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FEDERAL RESERVE SYSTEM

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System

SUMMARY: On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board of Governors of the Federal Reserve System (Board) its approval authority under the Paperwork Reduction Act (PRA), pursuant to 5 CFR 1320.16, to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board under conditions set forth in 5 CFR 1320 Appendix A.1. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements and approved collection of information instruments are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

DATES: Comments must be submitted on or before [insert date 60 days after publication in the Federal Register].

ADDRESSES: You may submit comments, identified by FR 2004 or FR Y-15, by any of the following methods:

- Agency Web Site: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at <http://www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: regs.comments@federalreserve.gov. Include OMB number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Robert deV. Frierson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, NW, Washington, DC 20551.

All public comments are available from the Board's web site at www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper form in Room MP-500 of the Board's Martin Building (20th and C Streets, NW) between 9:00 a.m. and 5:00 p.m. on weekdays.

Additionally, commenters may send a copy of their comments to the OMB Desk Officer — Shagufta Ahmed — Office of Information and Regulatory Affairs,

Office of Management and Budget, New Executive Office Building, Room 10235
725 17th Street, NW, Washington, DC 20503 or by fax to (202) 395-6974.

FOR FURTHER INFORMATION CONTACT: A copy of the PRA OMB submission, including the proposed reporting form and instructions, supporting statement, and other documentation will be placed into OMB's public docket files, once approved. These documents will also be made available on the Federal Reserve Board's public website at:

<http://www.federalreserve.gov/boarddocs/reportforms/review.cfm> or may be requested from the agency clearance officer, whose name appears below.

Federal Reserve Board Clearance Officer — Cynthia Ayouch — Division of Research and Statistics, Board of Governors of the Federal Reserve System, Washington, DC 20551 (202) 452-3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, DC 20551.

SUPPLEMENTARY INFORMATION:

Request for comment on information collection proposals

The following information collections, which are being handled under this delegated authority, have received initial Board approval and are hereby published for comment. At the end of the comment period, the proposed information collections, along with an analysis of comments and recommendations received,

will be submitted to the Board for final approval under OMB delegated authority.

Comments are invited on the following:

a. Whether the proposed collection of information is necessary for the proper performance of the Federal Reserve's functions; including whether the information has practical utility;

b. The accuracy of the Federal Reserve's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;

c. Ways to enhance the quality, utility, and clarity of the information to be collected;

d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and

e. Estimates of capital or start up costs and costs of operation, maintenance, and purchase of services to provide information.

Proposal to approve under OMB delegated authority the extension for three years, with revision, of the following report:

Report title: The Government Securities Dealers Reports: Weekly Report of Dealer Positions (FR 2004A), Weekly Report of Cumulative Dealer Transactions (FR 2004B), Weekly Report of Dealer Financing and Fails (FR 2004C), Weekly

Report of Specific Issues (FR 2004SI), Daily Report of Specific Issues (FR 2004SD), Supplement to the Daily Report of Specific Issues (FR 2004SD ad hoc), and Daily Report of Dealer Activity in Treasury Financing (FR 2004WI).

Agency form number: FR 2004.

OMB control number: 7100-0003.

Frequency: Weekly, daily.

Reporters: Dealers in the U.S. government securities market.

Estimated annual reporting hours: FR 2004A, 3,058 hours; FR 2004B, 3,822 hours; FR 2004C, 3,276 hours; FR 2004SI, 2,293 hours; FR 2004SD, 1,103 hours; FR 2004SD ad hoc, 1,092 hours; FR 2004WI, 3,360 hours.

Estimated average hours per response: FR 2004A, 2.8 hours; FR 2004B, 3.5 hours; FR 2004C, 3.0 hours; FR 2004SI, 2.1 hours; FR 2004SD, 2.1 hours; FR 2004SD ad hoc, 2.0 hours; FR 2004WI, 1.0 hour.

Number of respondents: 21

General description of report: This information collection is authorized by sections 2A, 12A(c), 14, and 15 of the Federal Reserve Act (12 U.S.C. §§ 225a, 263c, 353-359, and 391) and is required to obtain or retain the benefit of dealer status. Individual respondent data are regarded as confidential under the Freedom of Information Act (5 U.S.C. §§ 552(b)(4) and (b)(8)).

Abstract: The FR 2004A collects weekly data on dealers' outright positions in Treasury and other marketable debt securities. The FR 2004B collects cumulative weekly data on the volume of transactions made by dealers in the same instruments for which positions are reported on the FR 2004A. The FR 2004C collects weekly data on the amounts of dealer financing and fails. The FR 2004SI collects weekly data on position, transaction, financing, and fails for the most recently issued on-the-run Treasury securities (the most recently issued Treasury securities for each maturity class). When unusual trading practices occur for a specific security, this information can be collected on a daily basis on the FR 2004SD for either on-the-run Treasury securities or off-the-run Treasury securities. The FR 2004SD ad hoc collects up to 10 ad hoc data items when critical information is required for additional market surveillance. The FR 2004WI collects daily data on positions in to-be-issued Treasury coupon securities, mainly the trading on a when-issued delivery basis.

Current Actions: Provided below is a list of the proposed revisions to each reporting form followed by a more detailed discussion of the justification for each of the proposed revisions, effective March 31, 2013.

FR 2004A and B

1. Include new maturity breakdowns for Treasury coupon securities and Treasury inflation-protected securities (TIPS).

2. Consolidate maturity breakdowns for agency and government sponsored enterprise (GSE) debentures.
3. Expand MBS reporting to include separate reporting of agency and non agency mortgage-backed securities (MBS) as well as separate reporting of residential pass-through, non pass-through, and commercial mortgage-backed securities (CMBS).
4. Expand reporting of corporate securities data with separate reporting of commercial paper and investment grade/non-investment grade debt securities.
5. Include new asset classes for state and municipal government obligations and asset-backed securities.

FR 2004C

1. Split securities financing data into repurchase agreements/reverse repurchase agreements and other financing activity-securities lent/borrowed.
2. Expand the asset classes for securities financing into U.S. Treasury coupons, TIPS, agency and GSE debentures, agency MBS, corporate debt, equities, and other.
3. Expand financing terms to overnight/continuing, less than 30 days, and 30 days or greater.

4. Expand securities settlement fails granularity to U.S. Treasury coupons, TIPS, agency and GSE debentures, agency and GSE MBS, other MBS, and corporate debt securities.

FR 2004SI and FR 2004SD

Split outright transactions for Treasury securities into two counterparty types, with interdealer brokers and with others.

Expanded Granularity on MBS Products

Expanding the granularity of MBS data reported on the FR 2004A, B, and C is proposed. Non federal agency and GSE-issued MBS would be collected as a distinct asset class on the FR 2004A and B reporting forms instead of in the corporate securities category. In addition, residential MBS and commercial MBS would be collected as distinct categories. Transactions in agency pass through securities would be separately classified as “cash” or as part of a “dollar roll,” providing information on the critical role of primary dealers in intermediating dollar roll transactions and agency MBS financing to market participants. The significant expansion of data collected would allow for a greater understanding of critical markets that directly affect the System Open Market Account, where agency MBS holdings currently account for over 30% of total securities holdings. It would also allow for a greater understanding of the non-agency MBS market by itself as well as the interplay between the non-agency and agency MBS markets.

In addition, the increased transparency in these important markets would benefit both the Federal Reserve in its role in financial stability as well as the public through the expansion of publically available aggregate statistics.

Additional Information on Treasury Coupon and TIPS

Expanding the maturity groupings from four to six categories for Treasury coupon securities on the FR 2004A and B is proposed to better align with Treasury issuance patterns. The new maturity splits are constructed so that each one includes a benchmark on-the-run security. To improve the interpretive power of TIPS data on the FR 2004A and B, four new data items for TIPS are proposed. The four new data items would collect TIPS by maturity buckets split so that each has one on-the-run TIPS plus an additional division for short-term TIPS, which tend to trade separately. Adding a column to collect interdealer transactions on the FR 2004SI is proposed to align it with counterparty reporting on the FR 2004B reporting form, which would improve the usefulness of both forms.

Consolidation of Agency and GSE Debenture Reporting

Reflective of current issuance patterns toward shorter maturities, consolidation of agency debenture reporting is proposed on the FR 2004A and B reporting form. All coupon securities would be reported in aggregate, eliminating the current reporting that splits positions and transactions into four separate maturity categories.

Expansion of Securities Financing Data

An expansion of securities financing data is proposed on the FR 2004C including the broadening of collateral asset classes as well as separate reporting of repurchase/reverse repurchase agreements from other types of collateralized financing and additional granularity of contract terms. The changes in financing reporting, when used in conjunction with existing tri-party and general collateral financing (GCF) repurchase agreement data, would allow for a clearer understanding of activity in the repurchase agreement markets. Separate capture of financing of U.S. equities is proposed, as is a separate residual category “Other,” primarily for financing of asset-backed securities (ABS), municipals, and non-agency issued MBS and collateralized mortgage obligations (CMO). Contract terms for securities financing would expand from two to three categories with over/under 30 day terms collected separately. The new split of contract terms would make the data series more analytically useful as it more closely aligns with common industry practices and market segments.

Expanded Settlement Fails Data

Separate collection of non agency or GSE issued MBS is proposed on the FR 2004C reporting form. This change would provide consistent treatment of non agency or GSE-issued MBS across all of the FR 2004 reporting forms and would

simultaneously enhance the usefulness of the corporate settlement fails data by narrowing the definition of corporate securities with the removal of this asset class.

Publication of Aggregate Data

Publication of aggregate data of all new items from the FR 2004A, B, and C is proposed. Publication of aggregate Treasury on-the-run data with an 8-day lag from the FR 2004SI form is also proposed. The expansion of published aggregate statistics would improve market transparency across the affected markets.

Clarifications to the Instructions

The instructions would be revised to (1) cover all proposed data items including asset classes that have been added since the last reports review (e.g., ABS, municipal bonds) and (2) restructure the format and layout with extensive clarifications and structural changes.

Proposal to approve under OMB delegated authority the implementation of the following report:

Report title: The Banking Organization Systemic Risk Report.

Agency form number: FR Y-15.

OMB control number: 7100-to-be-assigned.

Frequency: Annual.

Reporters: U.S. bank holding companies (BHCs) and savings and loan holding companies (SLHCs) with \$50 billion or more of total consolidated assets and

foreign banking organizations (FBOs) with \$50 billion or more of assets in their combined U.S. operations (including branches).

Estimated annual reporting hours: 11,340 hours.

Estimated average hours per response: 180 hours.

Number of respondents: 63

General description of report: This information collection is authorized by sections 163, 165, and 604 of the Dodd-Frank Act and the International Banking Act (12 U.S.C. §§ 1462, 1467, and 3106). The obligation to respond to the FR Y-15 is mandatory. The Federal Reserve proposes that all report data from the FR Y-15 be made available publicly through the FFIEC website.

Abstract: The FR Y-15 would collect consolidated systemic risk data from large U.S. BHCs and U.S. SLHCs, and aggregated systemic risk data on the U.S. operations of certain FBOs. Data collected from this report would be derived directly from a data collection developed by the Basel Committee on Banking Supervision (Basel Committee). The Federal Reserve would submit the BHC data to the Basel Committee for use in determining whether an institution is a global systemically important bank (G-SIB) and, if so, what additional capital requirement would be applied. The full data set, which includes large SLHCs and the domestic activities of FBOs, would be used by the Federal Reserve to assess

the systemic risk implications of proposed mergers and acquisitions and may be used to determine whether an institution is a domestic systemically important bank.

Current Actions: The Federal Reserve proposes to implement the FR Y-15. The data items collected in this report would mirror those that were developed by the Basel Committee to assess the global systemic importance of banks. The report would consist of the following schedules:

- Schedule A – Size Indicators;
- Schedule B – Interconnectedness Indicators;
- Schedule C – Substitutability Indicators;
- Schedule D – Complexity Indicators;
- Schedule E – Cross-Jurisdictional Activity Indicators; and
- Schedule F – Ancillary Indicators.

Schedule A - Size Indicators

The larger a firm is in terms of total assets, the larger the potential impact to the global financial system should that firm default. The size metric is identical to the total exposures value used in the leverage ratio and would be calculated using both on- and off-balance sheet data. On-balance sheet items would include total on-balance sheet assets, netted and unnetted securities financing transactions, securities received as collateral in securities lending, cash collateral received in conduit securities lending transactions, derivative exposures with a net positive fair

value, and cash collateral netted against net positive derivative exposures.

Off balance sheet items would include potential future exposure of derivatives, total notional amount of credit derivatives sold, credit derivatives sold net of related credit protection bought, off-balance sheet items with a 0% credit conversion factor (CCF), unconditionally cancellable credit card commitments, other unconditionally cancellable commitments, off-balance sheet items with a 20% CCF, off-balance sheet items with a 50% CCF, and off-balance sheet items with a 100% CCF. Certain regulatory adjustments to Tier 1 capital would also be collected.

Schedule B - Interconnectedness Indicators

The Interconnectedness Indicators Schedule is comprised of three subcategories: intra-financial system assets, intra-financial system liabilities, and securities issued. Intra-financial system assets would be comprised of all funds deposited with or lent to other financial institutions, undrawn committed lines extended to other financial institutions, holdings of secured debt securities, holdings of senior unsecured debt securities, holdings of subordinated debt securities, holdings of commercial paper, holdings of certificates of deposit, holdings of stock (including par and surplus of common and preferred shares), offsetting short positions in relation to stock holdings, net positive current exposure of securities financing transactions, net positive fair value of over-the-

counter (OTC) derivatives (including collateral held if it is within the master netting agreement), potential future exposure of OTC derivatives, and fair value of collateral that is held outside of the master netting agreements.

Intra-financial system liabilities would include all funds deposited by banks, all funds deposited by non-bank financial institutions, undrawn committed lines obtained from other financial institutions, net negative current exposure of securities financing transactions, net negative fair value of OTC derivatives (include collateral provided if it is within the master netting agreement), potential future exposure of OTC derivatives, and fair value of collateral that is provided outside of the master netting agreements.

Securities issued by the bank would include secured debt securities, senior unsecured debt securities, subordinated debt securities, commercial paper, certificates of deposit, and stock (including par and surplus of common and preferred shares).

Schedule C - Substitutability Indicators

The Substitutability Indicators Schedule would include the total value of all payments sent by the bank (and the total value of all payments sent on behalf of other institutions), for the reporting year, in Australian dollars, Brazilian real, Canadian dollars, Swiss francs, Chinese yuan, Euros, Pound sterling, Hong Kong dollars, Indian rupee, Japanese yen, Swedish krona, and United States dollars. All

outgoing payments would be included regardless of whether the payments were initiated directly via a payment system or indirectly via an agent bank. The reported payment totals would reflect gross payment activity (i.e., they would not be netted against any incoming payments). It also would include the value of assets the bank holds as a custodian on behalf of customers, equity underwriting activity, and debt underwriting activity.

Schedule D - Complexity Indicators

The Complexity Indicators Schedule would include OTC derivatives cleared through a central counterparty, OTC derivatives cleared bilaterally, held-for-trading securities (HFT), available-for-sale securities (AFS), securities for which the fair value option is elected (FVO), total stock of Level 1 assets, total stock of Level 1 assets under HFT, AFS or FVO accounting treatment, total stock of Level 2 assets, total stock of Level 2 assets under HFT, AFS or FVO accounting treatment, adjustment to stock of high quality liquid assets due to cap on Level 2 assets, held-to-maturity securities, and assets valued using Level 3 measurement inputs.

Schedule E - Cross-jurisdictional Activity Indicators

The Cross-jurisdictional Activity Indicators Schedule would include total foreign claims on an ultimate risk basis, foreign liabilities (excluding local

liabilities in local currency), foreign liabilities to related offices, and local liabilities in a local currency.

Schedule F - Ancillary Indicators

The Ancillary Indicators Schedule would include total liabilities, retail funding, non-domestic net revenue, total net revenue, total gross revenue, equity market capitalization, gross value of all cash and gross fair value of securities lent in securities financing transactions, gross value of all cash and gross fair value of securities borrowed in securities financing transactions, gross positive fair value of OTC derivatives transactions, gross negative fair value of OTC derivatives transactions, unsecured settlement/clearing lines provided, and number of jurisdictions.

The Federal Reserve proposes to implement the collection of the new systemic risk report as of December 31, 2012, so that it may be used in the next G-SIB data collection exercise, which is scheduled to begin in February 2013.

Board of Governors of the Federal Reserve System, August 15, 2012.

Robert deV. Frierson,
Secretary of the Board.
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