
FEDERAL RESERVE statistical release



For release at 4:30 p.m. Eastern Time

H.3 (502)

November 29, 2012

SPECIAL NOTICE

Data on reserves and the monetary base have been revised to reflect the result of annual reviews of seasonal factors and break factors. Revisions to seasonal factors start in January 1999, while revisions to break factors begin in January 2011. Break factors remove discontinuities (or “breaks”) associated with regulatory changes in reserve requirements, such as the annual indexations of the low-reserve tranche and the reserve requirement exemption.¹ The maximum revision to total reserves, nonborrowed reserves, required reserves, and the monetary base in any maintenance period was \$956 million; most revisions were less than \$500 million.

A more detailed description of the methods for constructing break factors and seasonal factors is available under “Annual review of break and seasonal factors” on the Federal Reserve’s website (<http://www.federalreserve.gov/releases/h3/annualreview.htm>). Historical data, updated each week, are available from the Data Download Program website (<http://www.federalreserve.gov/datadownload/default.htm>).

1. The Monetary Control Act of 1980 established a reserve ratio of 3 percent against the first \$25 million in net transaction deposits (low-reserve tranche) at each depository institution. Since 1982, the low-reserve tranche has been indexed each January by 80 percent of the previous year’s (June 30 to June 30) growth rate of net transaction deposits at all depository institutions. For all reserve maintenance periods ending in 2012, the low-reserve tranche is \$71.0 million, rising to \$79.5 million for maintenance periods ending in 2013.

Under the Garn-St Germain Depository Institutions Act of 1982, the first \$2 million of reservable liabilities of each depository institution was exempted from reserve requirements. Since 1983, this exemption amount has been indexed each year by 80 percent of the rate of increase of the reservable liabilities at all depository institutions over the preceding year (June 30 to June 30). For all reserve maintenance periods ending in 2012, the reserve requirement exemption is \$11.5 million, rising to \$12.4 million for maintenance periods ending in 2013.

FEDERAL RESERVE statistical release



H.3 (502) AGGREGATE RESERVES OF DEPOSITORY INSTITUTIONS AND THE MONETARY BASE

For release at 4:30 p.m. Eastern Time

Nov. 29, 2012

Table 1

Adjusted for changes in reserve requirements¹

Seasonally adjusted unless noted otherwise

Millions of dollars

Date	Reserves of depository institutions				Monetary base ⁵	Total borrowings from the Federal Reserve, NSA
	Total ²	Nonborrowed ³	Required	Excess, NSA ⁴		
Month⁶						
2011-Oct.	1,638,130	1,626,919	92,993	1,545,136	2,638,479	11,210
Nov.	1,591,703	1,581,362	93,934	1,497,769	2,598,612	10,341
Dec.	1,597,100	1,587,574	94,894	1,502,206	2,610,726	9,526
2012-Jan.	1,614,301	1,605,687	94,850	1,519,451	2,637,395	8,614
Feb.	1,657,931	1,649,998	97,811	1,560,121	2,691,185	7,933
Mar.	1,607,819	1,600,490	98,226	1,509,593	2,650,084	7,330
Apr.	1,584,770	1,577,905	98,593	1,486,176	2,633,126	6,865
May	1,556,689	1,550,503	99,230	1,457,460	2,609,257	6,187
June	1,557,175	1,551,961	99,699	1,457,475	2,615,482	5,214
July	1,584,049	1,579,791	101,000	1,483,049	2,648,426	4,258
Aug.	1,582,288	1,579,017	104,538	1,477,750	2,653,352	3,271
Sep.	1,515,888	1,513,923	106,447	1,409,441	2,596,996	1,965
Oct.	1,525,144	1,523,679	106,870	1,418,274	2,616,179	1,466
Two weeks ending⁷						
2012-Oct. 3	1,479,191	1,477,530	107,956	1,371,236	2,564,875	1,662
Oct. 17	1,531,240	1,529,714	107,531	1,423,710	2,621,481	1,527
Oct. 31	1,528,896	1,527,533	105,976	1,422,919	2,621,870	1,363
Nov. 14	1,549,977	1,548,849	111,198	1,438,778	2,645,038	1,128
Nov. 28p	1,539,549	1,538,559	111,790	1,427,758	2,634,846	990

1. Reserves and monetary base figures incorporate adjustments for discontinuities, or "breaks," associated with regulatory changes in reserve requirements. (For more information, refer to table 3.)

2. Seasonally adjusted, break-adjusted total reserves equal seasonally adjusted, break-adjusted required reserves plus unadjusted excess reserves. (Also, refer to footnote 2 in table 2 and footnote 2 in table 3.)

3. Seasonally adjusted, break-adjusted nonborrowed reserves equal seasonally adjusted, break-adjusted total reserves less unadjusted total borrowings from the Federal Reserve.

4. Excess reserves NSA equals unadjusted total reserves (table 2, column 1) less unadjusted required reserves (table 2, column 3).

5. The seasonally adjusted, break-adjusted monetary base consists of (1) seasonally adjusted, break-adjusted total reserves plus (2) the seasonally adjusted currency component of the money stock plus (3), for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all those weekly reporters whose vault cash exceeds their required reserves, the seasonally adjusted, break-adjusted difference between current vault cash and the amount applied to satisfy current reserve requirements. (Also, refer to footnote 3 in table 2 and footnote 4 in table 3.)

6. Prorated averages of biweekly averages.

7. Averages of daily figures.

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Table 1a

Not seasonally adjusted

Millions of dollars

Date	Borrowings from the Federal Reserve ¹					
	Total	Primary	Secondary	Seasonal	Term Asset-Backed Securities Loan Facility ²	Other credit extensions
Month³						
2011-Oct.	11,210	19	0	50	11,140	0
Nov.	10,341	20	0	20	10,301	0
Dec.	9,526	103	0	23	9,400	0
2012-Jan.	8,614	27	0	7	8,580	0
Feb.	7,933	13	0	1	7,920	0
Mar.	7,330	12	0	4	7,314	0
Apr.	6,865	21	0	9	6,834	0
May	6,187	16	0	27	6,143	0
June	5,214	19	0	56	5,139	0
July	4,258	26	0	97	4,135	0
Aug.	3,271	39	0	138	3,094	0
Sep.	1,965	62	0	123	1,781	0
Oct.	1,466	17	0	66	1,383	0
Two weeks ending⁴						
2012-Oct. 3	1,662	33	0	117	1,513	0
Oct. 17	1,527	15	0	74	1,439	0
Oct. 31	1,363	15	0	48	1,300	0
Nov. 14	1,128	11	0	46	1,071	0
Nov. 28p	990	8	0	30	953	0

1. The Federal Reserve Bank of New York (FRBNY) has extended credit to Maiden Lane LLC, Maiden Lane II LLC, and Maiden Lane III LLC, as discussed in the notes to the Board's H.4.1 statistical release, "Factors Affecting Reserve Balances of Depository Institutions and Condition Statement of Federal Reserve Banks." Consistent with generally accepted accounting principles, the assets and liabilities of these LLCs have been consolidated with the assets and liabilities of the FRBNY because the FRBNY is the primary beneficiary of the LLCs. As a consequence of this consolidation, the extensions of credit from the FRBNY to these LLCs are eliminated from the Federal Reserve's balance sheet, and, thus, the loans are not included in borrowed reserves.

2. Includes credit extended by the Federal Reserve Bank of New York to eligible borrowers through the Term Asset-Backed Securities Loan Facility.

3. Prorated averages of biweekly averages.

4. Averages of daily figures.

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Table 2Not adjusted for changes in reserve requirements¹

Not seasonally adjusted

Millions of dollars

Date	Reserves of depository institutions			Monetary base ³	Reserve balances with F.R. Banks ⁴	Vault cash ⁵			Net carryover of reserve balances ⁸
	Total ²	Nonborrowed	Required			Total	Used to satisfy required reserves ⁶	Surplus ⁷	
Month⁹									
2011-Oct.	1,638,918	1,627,708	93,782	2,637,325	1,592,447	57,229	46,471	10,757	
Nov.	1,592,413	1,582,072	94,644	2,601,982	1,546,124	57,107	46,289	10,818	
Dec.	1,598,716	1,589,189	96,510	2,617,944	1,550,043	60,295	48,672	11,622	
2012-Jan.	1,619,192	1,610,578	99,741	2,640,756	1,568,915	61,180	50,277	10,903	
Feb.	1,659,924	1,651,991	99,803	2,694,530	1,609,775	61,076	50,149	10,927	
Mar.	1,606,345	1,599,016	96,752	2,654,466	1,557,859	59,125	48,486	10,639	
Apr.	1,586,705	1,579,840	100,528	2,640,107	1,537,808	59,006	48,896	10,109	
May	1,558,506	1,552,319	101,046	2,616,307	1,510,119	58,402	48,387	10,015	
June	1,555,380	1,550,166	97,905	2,618,073	1,507,596	58,076	47,784	10,292	
July	1,583,770	1,579,512	100,721	2,648,865	1,535,052	58,744	48,718	10,026	
Aug.	1,582,193	1,578,923	104,443	2,650,395	1,532,976	58,853	49,217	9,636	
Sep.	1,517,507	1,515,542	108,066	2,593,773	1,468,681	58,472	48,826	9,646	
Oct.	1,525,583	1,524,117	107,308	2,611,529	1,476,730	59,313	48,853	10,460	
Two weeks ending¹⁰									
2012-Oct. 3	1,486,679	1,485,017	115,443	2,564,001	1,435,885	59,307	50,793	8,514	3,766
Oct. 17	1,524,503	1,522,976	100,793	2,612,796	1,476,330	60,413	48,173	12,240	4,271
Oct. 31	1,535,000	1,533,637	112,081	2,620,448	1,485,882	58,215	49,118	9,096	3,738
Nov. 14	1,544,030	1,542,902	105,251	2,639,735	1,496,638	59,649	47,392	12,257	4,244
Nov. 28p	1,544,203	1,543,213	116,445	2,639,564	1,494,708	58,300	49,495	8,805	3,908

1. Reflects actual required reserves, with no adjustments to eliminate the effects of discontinuities, or "breaks," associated with regulatory changes in reserve requirements.

2. Reserve balances with Federal Reserve Banks plus vault cash used to satisfy reserve requirements.

3. The monetary base, not break-adjusted and not seasonally adjusted, consists of (1) total reserves plus (2) required clearing balances and adjustments to compensate for float at Federal Reserve Banks plus (3) the currency component of the money stock plus (4), for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all those weekly reporters whose vault cash exceeds their required reserves, the difference between current vault cash and the amount applied to satisfy current reserve requirements. Currency and vault cash figures are measured over computation periods ending on Mondays. See note on simplification of reserve requirements.

4. Excludes required clearing balances and adjustments to compensate for float and includes other off-balance-sheet "as-of" adjustments. See note on simplification of reserve requirements.

5. Vault cash eligible to satisfy reserve requirements. It includes only vault cash held by those banks and thrifts that are not exempt from reserve requirements. Dates refer to the maintenance periods in which the vault cash can be used to satisfy reserve requirements.

6. All vault cash held during the lagged computation period by "bound" institutions (i.e., those whose required reserves exceed their vault cash) plus the amount of vault cash applied during the maintenance period by "nonbound" institutions (i.e., those whose vault cash exceeds their required reserves) to satisfy current reserve requirements.

7. Total vault cash eligible to satisfy reserve requirements, held by depository institutions not exempt from reserve requirements, minus the amount used to satisfy reserve requirements.

8. Consists of carryover only at depository institutions maintaining reserves on the basis of two-week maintenance periods. Reflects excess (+) or deficit (-) reserves eligible to be carried forward into the two-week reserve maintenance period ending on the date shown.

9. Prorated averages of biweekly averages

10. Averages of daily figures.

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Note on Simplification of Reserve Requirements

On July 12, 2012, the contractual clearing balance program was eliminated and the issuance of as-of adjustments was discontinued. Required clearing balances and adjustments to compensate for float are zero beginning with the two weeks ending July 25, 2012. All other as-of adjustments are zero beginning with the two weeks ending August 8, 2012.

Table 3Adjusted for changes in reserve requirements¹

Not seasonally adjusted

Millions of dollars

Date	Reserves of depository institutions			Monetary base ⁴
	Total ²	Nonborrowed	Required ³	
Month⁵				
2011-Oct.	1,637,786	1,626,576	92,650	2,633,986
Nov.	1,591,099	1,580,758	93,330	2,598,521
Dec.	1,597,402	1,587,876	95,196	2,614,495
2012-Jan.	1,618,994	1,610,380	99,543	2,638,410
Feb.	1,659,832	1,651,898	99,711	2,692,502
Mar.	1,606,183	1,598,853	96,589	2,652,410
Apr.	1,586,434	1,579,569	100,257	2,637,985
May	1,558,118	1,551,931	100,658	2,614,113
June	1,554,929	1,549,715	97,454	2,615,850
July	1,583,212	1,578,954	100,163	2,647,786
Aug.	1,581,510	1,578,239	103,760	2,649,885
Sep.	1,516,731	1,514,766	107,290	2,593,196
Oct.	1,524,699	1,523,233	106,425	2,610,863
Two weeks ending⁶				
2012-Oct. 3	1,485,829	1,484,167	114,593	2,563,359
Oct. 17	1,523,702	1,522,175	99,992	2,612,203
Oct. 31	1,534,026	1,532,663	111,106	2,619,702
Nov. 14	1,543,070	1,541,943	104,292	2,639,016
Nov. 28p	1,543,137	1,542,147	115,378	2,638,782

Note: Current and historical H.3 data are available each week on the Federal Reserve Board's website (<http://www.federalreserve.gov/>). Monthly data are available back to January 1959, and weekly data are available back to January 1975 for most series.

1. Figures reflect adjustments for discontinuities, or "breaks," associated with regulatory changes in reserve requirements.
2. Break-adjusted total reserves equal break-adjusted required reserves (table 3, column 3) plus excess reserves NSA (table 1, column 4).
3. To adjust required reserves for discontinuities due to regulatory changes in reserve requirements, a multiplicative procedure is used to estimate what required reserves would have been in past periods had current reserve requirements been in effect. Break-adjusted required reserves are equal to break-adjusted required reserves against transactions deposits.
4. The break-adjusted monetary base equals (1) break-adjusted total reserves plus (2) the (unadjusted) currency component of the money stock plus (3), for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all those weekly reporters whose vault cash exceeds their required reserves, the break-adjusted difference between current vault cash and the amount applied to satisfy current reserve requirements.
5. Prorated averages of biweekly averages
6. Averages of daily figures.
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