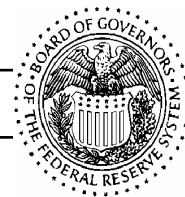

FEDERAL RESERVE statistical release



For Release at
4:30 P.M. Eastern time
July 3, 2008

The Board's H.4.1 statistical release, "Factors Affecting Reserve Balances of Depository Institutions and Condition Statement of Federal Reserve Banks," has been modified to include information related to Maiden Lane LLC, a limited liability company formed to facilitate the arrangements associated with JPMorgan Chase & Co.'s acquisition of Bear Stearns Companies, Inc.

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.

Consistent with generally accepted accounting principles, the assets and liabilities of Maiden Lane LLC have been consolidated with the assets and liabilities of the FRBNY in the preparation of the statements of condition shown on the release because the FRBNY is the primary beneficiary of Maiden Lane LLC.

The consequences of this consolidation appear on the release in the following ways. The extension of credit from the FRBNY to Maiden Lane LLC is eliminated as is the accrued interest on this loan. The net portfolio holdings of Maiden Lane LLC appear as an asset on the statement of condition of the FRBNY (table 5), the consolidated statement of condition of all Federal Reserve Banks (table 4), and factors affecting reserve balances of depository institutions (table 1). The liabilities of Maiden Lane LLC to entities other than the FRBNY are included in "other liabilities and capital" in table 1 and in "other liabilities and accrued dividends" in table 4 and table 5.

Information on the LLC is presented separately in the newly created table 2, "Information on Principal Accounts of Maiden Lane LLC." This table presents the fair value of the net portfolio holdings of the LLC along with the book value of the outstanding principal of the loan extended by the FRBNY, the book value of accrued interest payable to the FRBNY, and the book value of outstanding principal and accrued interest on the loan payable to JPMorgan Chase & Co. Information pertaining to fair values will be updated quarterly.

FEDERAL RESERVE statistical release



July 3, 2008

Explanatory Note for H.4.1 release of July 3, 2008

The weekly average value of net portfolio holdings of Maiden Lane LLC reflects holdings from Thursday June 26, 2008, through Wednesday July 2, 2008. The holdings for the first six days of this week are based on values as of March 14, 2008. The holdings for the last day were valued as of June 26, 2008.

FEDERAL RESERVE statistical release



H.4.1

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

July 3, 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 2, 2008
	Week ended Jul 2, 2008	Change from week ended		
		Jun 25, 2008	Jul 4, 2007	
Reserve Bank credit	890,030	+ 15,448	+ 32,542	871,653
Securities held outright	478,838	+ 65	- 311,693	478,866
U.S. Treasury ¹	478,838	+ 65	- 311,693	478,866
Bills ²	21,740	0	- 255,279	21,740
Notes and bonds, nominal ²	412,392	0	- 62,280	412,392
Notes and bonds, inflation-indexed ²	39,171	0	+ 4,712	39,171
Inflation compensation ³	5,535	+ 65	+ 1,154	5,563
Federal agency ²	0	0	0	0
Repurchase agreements ⁴	110,250	- 11,429	+ 83,071	113,000
Term auction credit	150,000	0	+ 150,000	150,000
Other loans	16,780	- 4,094	+ 16,584	12,920
Primary credit	14,861	+ 159	+ 14,843	12,814
Secondary credit	86	+ 86	+ 86	0
Seasonal credit	95	+ 18	- 83	105
Primary dealer credit facility	1,738	- 4,357	+ 1,738	0
Other credit extensions	0	0	0	0
Net portfolio holdings of Maiden Lane LLC ⁵	29,816	+ 29,816	+ 29,816	28,893
Float	-1,518	- 373	- 555	-18,288
Other Federal Reserve assets	105,864	+ 1,462	+ 65,319	106,262
Gold stock	11,041	0	0	11,041
Special drawing rights certificate account	2,200	0	0	2,200
Treasury currency outstanding ⁶	38,861	+ 14	+ 340	38,861
Total factors supplying reserve funds	942,132	+ 15,462	+ 32,882	923,755
Currency in circulation ⁶	826,758	+ 3,811	+ 11,951	832,369
Reverse repurchase agreements ⁷	42,177	+ 1,803	+ 9,983	41,091
Foreign official and international accounts	42,177	+ 1,803	+ 9,983	41,091
Dealers	0	0	0	0
Treasury cash holdings	278	+ 2	- 31	275
Deposits with F.R. Banks, other than reserve balances	12,480	- 31	+ 1,104	11,553
U.S. Treasury, general account	5,042	- 28	+ 435	4,139
Foreign official	129	+ 29	- 11	109
Service-related	7,053	- 2	+ 659	7,054
Required clearing balances	7,053	- 2	+ 659	7,054
Adjustments to compensate for float	0	0	0	0
Other	256	- 29	+ 19	251
Other liabilities and capital ⁸	46,473	+ 2,020	+ 6,967	45,431
Total factors, other than reserve balances, absorbing reserve funds	928,166	+ 7,605	+ 29,974	930,717
Reserve balances with Federal Reserve Banks	13,965	+ 7,856	+ 2,907	-6,962

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.

H.4.1

1A. Memorandum Items, July 2, 2008

Millions of dollars

Memorandum item	Averages of daily figures			Wednesday Jul 2, 2008
	Week ended Jul 2, 2008	Change from week ended		
		Jun 25, 2008	Jul 4, 2007	
Marketable securities held in custody for foreign official and international accounts ¹	2,345,653	+ 23,278	+ 363,485	2,347,266
U.S. Treasury	1,373,770	+ 20,336	+ 133,108	1,377,312
Federal agency	971,882	+ 2,941	+ 230,375	969,953
Securities lent to dealers	117,482	+ 5,410	+ 107,341	113,939
Overnight facility ²	13,238	+ 7,626	+ 3,097	9,842
Term facility ³	104,244	- 2,216	+ 104,244	104,097

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 2, 2008
Net portfolio holdings of Maiden Lane LLC ¹	28,893
Outstanding principal amount of loan extended by the Federal Reserve Bank of New York ²	28,820
Accrued interest payable to the Federal Reserve Bank of New York ²	12
Outstanding principal amount and accrued interest on loan payable to JPMorgan Chase & Co. ³	1,151

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 2, 2008

Millions of dollars

Remaining maturity	Term auction credit	Other loans ¹	U.S. Treasury securities ²		Repurchase agreements ³	Reverse repurchase agreements ³
			Holdings	Weekly changes		
Within 15 days	150,000	3,654	3,409	- 2,446	73,000	41,091
16 days to 90 days	0	9,266	41,661	+ 2,460	40,000	0
91 days to 1 year	...	0	73,632	- 2,349	...	...
Over 1 year to 5 years	...	...	173,465	+ 2,362	...	...
Over 5 years to 10 years	...	...	90,136	+ 15	...	...
Over 10 years	...	...	96,563	+ 28	...	...
All	150,000	12,920	478,866	+ 70	113,000	41,091

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.

H.4.1

4. Consolidated Statement of Condition of All Federal Reserve Banks

Millions of dollars

Assets, liabilities, and capital	Eliminations from consolidation	Change since		
		Wednesday Jul 2, 2008	Wednesday Jun 25, 2008	Wednesday Jul 4, 2007
Assets				
Gold certificate account		11,037	0	0
Special drawing rights certificate account		2,200	0	0
Coin		1,317	- 16	+ 393
Securities, repurchase agreements, term auction credit, and other loans		754,785	- 19,164	- 66,204
Securities held outright		478,866	+ 70	- 311,687
U.S. Treasury ¹		478,866	+ 70	- 311,687
Bills ²		21,740	0	- 255,279
Notes and bonds, nominal ²		412,392	0	- 62,280
Notes and bonds, inflation-indexed ²		39,171	0	+ 4,712
Inflation compensation ³		5,563	+ 69	+ 1,160
Federal agency ²		0	0	0
Repurchase agreements ⁴		113,000	- 16,750	+ 82,750
Term auction credit		150,000	0	+ 150,000
Other loans		12,920	- 2,482	+ 12,734
Net portfolio holdings of Maiden Lane LLC ⁵		28,893	+ 28,893	+ 28,893
Items in process of collection	(659)	1,234	+ 21	- 3,682
Bank premises		2,154	0	+ 109
Other assets ⁶		104,120	+ 1,795	+ 65,832
Total assets	(659)	905,739	+ 11,527	+ 25,340
Liabilities				
Federal Reserve notes, net of F.R. Bank holdings		795,095	+ 7,132	+ 13,719
Reverse repurchase agreements ⁷		41,091	- 958	+ 8,882
Deposits	(0)	20,730	+ 3,343	- 508
Depository institutions		16,232	+ 3,399	- 523
U.S. Treasury, general account		4,139	- 69	+ 22
Foreign official		109	+ 9	+ 13
Other	(0)	251	+ 5	- 18
Deferred availability cash items	(659)	3,393	+ 765	- 2,429
Other liabilities and accrued dividends ^{8,9}		4,549	+ 752	- 1,116
Total liabilities	(659)	864,857	+ 11,033	+ 18,546
Capital accounts				
Capital paid in		19,876	- 1	+ 3,713
Surplus		18,493	+ 7	+ 3,094
Other capital accounts		2,512	+ 488	- 15
Total capital		40,882	+ 495	+ 6,794

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.

H.4.1

5. Statement of Condition of Each Federal Reserve Bank, July 2, 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
Assets													
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	1,317	38	56	101	113	161	150	163	50	55	93	147	188
Securities, repurchase agreements, term auction credit, and other loans	754,785	26,327	320,148	26,124	25,332	64,531	65,557	57,274	22,607	11,453	22,082	27,468	85,883
Securities held outright	478,866	20,085	170,377	20,908	18,158	43,423	47,646	42,264	16,548	9,040	17,583	19,864	52,968
U.S. Treasury ¹	478,866	20,085	170,377	20,908	18,158	43,423	47,646	42,264	16,548	9,040	17,583	19,864	52,968
Bills ²	21,740	912	7,735	949	824	1,971	2,163	1,919	751	410	798	902	2,405
Notes and bonds ³	457,126	19,174	162,642	19,959	17,334	41,451	45,483	40,346	15,797	8,630	16,785	18,962	50,563
Federal agency ²	0	0	0	0	0	0	0	0	0	0	0	0	0
Repurchase agreements ⁴	113,000	4,740	40,205	4,934	4,285	10,247	11,243	9,973	3,905	2,133	4,149	4,687	12,499
Term auction credit	150,000	1,500	100,265	240	2,810	10,806	6,435	4,100	2,016	18	300	2,900	18,611
Other loans	12,920	2	9,302	42	79	56	232	936	139	262	50	17	1,805
Net portfolio holdings of													
Maiden Lane LLC ⁵	28,893	0	28,893	0	0	0	0	0	0	0	0	0	0
Items in process of collection	1,892	77	0	229	394	166	118	182	43	152	139	176	216
Bank premises	2,154	119	212	64	150	203	226	208	124	111	276	253	207
Other assets ⁶	104,120	5,629	28,463	9,343	6,763	25,338	8,238	5,140	1,372	1,984	1,471	2,348	8,031
Interdistrict settlement account	0	+ 4,873	-61,599	+ 5,824	+ 4,300	- 3,397	+22,094	+14,062	+ 4,802	+ 3,308	+ 6,535	+ 4,927	- 5,728
Total assets	906,398	37,601	320,982	42,221	37,580	88,040	97,770	78,153	29,414	17,292	31,011	36,053	90,279

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).

H.4.1

5. Statement of Condition of Each Federal Reserve Bank, July 2, 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
Liabilities													
Federal Reserve notes outstanding	988,324	37,332	346,099	40,779	38,716	80,827	120,084	83,096	30,681	17,861	31,488	55,773	105,589
Less: Notes held by F.R. Banks	193,229	4,567	60,051	6,458	6,931	12,476	31,312	12,759	3,626	2,742	3,240	23,267	25,798
Federal Reserve notes, net	795,095	32,765	286,047	34,320	31,784	68,351	88,773	70,337	27,055	15,118	28,247	32,505	79,791
Reverse repurchase agreements ¹	41,091	1,724	14,620	1,794	1,558	3,726	4,088	3,627	1,420	776	1,509	1,704	4,545
Deposits	20,730	883	7,619	956	555	4,738	1,029	922	330	266	476	731	2,225
Depository institutions	16,232	874	3,216	952	552	4,686	1,026	920	316	265	475	730	2,222
U.S. Treasury, general account	4,139	0	4,139	0	0	0	0	0	0	0	0	0	0
Foreign official	109	2	79	4	3	11	3	2	0	1	0	1	3
Other	251	6	186	0	0	42	0	0	14	0	1	1	0
Deferred availability cash items	4,051	231	0	587	752	309	326	368	75	343	218	298	545
Other liabilities and accrued dividends ^{2,3}	4,549	140	2,320	146	158	374	334	271	148	95	121	162	279
Total liabilities	865,516	35,742	310,606	37,803	34,808	77,499	94,550	75,523	29,029	16,597	30,572	35,401	87,386
Capital													
Capital paid in	19,876	764	5,065	2,335	1,322	5,178	1,561	1,280	181	322	208	259	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	2,512	45	654	269	158	366	234	534	24	18	37	29	142
Total liabilities and capital	906,398	37,601	320,982	42,221	37,580	88,040	97,770	78,153	29,414	17,292	31,011	36,053	90,279

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 2, 2008
Federal Reserve notes outstanding	988,324
Less: Notes held by F.R. Banks not subject to collateralization	193,229
Federal Reserve notes to be collateralized	795,095
Collateral held against Federal Reserve notes	795,095
Gold certificate account	11,037
Special drawing rights certificate account	2,200
U.S. Treasury and agency securities pledged ¹	551,564
Other assets pledged	230,294
Memo:	
Total U.S. Treasury and agency securities ¹	591,866
Less: Face value of securities under reverse repurchase agreements	40,302
U.S. Treasury and agency securities eligible to be pledged	551,564

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.