



FEDERAL RESERVE BANK *of* NEW YORK

TIC Reporting Seminar

Wednesday, August 7, 2013

Overview of TIC Reporting

Brian Goodwin



Overview of TIC system

- **Treasury International Capital (TIC)** reporting system collects data for the United States on cross-border portfolio investment flows and positions between U.S. and foreign residents.
 - Construction of Balance of Payments
 - Formulation of International Financial and Monetary Policy
 - Tracking developments in International Markets



Overview of TIC system (cont'd)

- U.S. Treasury retains administrative control/oversight of TIC system
- Federal Reserve Board has final oversight



Overview of TIC system (cont'd)

- **Cross-border transactions and holdings not captured by TIC**
 - U.S. Gov't cross-border capital transactions
 - Direct Investments



Balance of Payments

- Accounting of payment's of a country's international transactions over a certain period of time.
- International Investment Position Accounts
- International Transaction Accounts
 - Current Account
 - Capital Account
 - Financial Account



What types of TIC data currently collected?

Data Type	Series
Monthly & quarterly position data on claims and liabilities (including ST secs) reported by banks and broker/dealers of securities	TIC BC, BL-1, BL-2, BQ-1, BQ-2 & BQ-3
Monthly data on transactions and holdings of long-term securities	TIC S & SLT
Annual detailed position data on holdings of long-term and short-term securities	SHL(A) & SHC(A)
Quarterly position data on selected claims and liabilities reported by non-banks and non-broker/dealers	TIC CQ-1 & CQ-2
Quarterly position and transaction data on financial derivatives reported by major participants in those markets	TIC D

Where are TIC Data Published?

- **Bureau of Economic Analysis (BEA)**

<http://www.bea.gov/international/index.htm#iip>

- **Treasury TIC website – Monthly, Quarterly & Annually**

<http://www.treasury.gov/resource-center/data-chart-center/tic/Pages/ticpress.aspx#1>

- **Quarterly Treasury Bulletin**

<http://www.fms.treas.gov/bulletin/index.html>



Where are TIC Data Published? (cont'd)

- **BIS Locational Data**

<http://www.bis.org/statistics/bankstats.htm>

- **IMF's Special Data Dissemination Standard (SDDS)**

<http://dsbb.imf.org/pages/sdds/home.aspx>

- **World Bank Quarterly External Debt Statistics**

<http://data.worldbank.org/data-catalog/quarterly-external-debt-statistics-gdds>



Where are TIC Data Published? - Example

TIC Monthly Reports on Cross-Border Financial Flows

(Billions of dollars, not seasonally adjusted)

	2011	2012	12 Months Through		Jan-13	Feb-13	Mar-13	Apr-13
			Apr-12	Apr-13				
Foreigners' Acquisitions of Long-term Securities								
Gross Purchases of Domestic U.S. Securities	27818.8	24583.6	27256.2	24985.1	2057.9	2316.3	2259.8	2377.2
Gross Sales of Domestic U.S. Securities	27325.5	23949.6	26786.4	24487.7	2009.1	2304.0	2244.5	2402.0
Domestic Securities Purchased, net (line 1 less line 2) /1	493.4	634.0	469.8	497.4	48.9	12.3	15.3	-24.8
Private, net /2	322.6	408.1	292.2	309.2	-14.1	13.4	9.7	-17.8
Treasury Bonds & Notes, net	288.4	207.4	288.6	121.9	-20.8	9.4	22.1	-30.8
Gov't Agency Bonds, net	57.6	134.2	72.4	106.3	-0.9	-1.9	-7.8	6.9
Corporate Bonds, net	-44.0	-30.9	-54.1	-16.2	2.7	8.6	-8.2	-4.4
Equities, net	20.6	97.4	-14.6	97.1	4.9	-2.7	3.6	10.4
Official, net /3	170.7	225.9	177.6	188.2	63.0	-1.1	5.6	-6.9
Treasury Bonds & Notes, net	144.2	209.9	173.0	116.1	53.1	-6.7	-16.8	-23.7
Gov't Agency Bonds, net	23.3	-1.3	-1.1	45.7	5.5	3.9	17.3	16.0
Corporate Bonds, net	-1.2	7.0	1.3	12.7	3.1	1.0	2.0	-0.1
Equities, net	4.5	10.3	4.5	13.7	1.3	0.7	3.2	0.8

Overview of TIC changes

Brian Goodwin



TIC Report Changes – December 2013

- Geographical changes to all TIC reports (except BQ-3) and surveys
- Changes to the reporting entity types that will be required to file the TIC B and TIC C reports
- New Memorandum Items/“Of Which Items” on TIC B & C
- Changes to the individual report names



TIC Report Changes – December 2013 (cont'd)

Series	Country	Reporter Type	New Items
TIC BC	X	X	X
TIC BL-1	X	X	X
TIC BL-2	X	X	X
TIC BQ-1	X	X	X
TIC BQ-2	X	X	X
TIC BQ-3		X	X
TIC CQ-1	X	X	X
TIC CQ-2	X	X	X
TIC D	X		
TIC S	X		
TIC SLT	X		
SHL(A)/SHC(A)	X		

TIC Report Changes - Geographical changes

Country name	Code	Region	Change
Kosovo	1347-1	Europe	New Item
Serbia	1321-8	Europe	Item Change
Montenegro	1362-5	Europe	New Item
Bonaire, St. Eustatius & Saba	3616-1	Caribbean	New Item
Curacao	3618-8	Caribbean	New Item
St. Maarten	3619-6	Caribbean	New Item
St. Martin & St. Barthelemy	3647-1	Caribbean	New Item
Netherlands Antilles	3720-6	Caribbean	Removed
South Sudan	5339-2	Africa	New Item

Overview of TIC B Reporting

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TIC B Report Changes – December 2013

- New reporting entity types – All TIC B reports
 - Savings & Loans Holding Companies
 - All other financial institutions
- Geographical changes – All TIC B reports except BQ-3
- New Memo Items/ “Of Which Rows” – All except BQ-3
- New reporting part on TIC BQ-3
- Renamed and replaced items and added columns in the Memo Item section – TIC BL-2



Who Must Report TIC B reports – New Filers

- **Savings & Loans Holding Companies (SLHC)**
- **All other financial institutions**
 - Insurance Companies
 - Pension funds
 - Mutual funds
 - Money market funds
 - Investment banks
 - Private equity funds
 - Real estate investment trust (REITS)
 - Credit card issuers



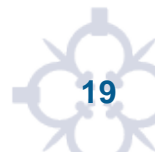
Who Must Report TIC B reports – New Filers (cont'd)

- **All other financial institutions (cont'd)**
 - Hedge funds
 - Trusts
 - Finance companies
 - Mortgage companies
 - Factors and other financial intermediaries who extend short-term business credit to finance inventories or carry accounts receivable
 - Futures commission merchants



Who Must Report TIC B reports – Current filers

- **Depository institutions located in the United States:**
 - Commercial banks
 - United States branches and agencies of foreign banks
 - Trust companies that conduct commercial banking business
 - Banking Edge Act and Agreement corporations
 - The Federal Reserve Bank of New York
- **Bank Holding Companies (BHC)**
- **Financial Holding Companies (FHC)**
- **Securities brokers and dealers**



TIC B - Consolidation Rules

- Consolidate all U.S. financial and non-financial subsidiaries
 - A subsidiary is a company in which another company (parent) owns 50% or more of the voting securities or an equivalent
- Consolidate all Variable Interest Entities (VIE) and Trusts (ASC – 810)
 - Trustee or primary beneficiary



TIC B – Consolidation Rules

Filing Responsibility	Entities to Include	Entities to Exclude
U.S. resident banks (including those owned by BHC, FHC & SLHC)	U.S. resident branches & subsidiaries (including IBF)	Owned or controlled: <ul style="list-style-type: none"> - Banks - Ins Underwriting subs - Pension funds - Secs broker dealers
BHC, FHC & SLHC	U.S. resident subsidiaries	Owned or controlled: <ul style="list-style-type: none"> - Banks - Ins Underwriting subs - Pension funds - Secs broker dealers
Securities broker/dealers (including those owned by BHC, FHC & Banks)	U.S. resident subsidiaries	Owned or controlled: <ul style="list-style-type: none"> - Ins Underwriting subs - Pension funds
Banking Edge Act and Agreements corps	U.S. resident branches & subsidiaries (including IBF)	Parent Organization

TIC B – Consolidation Rules

Filing Responsibility	Entities to Include	Entities to Exclude
U.S. Branches & Agencies of Foreign Banks	Offices located in the same state & FRB District (including IBF)	No consolidation of offices in different states or FRB District
Insurance companies	U.S. insurance underwriting subsidiaries	Financial non-insurance underwriting subsidiaries
Pension Funds	U.S. pension fund subsidiaries	Financial non-pension fund subs
All Other Financial Institutions	U.S. resident subsidiaries	Owned or controlled: - Ins. Underwriting subs - Pension Funds - Secs broker dealers

Affiliates

- A foreign-resident affiliate is:
 - Any foreign-resident entity for which the reporter owns 10 percent or more of its voting equity (or the equivalent);
 - Any foreign-resident “parent” company which owns 10 percent or more of the reporter’s voting equity (or the equivalent);
 - Any foreign-resident company which is a subsidiary (50 percent or more owned) of a foreign parent company of the reporter.

Direct Investment Reporting

- Direct Investment Transactions and Positions excluded from TIC System and reported to BEA.
 - Ownership of at least 10% of the voting securities of an incorporated business enterprise or the equivalent interest in an unincorporated business enterprise (Affiliate)
 - Flows and positions between these entities, including loans, are classified as direct investment



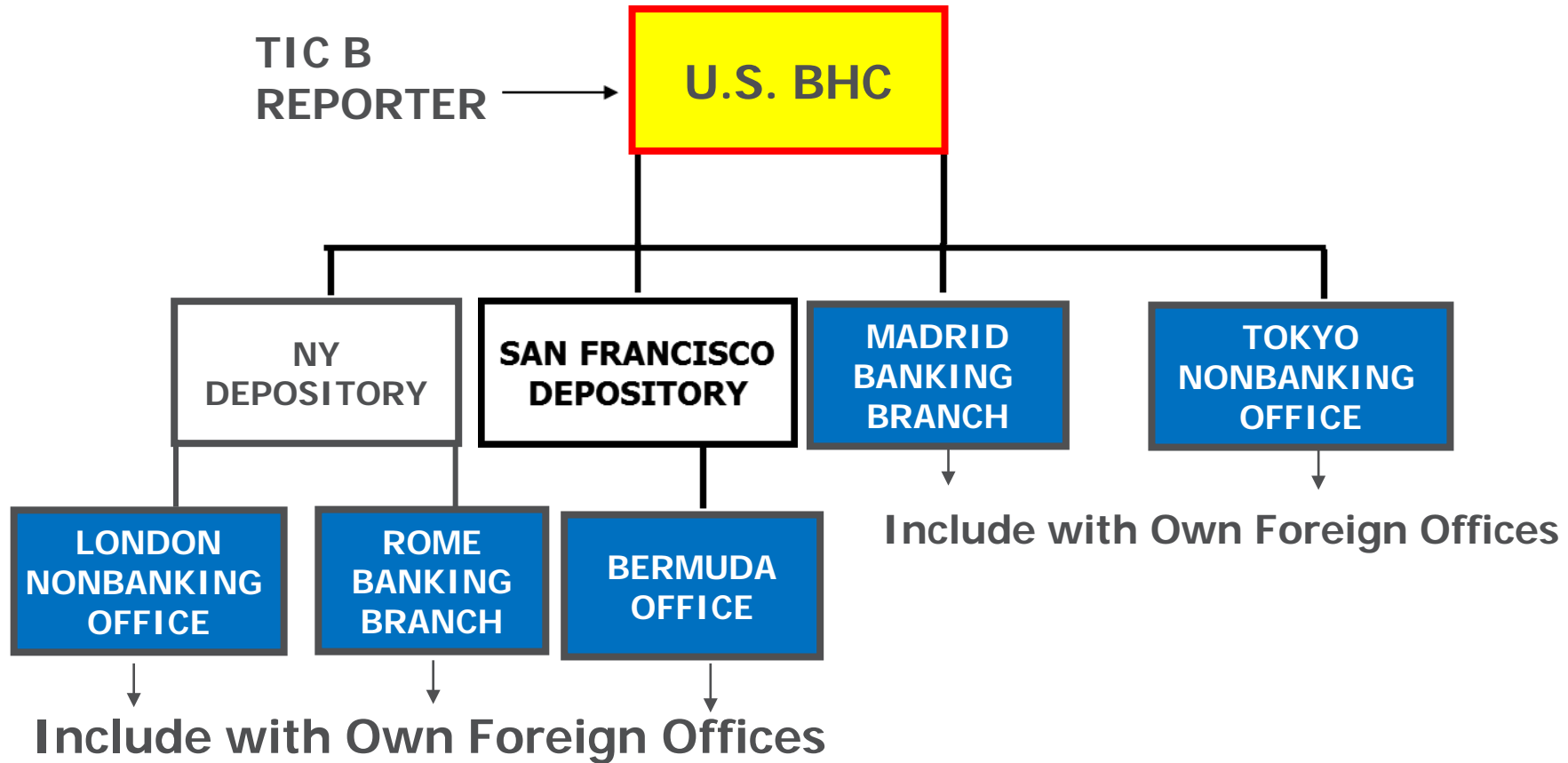
Not Direct Investment – Reportable on TIC B

- Debt transactions between certain affiliated financial intermediaries
 - Deposit-taking corporations
 - Securities broker/dealers
 - BHC and FHC
 - Investment Funds
 - Other Financial Intermediaries
- Exceptions
 - Insurance Companies and Pension Funds
 - Debt positions with affiliates are part of direct investment

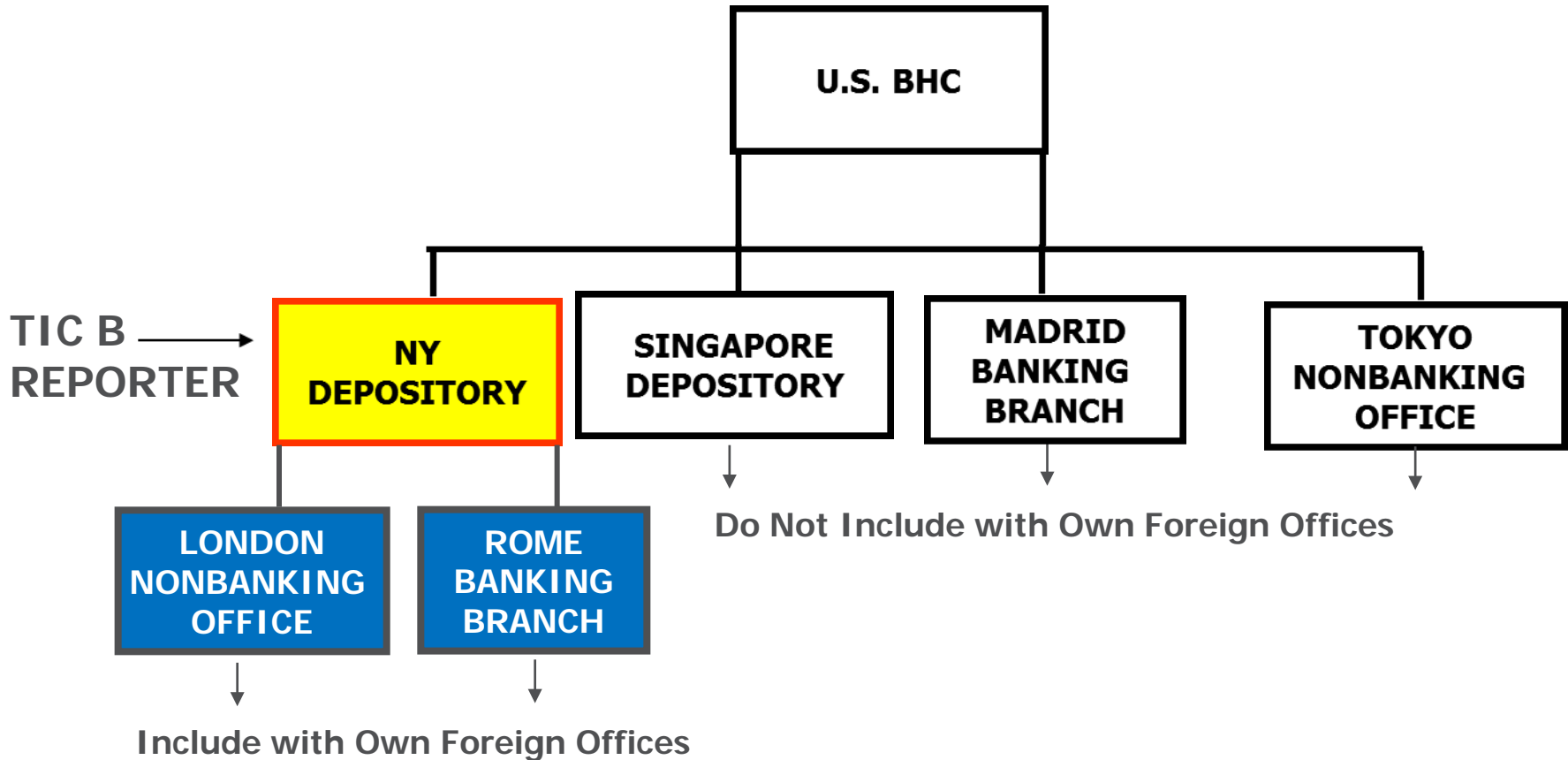
Own Foreign Offices – TIC BC & TIC BL-1

- All Reporters – Except Insurance Co & Pension Funds
 - Foreign Offices - Banking and Non-Banking
 - Foreign Office indirectly owned through a U.S. Subsidiary Depository or Non-Depository Financial Institution
- Foreign Owned Reporters
 - Direct Foreign Parent
 - Direct Foreign Parent's Foreign Bank Branches and Agencies
- Excluded
 - Foreign Offices of the Parent's Banking and Non-Banking Subsidiaries

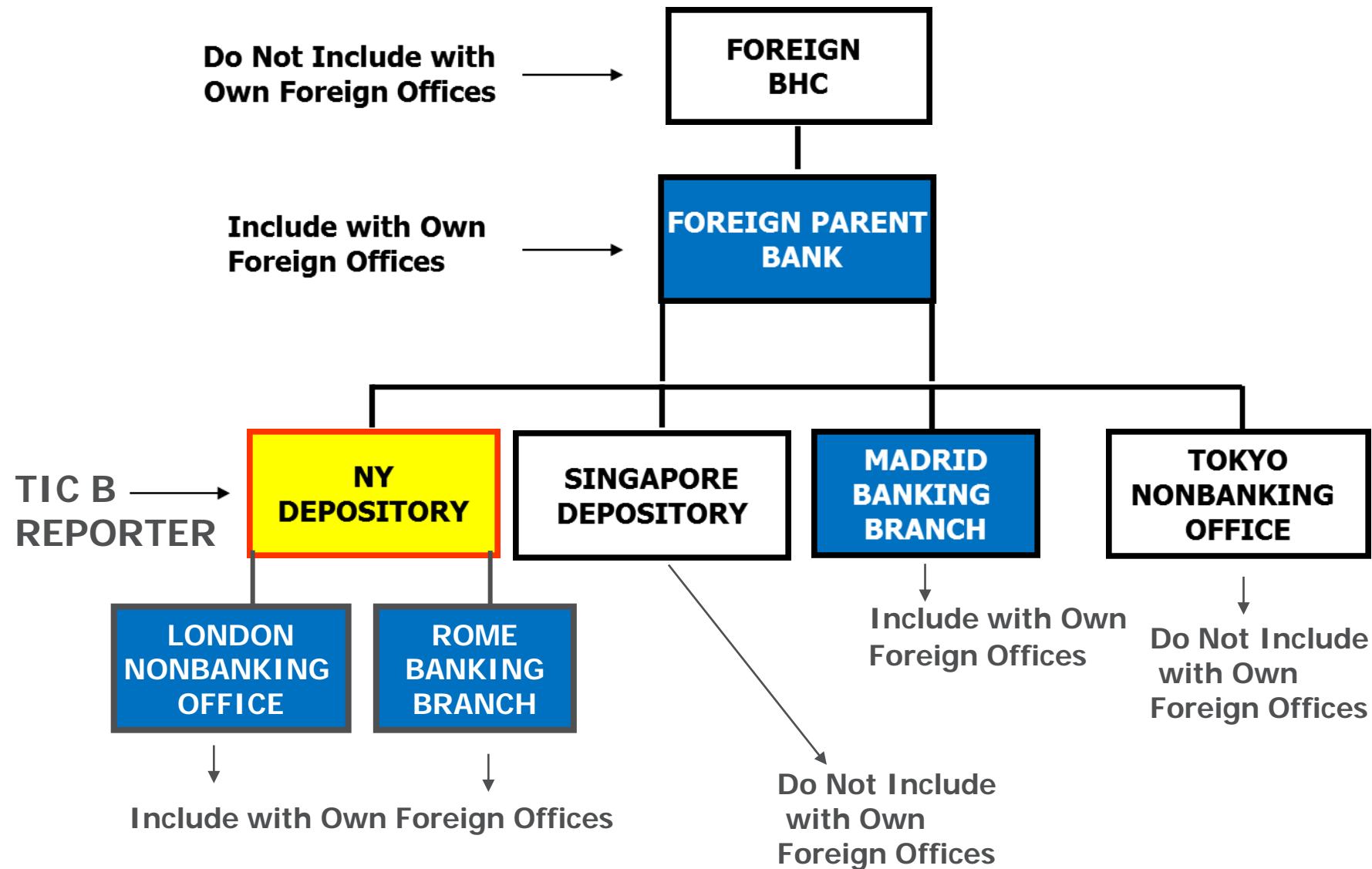
Own Foreign Office – U.S. BHC



Own Foreign Office – U.S. Owned Non-BHC



Own Foreign Office – Foreign Owned Reporters



Managed Foreign Office

- Foreign office of the reporter's parent in which:
 - Reporter manages a majority of business decisions
 - Lending or asset management
 - Funding or liability management
 - Reporter is responsible for recordkeeping with respect to assets and liabilities of that foreign office

Determining Residency of Foreign Counterparty

- Counterparty residence is determined by the country of legal residence.

Counterparty	Residency
Banks, BHC, FHC, SLHC, FBO, Securities Broker/Dealers Corporations Subsidiaries of Corporations	Country where incorporated (not country of head office or primary operations)
Bank branches	Country where licensed (not country of head office)
Individuals	Country of domicile
Entities or individuals that file IRS form W-8 (indicating they are foreign residents)	Foreign country reported (unless it is a U.S. Territory).
Partnerships, Trust and Funds	Country where legal organized

Foreign Counterparty Location - Exceptions

■ International & Regional Organizations

- Not reported in the country they are located
- Reported in appropriate Int'l & Reg Org row based on classification in "Geographical Classification" document (see Appendix B)

International & Regional Organizations	
International	7290-7
European	7390-3
Latin American	7491-8
Caribbean	7494-2
Asian	7590-6
African	7690-2
Middle Eastern	7790-9
TOTAL INT'L & REGIONAL ORGANIZATIONS	7999-5

Foreign Counterparty Location – Exceptions (cont'd)

- Institutions not reported as an Int'l & Regional Orgs
 - Bank for International Settlements (BIS) – 1330-7
 - European Central Bank (ECB) – 1350-1
 - Eastern Caribbean Central Bank (ECCB) – 3541-6
 - Bank of Central African States (BEAC) – 5031-8
 - Central Bank of West African States (BCEAO) – 5064-4

Note: Reported in their own individual country row

- Branches and agencies of FOIs reported opposite country that owns FOI

Counterparty - Foreign Official Institutions (FOI)

- Foreign central governments and their corresponding departments and agencies including
 - Treasuries
 - Ministries of Finance
- Central banks, including development banks performing the functions of a FOI
- Stabilization funds, including
 - Official exchange control or other government exchange authorities

Counterparty - Foreign Official Institutions (cont'd)

- International and regional organizations.
- Banks, corporations, or other agencies
 - Fiscal agents of national governments
 - Perform activities similar to those of a treasury, central bank, stabilization fund, or exchange control authority.

<http://www.treasury.gov/resource-center/data-chart-center/tic/Pages/foihome.aspx>

Counterparty – Foreign Banks

- Foreign Resident Banks – Non FOI
 - Commercial Banks
 - Savings Banks
 - Development Banks

Note: Includes foreign banking offices of the reporter

Counterparty – All Other Foreigners

- **Includes**

- Non-Banking Financial Institutions (NBFI)
- Non-Financial Corporations
- Partnerships and Individuals

- **Excludes**

- FOI
- Foreign Banks



Counterparty – All Other Foreigners - NBFI

- Non-Banking Financial Institutions (NBFI)
 - Securities Broker/Dealers
 - Bank Holding Companies
 - Financial Holding Companies
 - Insurance Companies
 - Pension Funds



General Accounting Issues – TIC B

- All amounts reported gross using settlement date accounting
- Amounts reported in Millions of U.S. dollars
 - Securities reported at the face value
 - All other instruments at the outstanding contractual amount less any impairments or accrued interest (if applicable).
 - Accrued interest receivables and payables should be reported separately.



General Accounting Issues – TIC B (cont'd)

- Positive and whole values (no negatives or decimals)
- Amounts in each cell rounded to nearest Million
- Claims with negative balances should be reported as liabilities; liabilities with negative balances should be reported as claims
- Foreign currency-denominated positions converted to USD using closing spot exchange rate on the as-of date of the report. (TIC BQ-2 & BQ-3)



Where to submit reports – TIC B

Filing Responsibility	Where to File
Banks, BHC, FHC, SLHC	File with FRB District where located (unless instructed otherwise)
Securities Broker Dealers (including those owned by Banks, BHC, & FHC) All Other Financial Institutions	File with FRB New York



Report Submission

- **Reporter's Information**
 - RSSD ID
 - Legal Name of Reporting Institution
- **Signature Requirement**
 - Signed by authorized officer
 - Electronic filers should retain signature page

Report Submission (cont'd)

- **Method of Submission**

- Reporting Central – Electronic submission via Internet
- Fax
- Hand-delivered
- Mail

- **Report Record Retention**

- Reports must be retained for 3 years from the date of submission



Monthly TIC B Reporting

Brian Goodwin



Frequency of Reporting - TIC B monthly reports

- As-of date is last business day of the month

June 2013 - As-of Date

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

July 2013—Due date

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

- Due date is 15 calendar days following the last day of the month

Note: If the due date of a report falls on a weekend or holiday, the due date is the following business day

Exemption Levels – Monthly TIC B reports

	Exemption Levels (Report if greater than or equal to either level)	
Form	Grand Total of all items (Row 9999-6)	Individual Country Data (any country row)
BC	\$50 Million	\$25 Million
BL-1	\$50 Million	\$25 Million
BL-2	\$50 Million	\$25 Million

Once exemption level is exceeded, reporter must continue to file for the remainder of the calendar year.

BC

**Report of U.S. Dollar Claims of
Financial Institutions on Foreign
Residents**



TIC BC – Report Changes

- Geographical Changes
- New “Of Which” Items
 - Unpaid Insurance Claims (8132-9)
 - Reinsurance Recoverables
 - Claims on Foreign-Resident NBFIs (8133-7)

- **Financial institutions (except Insurance Co & Pension funds)**
 - Report U.S. Dollar claims on foreign residents
 - Affiliates
 - Own Foreign Offices (both banking and non-banking)
 - Unaffiliated counterparties (unless specifically excluded)
- **Insurance companies and Pension funds**
 - Report U.S. Dollar claims on unaffiliated foreign residents (unless specifically excluded)

TIC BC – Reportable Claims

- Deposit balances due from banks of any maturity (including non-negotiable CDs)
- Negotiable certificates of deposit of any maturity
- Brokerage balances
- Customers' overdrawn accounts
- Loans and loan participations of any maturity
- Resale agreements and similar financing agreements

TIC BC – Reportable Claims (cont'd)

- Short-term negotiable and non-negotiable securities (original maturity of one year or less)
- Money market instruments (e.g., commercial paper, bankers' acceptances) with an original maturity of one year or less
- Assets Under Management (AUM) (not held by a U.S. custodian)
- Accrued interest receivables
- Reinsurance recoverables – **New**

TIC BC – Excluded claims

- Long-term securities (no contractual maturity or an original maturity of over one year), including equities and any long-term notes, bonds, and debentures of the reporting institution.
- Credit commitments (e.g., unused loan commitments and unused loan facilities), and contingent liabilities.
- Derivatives, including forwards, futures, options, swaps, and warrants.
- Spot foreign exchange contracts.

TIC BC – Excluded claims (cont'd)

- Precious metals (e.g., gold, silver) and currencies in transit to or from the United States or held outside the United States for the account of the reporter.
- Foreign currency-denominated claims.
- Securities borrowing agreements in which one security is borrowed in return for another.
- Claims in the form of short-term securities or certificates of deposit for which a U.S.- resident custodian is used.

TIC BC – Instrument Types

- **Non-Negotiable Foreign Deposits – Col 1**
 - Demand deposits
 - Time deposits (e.g., non-negotiable CDs)
 - Savings Deposits
 - Brokerage balances
- **Negotiable CDs & All ST Negotiable Secs – Col 2**
 - Negotiable CDs (of any maturity)
 - Negotiable securities

TIC BC – Instrument Types (cont'd)

- **Other Instruments – Cols 3 & 5**
 - Resale agreements
 - Insurance claims not yet paid
 - Prepaid insurance premiums
 - Accrued Interest Receivable
 - Non-negotiable short-term securities
 - All brokerage balances – Col 5 only
- **All Short-Term Negotiable Secs – Col 4**
 - Negotiable securities (including money market instruments) with an original maturity of one year or less

TIC BC – “Of Which” Columns

- **Foreign Official Institutions – Col 7**
 - Report all claims in Cols 1-3 that are due from FOIs
- **Own Foreign Office – Col 8**
- **Resale Agreements – Col 9**

TIC BC – “Of Which” Rows & Memo Item

- **Total IBF Assets (8300-3)**
 - Claims of reporter’s IBF on foreign residents
- **Negotiable CDs (8110-8)**
 - Amount reported in Column 2
- **Unpaid Insurance Claims (8132-9) – New**
 - Reinsurance recoverables due from unaffiliated foreign resident insurance companies in Col 3,5 & 6
- **Claims on Foreign Resident NBFIs (8133-7) – New**
 - Amounts reported in Column 4,5,6,8 & 9
- **Assets Written-Off (8200-9)**

TIC BC – Common Reporting Errors

- Excluding accrued interest receivable from “Other Claims”
- Reporting foreign currency-denominated claims
- Reporting short-term securities or CDs that are held by a U.S. custodian

TIC BC – Common Reporting Errors (cont'd)

- DI's including claims on offices of affiliated banks and non-banking offices of their parent in “Own Foreign Offices” Column 8
- Reporting long-term negotiable securities

BL-1

**Report of U.S. Dollar Liabilities
of Financial Institutions to
Foreign Residents**



TIC BL-1 – Report Changes

- Geographical Changes
- New “Of Which” Items
 - Unpaid Insurance Claims and Prepaid Insurance Premiums (8132-9)
 - Insurance Technical Reserves
 - Liabilities to Foreign Resident NBFIs (8133-7)



TIC BL-1 - Overview

- **Financial institutions (except Insurance Co & Pension funds)**
 - Report U.S. Dollar liabilities on foreign residents
 - Affiliates
 - Own Foreign Offices (both banking and non-banking)
 - Unaffiliated counterparties (unless specifically excluded)
- **Insurance companies and Pension funds**
 - Report U.S. Dollar liabilities on unaffiliated foreign residents (unless specifically excluded)

TIC BL-1 – Reportable Liabilities

- Non-negotiable deposits of any maturity, including non-negotiable certificates of deposit
- Brokerage balances
- Overdrawn deposit accounts
- Loans of any maturity excluding drawn syndicated loans where there is a U.S. administrative agent



TIC BL-1 – Reportable Liabilities (cont'd)

- Short-term non-negotiable securities (an original maturity of one year or less)
- Repurchase agreements and similar financing agreements
- Accrued interest payables
- Insurance technical reserves – New
- Prepaid insurance premiums – New



TIC BL-1 – Excluded Liabilities

- Negotiable certificates of deposit
- Negotiable short-term securities
 - Reported by either U.S. Custodian or U.S. Issuer (if not U.S. custodian is used)
 - TIC BL-2 – Dollar Denominated
 - TIC BQ-2 – Foreign Currency Denominated

TIC BL-1 – Excluded Liabilities (cont'd)

- Foreign residents' deposits or brokerage balances swept into money market or other mutual funds. (These should be reported on the TIC S.)
- Securities lending agreements in which one security is lent in return for another.
- Loans from a foreign resident that are serviced by a U.S. resident (including the reporter's own offices).

TIC BL-1 – Instrument Types

- **Non-Neg Deposits & Brokerage Balances - Col 1,3 & 5**
 - Demand deposits
 - Time deposits (e.g., non-negotiable CDs)
 - Savings Deposits
 - Brokerage balances

TIC BL-1 – Instrument Types (cont'd)

■ Other Instruments – Cols 2,4 & 6

- Loans from foreign residents
- Unpaid insurance claims
- Prepaid insurance premiums
- Accrued Interest Payable
- Non-negotiable short-term securities issued by reporter

TIC BL-1 – “Of Which” Columns

- **Own Foreign Office – Col 8**
- **Repurchase Agreements – Col 9**



TIC BL-1 – “Of Which” Rows

- **Total IBF Liabilities (8300-3)**
 - Liabilities of reporter’s IBF to foreign residents
- **Repurchase Agreements (8400-7)**
 - Amounts reported in Column 2, 4, 6, & 8
- **Unpaid Insurance Claims & Prepaid Insurance Premiums (8132-9) – New**
 - U.S. resident underwriting business – total amount of unpaid insurance claims and prepaid insurance premiums in col 2,4,6 & 7



TIC BL-1 – “Of Which” Rows (cont’d)

- **Liabilities to Foreign Resident NBFIs (8133-7) – New**
 - Amounts reported in Column 5,6,7,8 & 9
- **Non-interest Bearing Liabilities (8130-2)**
 - All non-interest bearing deposits and loans in Col 1- 6



TIC BL-1 – Common Reporting Errors

- Excluding accrued interest payable from “Other Liabilities”
- Reporting negotiable short-term securities
- Reporting negotiable CDs
- DI’s including liabilities on offices of affiliated banks and non-banking offices of their parent in “Own Foreign Offices” Column 8



BL-2

**Report of Customers' U.S. Dollar
Liabilities to Foreign Residents**



TIC BL-2 – Report Changes

- Memorandum items section expanded from 1 column to 11 columns
- Memorandum items
 - Renamed
 - Updated



TIC BL-2 – Changes to Memo Items

- “Loans to Banks” (8141-8) renamed to “Loans to U.S. Banks”
 - Data to be reported in expanded columns 3, 6, & 9
- “ST Neg Sec Issued by Banks..” (8142-6) renamed to “ST Neg Sec Issued by U.S. Banks..”
 - Data to be reported in expanded columns 2, 5, & 8

TIC BL-2 – Changes to Memo Items (cont'd)

- Current “Other” Memo Items
 - Liabilities of Other U.S. Debtor Sectors
 - Other Short-Term Negotiable Securities (8150-3)
 - Loans to Others (8155-8)

Being Replaced By

- New Memo Items for “NBFI” only
 - Debt of U.S. Resident Non-Bank Financial Institutions (NBFIs) (8134-5)
 - Loans to U.S. NBFIs (8135-3)
 - Short-term Negotiable Securities Issued by NBFIs (8136-1)



- **Customers' U.S. Dollar Liabilities to Foreign Residents**
 - Report U.S. Dollar liabilities on foreign residents
 - Custodian
 - Issuer
 - Loan administrator or servicer
 - Manage a foreign office of the parent



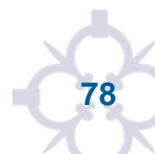
TIC BL-2 – Reportable Customer Liabilities

■ Custody Items

- Short-term (an original maturity of one year or less) negotiable and non-negotiable debt securities (including money market instruments).
- Negotiable certificates of deposit of any maturity issued by either the reporter or another U.S. resident depository institution and held by the reporter for foreign residents.

■ Short-term Negotiable Securities

- Short-term negotiable securities issued by the reporter directly in a foreign market where no U.S. custodian (other than the reporter) is used.



TIC BL-2 – Reportable Customer Liabilities (cont'd)

- **Liabilities to Managed Foreign Offices (MFO)**
 - Liabilities of U.S. residents other than those subject to TIC B reporting to managed foreign offices of the reporter.

MFO: Foreign office of the reporter's parent in which:

- Reporter manages a majority of business decisions
- Reporter is responsible for recordkeeping with respect to assets and liabilities of that foreign office



TIC BL-2 – Reportable Customer Liabilities (cont'd)

■ Loans Placed Overseas

- Foreign holdings of loans and loan participations to U.S. residents that are serviced by the reporter, whether held by affiliated or non-affiliated parties.
- Liabilities of U.S. residents to foreign residents from loan syndications in which the reporter is the administrative agent.

TIC BL-2 – Excluded Customers Liabilities

- Assets, including short-term securities held in custody for customers, which have been temporarily received by foreign residents as collateral under resale agreements or similar financing agreements.
- Short-term non-negotiable securities issued by your own institution (TIC BL-1)

TIC BL-2 – Instrument Types

- **Short-Term U.S. Treasury Obligations – Col 1, 4 & 7**
 - Short-term (original maturity of one year or less) direct obligations of the U.S. Treasury
- **Negotiable CDs & All ST Negotiable Secs – Col 2,5 & 8**
 - Negotiable CDs (of any maturity)
 - Negotiable securities (including money market instruments) with an original maturity of one year or less not issued by the U.S. Treasury

TIC BL-2 – Instrument Types (cont'd)

- **Other Custody Liabilities – Cols 3,6 & 9**
 - All custodial holdings of non-negotiable securities
 - Loans to U.S. residents (other than those subject to TIC B reporting) from managed foreign offices of the reporter
 - Loans to U.S. residents by foreign residents that are serviced by the reporter
- **Negotiable CDs held for Foreign Residents in Col 2, 5, & 8 – Col 11**



TIC BL-2 – Memo Items

- **Total U.S. Resident Bank Debt (8102-7) – Col 10**
 - Total liabilities which U.S. Banks are the debtor
- **Loans to U.S. Banks (8141-8) – Col 3, 6, 9 & 10**
 - Loans to U.S. banks from foreign residents in row (8102-7)
- **ST Neg Secs Issued by U.S. Bks (8142-6) – Col 2, 5, 8 & 10**
 - Short Term negotiable securities (excluding CDs) issued by banks held by foreigners in row (8102-7)

TIC BL-2 – Memo Items (cont'd)

- **Total U.S. General Government Debt (8144-2) – Col 10**
 - All debt issued by U.S. Treasury and State & Local Govt's reported in the Grand Total (9999-6)
- **Total U.S. Agency Debt (8146-9) – Col 10**
 - All debt (including MBS) issued by or guaranteed by U.S. Government Agencies or Federally Sponsored Enterprises reported in the Grand Total (9999-6)

TIC BL-2 – Memo Items (cont'd)

- **Debt of U.S. Resident NBFIs (8134-5) – Col 10 - New**
 - Total liabilities which U.S. NBFIs are the debtor
- **Loans to U.S. NBFIs (8135-3) – Col 3, 6, 9 & 10**
 - Loans from foreign residents to U.S. NBFIs
 - Loans to U.S. NBFIs from managed offices of the reporter
 - Loans serviced by reporter or reporter acts as administrative agent
- **Short-term Neg Secs Issued by U.S. NBFIs (8136-1) – Col 2, 5, 8, 10**
 - Excludes non-negotiable securities

TIC BL-2 – Common Reporting Errors

- Excluding negotiable CDs from the Total Bank Debt row
- Excluding state/local government debt from Total General Government row (8144-2)
- Reporting non-negotiable securities issued by reporter (reportable on TIC BL-1)



Summary of Reporting Short-Term Secs

Situation	U.S. Dollar
Claims	
Holds a foreign security for its own account	BC
Liabilities	
Issues a non-negotiable security to a foreign resident (or to anyone in a foreign market)	BL-1
Reporter issues a negotiable security (including all bearer instruments) in a foreign market (unless the security is known to be held by a U.S. custodian other than the reporter)	BL-2
Holds a negotiable or non-negotiable security issued by a U.S. resident other than itself for a foreign owner.	BL-2

BQ

TIC BQ - Overview



Shantá Pressley, International Reports

TIC BQ Overview

- **TIC BQ1** – Report of Customers’ U.S. Dollar Claims on Foreign Residents
- **TIC BQ 2**
 - *Part 1:* Report of Foreign Currency Liabilities and Claims of U.S. Financial Institutions, and of their Domestic Customers’ Foreign Currency Claims with Foreign Residents;
 - *Part 2:* Report of Customers’ Foreign Currency Liabilities to Foreign Residents
- **TIC BQ 3** - Report of Maturities of Selected Claims and Liabilities of Financial Institutions with Foreign Residents
 - Part 1: Maturities of Liabilities
 - Part 2: Maturities of Claims

Who Must Report the TIC BQ

- Banks
- Bank Holding Companies (BHC), Financial Holding Companies (FHC) and Savings and Loan Holding Companies (SLHC)
- Securities Brokers and Dealers, regardless of their affiliations with other entities
- All Other Financial Institutions

Exemption Level

Exemption Levels (Report if greater than or equal to either level)		
Form / Part	Grand Total of all Geographic Areas (Row 9999-6)	Individual Country Data (any country row)
BQ-1	\$50 million	\$25 million
BQ-2, Part 1, Columns 1-6	\$50 million	\$25 million
BQ-2, Part 2, Columns 1-3 (Row 9980-5)	\$50 million	No country limit
	Total reported data on Forms BL-1 & BQ-2, Part 1, Columns 1+2, Grand Total of all Geographic Areas (Row 9999-6)	
BQ-3 (Part I)	\$4 billion	No country limit
	Total reported data on Forms BC & BQ-2, Part 1, Columns 3+4, Grand Total of all Geographic Areas (Row 9999-6)	
BQ-3 (Part II)	\$4 billion	No country limit

TIC BQ - Due Dates

- As-of Date – Last business day of the quarter
- Due Date – Twenty calendar days following the last day of the quarter

June 2013

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

As-of Date
last date of the quarter

July 2013

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Last Day of the Quarter

Report Due Date

BQ-1

**Report of Customers' U.S. Dollar
Claims on Foreign Residents**



TIC BQ-1 Report Changes

- Geographical Changes
- New “Of Which” Item
 - Claims of U.S. Resident Non-Bank Financial Institutions (8134-5)

TIC BQ-1 – What to Report

- Custody Items
- Claims on Managed Offices
- Funds Placed Overseas
- Brokerage Balances



TIC BQ-1 – What to Report

■ Custody Items

- All liabilities of foreign residents that the reporter holds in custody for the account of U.S. residents.
 - Short-term negotiable and non-negotiable debt securities, including money market instruments.
 - Negotiable certificates of deposits of any maturity issued by foreigner and held by the reporter for U.S. residents.



TIC BQ-1 – What to Report

- **Claims on Managed Offices**

- Claims of U.S. residents (other than those subject to TIC B reporting) on managed foreign offices of the reporter.

- **Funds Placed Overseas**

- Pre-arranged “sweep” agreements with foreign office of reporter

- **Brokerage Balances**

- Cash balances in brokerage and margin accounts.



TIC BQ-1 - Exclusions

- Foreign currency-denominated claims
- Administrative agents for syndicated loans exclude loans to foreign borrowers by U.S. creditors
- Short-term securities held in your own security portfolio or trading account.



BQ-1 Column 1 – Non-Negotiable Foreign Deposits

- Pre-arranged “sweep” arrangements
 - Transfer of funds from their customers’ account to deposit accounts on the books of foreign offices
- Deposits of U.S. residents, other than those subject to TIC B reporting, that are held with managed foreign offices of the reporter
- Brokerage Balances

BQ-1 Column 2 – Negotiable CDs

- U.S. residents holdings of negotiable certificate of deposits of any maturity issued by foreign banks.

BQ-1 Column 3 – All Short-term Negotiable Secs

- U.S. residents holdings of short-term negotiable securities issued by foreign residents.
 - Money Market Instruments
 - Banker's Acceptances
 - Commercial Paper
 - Repurchase Agreements



BQ-1 Column 4 – Other Claims

- Short-term non-negotiable securities issued by foreign residents.
- Pre-arranged “sweep” agreements transferred into non-deposits accounts (loans)
- Claims in the form of a borrowing by non-U.S. residents on managed offices of the reporter.

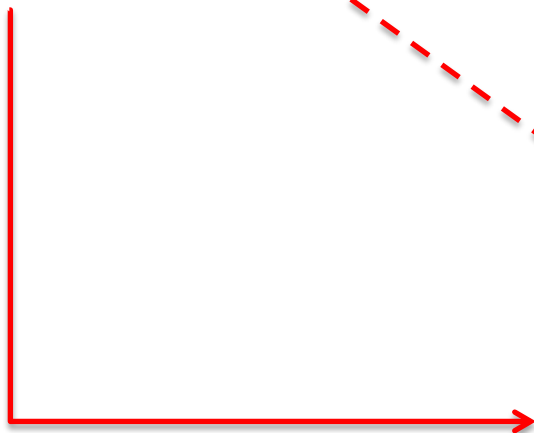
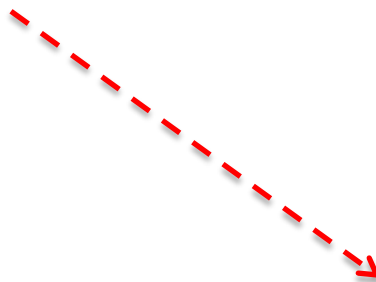
Sweep Agreements

U.S. Person/Investor



U.S. Office of Bank A

As a result of the sweep, the U.S. person/investor has an international claim on the foreign office of Bank A



Foreign Office Account
or Instrument

BQ-1 – “of Which” Items

- **Commercial Paper**

- Report the amounts included in the Grand Total row that represent commercial paper issued by foreign residents included in Column 3

- **Claims of U.S. Banks**

- Report the amounts included in the Grand Total row that represent U.S. depository institutions (banks) that are customers of the reporter.

- **Claims of U.S. Resident Non-Bank Financial Institutions (NBFIs)**

- Report the amounts included in the Grand Total row that represent U.S. residents non-bank financial institutions that are customers of the reporter.



NEW

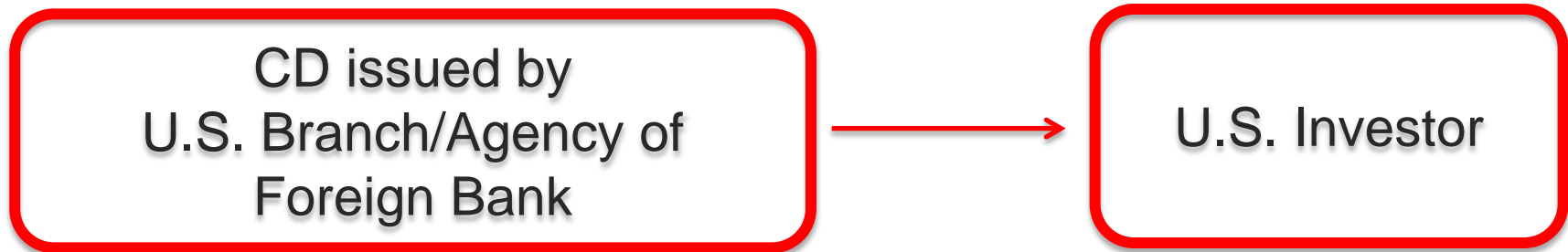
BQ-1 – Common Reporting Errors

- Excluding claims of non-bank, U.S. residents on managed foreign offices
- Excluding funds of U.S. customers transferred overseas under pre-arranged sweep agreements
- Including securities issued by U.S. branches/agencies of foreign residents.

BQ-1 – Common Reporting Errors (cont'd)

Common Reporting Error:

- Yankee CD's – a foreign certificate of deposit denominated in U.S. dollars, issued in the U.S. to American investors.



U.S. to U.S. transactions, are **NOT** reported on the TIC reports.

BQ-2

Part 1: Report of Foreign Currency Liabilities and Claims of Financial Institutions, and of their Domestic Customers' Foreign Currency Claims with Foreign Residents



TIC BQ-2 – Part 1 Report Changes

- Geographical Changes
- New reportable liability “Insurance Technical Reserves”
- New “Of Which” Items
 - Foreign Currency – Swiss Francs
 - Unpaid Insurance Claims and Prepaid Insurance Premiums
 - Claims on/Liabilities to Foreign-Resident Banks
 - Claims on/Liabilities to Foreign Resident Non-Bank Financial Institutions

BQ-2 Part 1 – What to Report (Col 1&2)

■ Reporter's Foreign Currency Liabilities

(Same type of liabilities reported on the BL-1 form)

- Non-negotiable deposits of any maturity, including non-negotiable certificates of deposit
- Brokerage balances
- Overdrawn deposit accounts
- Loans of any maturity

BQ-2 Part 1 – What to Report (Col 1&2) Cont'd

- Short-term non-negotiable securities (an original maturity of one year or less)
- Repurchase agreements and similar financing agreements
- Accrued interest payables
- Insurance technical reserves
- Prepaid insurance premiums



Exclusions – Col 1 & 2

- Negotiable CDs
- Negotiable Short-term securities
- Foreign resident's deposits or brokerage balances swept into money market or other mutual funds.
- Securities lending agreements

BQ-2 Part 1 – What to Report (Col 3&4)

- **Reporter's Foreign Currency Claims**
(Same typed of claims reported on the BC form)
 - Deposit balances due from banks of any maturity
 - Negotiable certificates of deposit of any maturity
 - Brokerage balances
 - Customers' overdrawn accounts
 - Loans and loan participations of any maturity

BQ-2 Part 1 – What to Report (Col 3&4) Cont'd

- Resale agreements and similar financing agreements
- Reinsurance recoverable
- Short-term negotiable and non-negotiable securities (original maturity of one year or less)
- Money market instruments
- Assets Under Management (AUM) (not held by a U.S. custodian)
- Accrued interest receivables

Exclusions – Cols 3 & 4

- Credit commitments
- Spot foreign exchange contracts
- Securities borrowing agreements

BQ-2 Part 1 – What to Report (Col 5&6)

- **Reporters Domestic Customers Foreign Currency Claims** (Same type of claims reported on the BQ-1 form)
 - Custody Items
 - Short-term negotiable and non-negotiable debt securities (including money market instruments) issued by foreigners
 - Negotiable Certificate of Deposits (CDs)
 - Claims on Managed offices
 - Funds Placed Overseas
 - Transfer of funds under pre-arranged “sweep” agreements.
 - Brokerage Balances

Exclusions – Col 5 & 6

- Assets, including short-term securities held in custody for customers
- Short-term securities held in your own security portfolio or trading account.

BQ-2 Part 1 – “of Which” Items

- Total IBF Liabilities/Assets (Columns 1-4)
- Foreign Currency Detail (Columns 1-6)

DENOMINATED IN CANADIAN DOLLARS	8500-1
DENOMINATED IN EUROS	8500-2
DENOMINATED IN STERLING	8500-3
DENOMINATED IN YEN	8500-4
DENOMINATED IN SWISS FRANCS	8500-5

- Negotiable CDs (Columns 4 & 6)
- Short-term Negotiable Securities (Columns 4 & 6)
- Repurchase/Resale Agreements (Columns 2 & 4)

BQ-2 Part 1 – “of Which” Items



- Unpaid Insurance claims and prepaid insurance premiums
 - Reported in Column 2 for Liabilities, Column 4 for Claims
- Liabilities to and Claims on Foreign-Resident Banks
- Liabilities to and Claims on Foreign-Resident Non-Bank Financial Institutions

Foreign Economies and Organizations	CODE	Reporter's Own Liabilities and Claims				Claims of Reporter's Domestic Customers		Grand Total (sum of columns 1 – 6)
		Liabilities to Foreigners		Claims on Foreigners		Non-Negotiable Foreign Deposits	Other Customers' Claims	
		Non-Negotiable Deposits	Other Liabilities	Non-Negotiable Foreign Deposits	Other Claims			
	1	2	3	4	5	6	7	
		Millions	Millions	Millions	Millions	Millions	Millions	Millions
UNPAID INSURANCE CLAIMS AND PREPAID INSURANCE PREMIUMS	8132-9							
LIABILITIES TO AND CLAIMS ON FOREIGN-RESIDENT BANKS	8138-8							
LIABILITIES TO AND CLAIMS ON FOREIGN-RESIDENT NON-BANK FINANCIAL INSTITUTIONS	8133-7							

BQ-2 Part 1 - Common Reporting Errors

- Excluding accrued interest receivable/payable from “Other Claims/Liabilities”
- Excluding reportable foreign currency denominated items
- Reporting data in foreign currencies rather than U.S. dollar equivalent

BQ-2

Part 2: Report of Customers' Foreign Currency Liabilities to Foreign Residents



BQ-2 Part 2 – What to Report

- **Reportable Customers Foreign Currency Liabilities**
(Same type of liabilities reported on the BL-2 form)
 - Custody Items
 - Short-term negotiable and non-negotiable debt securities
 - Securities “transferred out” under repurchase agreements
 - Negotiable CDs of any maturity issued by Reporter or another U.S. residents DI

BQ-2 Part 2 – What to Report

- Liabilities to managed offices
- Loans placed overseas
- Negotiable and non-negotiable short-term securities

BQ-2 Part 2 Columns

- Negotiable CDs
- All Short-term Negotiable Securities
- Other Liabilities

BQ-2 Part 2 Common Reporting Errors

- Including assets which have been temporarily received by foreign resident as collateral under resale agreements or similar agreements

Summary of Reporting Short-Term Securities

Situation	U.S. Dollar	Foreign Currency
Claims		
Holds a foreign security for its own account	BC	BQ-2, Part 1
Holds a foreign security for the account of another institution/person	BQ-1	BQ-2, Part 1
Liabilities		
Issues a non-negotiable security to a foreign resident (or to anyone in a foreign market)	BL-1	BQ-2, Part 1
Reporter issues a negotiable security (including all bearer instruments) in a foreign market (unless the security is known to be held by a U.S. custodian other than the reporter)	BL-2	BQ-2, Part 2
Holds a negotiable or non-negotiable security issued by a U.S. resident other than itself for a foreign owner.	BL-2	BQ-2, Part 2

BQ-3

Report of Maturities of Selected Liabilities and Claims of Financial Institutions with Foreign Residents



Changes to the BQ 3

- Part 1: Liabilities to Foreign Residents Remaining Maturities
- Part 2: Claims on Foreign Residents Remaining Maturities – New Section
 - Demand Deposits, Arrears, Resale Agreements...
 - Maturing in 1 Year or Less
 - Maturing in over 1 year

BQ-3 What to Report

- Report all claims and liabilities of the various types on the reporter's BC, BL1 and BQ-2 forms for the same as-of date, by remaining maturity.

PART 1: LIABILITIES TO FOREIGN RESIDENTS- REMAINING MATURITIES

	Non-Negotiable Deposits & Brokerage Balances [reported on BL-1 (cols. 1,3,5) & BQ-2, Part 1 (col. 1)]	Repurchase Agreements & Other Liabilities [reported on BL-1 (cols. 2,4,6) & BQ-2, Part 1 (col. 2)]	Loan Liabilities Excluding Repurchase Agreements [reported on BL-1 (cols. 2,4,6) & BQ-2, Part 1 (col. 2)]	GRAND TOTAL (sum of columns 1 - 3)
CODE	1	2	3	4

PART 2: CLAIMS ON FOREIGN RESIDENTS- REMAINING MATURITIES

	Non-Negotiable Deposits & Brokerage Balances [reported on BC (col. 1) & BQ-2, Part 1 (col. 3)]	Resale Agreements & Other Claims [reported on BC (cols. 3, 5) & BQ-2, Part 1 (col. 4)]	Loan Claims Excluding Resale Agreements [reported on BC (cols. 3, 5) & BQ-2, Part 1 (cols. 4)]	GRAND TOTAL (sum of columns 1 - 3)
CODE	1	2	3	4

BQ-3 Part 1 - Liabilities

- Non-Negotiable Deposits & Brokerage Bal (Column 1)
 - Totals Columns 1, 3 and 5 of Grand Total (9999-6) on the BL-1
 - Total Column 1 Grand Total (9999-6) of the BQ-2 Part
- Repurchase Agreements and Other Liabs (Column 2)
 - Totals from Columns 2, 4, and 6 Grand Total (9996-6) on the BL-1
 - Repurchase Agreements Row (8400-7), Column 2 of the BQ-2, Part 1

BQ-3 Part 1 - Liabilities

- Loan Liabilities (Column 3)
 - Total amount of loans excluding repurchase and similar agreements (included in Column 2 of this form)
 - **ONLY report loans in this column;** exclude all other liabilities

BQ-3 Part 1 Columns

PART 1: LIABILITIES TO FOREIGN RESIDENTS- REMAINING MATURITIES

	Non-Negotiable Deposits & Brokerage Balances [reported on BL-1 (cols. 1,3,5) & BQ-2, Part 1 (col. 1)]	Repurchase Agreements & Other Liabilities [reported on BL-1 (cols. 2,4,6) & BQ-2, Part 1 (col. 2)]	Loan Liabilities Excluding Repurchase Agreements [reported on BL-1 (cols. 2,4,6) & BQ-2, Part 1 (col. 2)]	GRAND TOTAL (sum of columns 1 - 3)
CODE	1	2	3	4

Demand Deposits	8010-1
Arrears	8020-9
Non-Interest Paying Items Without a Fixed Maturity Including Repos Under a Continuing Contract	8030-6
Other Items Without a Fixed Maturity Including Repos Under a Continuing Contract	8040-3
Other , 90 Days or Less	8051-9
Over 90 Days to 180 Days	8052-7
Over 180 Days to 270 Days	8053-5
Over 270 Days to 1 Year	8054-3
Over 1 Year to 2 Years	8055-1
Over 2 Years	8057-8

BQ-3 Part 2 – Claims

- Non-Negotiable Deposits & Brokerage Balances (Column 1)
 - Total Column 1 Grand Total (9999-6) of the BC
 - Total Column 3 Grand Total (9999-6) of the BQ-2, Part 1
- Resale Agreements and Other Claims (Column 2)
 - Total Column 9 Grand Total (9999-6) of the BC
 - Repurchase/Resale Agreements Row (8400-7) Column 4 of the BQ-2, Part 1
 - Total Column 3 and 5 of the BC and Column 4 of the BQ-2, Part 1

BQ-3 Part 2 – Claims

- Loan Claims Excluding Resale Agreements (Column 3)
 - Total Columns 3 and 5 of the BC, exclude resale/similar financing agreements
 - Total Column 4 of the BQ-2, Part 1, exclude all claims

BQ-3 Part 2 Columns



PART 2: CLAIMS ON FOREIGN RESIDENTS- REMAINING MATURITIES

	Non-Negotiable Deposits & Brokerage Balances [reported on BC (col. 1) & BQ-2, Part 1 (col. 3)]	Resale Agreements & Other Claims [reported on BC (cols. 3, 5) & BQ-2, Part 1 (col. 4)]	Loan Claims Excluding Resale Agreements [reported on BC (cols. 3, 5) & BQ-2, Part 1 (cols. 4)]	GRAND TOTAL (sum of columns 1 - 3)
CODE	1	2	3	4

Demand Deposits, Arrears, Resale Agreements Under Continuing Contract, and Items With No Fixed Maturity	8139-6
Maturing in 1 Year or Less	8143-4
Maturing in Over 1 Year	8147-7

BQ-3 Common Reporting Errors

- Misstating the time remaining to maturity rows
- Including loan liabilities from the BL-1 and BQ-2 in calculating column 2
- Including repurchase agreements or similar financing agreements from the BL-1 and BQ-2 in calculating column 3



FEDERAL RESERVE BANK *of* NEW YORK

TIC S and SLT

Alex Karas
Securities Reports

Overview

- TIC S
- TIC SLT
- Common Reporting Errors
- Data Analysis and Compare
- Hedge Fund Reporting
- Upcoming Form Change – TIC SHL(A) and SHC(A)

TIC S - Overview



TIC S - Who Must Report

- Filers are U.S. entities/residents who buy or sell long-term securities **directly** to or from foreign residents and include:
 - Securities brokers and dealers
 - Depository Institutions (including BHCs/FHCs)
 - Non-bank holding companies
 - Insurance companies
 - Investment managers
 - Industrial and commercial entities
 - Other investors or non-banking entities

TIC S - Who Must Report (Continued)

- Must file monthly TIC S form if total reportable transactions (purchases + sales) amount to \$50 million or more
- Report for the calendar year that threshold is met
 - Continue to report until the end of the year even if reportable securities fall below the threshold



TIC S - Reportable Securities

- L.T. debt issued by U.S and foreign residents
 - Bonds, Notes and Debentures
- Asset-Backed Securities
- Equity issued by U.S. and foreign residents
 - Common and Preferred Stock
 - Shares of Funds (e.g., mutual, pension, hedge, money market) and investment companies
 - Limited partnership interest

TIC S - Exclusions

- Exclude
 - S.T. securities (an original maturity of one year or less)
 - New offering of securities issued by foreigners for the sale only to foreigners
 - Interest payments, Dividend distributions
 - CDs, deposit note, bankers' acceptances, loan participations
 - Repurchase agreements
 - Securities lending transactions/securities taken in loan or lent as collateral
 - Derivatives (including forward contracts)

TIC S - How to Report

- Form S is completed from the viewpoint of the foreigner:
 - For example, purchases of long-term securities (for the reporters own account or for the account of US customers) should be recorded as sales by a foreign resident
 - Report opposite the country or geographic region of residence of the direct foreign purchaser or seller of the securities
- Use Settlement Date Accounting

TIC SLT - Overview



TIC SLT - Who Must Report

- Filers are U.S. resident Custodians (incl. CSDs), Issuers, and End-Investors.
- Must file monthly TIC SLT form if the reportable consolidated market value of all U.S. and foreign securities' held as a Custodian, Issuer and/or End Investor exceeds \$1 billion.
- Report for the calendar year that threshold is met
 - Continue to report until the end of the year even if reportable securities fall below the threshold

TIC SLT - Who Must Report

- **US Resident Custodian**

- A bank or other entity that is legally responsible for the safekeeping of stock certificates, debt securities, or other assets for institutional and private investors.

- **US Resident End Investor**

- An entity that acquires or relinquishes securities for its own account (for trading, investment, or any other purposes) or invests on behalf of others, including asset pools.
- They report all foreign securities owned by U.S.-resident clients and by the U.S.-resident parts of their own organizations that are **not held by U.S.-resident custodians that know the identity of the investors.**

TIC SLT - Who Must Report

- **US Resident Issuers**

- Any US person that issues securities including
 - Financial and Non-Financial Orgs
 - Governments and Agencies
 - Sponsors/Managers/Advisors of funds and other investment vehicles

TIC SLT - How to Report

- **Custodians report**

- Part A US securities held in custody for the account of foreign residents, and foreign securities held in custody for US Residents
- Part B Foreign securities held for own account

- **Issuers report**

- Part B Securities issued by the US resident units of their entity directly to foreign residents

- **End Investors**

- Part B Investments in foreign securities for own portfolio or portfolio of US clients **not held** by US resident custodians

TIC SLT - How to Report

- **SLT A vs SLT B for Investment Managers**
 - Where there is an unaffiliated **US Resident Custodian** that knows the identity of the beneficial owner, the custodian is responsible for reporting on the **TIC SLT A**
 - If the US securities are held in an omnibus customer account in the name of the US Investment Manager (IM), then the IM is responsible for reporting those securities **effectively as the custodian on the SLT Part A**
 - US IMs should report foreign securities on behalf of end-investors on the **SLT Part B** where the above conditions do not apply.

TIC SLT - How to Report (Continued)

- Report the fair value of securities as of the last business day of the month.



TIC SLT - Reportable Securities

- L.T. debt issued by U.S residents and Foreign residents
 - Bonds, Notes and Debentures
- Asset-Backed Securities (ABS)
- Equity issued by U.S. residents and foreign residents
 - Common and Preferred Stock
 - Shares of Funds (e.g., mutual, pension, hedge, money market) and investment companies
 - Limited partnership interest

TIC SLT - Exclusions

■ Exclude

- S.T. securities (an original maturity of one year or less)
- Interest payments, Dividend distributions
- CDs, deposit note, bankers' acceptances, loan participations
- Repurchase agreements
- Securities lending transactions/securities taken in loan or lent as collateral
- Derivatives (including forward contracts)

Common Reporting Errors TIC S and SLT



Data Review – Best Practice

Data reviews prior to submission to Federal Reserve Bank:

- Unusual fluctuations
- Trend Analysis
- Change in organizational structure
- Sizeable revisions
- Blocked country activity

Common Reporting Errors

■ Misreporting

- Do **not** report federally-sponsored agency securities as domestic corporate securities
 - Fannie Mae, Freddie Mac, Ginnie Mae are **Agency** debt issuers
- Do **not** report Municipal bonds as agency debt
 - E.g. Report New York City Bond as **Corporate** debt
- Do **not** net short and long positions
- Do **not** report short-term securities
- Do **not** report Repurchase / Resale Agreements

Common Reporting Errors

- **Misreporting (Continued)**

- Do **not** use announcement, trade or anticipated settlement date accounting
 - Use settlement date accounting only

- **Common Omissions**

- Of Which Memorandum Sections must be completed
 - TIC S2 - Transactions with Foreign Official Institutions (FOI)
 - TIC SLT - Break down by type of Issuer, Holder, and Security
- New issuances and private placements
 - U.S. resident should report the private placement of US or foreign securities with foreign investors

Common Reporting Errors

- **Common Errors (Continued)**
 - Ensure country of residence is correct
 - US Resident - Any entity incorporated or otherwise legally established in the United States including branches, subsidiaries and affiliates of foreign entities located in the United States.
 - The residency of an entity is determined by where a corporation or subsidiary is incorporated, and where a branch is licensed
 - Factors that do not determine country of residence
 - Country of nationality / citizenship
 - Country of the top entity in an organization
 - Name of the company
 - Physical location of the office of the entity
 - Country where most of the business activity is conducted

Common Reporting Errors

- **Common Errors (Continued) – TIC S Only**
 - Ensure transactions are reported from the foreigners' perspective
 - Do **not** report transactions executed by your foreign offices for their customers
 - Report Redemptions
 - Foreign resident presenting US or Foreign Bonds to a US Custodian/Paying agent is a sale.
 - US Custodian presenting bonds to a foreign paying agent is a purchase.
 - A US Custodian presenting bonds to a US paying agent is **not reportable**.

Common Reporting Errors

- **Common Errors**

- Do **not** report data in foreign currency units
 - e.g., 200 billion yen instead of U.S. dollar equivalent
- Do **not** report in decimals
- Do **not** report thousands
- Do **not** report negative numbers
- Check for column/row switches



TIC Data Compare & Analysis



TIC S vs TIC SLT - Differences

- **TIC SLT**: aggregate market value of cross-border **holdings** of long-term securities,
- **TIC S**: the aggregate market value of *purchases* and *sales* [**transactions**] of long-term securities by foreigners with U.S. residents
 - Transactions per month, not positions at a point in time
 - Data reflects location of the counter-parties to the transaction, not the residence of the beneficial owner.

TIC S vs TIC SLT – Consolidation Rules

TIC S

- Consolidate all US resident subsidiaries in accordance with US GAAP **except:**
 - US resident securities brokers & dealers, depository institutions, and insurance underwriting entities which must file separately

TIC SLT

- Consolidate all US resident subsidiaries in accordance with US GAAP



TIC Series Compare

- **TIC SLT:**
 - Aggregate market value of cross-border holdings of **long-term securities**, excluding negotiable CDs
- **TIC SHL(A):**
 - Detailed, security-level, market values of foreign residents' holdings of short-term and **long-term cross-border securities**
- **TIC SHC(A):**
 - Detailed, security-level, market values of U.S.-residents' holdings of short-term and **long-term cross-border securities**

TIC SLT vs SHL(A) and SHC(A)

- **TIC SLT vs. TIC SHL(A)**

- Treasury Securities and Federal Financing Notes
- Bonds of U.S. Government Corporations and Federally Sponsored Agencies
- U.S. Corporate Bonds and Other Bonds
- U.S. Equities

- **TIC SLT vs. TIC SHC(A)**

- Foreign Government Bonds
- Foreign Corporate and Other Bonds
- Foreign Equities

TIC SLT vs SHL(A) and SHC(A) (Continued)

Example*

US Treasury and Federal Financing Bank Bonds

- **TIC SLT (per country)**

- Column 1 (Foreign Official Institutions)

=

- **TIC SHLA (per country)**

- Type of Issuer = 1 (Item 9)
- Security Type = 8, 9, 10 (Item 10)
- Term Indicator = 2 (Item 12)
- Type of Foreign Holder = 1 (Item 15)
- US \$ Fair (Market) Value (Item 16)

*For complete comparison between TIC series, including TIC B, SHL(A) and SHC(A), refer to Appendix

Hedge Fund Reporting TIC S, SLT, SHL(A) and SHC(A)



Hedge Fund Reporting

- Investment advisors, managers or similar types of legal entities that create master-feeder funds both outside and inside the U.S.
 - Should report investments between the U.S. and foreign-resident affiliate funds that the investment manager sets up.
 - Report on the TIC SLT, TIC S, SHL(A), or SHC(A)

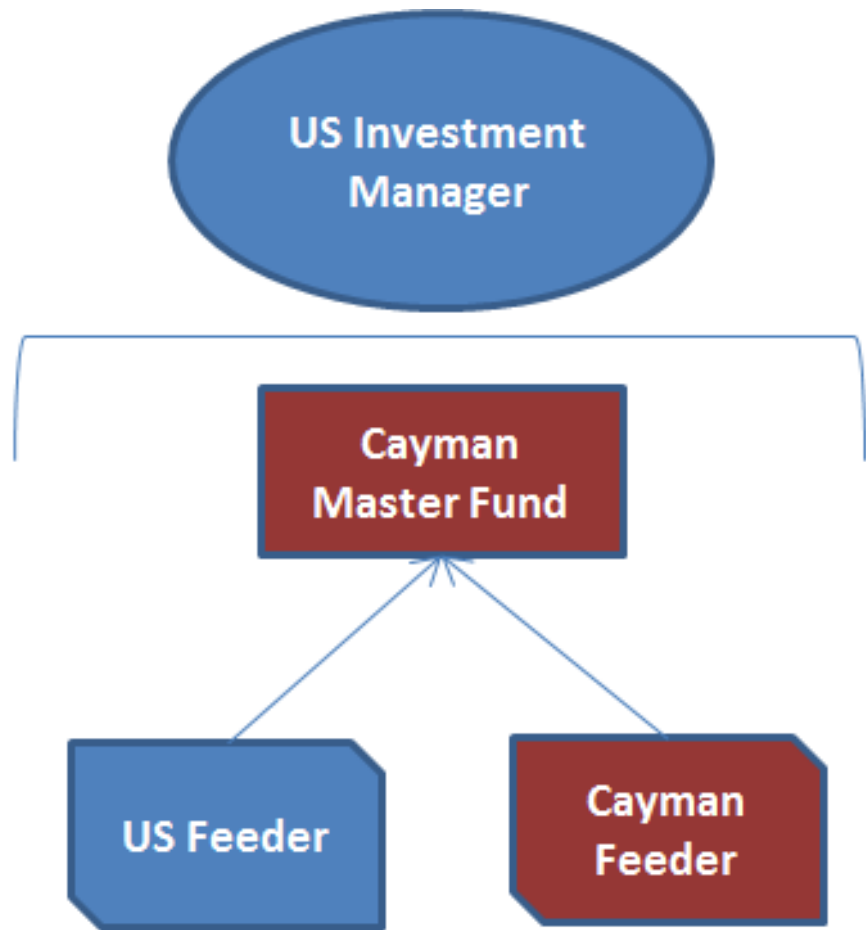
Hedge Fund Reporting

Example 1

U.S. IM creates:

- 1) Cayman Master Fund (CMF)
- 2) Cayman Feeder Fund (FF)
- 3) U.S. Feeder Fund (FF)

U.S. FF investment in the CMF is reportable.



Hedge Fund Reporting

Example 1

The **US Investment Manager** Reports:

1. Purchases and sales of the CMF by the U.S. FF should be reported on the **TIC S** as transactions in foreign equity.
2. U.S. FF's investments in the CMF should be reported as ownership of foreign equity on the **SHC(A)** and **TIC SLT B**.

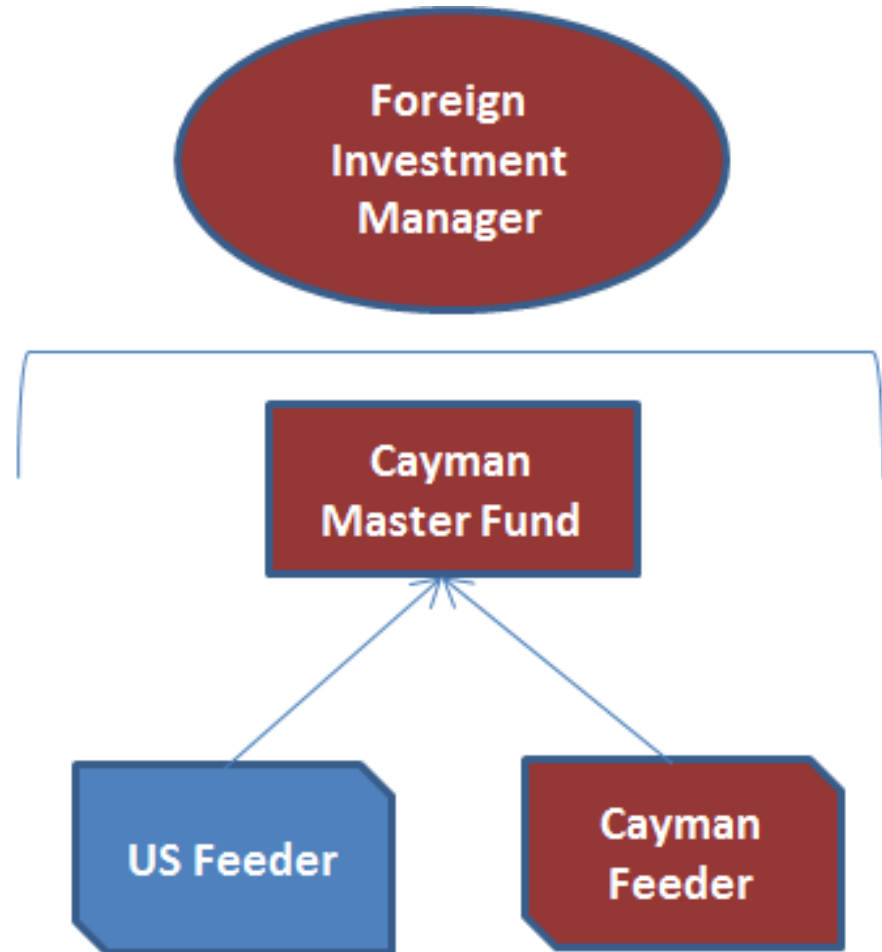
Hedge Fund Reporting

Example 2

Foreign IM creates:

- 1) Cayman Master Fund (CMF)
- 2) Cayman Feeder Fund (CFF)
- 3) U.S. Feeder Fund (FF)

Investments that the U.S. FF has in the CMF are reportable.



Hedge Fund Reporting

Example 2

The **US Feeder Fund** Reports:

1. Purchases and sales of the CMF by the U.S. FF should be reported on the **TIC S** as transactions in a foreign equity.
2. U.S. FF's investments in the CMF should be reported by the U.S. FF as ownership of foreign equity on the **SHC(A)** and the **TIC SLTB**.



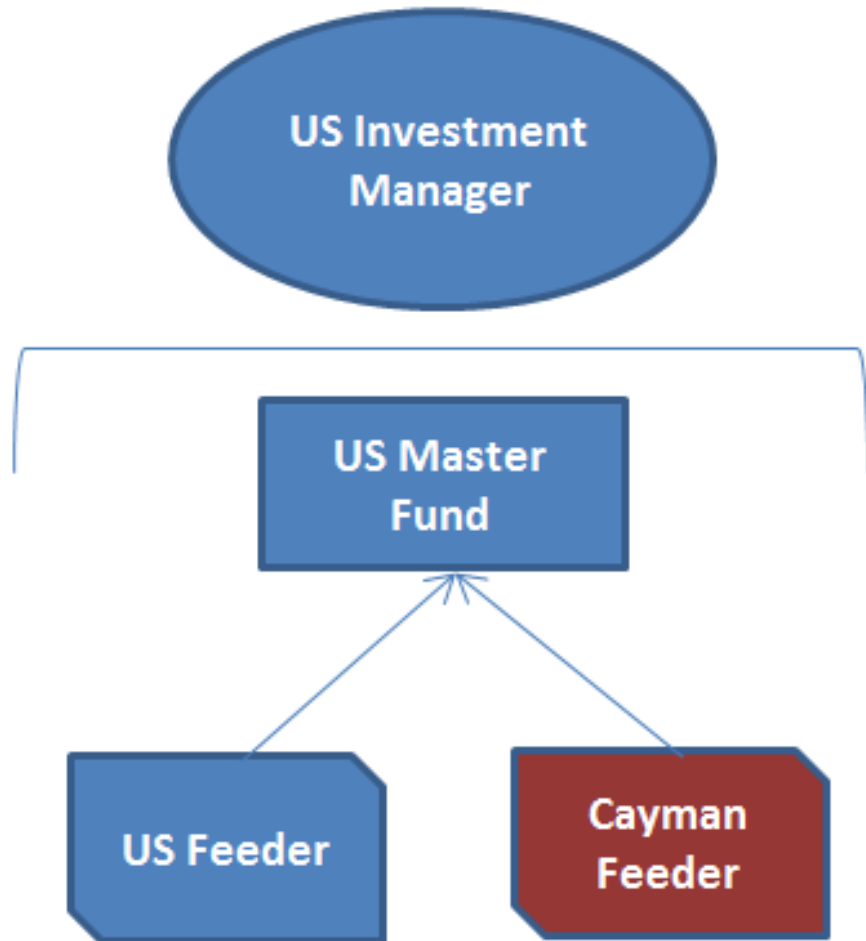
Hedge Fund Reporting

Example 3

U.S. IM creates:

- 1) U.S. Master Fund (MF)
- 2) Cayman Feeder Fund (CFF)
- 3) U.S. Feeder Fund (FF)

Investments by the CFF are reportable.



Hedge Fund Reporting

Example 3

The **US Investment Manager** Reports:

1. Purchase and sales of the U.S. MF by the CFF should be reported on the **TIC S** as transactions in U.S. equity by the U.S. MF.
2. U.S. MF reports ownership of their shares by the CFF as the issuer of the domestic security on the **SHL(A)** and the **TIC SLT B**.

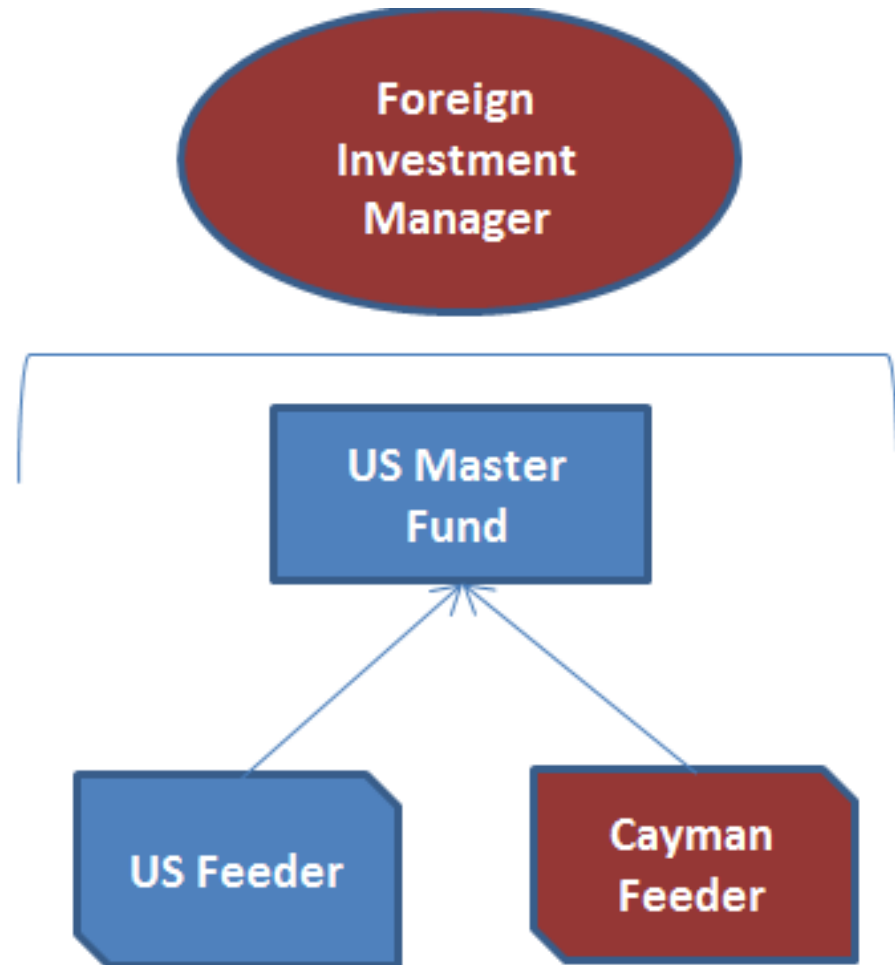
Hedge Fund Reporting

Example 4

Foreign IM creates:

- 1) U.S. Master Fund (MF)
- 2) Cayman Feeder Fund (CFF)
- 3) U.S. Feeder Fund (FF)

Investment that the CFF has in the U.S. MF is reportable.



Hedge Fund Reporting

Example 4

The **US Master Fund** Reports:

1. Purchases and sales of the U.S. MF by the CFF should be reported on the **TIC S** as transactions in U.S. equities by the U.S. MF.
2. U.S. MF should report ownership of its shares by the CFF as the issuer of the domestic security on the **SHL(A)** and the **TIC SLTB**.

Submitting the TIC SLT and TIC S

- Electronic Submission
 - The Reporting Central system is used for the submission of TIC SLT and TIC S
 - More information can be found at http://www.frb services.org/centralbank/reportingcentral/resource_center.html
 - Onboarding forms can be found at http://www.frb services.org/centralbank/reportingcentral/application_setup.html
- OR Fax to (212) 720-8028 or 8216
- OR Mail

Federal Reserve Bank of New York
Statistics Function, 4th Fl
33 Liberty Street
New York, NY 10045-0001



Resources - TIC S and SLT

Securities Reports Division (SRD)

- Vadim Tovshteyn, Staff Director (212) 720 8465
- Aaron Gononsky, Team Leader (212) 720 1449
- Gillian Stowe, Team Leader (212) 720 7990
- SRD Helpline (212) 720 6300

Useful Links

TIC SLT Instructions: <http://www.treasury.gov/resource-center/data-chart-center/tic/Documents/sltinstr.pdf>

TIC SLT Seminar: <http://www.newyorkfed.org/newsevents/events/banking/2011/TICSLTTrainingSeminarSlides.pdf>

TIC SLT FAQs: http://www.treasury.gov/resource-center/data-chart-center/tic/Documents/slt_faqs.pdf

TIC Compare: <http://www.newyorkfed.org/newsevents/events/banking/2011/SLTvsSHLSHC.pdf>

TIC S Instructions: <http://www.treasury.gov/resource-center/data-chart-center/tic/Documents/sinstrdraft.pdf>

TIC S FAQs: <http://www.treasury.gov/resource-center/data-chart-center/tic/Pages/fsqa.aspx>



FEDERAL RESERVE BANK *of* NEW YORK

Upcoming Changes to Forms SHL/SHLA and SHC/SHCA

Dawn Sullivan
Securities Reports

Summary of Changes

- Effective dates of changes:
 - SHC/SHCA
 - SHL/SHLA
- Streamlined Forms SHL/SHLA and SHC/SHCA to provide consistency among the annual surveys and the TIC SLT
- Who must report on the annual surveys was revised to include consideration of those filing the monthly TIC Form SLT report
- Effective with these changes, Reporting Central will be used to submit reports electronically and **securely**

Schedule 1 Changes

Changes to Reporter Type

SHCA & SHLA

- Depository Institution replaces Banks
- Fund/Fund Manager/Sponsor (excluding pension fund) replaces Mutual fund or investment trust
- Other Financial Organization is specified to include BHCs and FHCs

SHCA only - Industrial Classification Code is replaced with Reporter Type

SHLA only - Pension Fund is added to Reporter Type

8. Reporter Type:.....

1 = Depository Institution

2 = Fund/Fund Manager/Sponsor
(excluding pension fund)

3 = Pension Fund

4 = Insurance Company

5 = Other Financial Organization
(including BHC and FHC)

6 = Non-financial Organization

7 = Foundation, trust, estate

8 = Institution of higher learning
(e.g., university)

9 = Other (not listed above)

Schedule 2 Changes

SHCA & SHLA

- “Security ID System” (Item 7) is now consistent across Forms SHCA and SHLA.
 - The new categories are: 1 = CUSIP, 2 = ISIN, 3 = CINS, 4 = Common Code, 5 = SEDOL, 6 = Internally Generated, and 7 = Other.

Schedule 2 Changes

SHCA & SHLA (continued)

- The lines applying to debt securities (including asset-backed securities) are reorganized

**FOR ALL DEBT SECURITIES
(NON-ASSET-BACKED AND ASSET-BACKED SECURITIES)**

(Security Types 5, 6, 7, 8, 9, 10, 11, or 12)

Face Value or Remaining Principal Outstanding
in the Currency of Denomination: , , ,

FOR ASSET-BACKED SECURITIES ONLY

(Security Type 12)

Original Face Value in the Currency of Denomination: , , ,

**FOR ALL DEBT SECURITIES
(NON-ASSET-BACKED AND ASSET-BACKED SECURITIES)**

(Security Types 5, 6, 7, 8, 9, 10, 11, or 12)

Issue Date: (MMDDYYYY).....

Maturity Date: (MMDDYYYY).....

Schedule 2 Changes

SHCA only

- “Security Type” is now consistent with Forms SHLA

12. Security Type:

Equities

- 1 = Common stock
- 2 = Preferred stock
- 3 = Fund shares
- 4 = All other equity

Debt (excluding asset-backed securities)

- 5 = Commercial paper
- 6 = Negotiable CD
- 7 = Convertible debt security
- 8 = Zero-coupon bond or note
- 9 = Bond or note, unstripped
- 10 = Bond or note, stripped
- 11 = All other debt

Asset-Backed Securities

- 12 = Asset-backed security

- “Type of Foreign Issuer” is added

11. Type of Foreign Issuer:.....

1 = Foreign Official Institutions

2 = All Other Foreigners

Schedule 2 Changes

SHCA only

- “Reporting As” line item is added

5. Reporting As:.....

1 = End-investor

2 = Custodian

- “Ownership Code” is replaced with “Type of U.S. Owner”

15. Type of U.S. Owner:

1 = Depository Institution

2 = Fund or Other Investment Vehicle
(excluding pension and mutual fund)

3 = Pension Fund

4 = Mutual Fund

5 = Insurance company

6 = Other Financial Organization (including BHC and FHC)

7 = Nonfinancial Organization (including individual/household)

Schedule 2 Changes

SHLA only

- Within “Type of Issuer”, “Other” is eliminated and “Depository Institution,” “Other Financial Organization (including BHC and FHC),” and “Nonfinancial Organization” are added

11. Type of Issuer:

1 = United States Treasury and Federal Financing Bank
2 = Federal agency or federally sponsored enterprise
3 = State or local government, including their subdivisions

4 = Depository institution
5 = Other financial organization (including BHC and FHC)
6 = Nonfinancial organization

- “Issuer Code” is renamed “Reporting as”

Next Steps...

- Final Federal Register Notice
- Upcoming seminar planned for Summer 2014 focused on SHC/SHCA & SHL/SHLA reporting
 - Sign up to receive updates regarding upcoming seminars at <https://public.govdelivery.com/accounts/USFRBNEWYORK/subscriber/new?>
- Start registering for Reporting Central
- Resources
 - SRD Helpline, (212) 720 6300
 - SHLA.Help@ny.frb.org
 - SHC.Help@ny.frb.org



FEDERAL RESERVE BANK *of* NEW YORK

The TIC D Report

Thad Russell
International Reports
August 7, 2013

D

Report Highlights, Recent Changes and Common Errors



TIC D

1. TIC D Data
2. Report Highlights
3. Recent Changes
4. Common Reporting Errors



1. TIC D Data

and the official
U.S. Balance of Payments and
International Investment Position

TIC D Data

Purpose of the TIC D Form:

The purpose of the Treasury International Capital (TIC) D form is to gather timely and reliable information on the levels of, and changes in, U.S. international portfolio capital positions due to cross-border holdings of derivatives contracts and the net settlement payments that arise from these contracts.

p. 2, Instructions for the Quarterly Treasury International Capital Form D Report

TIC D Data

Balance of payments --

- Transactions that generate a receipt of funds into the United States are recorded with a credit (positive) entry.
- Transactions that generate payments of funds to foreign residents are recorded as debit (negative) entries.

TIC D Data

Table 1. U.S. International Transactions

[Millions of dollars, quarters seasonally adjusted]

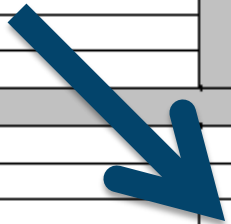
(Credits +, debits -) ¹	2011 ^r	2012 ^r	2012				2013
			I ^r	II ^r	III ^r	IV ^r	I ^p
60 Other U.S. government liabilities.....	9,563	8,241	2,939	2,773	1,722	807	1,106
61 U.S. liabilities reported by U.S. banks and securities brokers.....	27,474	-1,572	-14,458	406	7,066	5,414	20,061
62 Other foreign official assets.....	67,678	72,593	31,762	11,268	11,587	17,976	6,998
63 Other foreign assets in the United States.....	715,190	149,962	32,913	-233,842	192,886	158,005	210,772
64 Direct investment.....	230,224	166,411	35,756	49,524	38,839	42,292	22,834
65 U.S. Treasury securities.....	188,045	156,385	64,974	-4,652	62,548	33,515	109,378
66 U.S. securities other than U.S. Treasury securities.....	-54,462	196,908	28,297	-39,577	64,694	143,494	-10,880
67 U.S. currency.....	54,996	57,141	18,057	7,116	16,156	15,812	4,957
68 U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking.....	6,053	-39,505	13,279	-25,581	-4,763	-22,440	-20,467
69 U.S. liabilities reported by U.S. banks and securities brokers.....	290,334	387,378	127,450	220,672	15,412	-54,668	104,950
70 Financial derivatives, net.....	35,006	-7,064	-7,339	2,419	-5,129	2,985	3,888
71 Statistical discrepancy (lines 1, 18, 35, 39, 40, 55, and 70 with sig.....)	-52,771	-5,851	-142,718	52,741	78,829	-54,738	25,475
Memoranda:							
72 Balance on goods (lines 3 and 20).....	-744,139	-741,475	-193,604	-186,487	-178,980	-182,403	-179,137
73 Balance on services (lines 4 and 21).....	187,301	206,819	50,657	51,186	49,952	55,025	55,479
74 Balance on goods and services (lines 2 and 19).....	-556,838	-534,656	-142,947	-135,302	-129,029	-127,378	-123,658
75 Balance on income (lines 12 and 29).....	232,648	223,928	54,876	57,457	54,630	56,965	51,976
76 Unilateral current transfers, net (line 35).....	-133,535	-129,688	-32,771	-32,668	-32,343	-31,906	-34,463
77 Balance on current account (lines 1, 18, and 35 or lines 74, 75, and 76).....	-457,725	-440,416	-120,842	-110,513	-106,742	-102,320	-106,145
78 Net financial flows (lines 40, 55, and 70).....	551,708	439,351	263,561	18,013	28,387	129,390	80,671

Bureau of Economic Analysis
U.S. Department of Commerce

TIC D Data

⁹ Name of Reporting Institution _____ ID Number _____ As-of Date _____ TIC Form D Page 2 of 10

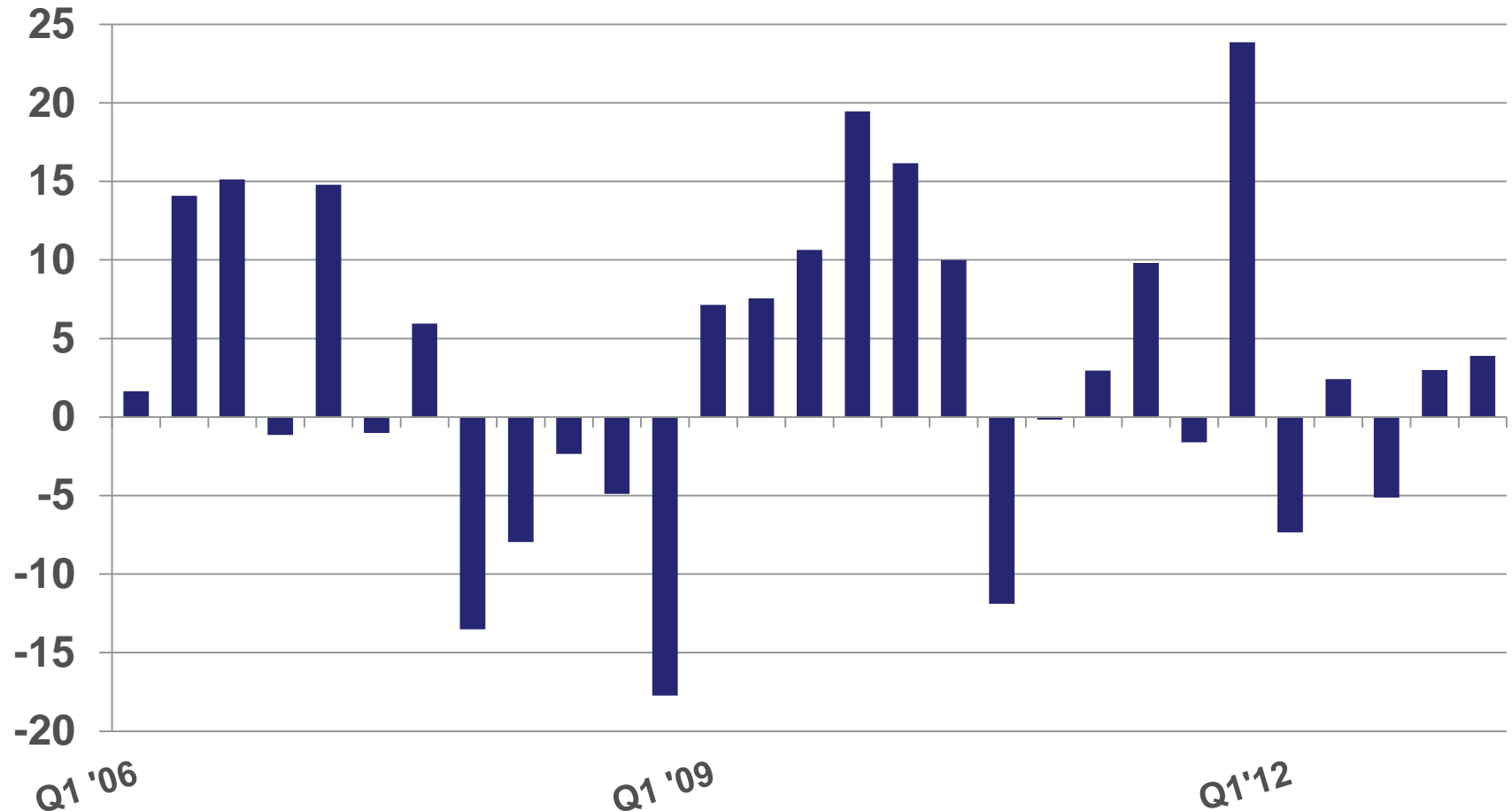
Part 1 -- Holdings of, and Transactions in, Derivatives Contracts with Foreign- Residents					
Derivatives Contracts By Major Risk Category			Fair Value of Derivatives Contracts with Foreign Residents at End of Quarter		U.S. Net Settlements During the Quarter with Foreign Residents
			Gross Positive	Gross Negative	
			1	2	3
			(In \$ millions)		
Over-the-Counter Contracts					
1	Single Currency Interest Rate Contracts	86010			
1.a	Forwards	86011			
1.b	Swaps	86012			
1.c	Options	86013			
2	Foreign Exchange Contracts	86020			
2.a	Forwards and Foreign Exchange Swaps	86021			
2.b	Currency Swaps	86022			
2.c	Options	86023			
3	Other Contracts By Type of Risk	86030			
3.a	Equity	86031			
3.b	Credit	86032			
3.c	Other	86033			
Exchange-Traded Contracts					
4	Own Derivatives Contracts on Foreign Exchanges	86041			
5	U.S. Customers' Derivatives Contracts on Foreign Exchanges	86042			
6	Foreign Counterpart Derivatives Contracts on U.S. Exchanges	86043			
7	Grand Total	86099			
Of Which:					
M.1	Contracts with Own Foreign Offices	86050			
M.2	Contracts with Foreign Official Institutions	86052			



TIC D Data

Financial derivatives, net

\$ billions



Bureau of Economic Analysis
U.S. Department of Commerce

TIC D Data

- The International Investment Position is the value of U.S.-owned assets abroad and foreign-owned assets in the United States.

TIC D Data

Table 1. International Investment Position of the United States at the End of the Quarter ¹
 [Millions of dollars, not seasonally adjusted]

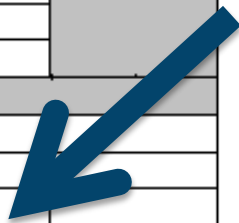
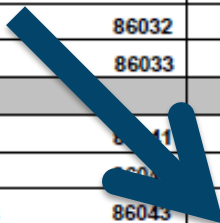
Line	Type of investment	2012		2013	Change: 2012:IV to 2013:I
		III ^r	IV ^r	I ^p	
1	Net international investment position of the United States (lines 2-3)	-4,109,198	-3,863,892	-4,277,128	-413,236
2	Financial derivatives, net (line 5 less line 25).....	52,493	57,776	38,986	-18,790
3	Net international investment position, excluding financial derivatives (line 6 less line 26)	-4,161,691	-3,921,668	-4,316,114	-394,446
4	U.S.-owned assets abroad (lines 5+6)	21,551,595	21,637,618	21,618,571	-19,047
5	Financial derivatives (gross positive fair value).....	3,925,606	3,619,761	3,245,866	-373,895
6	U.S.-owned assets abroad, excluding financial derivatives (lines 7+12+17).....	17,625,989	18,017,857	18,372,705	354,848
24	Foreign-owned assets in the United States (lines 24-26)	25,660,793	25,501,510	25,895,699	394,189
25	Financial derivatives (gross negative fair value).....	3,873,113	3,561,985	3,206,880	-355,105
26	Foreign-owned assets in the United States, excluding financial derivatives (lines 27+34)	21,787,680	21,939,525	22,688,819	749,294

Bureau of Economic Analysis
 U.S. Department of Commerce

TIC D Data

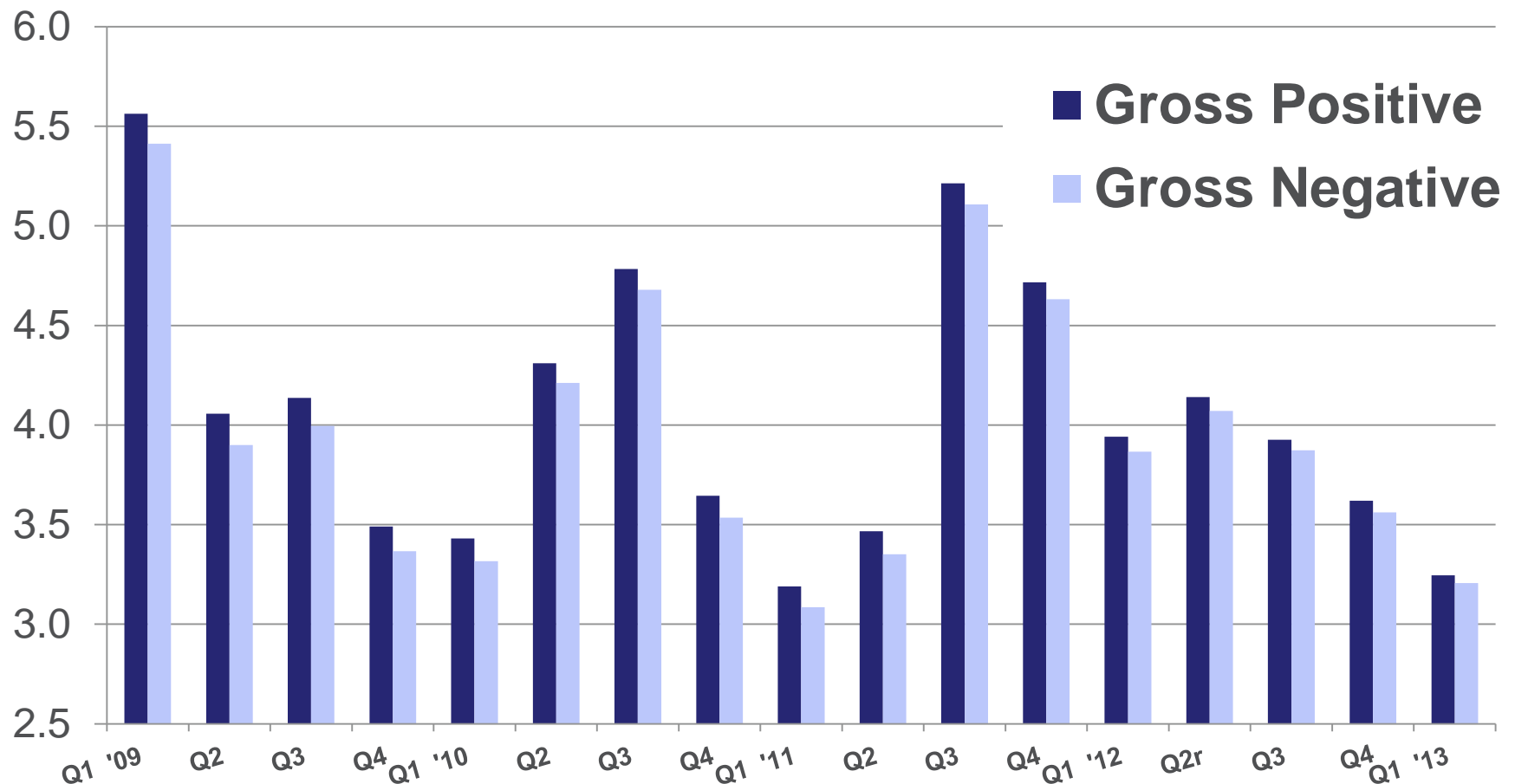
⁹ Name of Reporting Institution _____ ID Number _____ As-of Date _____ TIC Form D Page 2 of 10

Part 1 -- Holdings of, and Transactions in, Derivatives Contracts with Foreign- Residents			
Derivatives Contracts By Major Risk Category	Fair Value of Derivatives Contracts with Foreign Residents at End of Quarter		U.S. Net Settlements During the Quarter with Foreign Residents
	Gross Positive	Gross Negative	
	1	2	
(In \$ millions)			
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3.a	Equity	86031	
3.b	Credit	86032	
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Exchange-Traded Contracts			
4	Own Derivatives Contracts on Foreign Exchanges	86041	
5	U.S. Customers' Derivatives Contracts on Foreign Exchanges	86042	
6	Foreign Counterpart Derivatives Contracts on U.S. Exchanges	86043	
7	Grand Total	86099	
Of Which:			
M.1	Contracts with Own Foreign Offices	86050	
M.2	Contracts with Foreign Official Institutions	86052	



TIC D Data

Financial derivatives, Gross fair values



Bureau of Economic Analysis
U.S. Department of Commerce

TIC D Data

Table 1. International Investment Position of the United States at the End of the Quarter ¹

[Millions of dollars, not seasonally adjusted]

Line	Type of investment	2012		2013	Change: 2012:IV to 2013:I
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2	Financial derivatives, net (line 5 less line 25).....	52,493	57,776	38,986	-18,790
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25	Financial derivatives (gross negative fair value).....	3,873,113	3,561,985	3,206,880	-355,105
26	Foreign-owned assets in the United States, excluding financial derivatives (lines 27+34)	21,787,680	21,939,525	22,688,819	749,294

Bureau of Economic Analysis
U.S. Department of Commerce

2. Report Highlights

TIC D - Report Highlights

- **Who Must Report:**

All financial and commercial entities legally established in the United States that have derivatives contracts that exceed the exemption level should complete all parts of TIC Form D.

TIC D - Report Highlights

Exemption Level

The TIC D form must be submitted if:

- 1) the total notional value of worldwide holdings of derivatives (including contracts with U.S. and foreign residents, measured on a consolidated-worldwide accounting basis) for the reporter's own account exceeds \$400 billion

or



***For existing
reporters***

- 2) the amount reported by a TIC D reporter for Grand Total Net Settlements (Part 1, Column 3, Row 7) exceeds \$400 million (either a positive or negative value).

TIC D - Report Highlights

- Q.** If an institution has \$400 billion in notional amounts of derivatives in March, but its contracts fall below that afterwards, does the institution report in June?
- A.** Yes. Once an institution meets the reporting threshold, it must continue to report for the rest of the same year and for the following calendar year. In addition, if at any time the amount reported by a TIC D reporter for Grand Total Net Settlements (Part 1, Column 3, Row 7) exceeds \$400 million (either a positive or negative value), the TIC Form D should be submitted for the following two calendar years, even if outstanding worldwide notional values fall below the \$400 billion level.

FAQs for the TIC D Report

TIC D - Report Highlights

■ What should be reported

Contracts are reportable on TIC D if they meet the three criteria of FASB Statement No. 133's definition of a derivative contract.

- ✓ The contract has one or more underlying and one or more notional value.
- ✓ The contract requires little to no initial net investment.
- ✓ The contract requires or permits a net settlement.

TIC D - Report Highlights

- **Which derivatives**

Contracts are reportable on TIC D if the direct counterparty of the contract is foreign.

Positions with foreigners should be reported for the country or geographical area in which the direct counterparty resides.

Note: Branches of U.S. residents located outside the United States are foreign residents. U.S.-resident branches of foreign banks are U.S. residents.

TIC D - Report Highlights

- **Which derivatives** (cont.)

Do not report positions based on the currency of denomination of the instrument, the country of the parent institution of the counterparty, or the country of the guarantor (ultimate risk).

TIC D - Report Highlights

- **Which country (Part 2)**

The gross fair values and net settlement payments on derivatives in the Grand Totals of Part I should be allocated to the countries and geographic areas of Part II according to the country of the direct counterparty.

TIC D - Report Highlights

- **Which country (Part 2)**

Contracts of your foreign-resident customers on U.S. exchanges should be reported opposite the country in which the foreign customer resides.

In the cases of your and your U.S. customers' contracts on foreign exchanges, report the country of the exchange as the country of the foreign counterparty.

TIC D - Report Highlights

- Do not combine, aggregate or net the fair value of a contract with the fair value of other derivatives.

TIC D - Report Highlights

- Only the contracts held on the books of U.S. offices and branches should be reported.

TIC D - Report Highlights

■ Consolidation Rules

- ✓ The top-tier U.S. entity should report the TIC Form D.
- ✓ U.S. resident subsidiaries should be consolidated on the same basis as annual reports and in accordance with GAAP.
- ✓ U.S. resident subsidiaries or branches of foreign entities who own more than one legal entity in the U.S. should report separately for each top-tier U.S. entity.

TIC D - Report Highlights

- The report is separated into 3 types of information by column.
 - Gross Positive Fair Value
 - Gross Negative Fair Value
 - U.S. Net Settlements

Name of Reporting Institution _____ ID Number _____ As-of Date _____ TIC Form D Page 2 of 10

Part 1 -- Holdings of, and Transactions in, Derivatives Contracts with Foreign- Residents			
Derivatives Contracts By Major Risk Category	Fair Value of Derivatives Contracts with Foreign Residents at End of Quarter		U.S. Net Settlements During the Quarter with Foreign Residents
	Gross Positive	Gross Negative	
	1	2	3
	(In \$ millions)		
Over-the-Counter Contracts			
1 Single Currency Interest Rate Contracts	86010		

TIC D - Report Highlights

- **Fair Value:**

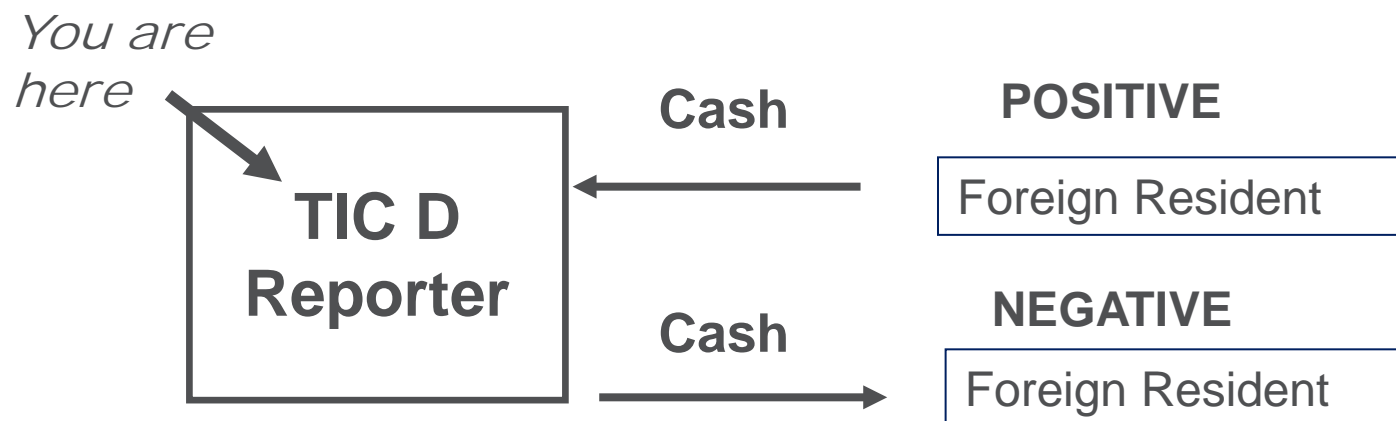
Holdings of derivatives should be reported at fair (market) value. Fair value is generally defined as the amount for which the contract could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

TIC D - Report Highlights

- **Net Settlements:**
 - ✓ Include all cash receipts and payments made during the quarter for the acquisition, sale, or final closeout of derivatives.
 - ✓ Except: Do not report payments in the case of physical delivery – when the underlying commodity or security is delivered.

TIC D - Report Highlights

- U.S. receipts of cash from foreign residents should be treated as a positive amount (+)
- U.S. payments of cash to foreign residents should be treated as a negative amount (-)



TIC D - Report Highlights

Examples:

- Cash settlement of a derivatives contract, such as a forward.
- Periodic payments under the terms of a contract, such as a swap agreement.
- Daily payments or receipts (variation margin) of an exchange-traded contract.

3. Recent Report Changes

TIC D - Recent Report Changes

Please type or print:

Name of Reporting Entity:

ID Number:

As of Date:

Name of Contact if We Have Questions:

Contact's Phone Number:

Name and Title of Officer Authorized to Sign Report:

Please read carefully and sign below:

I, _____,
(Signature of Officer Authorized to Sign Report)
of the reporting entity do hereby declare that the Treasury International Capital D report for this report date has been prepared in conformance with the instructions and is true to the best of my knowledge and belief.

QUARTERLY REPORT TO FEDERAL RESERVE BANK OF NEW YORK

REPORT OF HOLDINGS OF, AND TRANSACTIONS IN, FINANCIAL DERIVATIVES CONTRACTS WITH FOREIGN RESIDENTS

Legal basis and confidentiality statement:

This report is required by law (22 U.S.C. 286f; 22 U.S.C. 3103; E.O. 10033; 31 C.F.R. 128.1 (a)). Failure to report can result in a civil penalty of not less than \$2,500 and not more than \$25,000. Willful failure to report can result in criminal prosecution and upon conviction a fine of not more than \$10,000; and, if an individual, imprisonment for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such violation may, upon conviction, be punished by a like fine, imprisonment, or both (22 U.S.C. 3105 (a) and (b); 31 C.F.R. 128.4 (a) and (b)).

Data reported on this form will be held in confidence by the Department of the Treasury, the Board of Governors of the Federal Reserve System, and the Federal Reserve Bank of New York acting as fiscal agent for the Treasury. The data reported by individual respondents will not be published or otherwise publicly disclosed; information may be given to other Federal agencies, insofar as authorized by applicable law (44 U.S.C. 3501 *et seq.*; 22 U.S.C. 3101 *et seq.*). Aggregate data derived from reports on this form may be published or otherwise disclosed only in a manner that does not specifically identify any individual respondent.

Note: No person is required to respond to any U.S. Government collection of information unless the form displays a currently valid control number assigned by the Office of Management and Budget (OMB).

FORM D

DEPARTMENT OF THE TREASURY
Office of the Assistant Secretary for
International Affairs

Revised December 2013
Form Approved
OMB Control No. 1505-0199

Important notes:

- Before preparing this report, please read the Instructions carefully.
- Additional copies of this form, the Instructions, and the answers to Frequently Asked Questions can be obtained at the following web site: <http://www.treasury.gov/resource-center/data-chart-center/tic/Pages/forms.aspx>
- This report should be filed no later than the fiftieth calendar day following the last day of March, June, September, and December.
- Amounts should be reported in millions of dollars.

TIC D - Recent Report Changes

EUROPE	
Kosovo	1347-1
Kyrgyzstan	1655-1
Latvia	1560-1
Liechtenstein	1160-6
Lithuania	1570-9
Luxembourg	1170-3
Macedonia	1441-9
Malta	1181-9
Moldova	1630-6
Monaco	1200-9
Montenegro	1362-5
Netherlands	1210-6
Norway	1220-3
Poland	1576-8
Portugal	1231-9
Romania	1580-6
Russia	1610-1
San Marino	1240-8
Serbia	1321-8
Slovakia	1531-8

See TIC B presentation for full details and additional countries.

TIC D - Recent Report Changes

Federal Register / Vol. 76, No. 178 / Wednesday, September 14, 2011 / Notices

56875

Proposed Collections; Comment Requests

AGENCY: Departmental Offices; U.S. Department of the Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork burdens, invites the general public and other Federal agencies to comment on the revision of an information collection that is proposed for approval by the Office of Management and Budget. The Office of International Affairs within the Department of the Treasury is soliciting comments concerning Treasury International Capital Form D, Report of Holdings of, and Transactions in, Financial Derivatives Contracts with Foreign Residents.

DATES: Written comments should be received on or before November 14, 2011 to be assured of consideration.

ADDRESSES: Direct all written comments to Dwight Wolkow, International Portfolio Investment Data Systems, Department of the Treasury, Room 5422, 1500 Pennsylvania Avenue, NW., Washington DC 20220. In view of possible delays in mail delivery, please also notify Mr. Wolkow by e-mail (comments2TIC@treasury.gov), Fax (202-622-2009) or telephone (202-622-1276).

FOR FURTHER INFORMATION CONTACT:

U.S. international financial and monetary policies.

Current Actions: (a) The deadline for submitting the Form D reports is shortened from 60 days to 50 days. The instructions, in section I.F, will read: "Form D reports should be submitted not later than 50 calendar days following the report's as-of date, which is the last day of the calendar quarter being reported." The change in the reporting deadline will allow the U.S. to meet international data reporting standards. That is, at present, the U.S. is able to report on time all elements of its balance of payments accounts and its international investment position collected by the TIC reporting system except for its data on derivatives. This shortening of the reporting deadline should be feasible given data reporting experience in completing the report since it was introduced in March 2005. (b) In part 1 of Form D, the title of row 2.a is changed to *Forwards and Foreign Exchange Swaps* from *Forwards* and row 2.b will be entitled *Currency Swaps* in place of *Swaps*. The purpose of this change is to clarify where Foreign Exchange Swaps should be reported. There is no change in reporting requirements. For example, the current instructions for row 2.b describe currency swaps, not foreign exchange swaps. (c) These changes are effective beginning with the reports as of March 31, 2012.

Type of Review: Revision of a currently approved collection.

of the data; and (e) or start-up costs or maintenance and provide information.

Dwight Wolkow,
*Administrator, International
Investment Data Systems*
[FR Doc. 2011-23586-1]
BILLING CODE 4810-25-

DEPARTMENT OF
Office of Foreign
Additional Designation of
Kingpin Designation

AGENCY: Office of Foreign
Control, Treasury
ACTION: Notice.

SUMMARY: The Treasury
Office of Foreign Control
("OFAC") is publishing
four individuals whose
interests in property
pursuant to the Foreign
Kingpin Designation
Act") (21 U.S.C. 1881a
1182).

DATES: The designation
of OFAC of the identified
individuals pursuant to
sectic Kingpin Act is effective
2011.

TIC D - Recent Report Changes

Due Dates

Form D reports should be submitted not later than 50 calendar days following the as-of date, which is the last day of the calendar quarter being reported.

p. 6, Instructions for the Quarterly Treasury
International Capital Form D Report

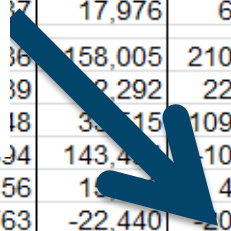
TIC D - Recent Report Changes

Table 1. U.S. International Transactions

[Millions of dollars, quarters seasonally adjusted]

	(Credits +, debits -) ¹	2011 ^r	2012 ^r	2012				2013
				I ^r	II ^r	III ^r	IV ^r	I ^p
60	Other U.S. government liabilities.....	8,562	8,244	8,020	8,772	4,722	807	1,106
61	U.S. liabilities reported by U.S. banks.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
62	Other foreign official assets.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
63	Other foreign assets in the United States.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
64	Direct investment.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
65	U.S. Treasury securities.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
66	U.S. securities other than U.S. Treasury securities.....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
67	U.S. currency.....	54,996	57,141	18,057	7,116	16,156	18,829	4,957
68	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking financial institutions.....	6,053	-39,505	13,279	-25,581	-4,763	-22,440	20,467
69	U.S. liabilities reported by U.S. banks and securities brokers.....	290,334	387,378	127,450	220,672	15,412	-54,668	104,950
70	Financial derivatives, net.....	35,006	-7,064	-7,339	2,419	-5,129	2,985	3,888
71	Statistical discrepancy (lines 1, 18, 35, 39, 40, 55, and 70 with sign reversed).....	-92,771	-3,891	-142,718	92,741	78,829	-34,738	23,473
Memoranda:								
72	Balance on goods (lines 3 and 20).....	-744,139	-741,475	-193,604	-186,487	-178,980	-182,403	-179,137
73	Balance on services (lines 4 and 21).....	187,301	206,819	50,657	51,186	49,952	55,025	55,479
74	Balance on goods and services (lines 2 and 19).....	-556,838	-534,656	-142,947	-135,302	-129,029	-127,378	-123,658
75	Balance on income (lines 12 and 29).....	232,648	223,928	54,876	57,457	54,630	56,965	51,976
76	Unilateral current transfers, net (line 35).....	-133,535	-129,688	-32,771	-32,668	-32,343	-31,906	-34,463
77	Balance on current account (lines 1, 18, and 35 or lines 74, 75, and 76).....	-457,725	-440,416	-120,842	-110,513	-106,742	-102,320	-106,145
78	Net financial flows (lines 40, 55, and 70).....	551,708	439,351	263,561	18,013	28,387	129,390	80,671

Cross border derivatives data were not available in time for publication before your time to submit was shortened.



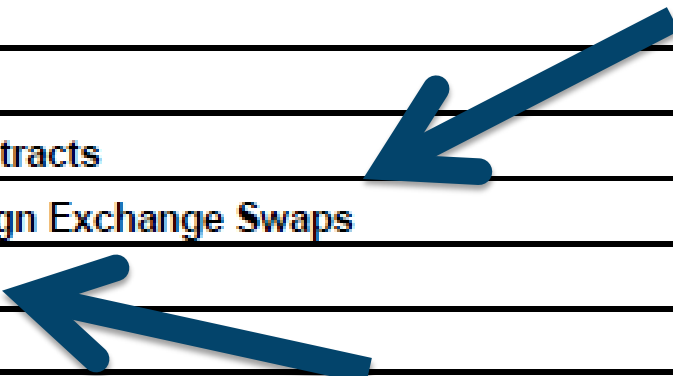
TIC D - Recent Report Changes

In part 1 of Form D, the title of row 2.a is changed to *Forwards and Foreign Exchange Swaps* from *Forwards* and row 2.b will be entitled *Currency Swaps* in place of *Swaps*.

Federal Register, Vol. 767, No 178, p 56875

TIC D - Recent Report Changes

1.d	Swaps	86012	
1.c	Options	86013	
2	Foreign Exchange Contracts	86020	
2.a	Forwards and Foreign Exchange Swaps	86021	
2.b	Currency Swaps	86022	
2.c	Options	86023	
3	Other Contracts By Type of Risk	86030	
3.a	Equity	86031	
3.b	Credit	86032	



TIC D - Recent Report Changes

a) Forwards and Foreign Exchange Swaps (Row 2.a)

Report contracts with foreign-resident counterparties that represent agreements for the delayed delivery of currency, which the buyer agrees to purchase and the seller agrees to deliver, at a specified future date. Include spot/forward and forward/forward foreign exchange swaps.

b) Currency Swaps (Row 2.b)

Report cross currency interest rate contracts with foreign-resident counterparties in which two parties agree to exchange currencies based on a specified notional amount for a specified period. Forward starting swap contracts should be reported as swaps.

p. 15, Instructions for the Quarterly Treasury
International Capital Form D Report

4. Common Reporting Errors

TIC D - Common Reporting Errors

- Consistency of definition and identification of derivatives across reports.

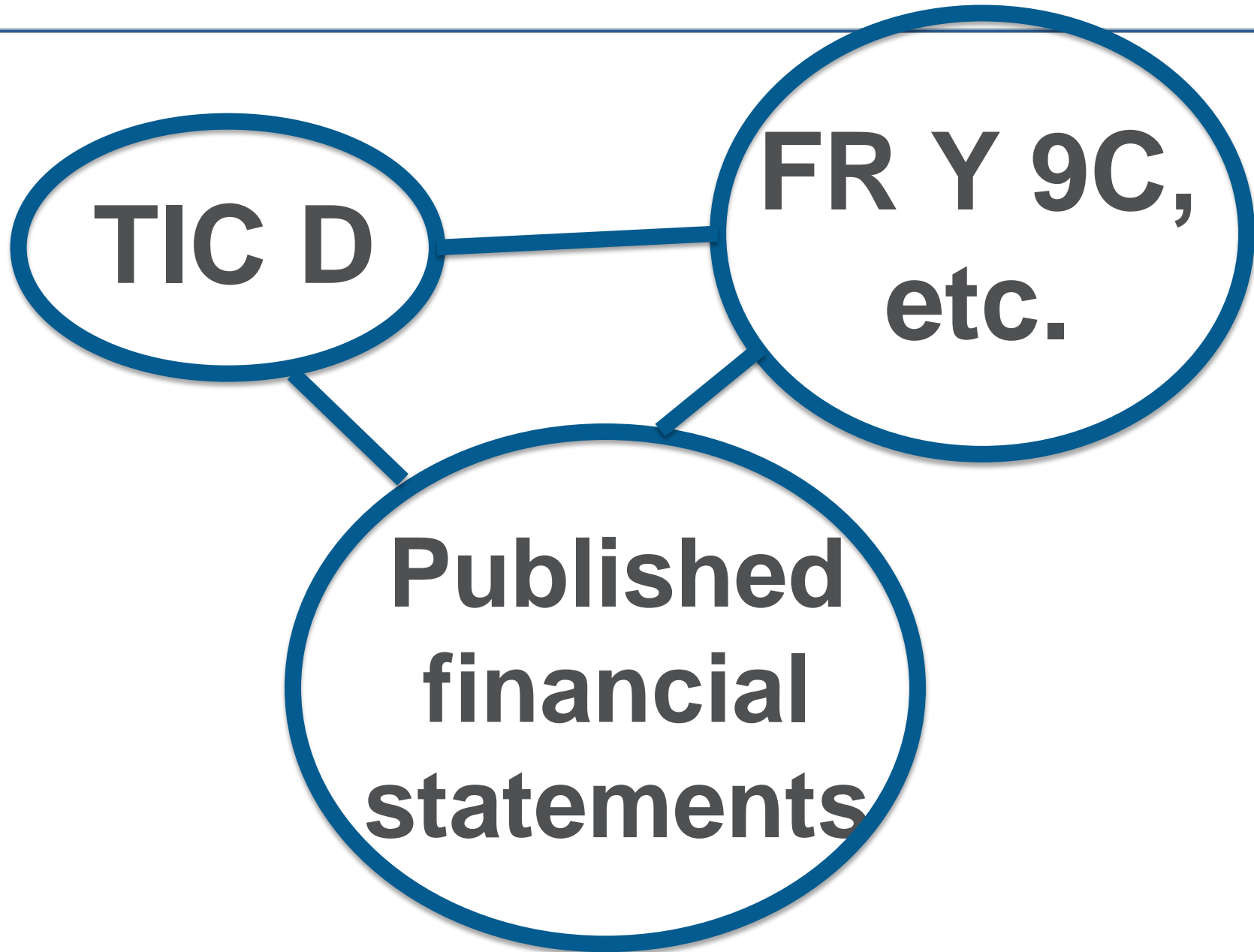
TIC D - Common Reporting Errors

B. Reportable Derivatives

Derivatives contracts are reportable only if the contracts meet the FASB Statement No. 133 (FAS 133) definition of a derivative contract. FAS 133 defines a derivative as a financial instrument or other contract having all three of the following characteristics:

1. It has one or more underlying (i.e., specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, or other variable) and one or more notional amounts (i.e., number of currency units, shares, bushels, pounds, or other units specified in the contract) or payment provisions or both. These terms determine the amount of the settlement and in some cases, whether or not a settlement is required;
2. It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have similar response to changes in market factors; and
3. Its terms require or permit net settlement (see glossary), it can be readily settled net by a means outside the contract, or it provides for delivery of an asset that puts the recipient in a position not substantially different from net settlement. Reportable derivatives include, but are not limited to:

TIC D - Common Reporting Errors




TIC D - Common Reporting Errors

- The sign (+/-) for foreign counterparty contracts on U.S. exchanges

TIC D - Common Reporting Errors

3.d	Credit	86032
3.c	Other	86033
	Exchange-Traded Contracts	
4	Own Derivatives Contracts on Foreign Exchanges	86041
5	U.S. Customers' Derivatives Contracts on Foreign Exchanges	86042
6	Foreign Counterpart Derivatives Contracts on U.S. Exchanges	86043
7	Grand Total	86099
	Of Which:	



TIC D - Common Reporting Errors

- Balance of payments transactions that generate a receipt of funds into the United States are each recorded with a credit (positive) entry. Debit (negative) entries reflect transactions that generate payments of funds to foreign residents.

TIC D - Common Reporting Errors

Remember:

- All positions and net settlements are from the perspective of the U.S. institution, U.S. client, or U.S. exchange.

Thus, positions of your foreign customers on U.S. exchanges should be reported from the perspective of the U.S. exchange and not your foreign customer.

TIC D - Common Reporting Errors

Foreign Counterparty Derivatives Contracts on U.S. Exchanges (Row 6)

Report the fair values and net settlements of all derivatives contracts, including options, of the reporting entity's non-U.S.-resident customers (that is, contracts where the reporter is acting as broker for a non-U.S.-resident) on all exchanges (e.g., security and electronic exchanges) located in the U.S.. (Include in this row all contracts traded on U.S. exchanges on behalf of the reporter's foreign affiliates, subsidiaries and branches.)

All foreign counterparty contracts should be reported from the perspective of the U.S. exchange. For example, a payment by the foreign customer to the exchange would be recorded as a receipt (+).

TIC D - Common Reporting Errors

- Which entity?

C. Who Must Report

Reportable Entities

All entities resident in the United States that have derivatives contracts that exceed the exemption level described below should complete all parts of the TIC D Form.

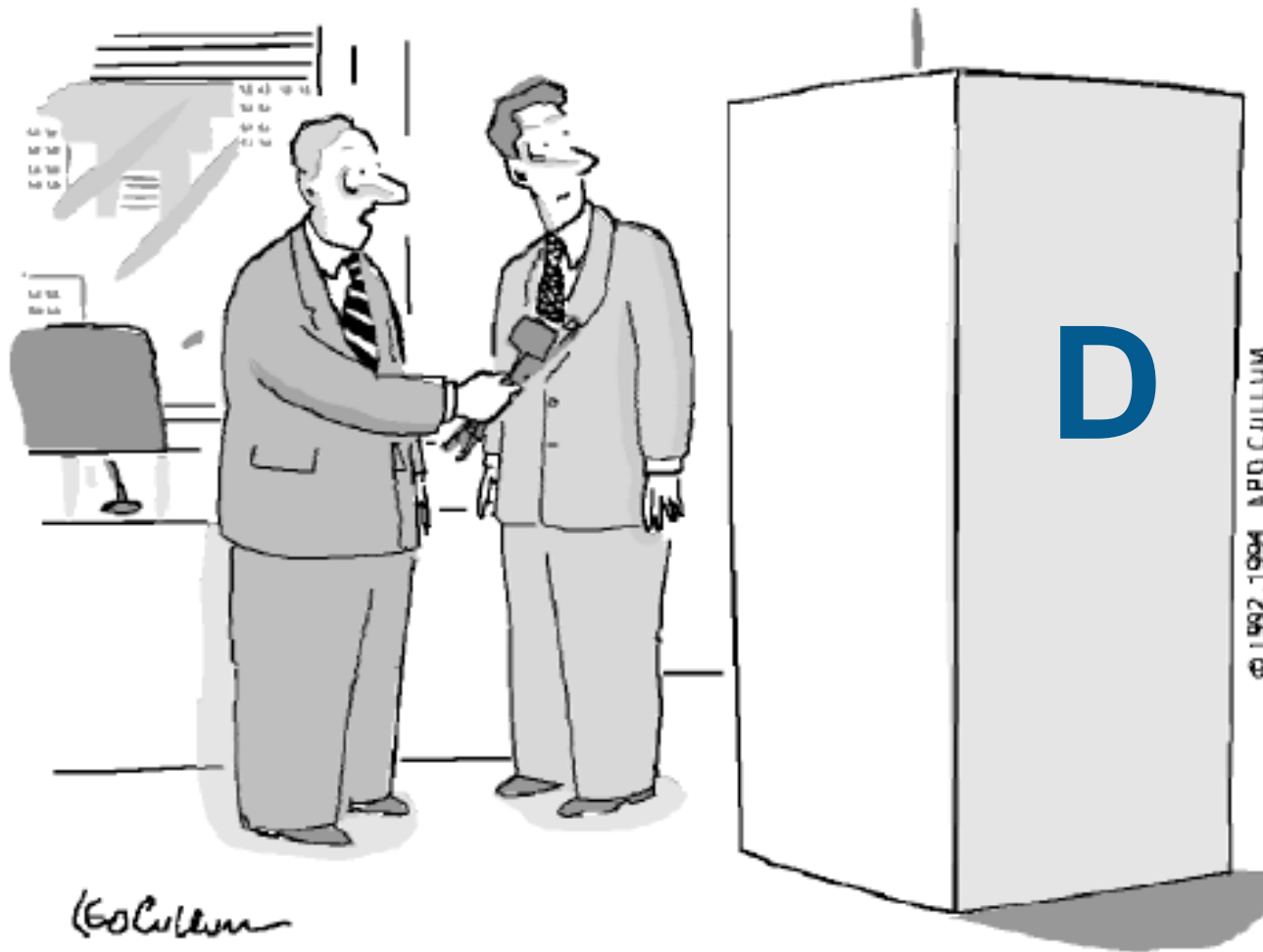
Consolidation

Reporters should consolidate only their U.S. resident subsidiaries on the same basis as annual reports submitted to the SEC or on the same basis as described in generally accepted accounting principles (GAAP). For tiered entities, only the top-tier company should file the TIC D Form. However, foreign banking organizations that establish more than one legal entity in the U.S. (e.g., a holding company and a branch) should report for each top tier U.S. entity.

TIC D - Common Reporting Errors

- One last point . . .

REVIEW



“It’s simple, Purcell. Just chip away anything that doesn’t look like a quarterly report.”



FEDERAL RESERVE BANK *of* NEW YORK

Overview TIC Form C

Olivier Toussaint
International Reports Division
08/07/2013

CQ-1 & CQ-2

TIC C - Overview



TIC C - Background

TIC Form CQ-1: Report of Financial Liabilities to, and Financial Claims on, Unaffiliated Foreign Residents

TIC Form CQ-2: Report of Commercial Liabilities to, and Commercial Claims on, Unaffiliated Foreign Residents

TIC C - Reporting Changes - Dec 2013

TIC C reporting changes:

- Changes in reporting entity types.
- Geographical changes.
- Memorandum items.

TIC C - Reporting Changes

Current types of entities that will no longer be required to file the TIC CQ-1 and TIC CQ-2 reports as of Dec 2013:

- Financial companies.
- Insurance companies.
- Other financial intermediaries.
- Mutual funds, pension funds, unit investment trusts, and other pools of commingled assets.
- Futures commission merchants.
- Financial proprietorships, partnerships, and limited liability companies

TIC C - Reporting Requirements

Current TIC C reporters that will continue to file include:

- Commercial and industrial firms.
- Exporters, importers, trading companies, and foreign sales companies.
- Holding companies (non TIC B filers).
- Subsidiaries of foreign organizations (non TIC B filers).
- Non-financial proprietorships, partnerships and limited liability companies.
- Non-profit organizations, charitable organizations, and foundations.
- State and local governments.

(Unless subsidiaries of U.S. financial institutions and data already consolidated on the TIC B reports)



TIC C - Consolidation Rules

All U.S.-resident companies that are not 50 percent or more owned by another U.S. resident company should file combined TIC C reports for themselves and all of their U.S. resident subsidiaries that are:

- 50 percent or more owned (voting securities), or an equivalent interest (control).
- Are not depository institutions, securities brokers or dealers or other financial institutions (for which TIC B reports are filed).

TIC C - Affiliates vs. Non-Affiliates

- A foreign-resident affiliate is:
 - Any foreign-resident entity for which the reporter owns 10 percent or more of its voting equity (or the equivalent);
 - Any foreign-resident “parent” company which owns 10 percent or more of the reporter’s voting equity (or the equivalent);
 - Any foreign-resident company which is a subsidiary (50 percent or more owned) of a foreign parent company of the reporter.

Note: All other foreign resident entities are “*unaffiliated foreign residents.*”

TIC C - Exemption Information

Exemption Levels for TIC Reporting		
Form / Part	Description	Exemption Level (Report if greater than or equal to the following level)
CQ 1, Part 1	Reportable Financial Liabilities to Unaffiliated Foreigners	\$50 million
CQ 1, Part 2	Reportable Financial Claims on Unaffiliated Foreigners	\$50 million
CQ 2, Part 1	Reportable Commercial Liabilities to Unaffiliated Foreigners	\$25 million
CQ 2, Part 2	Reportable Commercial Claims on Unaffiliated Foreigners	\$25 million

The TIC CQ-1 and CQ-2 forms have separate exemption levels for liabilities (Part 1) and for claims (Part 2).

TIC C - Foreign Currency Positions

For foreign currency-denominated positions reported on the TIC CQ-1 and CQ-2, report the U.S. dollar equivalent of the foreign currency amounts, converted by using the closing spot exchange rate on the as-of date of the report.

Foreign Currency Memorandum Rows

For each column, report the amounts of positions that are denominated in:

- Canadian Dollars (8500-1)
- Euros (8500-2)
- British Pounds Sterling (8500-3)
- Japanese Yen (8500-4)
- Swiss Francs (8500-5) - **New Item**
- All Other Foreign Currencies (8500-6)

TIC C - Collection Information

1. Where to Report:

TIC CQ-1 and CQ-2 reports should be filed with the Federal Reserve Bank of New York.

2. Methods of Reporting:

Data may be submitted through the Internet via the [Reporting Central System](#).

Paper reports should be [Mailed](#) to:

International Reports Division

Federal Reserve Bank of New York

33 Liberty Street - 4th Floor

New York, New York 10045

Or [Faxed](#) to: (212) 720-8028



TIC C - Collection Information

3. Due Date:

The TIC CQ reports are filed as of the last business day of each quarter. Both TIC CQ-1 and CQ-2 reports should be submitted no later than 30 calendar days following the report as-of date.

4. Signature Requirements:

The cover page of the TIC C forms must be signed by a duly authorized officer of the institution.

5. Reporter ID Number:

Each reporting entity has been assigned an "RSSD-ID" number by the Federal Reserve System. To ensure proper processing, this ID must be entered in the space provided on each page of the form.

TIC C - Due Dates

- As-of date is last business day of the quarter.

June 2013 - As-of Date

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

- Due date is 30 calendar days following the as-of date.

July 2013 - Due Date

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Note: If the due date of a report falls on a weekend or holiday, the due date is the following business day.

TIC C - Common Reporting Errors

Common elements reported erroneously:

- Using trade date instead of settlement date.
- Reporting foreign currency units instead of U.S. dollar equivalent.
- Exemption levels.
- Reporting incorrect RSSD IDs.

TIC CQ-1

TIC Form CQ-1 - Overview



TIC CQ-1 What To Report

- U.S. dollar and foreign currency-denominated financial liabilities to, and financial claims on, unaffiliated foreign residents.
- The obligation to pay or to provide the right to receive cash or another financial asset (includes leases).
 - Except those between a purchaser and a seller of goods or services in the normal course of business (Commercial liabilities).

TIC CQ-1 What To Report - Part 1 (Liabilities)

A. Reportable financial liabilities to unaffiliated foreign residents include:

- Loans of any maturity.
- Repurchase and similar financing agreements of any maturity.
- Overdrawn deposit account balances.
- Short-term securities issued in foreign markets.

TIC CQ-1 What To Report - Part 1 (Liabilities) Cont.

Additional reportable financial liabilities to unaffiliated foreign residents include:

- Lease payments due.
- Brokerage balances.
- Accrued interest payables.

TIC CQ-1 What To Report - Part 2 (Claims)

B. Reportable financial claims on unaffiliated foreign residents include:

- Loans and loan participations of any maturity.
- Resale and similar financing agreements of any maturity.
- Deposit balances held at foreign-resident banks of any maturity.
- Negotiable and non-negotiable certificates of deposit issued by foreign-resident banks.

TIC CQ-1 What To Report - Part 2 (Claims) Cont.

Additional reportable financial Claims on unaffiliated foreign residents include:

- Short-term money markets instruments.
- Other short-term securities.
- Lease payments receivables.
- Brokerage balances.
- Accrued interest receivables.

TIC CQ-1 Exclusions

Specific Exclusions:

- Long-term securities. (reported on TIC S form)
- Negotiable short-term securities issued by the reporter in the U.S. (reported on TIC B forms)
- Contingent liabilities or credit commitments.
- Derivatives.
- Spot foreign exchange contracts.

TIC CQ-1 Exclusions Cont.

Additional exclusions:

- Securities borrowing or lending agreements.
- Commercial liabilities and claims. (TIC CQ-2 form)
- Deposits and brokerage balances.
- Loans made by a foreign resident (U.S. serviced).

TIC CQ-1 Columns - (Part 1) Liabilities

Short-term Negotiable Securities (Column 1)

- Short-term negotiable securities issued directly in a foreign market.

Other Liabilities to Foreigners (Column 2)

- Reportable financial liabilities.

TIC CQ-1 Columns - (Part 2) Claims

Non-negotiable Foreign Deposits (Column 3)

- Deposits held at foreign banks.
- Brokerage balances placed with foreign residents.

Negotiable CDs & All ST Negotiable Securities (Column 4)

- Negotiable certificates of deposit.
- Short-term negotiable securities.

TIC CQ-1 Columns - (Part 2) Claims Cont.

Other Claims on Foreigners (Column 5)

- Claims other than non-negotiable foreign deposits reported in column 3.
- Negotiable CDs and negotiable short-term securities reported in column 4.
- Loans to foreign residents and short-term non-negotiable securities of foreign residents.

TIC CQ-1 “Of Which” Items

A. Type of Instruments:

- Borrowings/Loans (8061-4) Columns 2 and 5.
- Negotiable CDs (8110-8) Column 4.
- Repurchase/Resale Agreements (8400-7) Colum 2 and 5.

B. Assets Written Off This Quarter (8200-9)

C. Foreign Currency Memorandum Rows

D. Remaining Maturities

TIC CQ-1 “Of Which” Items - Liabilities

Remaining Maturities - Liabilities

To be completed by reporters with total reportable liabilities of \$1 billion or more.

Foreign Economies and Organizations	Part 1 - Financial Liabilities to Foreigners	
	Short-term Negotiable Securities	Other Liabilities to Foreigners
CODE	1	2
Remaining Maturities - Liabilities: <i>(Complete only if total reportable liabilities are \$1 billion or more)</i>		
	Millions	Millions
Demand Deposits	8010-1	
Arrears	8020-9	
Fixed Maturity Including Repos	8030-6	
Maturity Including Repos Under a Continuing Contract	8040-3	
Other , 90 Days or Less	8051-9	
Over 90 Days to 180 Days	8052-7	
Over 180 Days to 270 Days	8053-5	
Over 270 Days to 1 Year	8054-3	
Over 1 Year to 2 Years	8055-1	
Over 2 Years	8057-8	

TIC CQ-1 New “Of Which” Items - Claims

Remaining Maturities - Claims

To be completed by reporters with total reportable claims of \$1 billion or more.

Foreign Economies and Organizations	Part 2 - Financial Claims on Foreigners			Total of Columns 1-5 (for arithmetic check only)
	Non-negotiable Foreign Deposits	Negotiable CDs & All Short-term Negotiable Securities	Other Claims on Foreigners	
CODE	3	4	5	6
	Millions	Millions	Millions	Millions
Remaining Maturities - Claims:				
Demand Deposits, Arrears, Resale Agreements Under Continuing Contract, and Items With No Fixed Maturity	8139-6			
Maturing in 1 Year or Less	8143-4			
Maturing in Over 1 Year	8147-7			

TIC CQ-1 Common Reporting Errors

Common reporting error on the TIC CQ-1:

- The failure to complete the “Remaining Maturities” section.
- Reporting long-term securities.
- Reporting commercial liabilities and claims.

TIC CQ-2

TIC Form CQ-2 - Overview



TIC CQ-2 What To Report

- U.S. dollar and foreign currency-denominated commercial liabilities to, and claims on, unaffiliated foreign residents.

Liabilities and claims between a purchaser and a seller of goods or services in the normal course of business (other than those arising from leases) are called “commercial” liabilities and claims and are reportable on the TIC CQ-2.

TIC CQ-2 What To Report

Reportable commercial liabilities to, and claims on, unaffiliated foreign residents include:

- Accounts payable and receivable.
- Advance payments received for future deliveries of goods and services.
- Claims on inventory held outside the United States.



TIC CQ-2 What To Report Cont.

Additional commercial liabilities to, and claims on, unaffiliated foreign residents include:

- Credits due to or from a foreign resident.
- Accrued liabilities and claims.
- Fees due or payable.

TIC CQ-2 Exclusions

Specific Exclusions:

- Contingent liabilities or claims.
- Liabilities and claims held for collection by U.S. banks or brokers/dealers.
- Financial liabilities and claims.

TIC CQ-2 Columns (Part 1) Liabilities

Trade Payables (Column 1)

- Deferred payment for goods imported into the United States.
- Acceptances made directly for your account.
- The return of goods or cancellation of services.

TIC CQ-2 Columns (Part 1) Liabilities Cont.

Additional Trade Payables (Column 1) include:

- Overpayments for goods or services.
- Accrued liabilities for royalties and similar fees.

TIC CQ-2 Columns (Part 1) Liabilities Cont.

Advance Receipts And Other Liabilities (Column 2)

- All advance payments received for future deliveries of goods or services.
- All other commercial liabilities.

TIC CQ-2 Columns (Part 2) Claims

Trade Receivables (Column 3)

- Deferred receipts from the sale of goods.
- The return of goods or cancellation of service contracts.
- Overpayments for goods or services.
- Accrued claims for royalties and similar fees.

TIC CQ-2 Columns (Part 2) Claims Cont.

Advance Payments And Other Claims (Column 4)

- Advance payments made for future delivery of goods or services.
- Goods that the reporter owns located in foreign countries.
- All other commercial claims.

TIC CQ-2 “Of which” Items - Liabilities

Remaining Maturities - Liabilities

To be completed by reporters with total reportable liabilities of \$200 million or more.

Foreign Economies and Organizations	Part 1 - Commercial Liabilities to Unaffiliated Foreigners		Total of Columns 1-4 (for arithmetic check only)
	Trade Payables	Advance Receipts And Other Liabilities	
CODE	1	2	5

Remaining Maturities -Liabilities: *(Complete only if total reportable liabilities are \$200 million or more)*

Arrears	8020-9			
Fixed Maturity Including Repos	8030-6			
Maturity Including Repos Under a	8040-3			
Other , 90 Days or Less	8051-9			
Over 90 Days to 180 Days	8052-7			
Over 180 Days to 270 Days	8053-5			
Over 270 Days to 1 Year	8054-3			
Over 1 Year to 2 Years	8055-1			
Over 2 Years	8057-8			

TIC CQ-2 New “Of which” Items - Claims

Remaining Maturities - Claims

To be completed by reporters with total reportable claims of \$200 million or more.

Foreign Economies and Organizations	Part 2 - Commercial Claims on Unaffiliated Foreigners		Total of Columns 1-4 (for arithmetic check only)
	Trade Receivables	Advance Payments And Other Claims	
CODE	3	4	5
	Millions	Millions	Millions
Remaining Maturities -Claims:			
Arrears and Items With No Fixed Maturity	8139-6		
Maturing in 1 Year or Less	8143-4		
Maturing in Over 1 Year	8147-7		

TIC CQ-2 Common Reporting Errors

Common reporting error on the TIC CQ-2:

- The failure to complete the “Remaining Maturities” section.
- Reporting financial liabilities and claims.