Supplementary Financing Account		0	0	- 199,963
Foreign official		378	- 48	- 3,292
Other	(0)	70,866	- 42,150	+ 70,488
Deferred availability cash items	(100)	1,494	+ 242	- 356
Other liabilities and accrued dividends <sup>14</sup>		18,071	- 120	- 25,185
<b>Total liabilities</b>	<b>(100)</b>	<b>2,874,686</b>	<b>+ 10,063</b>	<b>+ 507,831</b>
<i>Capital accounts</i>				
Capital paid in		26,900	- 41	+ 375
Surplus		26,900	- 41	+ 949
Other capital accounts		0	0	- 4,126
<b>Total capital</b>		<b>53,799</b>	<b>- 84</b>	<b>- 2,803</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.
- 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, December 28, 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	2,306	52	81	160	172	408	206	333	35	60	176	242	382
Securities, repurchase agreements, and loans	2,622,464	64,254	1,224,357	89,524	70,593	301,834	194,288	155,218	49,466	40,169	69,530	103,360	259,871
Securities held outright <sup>1</sup>	2,613,382	64,254	1,215,335	89,524	70,593	301,819	194,286	155,197	49,464	40,164	69,517	103,359	259,871
U.S. Treasury securities	1,672,092	41,111	777,595	57,279	45,167	193,110	124,308	99,298	31,648	25,698	44,479	66,131	166,270
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>	1,653,669	40,658	769,027	56,648	44,669	190,982	122,938	98,204	31,299	25,414	43,988	65,403	164,438
Federal agency debt securities <sup>2</sup>	103,994	2,557	48,362	3,562	2,809	12,010	7,731	6,176	1,968	1,598	2,766	4,113	10,341
Mortgage-backed securities <sup>4</sup>	837,295	20,586	389,378	28,682	22,617	96,699	62,247	49,723	15,848	12,868	22,272	33,115	83,259
Repurchase agreements <sup>5</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	9,082	0	9,023	0	0	15	2	21	2	6	13	1	0
Net portfolio holdings of Maiden Lane LLC <sup>6</sup>	7,228	0	7,228	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC <sup>7</sup>	9,281	0	9,281	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC <sup>8</sup>	17,739	0	17,739	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC <sup>9</sup>	811	0	811	0	0	0	0	0	0	0	0	0	0
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>10</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Items in process of collection	458	10	0	112	81	5	51	21	6	15	7	16	133
Bank premises	2,188	121	263	67	126	232	215	207	134	105	259	246	213
Central bank liquidity swaps <sup>11</sup>	99,823	3,450	28,912	9,669	7,405	20,469	5,720	2,529	814	3,083	899	1,512	15,361
Other assets <sup>12</sup>	150,051	3,975	65,018	6,772	5,282	19,698	10,737	8,019	2,584	2,745	3,546	5,365	16,311
Interdistrict settlement account	0	+ 12,144	+ 325,079	- 30,728	- 11,961	- 115,811	- 47,830	- 16,759	- 9,399	- 19,646	- 18,587	- 411	- 66,092
<b>Total assets</b>	<b>2,928,585</b>	<b>84,591</b>	<b>1,684,452</b>	<b>76,219</b>	<b>72,385</b>	<b>228,120</b>	<b>165,435</b>	<b>150,847</b>	<b>44,108</b>	<b>26,819</b>	<b>56,300</b>	<b>111,340</b>	<b>227,970</b>

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, December 28, 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	1,206,576	44,324	427,359	46,186	54,301	94,686	144,990	89,305	33,965	21,031	34,639	80,275	135,514
Less: Notes held by F.R. Banks	172,056	4,261	50,670	6,341	9,156	10,729	28,590	12,043	3,967	5,118	3,428	11,881	25,873
Federal Reserve notes, net	1,034,520	40,063	376,689	39,845	45,145	83,958	116,400	77,262	29,998	15,913	31,211	68,394	109,641
Reverse repurchase agreements <sup>13</sup>	88,674	2,180	41,237	3,038	2,395	10,241	6,592	5,266	1,678	1,363	2,359	3,507	8,818
Deposits	1,731,928	40,146	1,235,556	28,164	20,334	121,838	38,690	66,292	11,734	8,858	21,924	38,168	100,225
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	1,569,267	40,102	1,073,095	28,156	20,331	121,747	38,687	66,256	11,733	8,856	21,920	38,166	100,219
U.S. Treasury, General Account	91,418	0	91,418	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	378	1	349	4	3	8	2	1	0	1	0	1	6
Other	70,866	42	70,695	4	1	83	0	35	0	1	4	1	1
Deferred availability cash items	1,594	84	0	181	206	44	118	87	62	304	65	81	363
Interest on Federal Reserve notes due to U.S. Treasury <sup>14</sup>	1,351	25	649	37	29	117	104	123	31	21	37	56	122
Other liabilities and accrued dividends <sup>15</sup>	16,719	208	12,966	288	298	794	455	381	165	140	169	273	583
<b>Total liabilities</b>	<b>2,874,786</b>	<b>82,705</b>	<b>1,667,098</b>	<b>71,553</b>	<b>68,408</b>	<b>216,991</b>	<b>162,359</b>	<b>149,410</b>	<b>43,669</b>	<b>26,599</b>	<b>55,765</b>	<b>110,479</b>	<b>219,751</b>
<i>Capital</i>													
Capital paid in	26,900	943	8,677	2,333	1,989	5,564	1,538	718	220	110	268	431	4,109
Surplus	26,900	943	8,677	2,333	1,989	5,564	1,538	718	220	110	268	431	4,109
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total liabilities and capital</b>	<b>2,928,585</b>	<b>84,591</b>	<b>1,684,452</b>	<b>76,219</b>	<b>72,385</b>	<b>228,120</b>	<b>165,435</b>	<b>150,847</b>	<b>44,108</b>	<b>26,819</b>	<b>56,300</b>	<b>111,340</b>	<b>227,970</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, December 28, 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 Dec 28, 2011
Federal Reserve notes outstanding	1,206,576
Less: Notes held by F.R. Banks not subject to collateralization	172,056
Federal Reserve notes to be collateralized	1,034,520
Collateral held against Federal Reserve notes	1,034,520
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>	1,018,283
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities <sup>1,2</sup>	2,613,382
Less: Face value of securities under reverse repurchase agreements	76,704
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,536,678

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.