

# FEDERAL RESERVE statistical release



H.4.1

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

July 10, 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 9, 2008
	Week ended Jul 9, 2008	Change from week ended		
		Jul 2, 2008	Jul 11, 2007	
Reserve Bank credit	887,866	- 2,164	+ 33,967	882,042
Securities held outright	478,925	+ 87	- 311,662	478,951
U.S. Treasury <sup>1</sup>	478,925	+ 87	- 311,662	478,951
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>	5,622	+ 87	+ 1,185	5,648
Federal agency <sup>2</sup>	0	0	0	0
Repurchase agreements <sup>4</sup>	113,357	+ 3,107	+ 90,464	107,000
Term auction credit	150,000	0	+ 150,000	150,000
Other loans	13,014	- 3,766	+ 12,776	13,332
Primary credit	12,856	- 2,005	+ 12,813	12,985
Secondary credit	57	- 29	+ 57	250
Seasonal credit	101	+ 6	- 94	97
Primary dealer credit facility	0	- 1,738	0	0
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC <sup>5</sup>	28,900	- 916	+ 28,900	28,944
Float	-1,361	+ 157	- 1,358	-1,566
Other Federal Reserve assets	105,031	- 833	+ 64,845	105,382
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>	38,875	+ 14	+ 349	38,875
<b>Total factors supplying reserve funds</b>	<b>939,982</b>	<b>- 2,149</b>	<b>+ 34,315</b>	<b>934,158</b>
Currency in circulation <sup>6</sup>	833,093	+ 6,335	+ 15,767	832,959
Reverse repurchase agreements <sup>7</sup>	42,984	+ 807	+ 11,260	41,276
Foreign official and international accounts	42,984	+ 807	+ 11,260	41,276
Dealers	0	0	0	0
Treasury cash holdings	275	- 3	- 38	280
Deposits with F.R. Banks, other than reserve balances	12,729	+ 249	+ 1,032	11,877
U.S. Treasury, general account	5,180	+ 138	+ 268	4,355
Foreign official	100	- 29	+ 5	100
Service-related	7,195	+ 142	+ 764	7,195
Required clearing balances	7,195	+ 142	+ 764	7,195
Adjustments to compensate for float	0	0	0	0
Other	254	- 2	- 5	227
Other liabilities and capital <sup>8</sup>	44,348	- 2,125	+ 4,909	43,969
<b>Total factors, other than reserve balances, absorbing reserve funds</b>	<b>933,430</b>	<b>+ 5,264</b>	<b>+ 32,930</b>	<b>930,362</b>
<b>Reserve balances with Federal Reserve Banks</b>	<b>6,553</b>	<b>- 7,412</b>	<b>+ 1,386</b>	<b>3,796</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 9, 2008**

Millions of dollars

Memorandum item	Averages of daily figures			Wednesday Jul 9, 2008
	Week ended Jul 9, 2008	Change from week ended		
		Jul 2, 2008	Jul 11, 2007	
Marketable securities held in custody for foreign official and international accounts <sup>1</sup>	2,350,038	+ 4,385	+ 361,055	2,348,900
U.S. Treasury	1,375,422	+ 1,652	+ 130,401	1,369,919
Federal agency	974,616	+ 2,734	+ 230,654	978,981
Securities lent to dealers	109,775	- 7,707	+ 106,562	108,438
Overnight facility <sup>2</sup>	6,021	- 7,217	+ 2,808	5,141
Term facility <sup>3</sup>	103,754	- 490	+ 103,754	103,297

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 9, 2008
Net portfolio holdings of Maiden Lane LLC <sup>1</sup>	28,944
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>	25
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. <sup>3</sup>	1,153

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 26, 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 9, 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	5,290	4,819	+ 1,410	67,000	41,276
16 days to 90 days	75,000	8,042	40,250	- 1,411	40,000	0
91 days to 1 year	...	0	73,638	+ 6	...	...
Over 1 year to 5 years	...	...	173,492	+ 27	...	...
Over 5 years to 10 years	...	...	90,155	+ 19	...	...
Over 10 years	...	...	96,597	+ 34	...	...
<b>All</b>	<b>150,000</b>	<b>13,332</b>	<b>478,951</b>	<b>+ 85</b>	<b>107,000</b>	<b>41,276</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 9, 2008	Wednesday Jul 2, 2008	Wednesday Jul 11, 2007
<b>Assets</b>				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		2,200	0	0
Coin		1,299	- 18	+ 372
Securities, repurchase agreements, term auction credit, and other loans		749,282	- 5,503	- 62,032
Securities held outright		478,951	+ 85	- 311,655
U.S. Treasury <sup>1</sup>		478,951	+ 85	- 311,655
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>		5,648	+ 85	+ 1,191
Federal agency <sup>2</sup>		0	0	0
Repurchase agreements <sup>4</sup>		107,000	- 6,000	+ 86,500
Term auction credit		150,000	0	+ 150,000
Other loans		13,332	+ 412	+ 13,124
Net portfolio holdings of Maiden Lane LLC <sup>5</sup>		28,944	+ 51	+ 28,944
Items in process of collection	( 619 )	1,668	+ 434	- 5,035
Bank premises		2,154	0	+ 108
Other assets <sup>6</sup>		103,244	- 876	+ 64,273
<b>Total assets</b>	<b>( 619 )</b>	<b>899,829</b>	<b>- 5,910</b>	<b>+ 26,631</b>
<b>Liabilities</b>				
Federal Reserve notes, net of F.R. Bank holdings		795,659	+ 564	+ 15,768
Reverse repurchase agreements <sup>7</sup>		41,276	+ 185	+ 9,980
Deposits	( 0 )	15,693	- 5,037	- 317
Depository institutions		11,010	- 5,222	+ 287
U.S. Treasury, general account		4,355	+ 216	- 559
Foreign official		100	- 9	+ 5
Other	( 0 )	227	- 24	- 50
Deferred availability cash items	( 619 )	3,231	- 162	- 3,882
Other liabilities and accrued dividends <sup>8,9</sup>		3,678	- 871	- 2,019
<b>Total liabilities</b>	<b>( 619 )</b>	<b>859,537</b>	<b>- 5,320</b>	<b>+ 19,530</b>
<b>Capital accounts</b>				
Capital paid in		19,880	+ 4	+ 3,715
Surplus		18,493	0	+ 3,094
Other capital accounts		1,918	- 594	+ 291
<b>Total capital</b>		<b>40,291</b>	<b>- 591</b>	<b>+ 7,100</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, 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 9, 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	1,299	36	55	98	108	162	153	161	50	52	92	145	187
Securities, repurchase agreements, term auction credit, and other loans	749,282	26,077	309,982	25,833	28,102	66,687	64,896	57,158	22,401	11,337	21,752	27,613	87,443
Securities held outright	478,951	20,089	170,408	20,912	18,162	43,430	47,655	42,272	16,551	9,042	17,586	19,867	52,977
U.S. Treasury <sup>1</sup>	478,951	20,089	170,408	20,912	18,162	43,430	47,655	42,272	16,551	9,042	17,586	19,867	52,977
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>	457,211	19,177	162,673	19,962	17,337	41,459	45,492	40,353	15,800	8,632	16,788	18,966	50,573
Federal agency <sup>2</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
Repurchase agreements <sup>4</sup>	107,000	4,488	38,070	4,672	4,057	9,703	10,646	9,444	3,698	2,020	3,929	4,438	11,835
Term auction credit	150,000	1,500	92,305	240	5,810	13,479	6,390	4,350	2,016	27	200	3,300	20,383
Other loans	13,332	0	9,200	10	73	75	205	1,092	137	248	38	8	2,248
Net portfolio holdings of													
Maiden Lane LLC <sup>5</sup>	28,944	0	28,944	0	0	0	0	0	0	0	0	0	0
Items in process of collection	2,287	104	0	249	599	230	111	188	31	121	93	184	380
Bank premises	2,154	119	212	65	150	203	226	208	124	111	276	253	207
Other assets <sup>6</sup>	103,244	5,577	28,232	9,241	6,697	25,043	8,192	5,122	1,373	1,972	1,474	2,340	7,981
Interdistrict settlement account	0	+ 4,949	-52,221	+ 5,265	+ 1,664	- 8,514	+23,084	+14,173	+ 5,165	+ 3,428	+ 6,876	+ 4,343	- 8,211
<b>Total assets</b>	<b>900,448</b>	<b>37,400</b>	<b>320,013</b>	<b>41,286</b>	<b>37,847</b>	<b>84,848</b>	<b>98,050</b>	<b>78,135</b>	<b>29,559</b>	<b>17,250</b>	<b>30,977</b>	<b>35,612</b>	<b>89,471</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 9, 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	988,600	37,390	346,721	40,740	38,726	80,763	119,821	83,074	30,694	17,862	31,661	55,713	105,435
Less: Notes held by F.R. Banks	192,941	4,749	59,339	6,744	6,734	12,408	30,870	12,522	3,500	2,756	3,466	23,668	26,186
Federal Reserve notes, net	795,659	32,641	287,382	33,997	31,992	68,355	88,952	70,552	27,193	15,106	28,195	32,046	79,249
Reverse repurchase agreements <sup>1</sup>	41,276	1,731	14,686	1,802	1,565	3,743	4,107	3,643	1,426	779	1,516	1,712	4,566
Deposits	15,693	773	6,230	438	721	1,745	1,193	790	359	302	506	775	1,860
Depository institutions	11,010	771	1,625	434	718	1,702	1,190	788	346	301	504	774	1,857
U.S. Treasury, general account	4,355	0	4,355	0	0	0	0	0	0	0	0	0	0
Foreign official	100	2	70	4	3	11	3	2	0	1	0	1	3
Other	227	1	179	0	0	32	0	0	13	0	1	0	0
Deferred availability cash items	3,850	289	0	481	757	275	296	279	53	282	205	270	662
Other liabilities and accrued dividends <sup>2,3</sup>	3,678	137	1,401	150	162	381	350	276	149	100	123	166	283
<b>Total liabilities</b>	<b>860,157</b>	<b>35,573</b>	<b>309,699</b>	<b>36,868</b>	<b>35,197</b>	<b>74,499</b>	<b>94,898</b>	<b>75,540</b>	<b>29,181</b>	<b>16,569</b>	<b>30,545</b>	<b>34,969</b>	<b>86,620</b>
<b>Capital</b>													
Capital paid in	19,880	764	5,065	2,335	1,322	5,178	1,561	1,280	181	322	208	263	1,401
Surplus	18,493	1,050	4,657	1,814	1,291	4,998	1,425	815	180	355	194	364	1,351
Other capital	1,918	13	592	269	38	172	166	499	17	5	30	17	99
<b>Total liabilities and capital</b>	<b>900,448</b>	<b>37,400</b>	<b>320,013</b>	<b>41,286</b>	<b>37,847</b>	<b>84,848</b>	<b>98,050</b>	<b>78,135</b>	<b>29,559</b>	<b>17,250</b>	<b>30,977</b>	<b>35,612</b>	<b>89,471</b>

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

- Cash value of agreements, which are collateralized by U.S. Treasury securities.
- Includes exchange-translation account reflecting the daily revaluation at market exchange rates of foreign exchange commitments.
- 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 9, 2008
Federal Reserve notes outstanding	988,600
Less: Notes held by F.R. Banks not subject to collateralization	192,941
Federal Reserve notes to be collateralized	795,659
Collateral held against Federal Reserve notes	795,659
Gold certificate account	11,037
Special drawing rights certificate account	2,200
U.S. Treasury and agency securities pledged <sup>1</sup>	545,270
Other assets pledged	237,152
Memo:	
Total U.S. Treasury and agency securities <sup>1</sup>	585,951
Less: Face value of securities under reverse repurchase agreements	40,681
U.S. Treasury and agency securities eligible to be pledged	545,270

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

- 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.