

**Primary Dealer Credit Facility Collateral Report**  
For Wednesday, September 17

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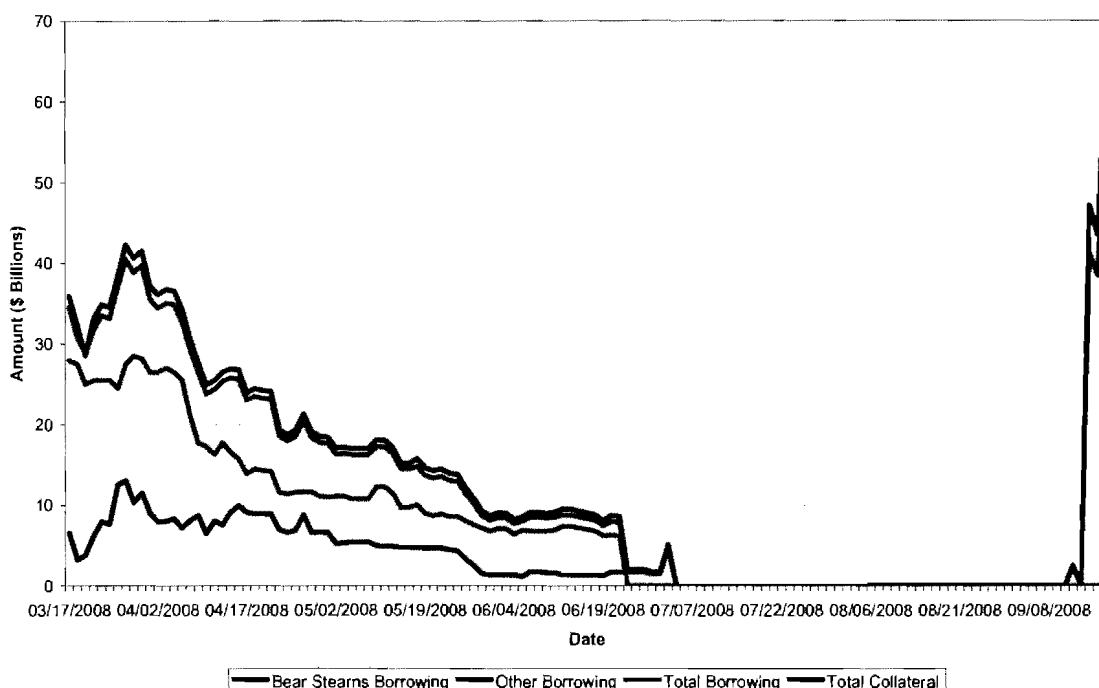
**Highlights**

- Total PDCF borrowing increased substantially on Wednesday, rising \$21.33 billion to \$59.78 billion driven largely by a \$14 billion increase in borrowing by Morgan Stanley.
- Dealers have taken advantage of the expanded PDCF collateral schedule, with approximately 15% of total collateral consisting of non-investment grade fixed income securities. Equities and convertible bonds comprise roughly 42% to total collateral.
- Borrowing by Lehman Brothers rose marginally to \$20.43 billion. Consistent with recent days, Lehman posted a broad range of collateral consisting primarily of corporate bonds (26%), equities (19%), ABS (17%), and MBS (15%).
- On the three days since the expansion of the PDCF eligibility criteria, 18%, 6.5% and 23% of Lehman's total collateral has been OMO eligible collateral.

**Overnight Borrowings – in billions**

<b>Dealer</b>	<b>17SEP2008</b>	<b>16SEP2008</b>	<b>15SEP2008</b>	<b>12SEP2008</b>	<b>11SEP2008</b>
BNP Paribas	0.40				2.40
Citigroup	4.75	2.75	2.75		
Credit Suisse		0.50	1.00		
Goldman Sachs	2.50	2.50	2.50		
JP Morgan Chase			3.00		
Lehman Brothers	20.43	19.70	28.00		
Merrill Lynch	4.70				
Morgan Stanley	27.00	13.00	4.00		
<b>Total Borrowings</b>	<b>59.78</b>	<b>38.45</b>	<b>41.25</b>		<b>2.40</b>
<b>Total Collateral</b>	<b>66.08</b>	<b>43.46</b>	<b>47.15</b>		<b>2.54</b>
<b>Collateral Cushion</b>	<b>10.54%</b>	<b>13.03%</b>	<b>14.30%</b>	<b>0.00%</b>	<b>5.83%</b>

PDCF Borrowing Trend



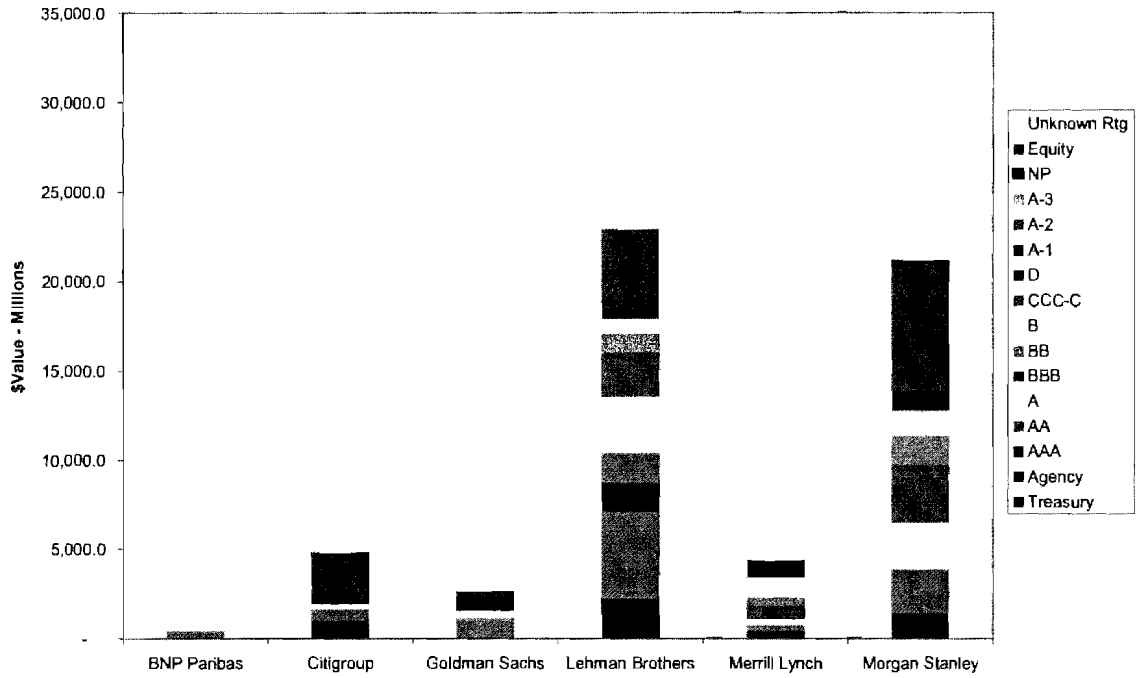
**Composition of Collateral Pledged for September 17 Borrowings - in millions**

Rating <sup>1</sup>	BNP Paribas	Citigroup	Goldman Sachs	Lehman Brothers	Merrill Lynch	Morgan Stanley	Total
Treasury	.	.	.	2,250.0	7.2	2.0	2,259.3
Agency	424.0	.	995.1	4,850.4	37.2	.	6,306.7
AAA	.	1,036.1	.	1,637.9	403.6	1,440.6	4,518.2
AA	.	623.7	.	1,671.9	323.9	2,437.0	5,056.6
A	.	281.5	.	3,138.3	316.4	2,626.8	6,363.1
BBB	.	.	.	2,513.8	763.3	3,228.2	6,505.3
BB	.	.	168.5	1,032.0	443.3	1,623.5	3,267.3
B	.	.	420.5	839.4	1,145.6	1,427.0	3,832.5
CCC-C	.	.	780.3	510.3	794.9	664.8	2,750.2
D	.	.	8.2	46.4	147.0	136.8	338.3
A-1	.	.	.	.	.	290.3	290.3
A-2	.	.	.	.	.	.	.
A-3	.	.	.	.	.	.	.
NP	.	.	.	.	.	.	.
Equity	.	2,913.6	294.3	4,440.8	.	7,360.2	15,009.0
Unknown Rtg	.	227.9	.	955.4	685.2	7,710.0	9,578.5
<b>Total Collateral</b>	<b>424.0</b>	<b>5,082.8</b>	<b>2,666.9</b>	<b>23,886.7</b>	<b>5,067.5</b>	<b>28,947.3</b>	<b>66,075.2</b>
<b>Total Borrowings</b>	<b>400.0</b>	<b>4,750.0</b>	<b>2,500.0</b>	<b>20,430.0</b>	<b>4,700.0</b>	<b>27,000.0</b>	<b>59,780.0</b>
<b>Collateral Cushion</b>	<b>6.00%</b>	<b>7.01%</b>	<b>6.68%</b>	<b>16.92%</b>	<b>7.82%</b>	<b>7.21%</b>	<b>10.53%</b>

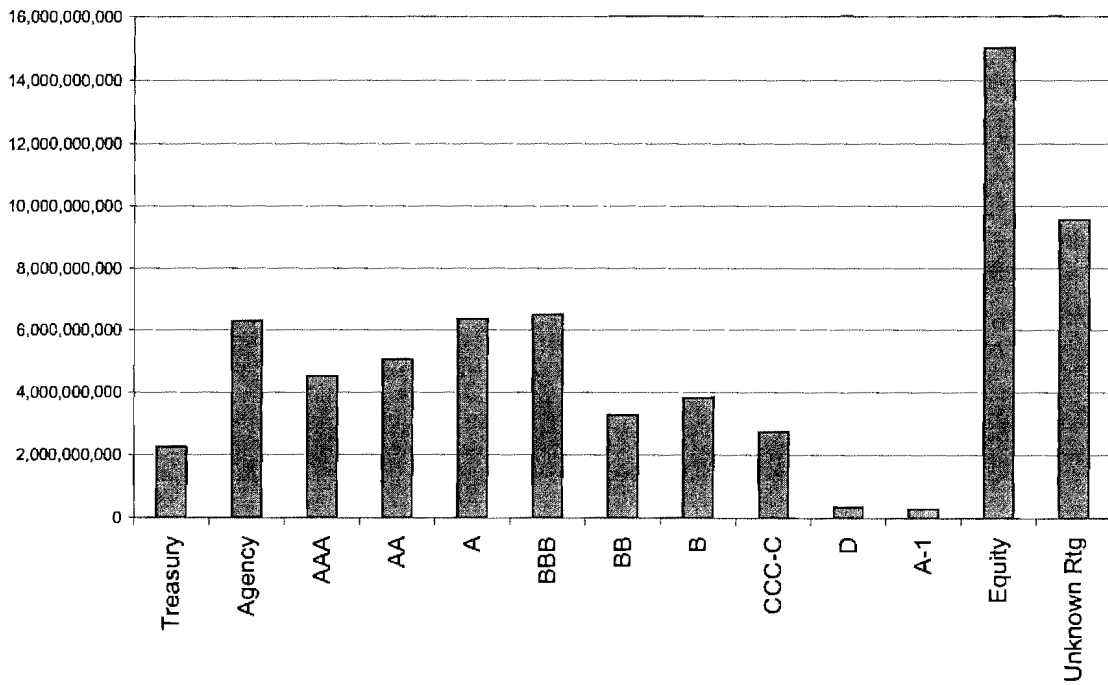
<sup>1</sup> As of May 30, reported ratings reflect the lowest of the available investment grade ratings of each security.

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Collateral Value and Rating Distribution by Dealer

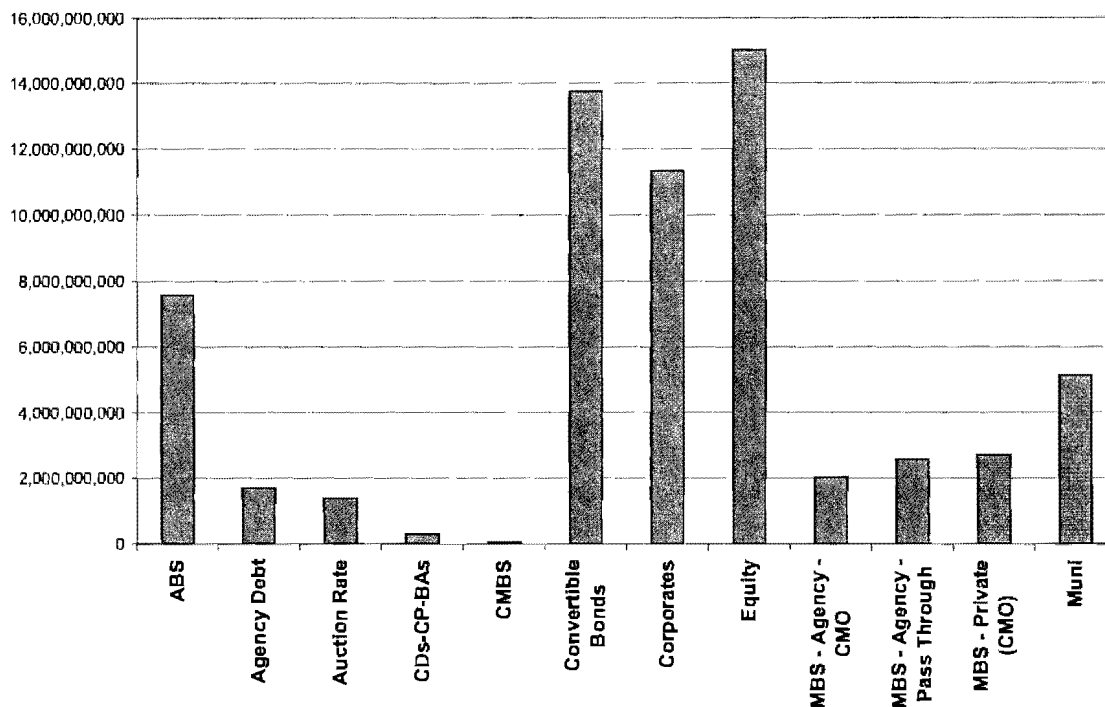


Distribution of Total Pledged Collateral by Rating



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**Distribution of Total Pledged Collateral by Asset Class**



**Collateral Composition across all PDCF Participating Dealers**

Rating	Dollar Value	% Total
Treasury	2,259,266,300	3.42%
Agency	6,306,713,960	9.54%
AAA	4,518,224,992	6.84%
AA	5,056,576,710	7.65%
A	6,363,070,222	9.63%
BBB	6,505,266,236	9.85%
BB	3,267,328,636	4.94%
B	3,832,461,639	5.80%
CCC-C	2,750,213,366	4.16%
D	338,325,609	0.51%
A-1	290,313,265	0.44%
Equity	15,008,960,058	22.71%
Unknown Rtg	9,578,482,470	14.50%
<b>Total</b>	<b>66,075,203,463</b>	<b>100.00%</b>

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<b>Collateral Type</b>	<b>Dollar Value</b>	<b>% Total</b>
ABS	7,573,245,724	11.46%
Agency Debt	1,703,713,461	2.58%
Auction Rate	1,389,190,097	2.10%
CDs-CP-BAs	290,313,265	0.44%
CMBS	45,817,198	0.07%
Convertible Bonds	13,754,470,036	20.82%
Corporates	11,333,437,272	17.15%
Equity	15,008,960,058	22.71%
MBS - Agency - CMO	2,031,708,858	3.07%
MBS - Agency - Pass Through	2,577,796,641	3.90%
MBS - Private (CMO)	2,700,161,387	4.09%
Muni	5,132,540,302	7.77%
Other	271,999,170	0.41%
Supranational	2,583,695	0.00%
Treasury	2,259,266,300	3.42%
<b>Total</b>	<b>66,075,203,463</b>	<b>100.00%</b>

**Collateral Composition by Dealer**

<b>Dealer</b>	<b>Collateral</b>	<b>Rating</b>	<b>Dollar Value</b>	<b>% Total</b>
BNP Paribas	MBS - Agency - CMO	Agency	424,026,137	100.00%
	Dealer Total		424,026,137	100.00%
Citigroup	ABS	AA	138,587,520	2.73%
	Corporates	A	155,817,595	3.07%
	Equity	Equity	2,913,612,599	57.32%
	Muni	AAA	1,036,109,379	20.38%
		AA	485,099,207	9.54%
		A	125,707,030	2.47%
		Unknown Rtg	227,879,976	4.48%
	Dealer Total		5,082,813,306	100.00%
Goldman Sachs	ABS	BB	44,490	0.00%
		B	1,029,590	0.04%
		CCC-C	15,224,385	0.57%
	Corporates	BB	166,837,196	6.26%
		B	419,482,856	15.73%
		CCC-C	763,390,455	28.62%
		D	8,168,131	0.31%
	Equity	Equity	294,332,867	11.04%
	MBS - Agency - Pass Through	Agency	995,111,295	37.31%
MBS - Private (CMO)	BB	1,605,029	0.06%	
	CCC-C	1,640,046	0.06%	
	Dealer Total		2,666,866,340	100.00%

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**Collateral Composition by Dealer (continued)**

Dealer	Collateral	Rating	Dollar Value	% Total
Lehman Brothers	ABS	AAA	419,393,720	1.76%
		AA	421,374,885	1.76%
		A	1,167,976,976	4.89%
		BBB	608,123,132	2.55%
		BB	534,394,742	2.24%
		B	348,176,496	1.46%
		CCC-C	313,341,880	1.31%
		D	41,862,540	0.18%
		Unknown Rtg	108,749,631	0.46%
	Agency Debt	Agency	1,676,803,766	7.02%
	Auction Rate	AA	3,833,697	0.02%
		A	2,888	0.00%
		BB	4,700	0.00%
		CCC-C	42,660	0.00%
		Unknown Rtg	5,725	0.00%
	Convertible Bonds	AAA	128,021	0.00%
		AA	58,021,578	0.24%
		A	50,392,343	0.21%
		BBB	248,688,998	1.04%
		BB	159,834,767	0.67%
		B	263,212,841	1.10%
		CCC-C	196,923,797	0.82%
		D	3,700,853	0.02%
		Unknown Rtg	252,273,500	1.06%
	Corporates	AAA	698,218,227	2.92%
		AA	1,147,195,367	4.80%
		A	1,907,404,848	7.99%
	BBB	1,646,006,040	6.89%	
	BB	323,570,457	1.35%	
	B	205,864,128	0.86%	
	D	813,536	0.00%	
	Unknown Rtg	360,223,135	1.51%	
Equity	Equity	4,440,788,186	18.59%	
MBS - Agency - CMO	Agency	1,607,682,721	6.73%	
MBS - Agency - Pass Through	Agency	1,565,930,163	6.56%	
MBS - Private (CMO)	AAA	477,311,401	2.00%	
	AA	2,190,216	0.01%	
	Unknown Rtg	10,856,995	0.05%	
Muni	AAA	40,270,742	0.17%	
	AA	39,307,524	0.16%	
	A	10,493,243	0.04%	
	BBB	1,861,012	0.01%	
	B	118,319	0.00%	
	Unknown Rtg	353,628	0.00%	
Other	A	2,020,278	0.01%	
	BBB	9,146,887	0.04%	
	BB	14,233,967	0.06%	
	B	22,014,904	0.09%	
	Unknown Rtg	222,968,021	0.93%	
Supranational	AAA	2,583,695	0.01%	
Treasury	Treasury	2,250,020,122	9.42%	
Dealer Total			23,886,711,896	100.00%

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**Collateral Composition by Dealer (continued)**

Dealer	Collateral	Rating	Dollar Value	% Total	
Merrill Lynch	ABS	AAA	24,123,190	0.48%	
		AA	46,574,302	0.92%	
		A	96,810,390	1.91%	
		BBB	14,975,360	0.30%	
		BB	48,912,392	0.97%	
		B	85,290,725	1.68%	
		CCC-C	157,075,577	3.10%	
		D	10,970,931	0.22%	
		Unknown Rtg	53,871,137	1.06%	
	Agency	AAA	6,505,000	0.13%	
	Agency Debt	Agency	20,404,695	0.40%	
	Auction Rate	AAA	372,936,774	7.36%	
		AA	251,228,109	4.96%	
		A	198,279,424	3.91%	
		BBB	240,414,660	4.74%	
		CCC-C	150,329,305	2.97%	
		D	121,443,296	2.40%	
		Unknown Rtg	50,668,860	1.00%	
		Convertible Bonds	BBB	136,561,879	2.69%
			BB	170,107,487	3.36%
	B		86,482,758	1.71%	
	CCC-C		101,802,709	2.01%	
	Corporates	Unknown Rtg	172,493,507	3.40%	
		AA	26,135,303	0.52%	
		A	20,139,537	0.40%	
		BBB	196,039,450	3.87%	
		BB	84,628,587	1.67%	
B		948,054,874	18.71%		
CCC-C		380,996,251	7.52%		
D		14,441,807	0.28%		
Unknown Rtg		335,586,100	6.62%		
MBS - Agency - Pass Through	Agency	16,755,183	0.33%		
MBS - Private (CMO)	BBB	8,491,925	0.17%		
	BB	139,368,736	2.75%		
	B	24,631,425	0.49%		
	CCC-C	4,650,122	0.09%		
	D	6,343	0.00%		
	Unknown Rtg	40,074,497	0.79%		
Muni	A	1,193,131	0.02%		
	BBB	166,785,506	3.29%		
	Unknown Rtg	32,483,762	0.64%		
Other	BB	290,550	0.01%		
	B	1,122,053	0.02%		
	D	90,674	0.00%		
Treasury	Treasury	7,246,630	0.14%		
Dealer Total			5,067,474,915	100.00%	

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**Collateral Composition by Dealer (continued)**

Dealer	Collateral	Rating	Dollar Value	% Total
Morgan Stanley	ABS	AAA	51,125,684	0.18%
		AA	1,314,814,914	4.54%
		A	615,104,635	2.12%
		BBB	530,963,525	1.83%
		BB	158,010,601	0.55%
		B	134,988,817	0.47%
		CCC-C	25,981,303	0.09%
		D	85,372,251	0.29%
		CDs-CP-BAs	A-1	290,313,265
	CMBS	Unknown Rtg	45,817,198	0.16%
	Convertible Bonds	AA	293,981,197	1.02%
		A	1,457,025,141	5.03%
		BBB	2,047,010,519	7.07%
		BB	896,659,246	3.10%
		B	856,211,780	2.96%
		CCC-C	565,619,841	1.95%
		D	16,378,000	0.06%
		Unknown Rtg	5,720,959,274	19.76%
		Corporates	A	194,318,985
BBB	486,714,724		1.68%	
BB	356,533,524		1.23%	
B	378,583,879		1.31%	
CCC-C	73,195,034		0.25%	
Equity	D	35,077,246	0.12%	
	Equity	7,360,226,406	25.43%	
MBS - Private (CMO)	AAA	849,943,434	2.94%	
	AA	409,555,777	1.41%	
	A	296,864,464	1.03%	
	BBB	163,482,617	0.56%	
	BB	212,292,165	0.73%	
	B	57,196,194	0.20%	
Muni	AAA	539,575,725	1.86%	
	AA	418,677,114	1.45%	
	A	63,519,315	0.22%	
	Unknown Rtg	1,943,105,689	6.71%	
Other	Unknown Rtg	111,835	0.00%	
Treasury	Treasury	1,999,548	0.01%	
Dealer Total			28,947,310,868	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.