



State Street Corporation

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February 2, 2015

Robert deV. Frierson, Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue NW  
Washington, DC 20551  
Via email: [regs.comments@federalreserve.gov](mailto:regs.comments@federalreserve.gov)

**Re: Proposed Agency Information Collection - FR 2052a and FR 2052b Reports**

Dear Mr. Frierson:

State Street Corporation ("State Street") welcomes the opportunity to comment on the Board of Governors of the Federal Reserve System's ("Federal Reserve") proposal to extend with revision the Complex Institution Liquidity Monitoring Report (FR 2052a) and the Liquidity Monitoring Report (FR 2052b).<sup>1</sup> State Street is subject to the Liquidity Coverage Ratio ("LCR") and is therefore also subject to the daily reporting requirements of FR 2052a. Although State Street generally supports the Federal Reserve's efforts related to the reporting of liquidity, we believe that slight modifications and clarifications to FR 2052a would further these efforts. Specifically, State Street suggests: (1) extending the submission time of the FR 2052a reporting and (2) providing clarity relative to the use of FR 2052a data to monitor LCR compliance.

Headquartered in Boston, Massachusetts, State Street specializes in providing institutional investors with investment servicing, investment management and investment research and trading. With \$28.5 trillion in assets under custody and administration and \$2.4 trillion in assets under management, State Street operates globally in more than 100 geographic markets.<sup>2</sup> State Street is organized as a United States ("US") financial holding company, with operations conducted through several entities, primarily its wholly-owned bank subsidiary, State Street Bank and Trust Company.

**EXTENSION OF SUBMISSION TIME**

State Street requests that the submission time of FR 2052a reporting be extended from 12:00 PM to 5:00 PM. As proposed, the deadline is 12:00 PM which provides insufficient time to perform the review of any exception reporting. As the given 12:00 PM deadline is only half a day, extending the time to 5:00 PM provides preparers sufficient time to generate, review and submit the required reporting. While a fully automated report is required and necessary, sometimes source data may not always be available and reviewed for accuracy by 12:00 PM.

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<sup>1</sup> Proposed Agency Information Collection Activities. See 79 FR 71416.

<sup>2</sup> As of September 30, 2014.

We note, in this respect, that FR 2052a data elements can only be sourced from source systems after the completion of system-generated runs and updates. These system-generated runs and updates typically occur on a T+1 basis or early T+2 basis. Requiring data to be submitted on T+2 basis at 12:00 PM when franchise systems do not always process and complete their overnight updates can create a narrow timeframe to review and submit the FR 2052a. The additional five hours that we recommend would provide enough time and capacity to ensure reviews of exception reporting and necessary revisions may be completed as required. The use of a later deadline has been considered and utilized for other FR reporting such as FR 2420. For FR 2420, CD reporting is delayed to 2:00 PM, even though Federal Reserve Funds and Eurodollar reporting is due at 7:00 AM.

### CLARITY ON DATA USAGE

State Street requests that additional clarity be provided by the Federal Reserve on how FR 2052a data will be used to monitor LCR compliance. Although not directly addressed in this proposal, State Street believes that the specification of a calculation methodology would be beneficial given that the LCR is a standardized ratio. Allowing FR 2052a firms to better understand the standardized calculation will help limit horizontal differences or reconciliations between firms, the Federal Reserve and the reporting institution. This could be of concern when a FR 2052a reporting firm may be calculating the LCR under different assumptions, thereby leading to either under- or over-reporting. By providing a template or calculation methodology, similar to that of the quantitative impact study templates provided to monitor early LCR standings, the Federal Reserve would reduce confusion or misguided reporting. This would be consistent with the standardized capital reporting that is prescribed to banks and includes the calculation and ensures standardization across the industry.

### CONCLUSION

State Street appreciates the opportunity to comment on the proposal to extend with revision the Complex Institution Liquidity Monitoring Report (FR 2052a) and the Liquidity Monitoring Report (FR 2052b). To summarize, we generally support the Federal Reserve's efforts related to the reporting of liquidity, but believe that extending the submission time of the FR 2052a reporting from 12:00 PM to 5:00 PM and providing clarity as to how FR 2052a data is used to monitor LCR compliance would further these efforts.

Please feel free to contact Ricardo Crumble at [rcrumble@statestreet.com](mailto:rcrumble@statestreet.com) or me at [djgutschenritter@statestreet.com](mailto:djgutschenritter@statestreet.com) should you wish to discuss State Street's submission in further detail.

Sincerely,



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Executive Vice President, Treasurer and Head of Global Treasury