

# FEDERAL RESERVE statistical release



H.4.1

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

January 12, 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 11, 2012
	Week ended Jan 11, 2012	Change from week ended		
		Jan 4, 2012	Jan 12, 2011	
Reserve Bank credit	2,882,890	- 17,829	+ 450,534	2,881,644
Securities held outright <sup>1</sup>	2,594,818	- 10,321	+ 411,460	2,593,519
U.S. Treasury securities	1,653,243	- 10,203	+ 608,518	1,650,843
Bills <sup>2</sup>	18,423	0	0	18,423
Notes and bonds, nominal <sup>2</sup>	1,557,831	- 9,123	+ 587,540	1,554,407
Notes and bonds, inflation-indexed <sup>2</sup>	67,509	- 959	+ 17,766	68,508
Inflation compensation <sup>3</sup>	9,480	- 121	+ 3,211	9,505
Federal agency debt securities <sup>2</sup>	103,311	- 683	- 43,181	102,401
Mortgage-backed securities <sup>4</sup>	838,264	+ 565	- 153,877	840,274
Repurchase agreements <sup>5</sup>	0	0	0	0
Loans	8,837	- 295	- 35,606	8,628
Primary credit	5	- 101	- 18	8
Secondary credit	0	0	0	0
Seasonal credit	7	- 13	- 3	1
Credit extended to American International Group, Inc., net <sup>6</sup>	0	0	- 19,925	0
Term Asset-Backed Securities Loan Facility <sup>7</sup>	8,825	- 182	- 15,661	8,619
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC <sup>8</sup>	7,240	+ 8	- 19,769	7,246
Net portfolio holdings of Maiden Lane II LLC <sup>9</sup>	9,143	- 118	- 6,800	9,145
Net portfolio holdings of Maiden Lane III LLC <sup>10</sup>	17,799	+ 50	- 5,414	17,866
Net portfolio holdings of TALF LLC <sup>11</sup>	811	0	+ 146	811
Preferred interests in AIA Aurora LLC and ALICO Holdings LLC <sup>6</sup>	0	0	- 26,385	0
Float	-940	- 80	+ 755	-1,008
Central bank liquidity swaps <sup>12</sup>	92,281	- 7,542	+ 92,211	91,459
Other Federal Reserve assets <sup>13</sup>	152,901	+ 469	+ 39,936	153,979
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>	44,278	+ 14	+ 659	44,278
<b>Total factors supplying reserve funds</b>	<b>2,943,409</b>	<b>- 17,814</b>	<b>+ 451,193</b>	<b>2,942,163</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 Jan 11, 2012
	Week ended Jan 11, 2012	Change from week ended		
		Jan 4, 2012	Jan 12, 2011	
Currency in circulation <sup>14</sup>	1,069,968	- 5,575	+ 91,689	1,068,390
Reverse repurchase agreements <sup>15</sup>	88,152	- 8,145	+ 34,598	84,632
Foreign official and international accounts	88,152	- 8,145	+ 34,598	84,632
Others	0	0	0	0
Treasury cash holdings	132	+ 3	- 50	135
Deposits with F.R. Banks, other than reserve balances	141,410	- 10,655	- 156,000	133,818
Term deposits held by depository institutions	0	0	0	0
U.S. Treasury, General Account	78,263	- 8,795	- 10,844	66,067
U.S. Treasury, Supplementary Financing Account	0	0	- 199,963	0
Foreign official	125	0	- 3,637	125
Service-related	2,485	0	+ 108	2,485
Required clearing balances	2,485	0	+ 108	2,485
Adjustments to compensate for float	0	0	0	0
Other	60,536	- 1,861	+ 58,335	65,141
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>	71,141	- 1,139	+ 1,285	72,861
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>1,370,803</b>	<b>- 25,511</b>	<b>- 55,373</b>	<b>1,359,835</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>1,572,606</b>	<b>+ 7,697</b>	<b>+ 506,566</b>	<b>1,582,328</b>

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

- Includes securities lent to dealers under the overnight securities lending facility; refer to table 1A.
- Face value of the securities.
- Compensation that adjusts for the effect of inflation on the original face value of inflation-indexed securities.
- Guaranteed by Fannie Mae, Freddie Mac, and Ginnie Mae. Current face value of the securities, which is the remaining principal balance of the underlying mortgages.
- Cash value of agreements.
- As a result of the closing of the American International Group, Inc. (AIG) recapitalization plan on January 14, 2011, the credit extended to AIG was fully repaid and the Federal Reserve's commitment to lend any further funds was terminated. In addition, the Federal Reserve Bank of New York (FRBNY) has been paid in full for its preferred interests in AIA Aurora LLC and ALICO Holdings LLC. The funds from AIG asset dispositions that FRBNY held as agent were the source of repayment of the credit extended to AIG, as well as a portion of the FRBNY's preferred interests in ALICO Holdings LLC. The remaining FRBNY preferred interests in ALICO Holdings LLC and AIA Aurora LLC, valued at approximately \$20 billion, were purchased by AIG through a draw on the Treasury's Series F preferred stock commitment and then transferred by AIG to the Treasury as consideration for the draw on the available Series F funds.
- Includes credit extended by the Federal Reserve Bank of New York to eligible borrowers through the Term Asset-Backed Securities Loan Facility.
- 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 Jan 11, 2012
	Week ended Jan 11, 2012	Change from week ended		
		Jan 4, 2012	Jan 12, 2011	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	3,397,718	- 7,480	+ 47,245	3,389,891
U.S. Treasury securities	2,668,819	- 4,748	+ 52,677	2,663,058
Federal agency securities <sup>2</sup>	728,898	- 2,732	- 5,433	726,833
Securities lent to dealers	8,616	- 5,448	- 4,110	8,127
Overnight facility <sup>3</sup>	8,616	- 5,448	- 4,110	8,127
U.S. Treasury securities	7,730	- 5,153	- 3,703	7,163
Federal agency debt securities	886	- 294	- 407	964

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 11, 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 <sup>1</sup>	8	2	4,224	4,394	0	...	8,628
U.S. Treasury securities <sup>2</sup>							
Holdings	20,689	21,808	77,964	642,585	655,779	232,019	1,650,843
Weekly changes	+ 3,867	- 3,867	- 9,584	- 9,379	+ 4,929	+ 1,441	- 12,595
Federal agency debt securities <sup>3</sup>							
Holdings	903	5,020	20,117	60,181	13,833	2,347	102,401
Weekly changes	- 1,593	0	+ 422	- 422	0	0	- 1,593
Mortgage-backed securities <sup>4</sup>							
Holdings	0	0	0	13	36	840,225	840,274
Weekly changes	0	0	0	0	0	+ 2,535	+ 2,535
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>	9,533	81,926	0	0	0	0	91,459
Reverse repurchase agreements <sup>6</sup>	84,632	0	...	...	...	...	84,632
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 11, 2012
Mortgage-backed securities held outright <sup>1</sup>	840,274
Commitments to buy mortgage-backed securities <sup>2</sup>	53,141
Commitments to sell mortgage-backed securities <sup>2</sup>	5,450
Cash and cash equivalents <sup>3</sup>	98

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 11, 2012
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	7,246
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>	756
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,387

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 11, 2012
Net portfolio holdings of Maiden Lane II LLC <sup>1</sup>	9,145
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	6,084
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	572
Deferred payment and accrued interest payable to subsidiaries of American International Group, Inc. <sup>3</sup>	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 11, 2012
Net portfolio holdings of Maiden Lane III LLC <sup>1</sup>	17,866
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>	696
<u>Outstanding principal amount and accrued interest on loan payable to American International Group, Inc.<sup>3</sup></u>	<u>5,547</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 11, 2012
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>110</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 Jan 11, 2012	Change since	
			Wednesday Jan 4, 2012	Wednesday Jan 12, 2011
<i>Assets</i>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		5,200	0	0
Coin		2,345	+ 29	+ 131
Securities, repurchase agreements, and loans		2,602,147	- 12,004	+ 357,654
Securities held outright <sup>1</sup>		2,593,519	- 11,652	+ 392,986
U.S. Treasury securities		1,650,843	- 12,595	+ 588,782
Bills <sup>2</sup>		18,423	0	0
Notes and bonds, nominal <sup>2</sup>		1,554,407	- 12,547	+ 566,782
Notes and bonds, inflation-indexed <sup>2</sup>		68,508	+ 40	+ 18,765
Inflation compensation <sup>3</sup>		9,505	- 88	+ 3,234
Federal agency debt securities <sup>2</sup>		102,401	- 1,593	- 43,930
Mortgage-backed securities <sup>4</sup>		840,274	+ 2,535	- 151,867
Repurchase agreements <sup>5</sup>		0	0	0
Loans		8,628	- 352	- 35,331
Net portfolio holdings of Maiden Lane LLC <sup>6</sup>		7,246	+ 7	- 19,760
Net portfolio holdings of Maiden Lane II LLC <sup>7</sup>		9,145	+ 2	- 6,801
Net portfolio holdings of Maiden Lane III LLC <sup>8</sup>		17,866	+ 78	- 5,413
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	- 26,385
Items in process of collection	(86)	307	- 207	- 114
Bank premises		2,182	0	- 38
Central bank liquidity swaps <sup>11</sup>		91,459	- 8,364	+ 91,389
Other assets <sup>12</sup>		151,759	+ 1,893	+ 39,535
<b>Total assets</b>	<b>(86)</b>	<b>2,901,503</b>	<b>- 18,566</b>	<b>+ 430,344</b>

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 11, 2012	Change since	
			Wednesday Jan 4, 2012	Wednesday Jan 12, 2011
<i>Liabilities</i>				
Federal Reserve notes, net of F.R. Bank holdings		1,026,588	- 5,946	+ 89,626
Reverse repurchase agreements <sup>13</sup>		84,632	- 3,479	+ 31,361
Deposits	(0)	1,716,108	- 10,876	+ 334,195
Term deposits held by depository institutions		0	0	0
Other deposits held by depository institutions		1,584,775	+ 3,226	+ 486,934
U.S. Treasury, General Account		66,067	- 20,964	- 9,502
U.S. Treasury, Supplementary Financing Account		0	0	- 199,963
Foreign official		125	0	- 3,623
Other	(0)	65,141	+ 6,862	+ 60,348
Deferred availability cash items	(86)	1,315	- 1,096	- 783
Other liabilities and accrued dividends <sup>14</sup>		19,060	+ 2,830	- 24,802
<b>Total liabilities</b>	<b>(86)</b>	<b>2,847,703</b>	<b>- 18,566</b>	<b>+ 429,597</b>
<i>Capital accounts</i>				
Capital paid in		26,900	0	+ 374
Surplus		26,900	0	+ 374
Other capital accounts		0	0	0
<b>Total capital</b>		<b>53,801</b>	<b>+ 1</b>	<b>+ 748</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, January 11, 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
<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	2,345	53	84	161	174	416	209	344	37	60	176	244	386
Securities, repurchase agreements, and loans	2,602,147	63,765	1,214,716	88,844	70,056	299,525	192,813	154,017	49,088	39,863	68,990	102,574	257,896
Securities held outright <sup>1</sup>	2,593,519	63,765	1,206,097	88,844	70,056	299,525	192,809	154,017	49,088	39,858	68,989	102,574	257,896
U.S. Treasury securities	1,650,843	40,588	767,713	56,551	44,593	190,656	122,728	98,036	31,246	25,371	43,913	65,291	164,157
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>	1,632,421	40,135	759,146	55,920	44,095	188,528	121,358	96,942	30,897	25,088	43,423	64,562	162,325
Federal agency debt securities <sup>2</sup>	102,401	2,518	47,621	3,508	2,766	11,826	7,613	6,081	1,938	1,574	2,724	4,050	10,183
Mortgage-backed securities <sup>4</sup>	840,274	20,659	390,764	28,784	22,698	97,043	62,468	49,900	15,904	12,914	22,352	33,233	83,556
Repurchase agreements <sup>5</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans	8,628	0	8,619	0	0	0	4	0	0	4	1	0	0
Net portfolio holdings of Maiden Lane LLC <sup>6</sup>	7,246	0	7,246	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane II LLC <sup>7</sup>	9,145	0	9,145	0	0	0	0	0	0	0	0	0	0
Net portfolio holdings of Maiden Lane III LLC <sup>8</sup>	17,866	0	17,866	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	392	9	0	55	59	5	59	25	6	8	7	23	136
Bank premises	2,182	122	261	67	125	232	214	205	134	105	259	245	213
Central bank liquidity swaps <sup>11</sup>	91,459	3,161	26,490	8,859	6,784	18,754	5,241	2,317	745	2,825	823	1,386	14,074
Other assets <sup>12</sup>	151,759	4,015	65,850	6,817	5,322	19,887	10,875	8,126	2,628	2,770	3,595	5,409	16,466
Interdistrict settlement account	0	- 5,926	+ 331,445	- 26,673	- 12,198	- 120,083	- 44,890	- 14,851	- 7,222	- 18,560	- 18,824	- 2,008	- 60,209
<b>Total assets</b>	<b>2,901,589</b>	<b>65,786</b>	<b>1,679,598</b>	<b>78,771</b>	<b>71,010</b>	<b>220,019</b>	<b>166,568</b>	<b>151,462</b>	<b>45,885</b>	<b>27,358</b>	<b>55,496</b>	<b>108,882</b>	<b>230,752</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, January 11, 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	1,208,778	44,294	431,513	46,115	54,351	94,604	143,978	89,236	33,882	21,003	34,615	80,151	135,036
Less: Notes held by F.R. Banks	182,189	4,617	53,201	6,537	9,574	11,717	29,665	12,804	4,346	5,312	3,977	12,917	27,522
Federal Reserve notes, net	1,026,588	39,677	378,311	39,579	44,777	82,887	114,313	76,432	29,536	15,691	30,638	67,234	107,514
Reverse repurchase agreements <sup>13</sup>	84,632	2,081	39,357	2,899	2,286	9,774	6,292	5,026	1,602	1,301	2,251	3,347	8,416
Deposits	1,716,108	21,835	1,230,332	31,188	19,513	115,231	42,130	67,935	14,044	9,635	21,776	36,942	105,547
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	1,584,775	21,815	1,099,141	31,181	19,509	115,245	42,128	67,902	14,044	9,556	21,774	36,941	105,539
U.S. Treasury, General Account	66,067	0	66,067	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	65,141	18	65,028	4	1	-22	0	31	0	77	1	1	1
Deferred availability cash items	1,400	54	0	135	147	31	99	79	40	337	51	112	315
Interest on Federal Reserve notes due to U.S. Treasury <sup>14</sup>	1,307	29	681	20	17	116	103	90	28	18	40	60	105
Other liabilities and accrued dividends <sup>15</sup>	17,754	224	13,562	284	292	851	555	464	195	158	204	325	638
<b>Total liabilities</b>	<b>2,847,788</b>	<b>63,899</b>	<b>1,662,244</b>	<b>74,105</b>	<b>67,032</b>	<b>208,890</b>	<b>163,492</b>	<b>150,026</b>	<b>45,445</b>	<b>27,140</b>	<b>54,960</b>	<b>108,020</b>	<b>222,533</b>
<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
<b>Total liabilities and capital</b>	<b>2,901,589</b>	<b>65,786</b>	<b>1,679,598</b>	<b>78,771</b>	<b>71,010</b>	<b>220,019</b>	<b>166,568</b>	<b>151,462</b>	<b>45,885</b>	<b>27,358</b>	<b>55,496</b>	<b>108,882</b>	<b>230,752</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, January 11, 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 11, 2012
Federal Reserve notes outstanding	1,208,778
Less: Notes held by F.R. Banks not subject to collateralization	182,189
Federal Reserve notes to be collateralized	1,026,588
Collateral held against Federal Reserve notes	1,026,588
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>	1,010,351
Other assets pledged	0
<i>Memo:</i>	
Total U.S. Treasury, agency debt, and mortgage-backed securities <sup>1,2</sup>	2,593,519
Less: Face value of securities under reverse repurchase agreements	72,991
U.S. Treasury, agency debt, and mortgage-backed securities eligible to be pledged	2,520,528

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.