

FEDERAL RESERVE statistical release



H.4.1

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

January 5, 2012

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 Jan 4, 2012
	Week ended Jan 4, 2012	Change from week ended		
		Dec 28, 2011	Jan 5, 2011	
Reserve Bank credit	2,900,719	- 19,597	+ 489,869	2,899,143
Securities held outright ¹	2,605,139	- 18,657	+ 441,576	2,605,171
U.S. Treasury securities	1,663,446	- 7,998	+ 639,484	1,663,438
Bills ²	18,423	0	0	18,423
Notes and bonds, nominal ²	1,566,954	- 7,971	+ 615,964	1,566,954
Notes and bonds, inflation-indexed ²	68,468	0	+ 20,112	68,468
Inflation compensation ³	9,601	- 27	+ 3,407	9,593
Federal agency debt securities ²	103,994	- 602	- 43,466	103,994
Mortgage-backed securities ⁴	837,699	- 10,057	- 154,442	837,739
Repurchase agreements ⁵	0	0	0	0
Loans	9,132	+ 24	- 35,575	8,980
Primary credit	106	+ 94	+ 6	0
Secondary credit	0	- 1	0	0
Seasonal credit	20	- 6	+ 4	10
Credit extended to American International Group, Inc., net ⁶	0	0	- 19,919	0
Term Asset-Backed Securities Loan Facility ⁷	9,007	- 62	- 15,666	8,970
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC ⁸	7,232	- 2	- 19,742	7,239
Net portfolio holdings of Maiden Lane II LLC ⁹	9,261	+ 12	- 6,864	9,143
Net portfolio holdings of Maiden Lane III LLC ¹⁰	17,749	+ 15	- 5,403	17,788
Net portfolio holdings of TALF LLC ¹¹	811	0	+ 146	811
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ⁶	0	0	- 26,338	0
Float	-860	- 206	+ 836	-1,897
Central bank liquidity swaps ¹²	99,823	0	+ 99,748	99,823
Other Federal Reserve assets ¹³	152,432	- 784	+ 41,485	152,086
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	5,200	0	0	5,200
Treasury currency outstanding ¹⁴	44,264	+ 14	+ 722	44,264
Total factors supplying reserve funds	2,961,223	- 19,584	+ 490,590	2,959,648

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 Jan 4, 2012
	Week ended Jan 4, 2012	Change from week ended		
		Dec 28, 2011	Jan 5, 2011	
Currency in circulation ¹⁴	1,075,543	+ 1,898	+ 92,826	1,074,354
Reverse repurchase agreements ¹⁵	96,297	+ 5,454	+ 36,881	88,111
Foreign official and international accounts	96,297	+ 5,454	+ 36,881	88,111
Others	0	0	0	0
Treasury cash holdings	129	+ 8	- 48	132
Deposits with F.R. Banks, other than reserve balances	152,065	- 56,738	- 175,138	147,920
Term deposits held by depository institutions	0	0	0	0
U.S. Treasury, General Account	87,058	- 11,594	- 28,328	87,031
U.S. Treasury, Supplementary Financing Account	0	0	- 199,964	0
Foreign official	125	- 53	- 3,253	125
Service-related	2,485	- 3	+ 111	2,485
Required clearing balances	2,485	- 3	+ 111	2,485
Adjustments to compensate for float	0	0	0	0
Other	62,397	- 45,087	+ 56,295	58,279
Funds from American International Group, Inc. asset dispositions, held as agent ⁶	0	0	- 26,896	0
Other liabilities and capital ¹⁶	72,280	- 709	- 150	70,030
Total factors, other than reserve balances, absorbing reserve funds	1,396,314	- 50,087	- 72,525	1,380,546
Reserve balances with Federal Reserve Banks	1,564,909	+ 30,503	+ 563,114	1,579,102

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 Jan 4, 2012
	Week ended Jan 4, 2012	Change from week ended		
		Dec 28, 2011	Jan 5, 2011	
Marketable securities held in custody for foreign official and international accounts ¹	3,405,198	- 14,994	+ 60,941	3,401,953
U.S. Treasury securities	2,673,567	- 14,920	+ 63,280	2,670,644
Federal agency securities ²	731,630	- 75	- 2,339	731,309
Securities lent to dealers	14,064	- 2,180	- 5,395	13,739
Overnight facility ³	14,064	- 2,180	- 5,395	13,739
U.S. Treasury securities	12,883	- 2,110	- 5,105	12,697
Federal agency debt securities	1,180	- 71	- 291	1,042

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, January 4, 2012

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	0	10	4,355	4,614	0	...	8,980
U.S. Treasury securities ²							
Holdings	16,822	25,675	87,548	651,964	650,850	230,578	1,663,438
Weekly changes	- 1,025	+ 169	+ 263	+ 1,586	- 9,636	- 13	- 8,654
Federal agency debt securities ³							
Holdings	2,496	5,020	19,695	60,603	13,833	2,347	103,994
Weekly changes	+ 745	- 745	0	0	0	0	0
Mortgage-backed securities ⁴							
Holdings	0	0	0	13	36	837,690	837,739
Weekly changes	0	0	0	0	+ 2	+ 442	+ 444
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	43,712	56,111	0	0	0	0	99,823
Reverse repurchase agreements ⁶	88,111	0	...	...	...	...	88,111
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 Jan 4, 2012
Mortgage-backed securities held outright ¹	837,739
Commitments to buy mortgage-backed securities ²	43,588
Commitments to sell mortgage-backed securities ²	4,350
Cash and cash equivalents ³	78

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 Jan 4, 2012
Net portfolio holdings of Maiden Lane LLC ¹	7,239
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	4,104
Accrued interest payable to the Federal Reserve Bank of New York ²	756
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. ³	1,386

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 Jan 4, 2012
Net portfolio holdings of Maiden Lane II LLC ¹	9,143
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	6,084
Accrued interest payable to the Federal Reserve Bank of New York ²	570
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. ³	1,107

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 Jan 4, 2012
Net portfolio holdings of Maiden Lane III LLC ¹	17,788
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	9,134
Accrued interest payable to the Federal Reserve Bank of New York ²	693
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.³</u>	<u>5,544</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 Jan 4, 2012
Asset-backed securities holdings ¹	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 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>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.

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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 Jan 4, 2012	Change since	
			Wednesday Dec 28, 2011	Wednesday Jan 5, 2011
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,316	+ 10	+ 125
Securities, repurchase agreements, and loans		2,614,151	- 8,313	+ 398,950
Securities held outright ¹		2,605,171	- 8,211	+ 434,585
U.S. Treasury securities		1,663,438	- 8,654	+ 632,453
Bills ²		18,423	0	0
Notes and bonds, nominal ²		1,566,954	- 8,630	+ 610,400
Notes and bonds, inflation-indexed ²		68,468	0	+ 18,725
Inflation compensation ³		9,593	- 24	+ 3,328
Federal agency debt securities ²		103,994	0	- 43,466
Mortgage-backed securities ⁴		837,739	+ 444	- 154,402
Repurchase agreements ⁵		0	0	0
Loans		8,980	- 102	- 35,635
Net portfolio holdings of Maiden Lane LLC ⁶		7,239	+ 11	- 19,770
Net portfolio holdings of Maiden Lane II LLC ⁷		9,143	- 138	- 6,799
Net portfolio holdings of Maiden Lane III LLC ⁸		17,788	+ 49	- 5,414
Net portfolio holdings of TALF LLC ⁹		811	0	+ 146
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC ¹⁰		0	0	- 26,385
Items in process of collection	(156)	514	+ 156	+ 234
Bank premises		2,182	- 6	- 37
Central bank liquidity swaps ¹¹		99,823	0	+ 99,748
Other assets ¹²		149,866	- 185	+ 40,300
Total assets	(156)	2,920,069	- 8,416	+ 481,097

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 Jan 4, 2012	Change since	
			Wednesday Dec 28, 2011	Wednesday Jan 5, 2011
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		1,032,534	- 1,986	+ 92,229
Reverse repurchase agreements ¹³		88,111	- 563	+ 30,556
Deposits	(0)	1,726,984	- 4,944	+ 384,323
Term deposits held by depository institutions		0	0	0
Other deposits held by depository institutions		1,581,549	+ 12,282	+ 548,380
U.S. Treasury, General Account		87,031	- 4,387	- 18,682
U.S. Treasury, Supplementary Financing Account		0	0	- 199,964
Foreign official		125	- 253	- 3,305
Other	(0)	58,279	- 12,587	+ 57,894
Deferred availability cash items	(156)	2,411	+ 917	- 73
Other liabilities and accrued dividends ¹⁴		16,230	- 1,841	- 26,688
Total liabilities	(156)	2,866,269	- 8,417	+ 480,345
<i>Capital accounts</i>				
Capital paid in		26,900	0	+ 376
Surplus		26,900	0	+ 376
Other capital accounts		0	0	0
Total capital		53,800	+ 1	+ 752

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, January 4, 2012

Millions of dollars

Assets, liabilities, and capital	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Assets													
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	2,316	52	79	162	172	411	207	340	36	60	175	241	380
Securities, repurchase agreements, and loans	2,614,151	64,052	1,220,486	89,243	70,371	300,871	193,675	154,709	49,308	40,040	69,306	103,035	259,054
Securities held outright ¹	2,605,171	64,052	1,211,517	89,243	70,371	300,871	193,675	154,709	49,308	40,038	69,299	103,035	259,054
U.S. Treasury securities	1,663,438	40,898	773,570	56,983	44,933	192,110	123,664	98,784	31,484	25,565	44,248	65,789	165,410
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	1,645,015	40,445	765,003	56,352	44,435	189,983	122,295	97,690	31,135	25,281	43,758	65,061	163,578
Federal agency debt securities ²	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 ⁴	837,739	20,597	389,585	28,698	22,629	96,750	62,280	49,750	15,856	12,875	22,284	33,133	83,304
Repurchase agreements ⁵	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	8,980	0	8,970	0	0	0	0	0	0	2	8	0	0
Net portfolio holdings of Maiden Lane LLC ⁶	7,239	0	7,239	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC ⁷	9,143	0	9,143	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC ⁸	17,788	0	17,788	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of TALF LLC ⁹	811	0	811	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	670	37	0	96	64	18	153	40	11	11	9	27	203
Bank premises	2,182	122	261	67	125	232	214	205	134	105	259	245	213
Central bank liquidity swaps ¹¹	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 ¹²	149,866	3,971	64,914	6,773	5,286	19,700	10,728	8,006	2,589	2,745	3,540	5,317	16,298
Interdistrict settlement account	0	+ 4,095	+ 322,988	- 27,228	- 10,296	- 116,116	- 45,114	- 16,339	- 7,973	- 19,152	- 18,372	- 553	- 65,939
Total assets	2,920,225	76,365	1,678,304	79,424	73,814	226,868	167,631	150,769	45,387	27,179	56,288	110,834	227,362

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, January 4, 2012 (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	1,206,149	44,282	427,878	46,149	54,280	94,603	144,555	89,235	33,922	21,020	34,643	80,254	135,327
Less: Notes held by F.R. Banks	173,615	4,399	51,137	6,265	9,108	11,005	28,898	12,097	4,064	5,110	3,526	12,023	25,983
Federal Reserve notes, net	1,032,534	39,882	376,741	39,885	45,172	83,598	115,657	77,138	29,858	15,910	31,116	68,231	109,345
Reverse repurchase agreements ¹³	88,111	2,166	40,975	3,018	2,380	10,176	6,550	5,232	1,668	1,354	2,344	3,485	8,762
Deposits	1,726,984	32,104	1,230,379	31,318	21,806	121,220	41,705	66,378	13,161	9,273	22,018	37,710	99,912
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	1,581,549	32,079	1,085,175	31,306	21,802	121,148	41,703	66,342	13,161	9,271	22,014	37,709	99,840
U.S. Treasury, General Account	87,031	0	87,031	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	125	1	96	4	3	8	2	1	0	1	0	1	6
Other	58,279	23	58,077	8	0	63	0	36	0	0	4	1	66
Deferred availability cash items	2,567	141	0	311	227	69	201	203	94	288	111	281	642
Interest on Federal Reserve notes due to U.S. Treasury ¹⁴	984	23	497	30	25	104	69	58	16	14	23	35	90
Other liabilities and accrued dividends ¹⁵	15,246	163	12,358	197	227	573	372	323	150	122	140	230	392
Total liabilities	2,866,425	74,479	1,660,950	74,758	69,836	215,740	164,555	149,332	44,947	26,960	55,752	109,972	219,143
<i>Capital</i>													
Capital paid in	26,900	943	8,677	2,333	1,989	5,564	1,538	718	220	109	268	431	4,109
Surplus	26,900	943	8,677	2,333	1,989	5,564	1,538	718	220	109	268	431	4,109
Other capital	0	0	0	0	0	0	0	0	0	0	0	0	0
Total liabilities and capital	2,920,225	76,365	1,678,304	79,424	73,814	226,868	167,631	150,769	45,387	27,179	56,288	110,834	227,362

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, January 4, 2012 (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 Jan 4, 2012
Federal Reserve notes outstanding	1,206,149
Less: Notes held by F.R. Banks not subject to collateralization	173,615
Federal Reserve notes to be collateralized	1,032,534
Collateral held against Federal Reserve notes	1,032,534
Gold certificate account	11,037
Special drawing rights certificate account	5,200
U.S. Treasury, agency debt, and mortgage-backed securities pledged ^{1,2}	1,016,297
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities ^{1,2}	2,605,171
Less: Face value of securities under reverse repurchase agreements	76,449
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,528,722

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.