Primary Dealer Credit Facility Collateral Report
For Thursday, October 2

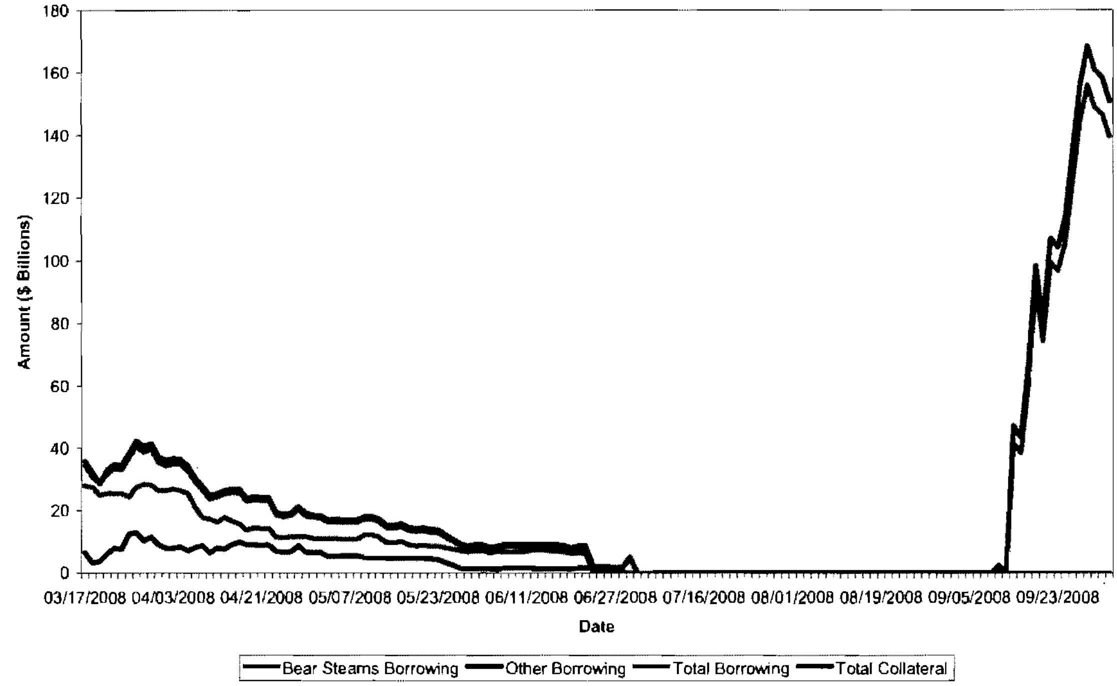
Highlights

- Total PDCF borrowing declined modestly for the third straight day, falling to $139.4 billion.
- Following the changes to collateral eligibility rules in mid-September, the composition of total collateral shifted markedly as dealers brought in newly eligible collateral types. Over the past week, the composition of total collateral has stabilized somewhat. PDCF collateral is now principally comprised of equities (46%), municipal bonds (15%) and corporate bonds (13%).
- In recent weeks, dealers have made extensive use of the relaxed PDCF collateral requirements that took effect in mid-September. Approximately, 63 percent of total collateral now consists of securities not previously eligible at the PDCF. Equities comprise the largest component of this expanded collateral pool.
- In addition, the September 22nd change in collateral eligibility rules for Morgan Stanley, Merrill Lynch and Goldman Sachs that allowed the pledging of foreign denominated securities is also being utilized by these institutions. On Thursday, approximately 25 percent of the total collateral provided by these dealers was comprised of foreign denominated securities. Just over 7 percent was foreign denominated sovereign debt.

Overnight Borrowings – in billions

Dealer	02OCT2008	01OCT2008	30SEP2008	29SEP2008	26SEP2008
BNP Paribas	0.45		1.37		
Bank of America	7.30	8.00	9.25	8.25	7.00
Barclays	8.00	8.00	8.00	15.00	14.00
Cantor			0.30		
Citigroup	15.60	14.60	14.10	15.50	13.45
Goldman Sachs	17.20	17.20	16.50	15.00	14.00
Merrill Lynch	33.98	35.23	34.55	36.28	31.52
Mizuho	0.24	0.24	0.34	0.34	0.28
Morgan Stanley	56.59	60.69	60.20	61.29	59.82
UBS		2.60	4.10	4.10	4.10
Total Borrowings	**139.36**	**146.57**	**148.70**	**155.77**	**144.17**
Total Collateral	**150.64**	**158.3**	**160.8**	**168.29**	**155.47**
Collateral Cushion	**8.09%**	**8.00%**	**8.14%**	**8.04%**	**7.84%**

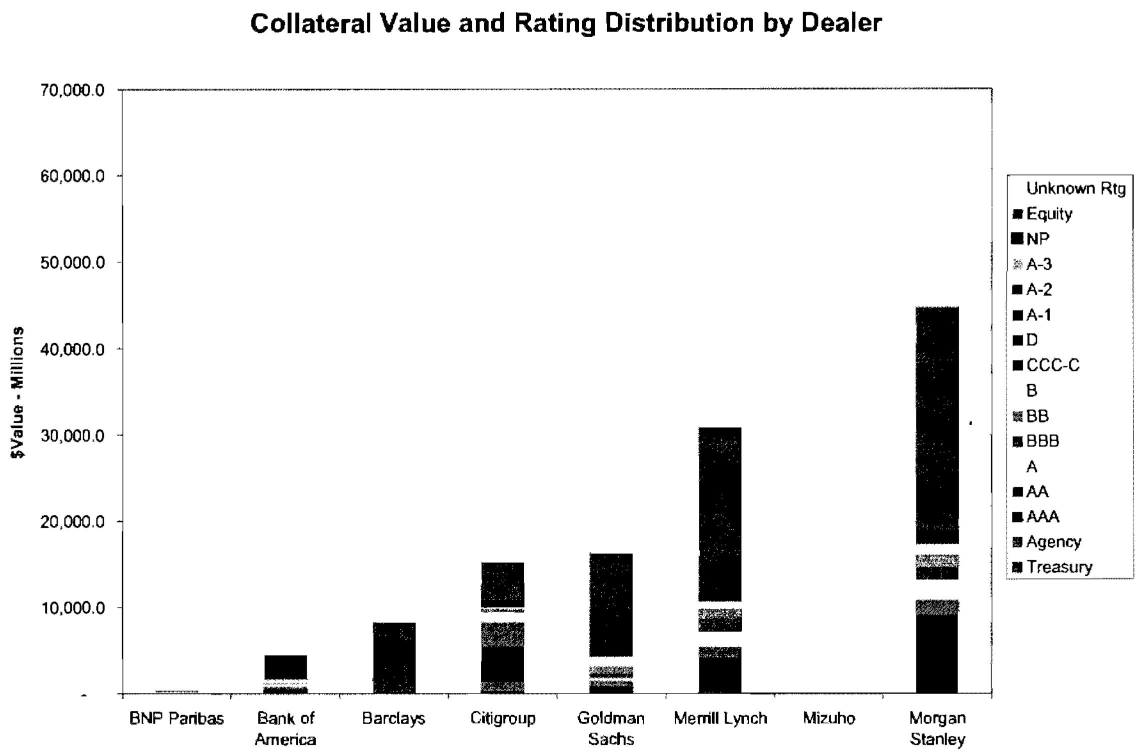
PDCF Borrowing Trend



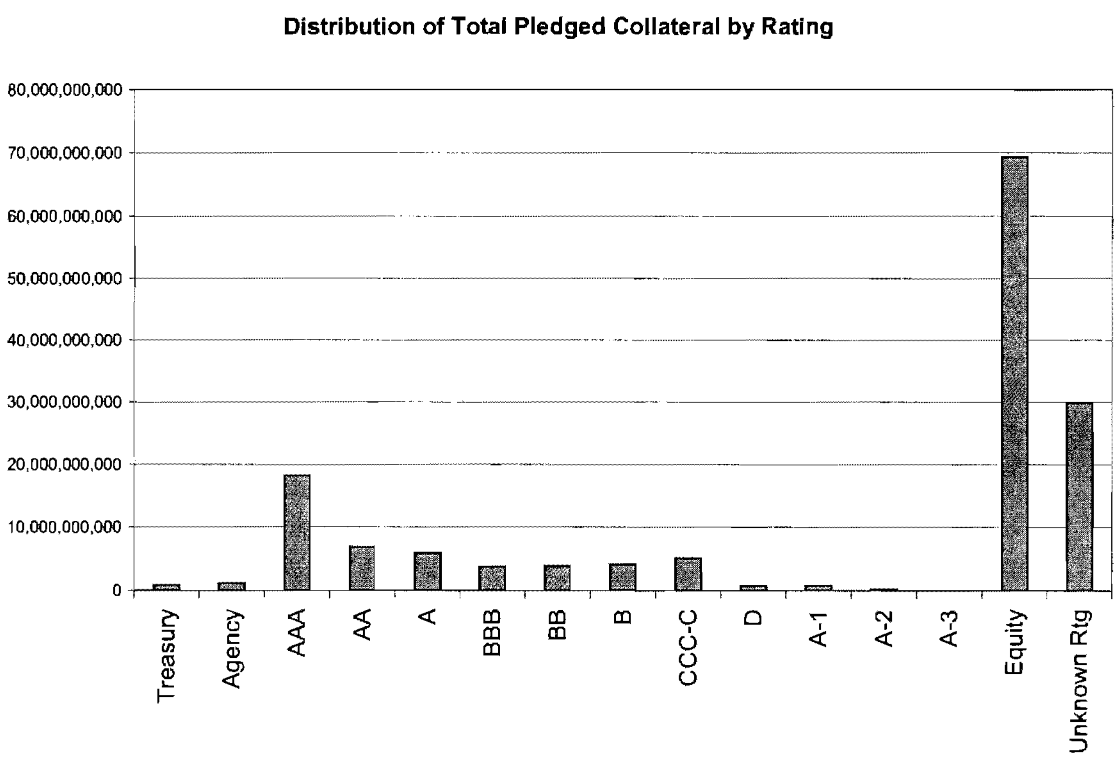
Composition of Collateral Pledged for October 2 Borrowings - in millions

Rating[†]	BNP Paribas	Bank of America	Barclays	Citigroup	Goldman Sachs	Merrill Lynch	Mizuho	Morgan Stanley	Total
Treasury	.	.	.	294.9	.	125.9	.	376.8	797.6
Agency	.	.	.	1,051.0	0.7	57.4	.	21.2	1,130.3
AAA	0.4	515.7	3.5	4,087.7	861.3	4,012.9	24.1	8,716.6	18,222.1
AA	.	323.0	.	2,853.2	623.0	1,238.1	22.6	1,772.8	6,832.6
A	.	232.6	.	1,140.1	285.5	1,694.1	201.1	2,364.4	5,917.8
BBB	3.3	2.1	1.1	74.9	570.4	1,644.0	11.3	1,435.7	3,742.9
BB	103.0	141.4	12.4	280.5	820.5	1,034.3	.	1,425.5	3,817.6
B	175.8	448.2	9.5	201.9	1,103.2	910.5	.	1,241.8	4,090.9
CCC-C	93.8	2,036.6	54.7	127.8	864.8	743.2	.	1,181.9	5,102.8
D	.	65.6	.	155.5	106.8	183.8	.	242.1	753.8
A-1	.	.	.	545.2	.	.	.	269.2	814.3
A-2	.	.	.	106.5	.	.	.	100.6	207.1
A-3	.	0.1	.	.	.	.	.	.	0.1
NP	.	.	.	.	.	.	.	.	.
Equity	.	778.5	8,201.5	4,360.1	11,103.1	19,276.0	.	25,612.3	69,331.5
Unknown Rtg	107.2	3,285.5	277.8	1,439.8	2,270.8	5,766.0	.	16,727.5	29,874.5
Total Collateral	**483.6**	**7,829.2**	**8,560.5**	**16,718.9**	**18,610.2**	**36,686.2**	**259.1**	**61,488.4**	**150,636.0**
Total Borrowings	**450.0**	**7,300.0**	**8,000.0**	**15,600.0**	**17,200.0**	**33,977.0**	**242.1**	**56,588.4**	**139,357.5**
Collateral Cushion	**7.47%**	**7.25%**	**7.01%**	**7.17%**	**8.20%**	**7.97%**	**7.01%**	**8.66%**	**8.09%**

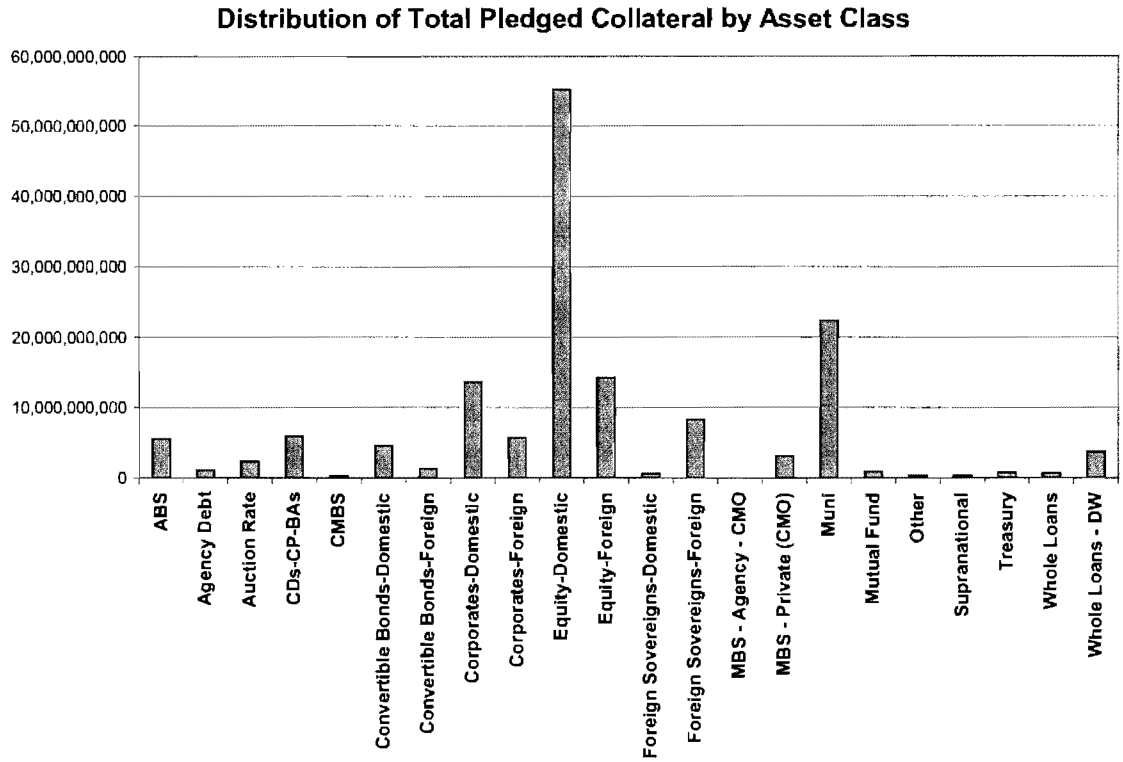
[1] As of May 30, reported ratings reflect the lowest of the available investment grade ratings of each security.



Collateral Value and Rating Distribution by Dealer
70,000.0
60,000.0
50,000.0
40,000.0
30,000.0
20,000.0
10,000.0
-
$Value - Millions
BNP Paribas
Bank of America
Barclays
Citigroup
Goldman Sachs
Merrill Lynch
Mizuho
Morgan Stanley
Unknown Rtg
Equity
NP
A-3
A-2
A-1
D
CCC-C
B
BB
BBB
A
AA
AAA
Agency
Treasury



Distribution of Total Pledged Collateral by Rating
80,000,000,000
70,000,000,000
60,000,000,000
50,000,000,000
40,000,000,000
30,000,000,000
20,000,000,000
10,000,000,000
0
Treasury
Agency
AAA
AA
A
BBB
BB
B
CCC-C
D
A-1
A-2
A-3
Equity
Unknown Rtg



Collateral Composition across all PDCF Participating Dealers

Rating	Dollar Value	% Total
Treasury	797,596,542	0.53%
Agency	1,130,312,343	0.75%
AAA	18,222,090,898	12.10%
AA	6,832,643,079	4.54%
A	5,917,807,703	3.93%
BBB	3,742,934,221	2.48%
BB	3,817,576,830	2.53%
B	4,090,936,739	2.72%
CCC-C	5,102,778,033	3.39%
D	753,752,206	0.50%
A-1	814,311,589	0.54%
A-2	207,104,358	0.14%
A-3	67,745	0.00%
Equity	69,331,540,276	46.03%
Unknown Rtg	29,874,531,158	19.83%
Total	150,635,983,720	100.00%

Collateral Composition across all PDCF Participating Dealers (continued)

Collateral Type	Dollar Value	% Total
ABS	5,563,513,150	3.69%
Agency Debt	1,091,644,616	0.72%
Auction Rate	2,332,571,141	1.55%
CDs-CP-BAs	5,927,788,714	3.94%
CMBS	267,209,312	0.18%
Convertible Bonds-Domestic	4,540,115,149	3.01%
Convertible Bonds-Foreign	1,322,973,057	0.88%
Corporates-Domestic	13,614,196,562	9.04%
Corporates-Foreign	5,661,227,718	3.76%
Equity-Domestic	55,109,621,849	36.58%
Equity-Foreign	14,221,918,427	9.44%
Foreign Sovereigns-Domestic	577,543,303	0.38%
Foreign Sovereigns-Foreign	8,306,845,356	5.51%
MBS - Agency - CMO	38,667,727	0.03%
MBS - Private (CMO)	3,103,316,196	2.06%
Muni	22,289,606,125	14.80%
Mutual Fund	874,823,285	0.58%
Other	341,060,634	0.23%
Supranational	344,680,675	0.23%
Treasury	797,596,542	0.53%
Whole Loans	655,241,226	0.43%
Whole Loans - DW	3,653,822,958	2.43%
Total	150,635,983,720	100.00%

Collateral Composition by Dealer

Dealer	Collateral	Rating	Dollar Value	% Total
BNP Paribas	ABS	BB	7,930,710	1.64%
		B	8,977,557	1.86%
		CCC-C	89,429	0.02%
	Corporates-Domestic	BB	75,158,221	15.54%
		B	158,908,464	32.86%
		CCC-C	88,128,625	18.23%
		Unknown Rtg	107,186,750	22.17%
	MBS - Private (CMO)	AAA	372,228	0.08%
		BBB	3,335,890	0.69%
		BB	19,940,861	4.12%
		B	7,959,147	1.65%
		CCC-C	5,564,570	1.15%
	Dealer Total		483,552,452	100.00%
Bank of America	ABS	AA	7,747,648	0.10%
		A	541,088	0.01%
		BBB	295,411	0.00%
		BB	49,190,327	0.63%
		B	36,943,919	0.47%
		CCC-C	59,946,378	0.77%
		D	13,555,565	0.17%
		Unknown Rtg	54,860,915	0.70%
	CDs-CP-BAs	A-3	67,745	0.00%
		Unknown Rtg	811,727,027	10.37%
	Corporates-Domestic	B	369,087,001	4.71%
		CCC-C	1,943,233,176	24.82%
		D	51,724,766	0.66%
	Equity-Domestic	Equity	778,452,255	9.94%
	MBS - Private (CMO)	BBB	1,826,175	0.02%
		BB	92,180,070	1.18%
		B	39,497,533	0.50%
		CCC-C	7,148,071	0.09%
		D	342,614	0.00%
		Unknown Rtg	5,424,224	0.07%
	Muni	AAA	515,651,525	6.59%
		AA	315,257,069	4.03%
		A	232,062,784	2.96%
		B	2,703,211	0.03%
		CCC-C	26,250,000	0.34%
		Unknown Rtg	2,413,456,211	30.83%
	Dealer Total		7,829,172,709	100.00%

Collateral Composition by Dealer (continued)

Dealer	Collateral	Rating	Dollar Value	% Total
Barclays	Corporates-Domestic	BB	12,371,074	0.14%
		B	9,460,000	0.11%
		CCC-C	54,738,452	0.64%
	Equity-Domestic	Equity	8,201,537,341	95.81%
	Mutual Fund	AAA	3,538,279	0.04%
		BBB	1,089,847	0.01%
		Unknown Rtg	277,792,680	3.25%
	Dealer Total		8,560,527,673	100.00%
Citigroup	ABS	AAA	364,188,907	2.18%
		AA	540,142,886	3.23%
		A	332,830,373	1.99%
		BBB	44,670,356	0.27%
		BB	103,983,997	0.62%
		B	107,361,037	0.64%
		CCC-C	60,269,674	0.36%
		D	78,450,188	0.47%
		Unknown Rtg	91,680,698	0.55%
	Agency Debt	Agency	1,051,033,596	6.29%
	CDs-CP-BAs	A-1	545,161,091	3.26%
		A-2	106,505,766	0.64%
		Unknown Rtg	205,462,805	1.23%
	Corporates-Domestic	AAA	44,646,249	0.27%
		AA	103,770,628	0.62%
		A	230,391,017	1.38%
		BBB	16,523,097	0.10%
		BB	2,997,042	0.02%
		CCC-C	59,976,281	0.36%
		D	2,390,064	0.01%
		Unknown Rtg	195,465,680	1.17%
	Equity-Domestic	Equity	4,360,085,382	26.08%
	MBS - Private (CMO)	A	10,248,767	0.06%
		BB	173,496,990	1.04%
		B	94,520,129	0.57%
		CCC-C	7,504,140	0.04%
		Unknown Rtg	27,140,691	0.16%
	Muni	AAA	3,564,140,700	21.32%
		AA	2,209,251,598	13.21%
		A	566,593,994	3.39%
		BBB	13,750,000	0.08%
		D	74,635,000	0.45%
		Unknown Rtg	879,363,847	5.26%
	Mutual Fund	AAA	112,500,000	0.67%
		Unknown Rtg	40,649,009	0.24%
	Supranational	AAA	2,188,812	0.01%
	Treasury	Treasury	294,913,642	1.76%
	Dealer Total		16,718,884,133	100.00%

Collateral Composition by Dealer (continued)

Dealer	Collateral	Rating	Dollar Value	% Total
Goldman Sachs	ABS	AAA	279,786,072	1.50%
		AA	144,596,525	0.78%
		A	80,000,993	0.43%
		BBB	175,202,423	0.94%
		BB	84,789,042	0.46%
		B	291,891,079	1.57%
		CCC-C	123,991,260	0.67%
		D	61,534,619	0.33%
		Unknown Rtg	56,662,810	0.30%
	CDs-CP-BAs	Unknown Rtg	766,303,692	4.12%
	CMBS	BBB	124,607	0.00%
		Unknown Rtg	46,108,697	0.25%
	Convertible Bonds-Domestic	AAA	1,047,530	0.01%
		AA	42,182,693	0.23%
		A	30,302,839	0.16%
		BBB	23,805,978	0.13%
		BB	8,086,803	0.04%
		Unknown Rtg	362,543,551	1.95%
	Convertible Bonds-Foreign	AAA	16,510,888	0.09%
		AA	325,528,967	1.75%
		A	27,453,305	0.15%
		BBB	31,286,891	0.17%
		BB	17,757,572	0.10%
		B	949,113	0.01%
		Unknown Rtg	123,466,022	0.66%
	Corporates-Domestic	A	56,937,402	0.31%
		BBB	105,373,084	0.57%
		BB	381,430,329	2.05%
		B	691,588,346	3.72%
		CCC-C	677,829,647	3.64%
		D	34,830,005	0.19%
		Unknown Rtg	415,959,861	2.24%
	Corporates-Foreign	BBB	55,207,900	0.30%
		BB	26,323,990	0.14%
		CCC-C	17,953,014	0.10%
		D	8,119,358	0.04%
		Unknown Rtg	296,829,911	1.59%
	Equity-Domestic	Equity	8,927,926,476	47.97%
	Equity-Foreign	Equity	2,175,171,396	11.69%
	Foreign Sovereigns-Domestic	Unknown Rtg	2,911,857	0.02%
	Foreign Sovereigns-Foreign	BB	9,086,025	0.05%
		D	311,814	0.00%
	MBS - Agency - CMO	Agency	672,508	0.00%
	MBS - Private (CMO)	AAA	490,716,200	2.64%
		AA	110,706,769	0.59%
		A	65,856,797	0.35%
		BBB	110,580,243	0.59%
		BB	292,567,655	1.57%
		B	115,266,701	0.62%
		CCC-C	44,986,449	0.24%
		D	1,921,211	0.01%
		Unknown Rtg	53,871,402	0.29%
	Muni	A	24,978,443	0.13%
		BBB	68,832,526	0.37%
		BB	504,966	0.00%
		B	3,478,714	0.02%
		D	87,109	0.00%
		Unknown Rtg	54,507,725	0.29%
	Mutual Fund	AAA	73,284,935	0.39%
		Unknown Rtg	91,628,633	0.49%
	Dealer Total		18,610,153,370	100.00%

Collateral Composition by Dealer (continued)

Dealer	Collateral	Rating	Dollar Value	% Total
Merrill Lynch	ABS	AAA	156,824,565	0.43%
		AA	84,330,913	0.23%
		A	68,017,632	0.19%
		BBB	35,734,403	0.10%
		BB	76,533,452	0.21%
		B	93,456,800	0.25%
		CCC-C	107,551,450	0.29%
		D	18,873,963	0.05%
		Unknown Rtg	193,021,049	0.53%
	Agency Debt	Agency	19,820,095	0.05%
	Auction Rate	AAA	1,193,999,249	3.25%
		AA	252,078,109	0.69%
		A	317,665,354	0.87%
		BBB	241,947,166	0.66%
		B	35,669	0.00%
		CCC-C	150,329,305	0.41%
		D	90,522,627	0.25%
		Unknown Rtg	85,993,662	0.23%
	CDs-CP-BAs	Unknown Rtg	345,975,273	0.94%
	CMBS	Unknown Rtg	106,156,609	0.29%
	Convertible Bonds-Domestic	AA	17,345,057	0.05%
		A	473,934,445	1.29%
		BBB	300,942,730	0.82%
		BB	152,626,310	0.42%
		B	195,796,004	0.53%
		CCC-C	106,251,232	0.29%
		D	2,098	0.00%
		Unknown Rtg	841,448,266	2.29%
	Convertible Bonds-Foreign	A	8,734	0.00%
		BBB	3,174	0.00%
		BB	29,516,954	0.08%
		B	880,233	0.00%
		Unknown Rtg	109,247,260	0.30%
	Corporates-Domestic	AAA	517,396	0.00%
		AA	39,705,896	0.11%
		A	208,812,990	0.57%
		BBB	470,342,619	1.28%
		BB	300,109,443	0.82%
		B	288,023,040	0.79%
		CCC-C	329,043,587	0.90%
		D	8,415,921	0.02%
		Unknown Rtg	554,973,801	1.51%
	Corporates-Foreign	AA	26,693,248	0.07%
		A	147,006,083	0.40%
		BBB	266,161,803	0.73%
		BB	207,422,775	0.57%
		B	24,452,112	0.07%
		CCC-C	45,917,149	0.13%
		D	43,966,634	0.12%
		Unknown Rtg	525,001,758	1.43%
	Equity-Domestic	Equity	16,874,489,771	46.00%
	Equity-Foreign	Equity	2,401,544,653	6.55%
	Foreign Sovereigns-Domestic	A	37,532,984	0.10%
		BBB	67,293,658	0.18%
		BB	132,911,127	0.36%
		B	231,752,057	0.63%
		D	17,123,674	0.05%
	Foreign Sovereigns-Foreign	AAA	1,869,274,570	5.10%
		AA	92,499,684	0.25%
		A	86,236,002	0.24%
		BBB	178,910,147	0.49%
		BB	16,239,488	0.04%
		B	57,995,673	0.16%
		D	3,637,580	0.01%
		Unknown Rtg	79,925,594	0.22%
	MBS - Agency - CMO	Agency	37,571,250	0.10%
	MBS - Private (CMO)	AAA	380,508,615	1.04%
		AA	80,001,592	0.22%
		A	101,468,669	0.28%
		BBB	12,606,669	0.03%
		BB	88,360,935	0 24%
		B	13,244,539	0.04%
		CCC-C	2,336,817	0.01%
		D	2,194	0.00%
		Unknown Rtg	24,377,292	0.07%
	Muni	AAA	392,270,887	1.07%
		AA	645,404,134	1.76%
		A	246,053,992	0.67%
		BBB	69,771,418	0.19%
		BB	497,121	0.00%
		B	1,073,271	0.00%
		CCC-C	1,811,083	0.00%
		Unknown Rtg	1,860,403,551	5.07%
	Mutual Fund	Unknown Rtg	78,608,961	0.21%
	Other	BBB	326,240	0.00%
		BB	30,049,646	0.08%
		B	3,827,316	0.01%
		D	1,238,162	0.00%
		Unknown Rtg	305,619,269	0.83%
	Supranational	AAA	19,465,303	0.05%
		A	7,346,546	0.02%
	Treasury	Treasury	125,864,031	0.34%
	Whole Loans	Unknown Rtg	655,241,226	1 79%
	Dealer Total		36,686,153,490	100.00%

Collateral Composition by Dealer (continued)

Dealer	Collateral	Rating	Dollar Value	% Total
Mizuho	Corporates-Domestic	AAA	24,069,228	9.29%
		AA	22,622,450	8.73%
		A	201,133,686	77.63%
		BBB	11,269,706	4.35%
	Dealer Total		259,095,071	100.00%
Morgan Stanley	ABS	AAA	211,903,533	0.34%
		AA	43,250,121	0.07%
		A	40,125,965	0.07%
		BBB	48,796,174	0.08%
		BB	230,281,777	0.37%
		B	159,772,052	0.26%
		CCC-C	349,178,608	0.57%
		D	200,846,675	0.33%
		Unknown Rtg	182,902,133	0.30%
	Agency Debt	Agency	20,790,925	0.03%
	CDs-CP-BAs	A-1	269,150,499	0.44%
		A-2	100,598,592	0.16%
		Unknown Rtg	2,776,836,224	4.52%
	CMBS	BBB	417,448	0.00%
		Unknown Rtg	114,401,951	0.19%
	Convertible Bonds-Domestic	AA	36,477,719	0.06%
		A	103,303,039	0.17%
		BBB	283,019,315	0.46%
		BB	74,940,965	0.12%
		B	22,321,407	0.04%
		CCC-C	185,442,726	0.30%
		Unknown Rtg	1,278,294,443	2.08%
	Convertible Bonds-Foreign	AAA	11,820,053	0.02%
		AA	864,038	0.00%
		BBB	20,956,988	0.03%
		BB	3,227,698	0.01%
		B	13,643,806	0.02%
		Unknown Rtg	589,851,363	0.96%
	Corporates-Domestic	AAA	269,135,973	0.44%
		AA	435,203,221	0.71%
		A	963,570,796	1.57%
		BBB	789,099,764	1.28%
		BB	691,291,917	1.12%
		B	607,689,887	0.99%
		CCC-C	500,547,389	0.81%
		D	9,202,835	0.01%
		Unknown Rtg	999,309,754	1.63%
	Corporates-Foreign	AAA	236,985,526	0.39%
		AA	181,687,704	0.30%
		A	861,206,148	1.40%
		BBB	187,647,054	0.31%
		BB	189,714,192	0.31%
		B	80,287,636	0.13%
		CCC-C	72,191,920	0.12%
		D	14,968,427	0.02%
		Unknown Rtg	2,145,483,379	3.49%
	Equity-Domestic	Equity	15,967,130,624	25.97%
	Equity-Foreign	Equity	9,645,202,377	15.69%
	Foreign Sovereigns-Domestic	AAA	4,415,147	0.01%
		BBB	15,323,490	0.02%
		BB	24,326,416	0.04%
		B	43,926,455	0.07%
		D	26,440	0.00%
	Foreign Sovereigns-Foreign	AAA	5,683,287,286	9.24%
		BBB	47,800,619	0.08%
		B	175,334,085	0.29%
		D	6,305,669	0.01%
		Unknown Rtg	1,118	0.00%
	MBS - Agency - CMO	Agency	423,969	0.00%
	MBS - Private (CMO)	AAA	174,068,715	0.28%
		AA	6,531,157	0.01%
		A	8,192,722	0.01%
		BBB	32,260,697	0.05%
		BB	211,319,732	0.34%
		B	107,535,996	0.17%
		CCC-C	38,040,023	0.06%
		D	2,332,589	0.00%
		Unknown Rtg	37,151,715	0.06%
	Muni	AAA	1,758,430,579	2.86%
		AA	1,068,763,253	1.74%
		A	387,994,117	0.63%
		BBB	10,398,512	0.02%
		BB	411,207	0.00%
		B	31,296,751	0.05%
		CCC-C	36,527,577	0.06%
		D	8,384,406	0.01%
		Unknown Rtg	4,804,608,844	7.81%
	Mutual Fund	AAA	50,861,933	0.08%
		Unknown Rtg	144,869,007	0.24%
	Supranational	AAA	315,680,014	0.51%
	Treasury	Treasury	376,818,868	0.61%
	Whole Loans - DW	Unknown Rtg	3,653,822,958	5.94%
	Dealer Total		61,488,444,822	100.00%

Notes

1. The market value of the overnight PDCF collateral is the market value reported by the clearing banks.
2. As of May 30, the classification of securities has been slightly adjusted to more closely align securities with their descriptive category.