

# FEDERAL RESERVE statistical release



H.4.1

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

July 24, 2008

### 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 Jul 23, 2008
	Week ended Jul 23, 2008	Change from week ended		
		Jul 16, 2008	Jul 25, 2007	
Reserve Bank credit	882,978	- 5,440	+ 32,967	882,395
Securities held outright	479,089	+ 85	- 311,605	479,121
U.S. Treasury <sup>1</sup>	479,089	+ 85	- 311,605	479,121
Bills <sup>2</sup>	21,740	0	- 255,279	21,740
Notes and bonds, nominal <sup>2</sup>	412,392	0	- 62,280	412,392
Notes and bonds, inflation-indexed <sup>2</sup>	39,171	0	+ 4,712	39,171
Inflation compensation <sup>3</sup>	5,787	+ 86	+ 1,243	5,818
Federal agency <sup>2</sup>	0	0	0	0
Repurchase agreements <sup>4</sup>	104,786	- 6,357	+ 85,929	103,750
Term auction credit	150,000	0	+ 150,000	150,000
Other loans	16,510	+ 2,209	+ 16,271	17,830
Primary credit	16,381	+ 2,465	+ 16,378	17,675
Secondary credit	34	- 245	+ 34	60
Seasonal credit	96	- 2	- 140	94
Primary dealer credit facility	0	- 9	0	0
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC <sup>5</sup>	29,025	+ 70	+ 29,025	29,059
Float	-1,405	- 61	- 478	-1,790
Other Federal Reserve assets	104,973	- 1,386	+ 63,826	104,425
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	2,200	0	0	2,200
Treasury currency outstanding <sup>6</sup>	38,903	+ 14	+ 367	38,903
<b>Total factors supplying reserve funds</b>	<b>935,122</b>	<b>- 5,426</b>	<b>+ 33,334</b>	<b>934,539</b>
Currency in circulation <sup>6</sup>	830,025	- 92	+ 17,557	831,505
Reverse repurchase agreements <sup>7</sup>	42,610	+ 564	+ 11,110	42,149
Foreign official and international accounts	42,610	+ 564	+ 11,110	42,149
Dealers	0	0	0	0
Treasury cash holdings	278	- 1	- 39	312
Deposits with F.R. Banks, other than reserve balances	13,115	+ 830	+ 1,205	14,404
U.S. Treasury, general account	5,419	+ 708	+ 367	6,720
Foreign official	101	0	+ 6	101
Service-related	7,261	+ 66	+ 795	7,261
Required clearing balances	7,261	+ 66	+ 795	7,261
Adjustments to compensate for float	0	0	0	0
Other	335	+ 57	+ 37	322
Other liabilities and capital <sup>8</sup>	43,900	- 1,173	+ 4,523	42,737
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>929,928</b>	<b>+ 128</b>	<b>+ 34,354</b>	<b>931,108</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>5,194</b>	<b>- 5,554</b>	<b>- 1,020</b>	<b>3,432</b>

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

1. Includes securities lent to dealers under the overnight and term securities lending facilities; 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. Cash value of agreements.
5. Fair value. Refer to table 2 and the note on consolidation accompanying table 5.
6. Estimated.
7. Cash value of agreements, which are collateralized by U.S. Treasury securities.
8. Includes the liabilities of Maiden Lane LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of Maiden Lane LLC. Refer to table 2 and the note on consolidation accompanying table 5.

Sources: Federal Reserve Banks and the U.S. Department of the Treasury.

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**1A. Memorandum Items, July 23, 2008**

Millions of dollars

Memorandum item	Averages of daily figures			Wednesday Jul 23, 2008
	Week ended Jul 23, 2008	Change from week ended		
		Jul 16, 2008	Jul 25, 2007	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	2,353,450	+ 5,477	+ 350,461	2,360,830
U.S. Treasury	1,372,424	+ 8,366	+ 119,166	1,376,744
Federal agency	981,026	- 2,889	+ 231,295	984,086
Securities lent to dealers	116,556	+ 12,286	+ 111,924	119,494
Overnight facility <sup>2</sup>	4,999	+ 857	+ 367	5,944
Term facility <sup>3</sup>	111,557	+ 11,429	+ 111,557	113,550

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.
2. Fully collateralized by U.S. Treasury securities.
3. Fully collateralized by U.S. Treasury securities, federal agency securities, and highly rated non-agency asset-backed and mortgage-backed securities.

Sources: Federal Reserve Banks and the U.S. Department of the Treasury.

**2. Information on Principal Accounts of Maiden Lane LLC**

Millions of dollars

Account name	Wednesday Jul 23, 2008
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	29,059
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York <sup>2</sup>	28,820
Accrued interest payable to the Federal Reserve Bank of New York <sup>2</sup>	50
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,156

1. Fair value. Fair value reflects an estimate of the price that would be received upon selling an asset if the transaction were to be conducted in an orderly market on the measurement date. Revalued quarterly. This table reflects valuations as of June 30, 2008.
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 5.
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 4 and table 5.

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.

**3. Maturity Distribution of Term Auction Credit, Other Loans, and Securities, July 23, 2008**

Millions of dollars

Remaining maturity	Term auction credit	Other loans <sup>1</sup>	U.S. Treasury securities <sup>2</sup>		Repurchase agreements <sup>3</sup>	Reverse repurchase agreements <sup>3</sup>
			Holdings	Weekly changes		
Within 15 days	75,000	4,105	12,024	- 1,191	63,750	42,149
16 days to 90 days	75,000	13,725	36,437	+ 4,583	40,000	0
91 days to 1 year	...	0	71,492	- 3,386	...	...
Over 1 year to 5 years	...	...	172,656	+ 27	...	...
Over 5 years to 10 years	...	...	89,847	+ 18	...	...
Over 10 years	...	...	96,665	+ 34	...	...
<b>All</b>	<b>150,000</b>	<b>17,830</b>	<b>479,121</b>	<b>+ 85</b>	<b>103,750</b>	<b>42,149</b>

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

... Not applicable.

1. Excludes the loan from the Federal Reserve Bank of New York to Maiden Lane LLC that was eliminated when preparing that Bank's statement of condition consistent with consolidation under generally accepted accounting principles. The loan to Maiden Lane LLC is designed to be repaid from the orderly liquidation of Maiden Lane LLC's portfolio holdings and does not have a fixed amortization schedule.
2. 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.
3. Cash value of agreements.

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## 4. Consolidated Statement of Condition of All Federal Reserve Banks

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Change since		
		Wednesday Jul 23, 2008	Wednesday Jul 16, 2008	Wednesday Jul 25, 2007
<b>Assets</b>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		2,200	0	0
Coin		1,334	+ 23	+ 287
Securities, repurchase agreements, term auction credit, and other loans		750,700	- 11,277	- 59,010
Securities held outright		479,121	+ 85	- 311,593
U.S. Treasury <sup>1</sup>		479,121	+ 85	- 311,593
Bills <sup>2</sup>		21,740	0	- 255,279
Notes and bonds, nominal <sup>2</sup>		412,392	0	- 62,280
Notes and bonds, inflation-indexed <sup>2</sup>		39,171	0	+ 4,712
Inflation compensation <sup>3</sup>		5,818	+ 85	+ 1,254
Federal agency <sup>2</sup>		0	0	0
Repurchase agreements <sup>4</sup>		103,750	- 13,000	+ 85,000
Term auction credit		150,000	0	+ 150,000
Other loans		17,830	+ 1,638	+ 17,584
Net portfolio holdings of Maiden Lane LLC <sup>5</sup>		29,059	+ 40	+ 29,059
Items in process of collection	( 627 )	1,431	+ 364	- 664
Bank premises		2,158	+ 1	+ 103
Other assets <sup>6</sup>		102,272	- 1,933	+ 62,737
<b>Total assets</b>	( 627 )	900,192	- 12,780	+ 32,512
<b>Liabilities</b>				
Federal Reserve notes, net of F.R. Bank holdings		794,244	+ 823	+ 17,761
Reverse repurchase agreements <sup>7</sup>		42,149	- 858	+ 11,040
Deposits	( 0 )	18,111	- 10,292	+ 225
Depository institutions		10,968	- 12,961	- 1,590
U.S. Treasury, general account		6,720	+ 2,684	+ 1,789
Foreign official		101	- 1	+ 3
Other	( 0 )	322	- 14	+ 22
Deferred availability cash items	( 627 )	2,951	- 188	- 415
Other liabilities and accrued dividends <sup>8,9</sup>		2,521	- 1,669	- 3,230
<b>Total liabilities</b>	( 627 )	859,976	- 12,183	+ 25,381
<b>Capital accounts</b>				
Capital paid in		19,904	+ 20	+ 3,733
Surplus		18,494	+ 1	+ 3,095
Other capital accounts		1,818	- 619	+ 303
<b>Total capital</b>		40,216	- 598	+ 7,131

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

1. Includes securities lent to dealers under the overnight and term securities lending facilities; 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. Cash value of agreements, which are collateralized by U.S. Treasury and federal agency securities.
5. Fair value. Refer to table 2 and the note on consolidation accompanying table 5.
6. Includes assets denominated in foreign currencies, which are revalued daily at market exchange rates.
7. Cash value of agreements, which are collateralized by U.S. Treasury securities.
8. Includes exchange-translation account reflecting the daily revaluation at market exchange rates of foreign exchange commitments.
9. Includes the liabilities of Maiden Lane LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of Maiden Lane LLC. Refer to the note on consolidation accompanying table 5.

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## 5. Statement of Condition of Each Federal Reserve Bank, July 23, 2008

Millions of dollars

Assets, liabilities, and capital	Total	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
<b>Assets</b>													
Gold certificate account	11,037	424	3,935	453	423	891	1,221	913	344	199	349	636	1,249
Special drawing rights certificate acct.	2,200	115	874	83	104	147	166	212	71	30	66	98	234
Coin	1,334	35	58	103	116	169	160	160	48	51	92	149	191
Securities, repurchase agreements, term auction credit, and other loans	750,700	25,948	313,288	27,924	30,926	66,524	61,618	55,149	22,402	11,681	22,327	27,542	85,372
Securities held outright	479,121	20,096	170,468	20,919	18,168	43,446	47,672	42,287	16,557	9,045	17,592	19,874	52,996
U.S. Treasury <sup>1</sup>	479,121	20,096	170,468	20,919	18,168	43,446	47,672	42,287	16,557	9,045	17,592	19,874	52,996
Bills <sup>2</sup>	21,740	912	7,735	949	824	1,971	2,163	1,919	751	410	798	902	2,405
Notes and bonds <sup>3</sup>	457,381	19,184	162,733	19,970	17,344	41,475	45,509	40,368	15,805	8,635	16,794	18,973	50,591
Federal agency <sup>2</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Repurchase agreements <sup>4</sup>	103,750	4,352	36,914	4,530	3,934	9,408	10,323	9,157	3,585	1,959	3,809	4,304	11,476
Term auction credit	150,000	1,500	93,606	2,400	8,160	13,577	3,245	2,825	2,075	42	900	3,354	18,316
Other loans	17,830	0	12,300	75	664	93	379	880	185	635	25	10	2,584
Net portfolio holdings of													
Maiden Lane LLC <sup>5</sup>	29,059	0	29,059	0	0	0	0	0	0	0	0	0	0
Items in process of collection	2,059	56	0	342	270	144	180	254	24	104	196	205	284
Bank premises	2,158	119	212	65	150	204	227	207	125	111	276	253	207
Other assets <sup>6</sup>	102,272	5,521	28,028	9,112	6,626	24,748	8,102	5,090	1,370	1,952	1,469	2,328	7,926
Interdistrict settlement account	0	+ 4,256	-50,197	+ 2,606	- 1,538	- 9,210	+28,120	+15,077	+ 4,919	+ 2,997	+ 5,992	+ 4,162	- 7,184
<b>Total assets</b>	<b>900,819</b>	<b>36,474</b>	<b>325,256</b>	<b>40,688</b>	<b>37,078</b>	<b>83,617</b>	<b>99,794</b>	<b>77,062</b>	<b>29,304</b>	<b>17,126</b>	<b>30,768</b>	<b>35,373</b>	<b>88,279</b>

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

1. Includes securities lent to dealers under the overnight and term securities lending facilities; 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. Cash value of agreements, which are collateralized by U.S. Treasury and federal agency securities.
5. Fair value. Refer to the note on consolidation below.
6. Includes assets denominated in foreign currencies, which are revalued daily at market exchange rates.

## Note on consolidation:

On June 26, 2008, the Federal Reserve Bank of New York extended a loan under the authority of section 13(3) of the Federal Reserve Act to Maiden Lane LLC, a limited liability company formed to acquire certain assets of Bear Stearns. The Federal Reserve Bank of New York is the primary beneficiary of Maiden Lane LLC. Consistent with generally accepted accounting principles, the assets and liabilities of Maiden Lane LLC have been consolidated with the assets and liabilities of the Federal Reserve Bank of New York in the preparation of the statements of condition shown on this release. As a consequence of the consolidation, the extension of credit from the Federal Reserve Bank of New York to Maiden Lane LLC is eliminated, the net assets of Maiden Lane LLC appear as an asset in this table (and table 1 and table 4), and the liabilities of Maiden Lane LLC to entities other than the Federal Reserve Bank of New York, including those with recourse only to the portfolio holdings of Maiden Lane LLC, are included in other liabilities on the next page (and in table 1 and table 4).

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**5. Statement of Condition of Each Federal Reserve Bank, July 23, 2008 (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
<b>Liabilities</b>													
Federal Reserve notes outstanding	990,971	36,959	350,917	40,534	38,655	80,333	121,378	82,366	30,485	17,744	31,363	55,604	104,633
Less: Notes held by F.R. Banks	196,727	4,915	59,958	7,211	7,113	13,101	30,598	13,415	3,664	2,861	3,485	23,809	26,597
Federal Reserve notes, net	794,244	32,043	290,959	33,323	31,543	67,232	90,780	68,951	26,821	14,883	27,878	31,795	78,036
Reverse repurchase agreements <sup>1</sup>	42,149	1,768	14,997	1,840	1,598	3,822	4,194	3,720	1,457	796	1,548	1,748	4,662
Deposits	18,111	537	8,777	421	448	1,637	1,068	1,184	462	403	439	722	2,014
Depository institutions	10,968	533	1,796	417	444	1,513	1,064	1,181	448	402	437	721	2,011
U.S. Treasury, general account	6,720	0	6,720	0	0	0	0	0	0	0	0	0	0
Foreign official	101	2	71	4	3	11	3	2	0	1	0	1	3
Other	322	1	190	0	1	113	0	2	14	0	1	0	0
Deferred availability cash items	3,578	170	0	492	663	241	271	343	40	266	346	300	446
Other liabilities and accrued dividends <sup>2,3</sup>	2,521	141	250	154	162	382	336	276	147	101	122	166	283
<b>Total liabilities</b>	<b>860,603</b>	<b>34,660</b>	<b>314,983</b>	<b>36,230</b>	<b>34,415</b>	<b>73,314</b>	<b>96,648</b>	<b>74,474</b>	<b>28,927</b>	<b>16,448</b>	<b>30,333</b>	<b>34,731</b>	<b>85,441</b>
<b>Capital</b>													
Capital paid in	19,904	764	5,065	2,335	1,337	5,178	1,563	1,281	182	322	210	267	1,401
Surplus	18,494	1,050	4,657	1,814	1,291	4,998	1,425	815	180	355	194	364	1,351
Other capital	1,818	0	551	309	36	127	157	492	15	1	31	11	86
<b>Total liabilities and capital</b>	<b>900,819</b>	<b>36,474</b>	<b>325,256</b>	<b>40,688</b>	<b>37,078</b>	<b>83,617</b>	<b>99,794</b>	<b>77,062</b>	<b>29,304</b>	<b>17,126</b>	<b>30,768</b>	<b>35,373</b>	<b>88,279</b>

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

1. Cash value of agreements, which are collateralized by U.S. Treasury securities.
2. Includes exchange-translation account reflecting the daily revaluation at market exchange rates of foreign exchange commitments.
3. Includes the liabilities of Maiden Lane LLC to entities other than the Federal Reserve Bank of New York, including liabilities that have recourse only to the portfolio holdings of Maiden Lane LLC. Refer to the note on consolidation on the previous page.

**6. Collateral Held against Federal Reserve Notes: Federal Reserve Agents' Accounts**

Millions of dollars

Federal Reserve notes and collateral	Wednesday Jul 23, 2008
Federal Reserve notes outstanding	990,971
Less: Notes held by F.R. Banks not subject to collateralization	196,727
Federal Reserve notes to be collateralized	794,244
Collateral held against Federal Reserve notes	794,244
Gold certificate account	11,037
Special drawing rights certificate account	2,200
U.S. Treasury and agency securities pledged <sup>1</sup>	541,419
Other assets pledged	239,588
Memo:	
Total U.S. Treasury and agency securities <sup>1</sup>	582,871
Less: Face value of securities under reverse repurchase agreements	41,451
U.S. Treasury and agency securities eligible to be pledged	541,419

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

1. Includes face value of U.S. Treasury and agency 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.