

FEDERAL RESERVE SYSTEM

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System

SUMMARY: Background. 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), as per 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.

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; and

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.

DATES: Comments must be submitted on or before January 4, 2010.

ADDRESSES: You may submit comments, identified by *FR 2004 or FR 3036*, by any of the following methods:

- Agency Web Site: www.federalreserve.gov. Follow the instructions for submitting comments at www.federalreserve.gov/generalinfo/foia/ProposedRegs.cfm.
- Federal eRulemaking Portal: www.regulations.gov. Follow the instructions for submitting comments.
- E-mail: regs.comments@federalreserve.gov. Include the OMB control number in the subject line of the message.
- FAX: 202-452-3819 or 202-452-3102.
- Mail: Jennifer J. Johnson, 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 should send a copy of their comments to the OMB Desk Officer by mail to the Office of Information and Regulatory Affairs, U.S. 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:

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

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

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), Daily Report of Specific Issues ad hoc (FR 2004SD), 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, 1,404 hours; FR 2004B, 1,872 hours; FR 2004C, 1,170 hours; FR 2004SI, 1,872 hours; FR 2004SD, 900 hours; FR 2004SD ad hoc, 936 hours; FR 2004WI, 2,880 hours.

Estimated average hours per response: FR 2004A, 1.5 hours; FR 2004B, 2.0 hours; FR 2004C, 1.25 hours; FR 2004SI, 2.0 hours; FR 2004SD, 2.0 hours; FR 2004SD ad hoc, 2.0 hours; FR 2004WI, 1.0 hour.

Number of respondents: 18.

General description of report: This information collection is authorized by sections 2A, 12A, and 14 of the Federal Reserve Act (12 U.S.C. §§ 225a, 263, and 353-359) and is required to obtain or retain a benefit. 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 2004WI collects daily data on positions in to-be-issued Treasury coupon securities, mainly the trading on a when-issued delivery basis.

Current actions: The Federal Reserve proposes to revise the FR 2004 information collection by collecting ad hoc information on the FR 2004SD and making several clarifications to the FR 2004 instructions. On occasion, there may be a need to collect critical information within a short timeframe for a short period of time from primary dealers. This authority would have proven extremely useful during recent market events. Based on this experience the Federal Reserve proposes authorizing the collection of up to 10 ad hoc data items from all respondents that generally would pertain to specific securities, asset classes, or financing transactions. The request for additional data would be based on recommendations from staff at the Federal Reserve. The dealers would be notified in advance and any data requested or required would be readily available. These data could be reported as frequently as daily until dealers were notified to discontinue reporting. Written qualitative questions might include categorical questions, yes-no questions, ordinal questions, and open-ended questions. Written quantitative questions would include dollar amounts, percentages, numbers of items, interest rates, and other such information. These data would not be available from any other source.

The Federal Reserve also proposes to clarify instructions to (1) explicitly cover new product types that have been actively traded or held since the last reports review (e.g., covered bonds, Federal Deposit Insurance Corporation debt guarantees), (2) address the reporting of security underwriting done with issuers through reverse inquiry, (3) add a section for prime brokerage reporting, and (4) incorporate several editorial changes.

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

Report title: Central Bank Survey of Foreign Exchange and Derivatives Market Activity.

Agency form number: FR 3036.

OMB control number: 7100-0285.

Frequency: One-time.

Reporters: Financial institutions that serve as intermediaries in the wholesale foreign exchange and derivatives market and dealers.

Estimated annual reporting hours: 2,165 hours.

Estimated average hours per response: Turnover survey, 55 hours; outstandings survey, 60 hours.

Number of respondents: 39.

General description of report: This information collection is voluntary (12 U.S.C. §§ 225a and 263) and is given confidential treatment (5 U.S.C. § 552(b)(4)).

Abstract: The FR 3036 is the U.S. part of a global data collection that is conducted by central banks once every three years. More than 50 central banks plan to conduct the survey in 2010. The Bank for International Settlements compiles national data from each central bank to produce global market statistics.

The Federal Reserve System and other government agencies use the survey to monitor activity in the foreign exchange and derivatives markets. Respondents use the published data to gauge their market share.

Current actions: The proposed survey would collect information on the size and structure of the foreign exchange and over-the-counter derivatives markets. The survey would cover the turnover in the foreign exchange spot market, the foreign exchange derivatives market, and interest rate derivatives markets (forwards, swaps, and options). In addition, the survey would

gather data on the notional amounts and gross positive and negative market values of outstanding derivatives contracts for over-the-counter foreign exchange, interest rates, equities, and commodities.

To reduce reporting burden, the Derivatives Outstanding part of the survey is coordinated with the Semiannual Report of Derivatives Activity (FR 2436; OMB No. 7100-0286). Those firms that submit FR 2436 data would not complete the Derivatives Outstanding part of the survey during the overlapping reporting period.

Differences between the proposed survey and the 2007 survey are:

1. Data items to capture credit default swaps with central counterparties would be added to the Outstanding survey to be consistent with the FR 2436. The growth in the credit derivative market has made these data an important component of understanding the structure and activity of the overall over-the-counter derivatives market. This has become particularly evident during the recent financial crisis.
2. Additional currencies would be identified in tables for foreign exchange transactions and for interest rate derivatives on the Turnover survey. This change would facilitate reporting of currency pairs in carry trade strategies and ensure comprehensive identification of turnover in all participating countries' currencies.

Board of Governors of the Federal Reserve System, October 28, 2009.
(signed)
Robert deV. Frierson,
Deputy Secretary of the Board.