

Weekly Report of Assets and Liabilities for Large U.S. Branches and Agencies of Foreign Banks

INSTRUCTIONS

Purpose of Report

This report provides basic data from large U.S. branches and agencies of foreign banks for estimating bank credit and nondeposit sources of funds and for analyzing banking and monetary developments.

Scope

The *Weekly Report of Assets and Liabilities for Large U.S. Branches and Agencies of Foreign Banks* (FR 2069) is a version of the quarterly Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002), which is required to be submitted to the federal banking supervisory agencies. For purposes of the FR 2069, "U.S. branches and agencies" are those institutions domiciled in the 50 states of the United States and the District of Columbia. "Foreign banks" are those companies that are organized under the laws of a foreign (non-U.S.) country, Puerto Rico, or a U.S. territory or possession that engage in the business of banking. The weekly report includes only domestic offices of the reporting bank. (Please note that International Banking Facilities (IBFs) are foreign, not domestic, offices of the reporting bank.)

Consolidation

The basis and instructions for consolidation correspond to the FFIEC 002. Each designated branch or agency of a given foreign bank is requested to file a separate report unless the foreign bank submitted a consolidated FFIEC 002 for two or more of its offices. In such cases, a consolidated FR 2069 also should be filed. A respondent should notify its Federal Reserve Bank of any deviance from this stated consolidation policy.

For purposes of this report, all individual asset and liability items should exclude, to the extent possible, the asset and liability relationships with the reporting branch or agency's own IBF. All such relationships and transactions should be reported on a net basis either as a "Net due from head office and other related depository institutions" in Item 7 or as a "Net due to head office and other related depository institutions" in Item 13.

Where line-by-line exclusion of transactions with an IBF is not possible within the given time schedule, amounts to be excluded may be estimated.

Preparation of Reports

Report all balances as of the close of business on Wednesday of each week. All dollar amounts should be reported to the nearest thousand. No negative entries are appropriate for this report.

Mergers and Other Structure Changes

In case of mergers, acquisitions, or large transfers of assets, a respondent should contact their Federal Reserve Bank. The Federal Reserve Bank may request special information on the effects of the merger or acquisition on the data contained in this report.

Foreign (Non-U.S.) Currency-Denominated Transactions

Conversion to U.S. dollars. Transactions denominated in non-U.S. currency must be valued in U.S. dollars *each reporting week* at either the exchange rate prevailing on the Tuesday immediately preceding (that is, the day before) the Wednesday report date or the exchange rate prevailing on the Wednesday report date.

Regardless of which of the above two options is elected, the exchange rates to be used for this conversion are either the 10:00 a.m. rates quoted for major currencies by the Federal Reserve Bank of New York for customs purposes, or some other consistent series of exchange rate quotations. (If deposits are issued in European Currency Units (ECU) or some other currency basket, consistent series of exchange rate quotations either for the basket unit or for the corresponding individual exchange rates may be used.)

Once a respondent chooses to value foreign currency transactions by using either the Tuesday method or the report day method, it must use that method consistently over time for all Federal Reserve reports. If at some future time thereafter the respondent wishes to change its valuation procedure from one of these two methods to the other, the change must be applied to all Federal Reserve reports and then used consistently thereafter. The respondent should notify their Federal Reserve Bank of any such change.

Definitions

In general, definitions of items on the weekly report correspond to item definitions on the FFIEC 002. A table that indicates the item-by-item relationship between this report and the quarterly FFIEC 002 accompany these instructions. Since the office coverage of the FR 2069 excludes a respondent's own IBF, stated references to the FFIEC 002, unless otherwise indicated, correspond to Column A (Total reporting branch or agency including its IBF) minus Column B (IBF only) of that report.

For items that correspond exactly to items on the FFIEC 002, definitions are not repeated in these instructions. For such definitions, please refer to the instructions for preparation of the

FFIEC 002. For items that do not correspond exactly to FFIEC 002 items, or where additional instructions are needed, specific instructions are provided below.

Supplementary Instructions

Item 2. Trading assets. U.S. Treasury securities and U.S. Government agency obligations held in trading assets should be reported in item 2.a. All other assets held in trading assets should be reported in item 2.b., including derivatives with a positive fair value held for trading purposes and loans measured at fair value held in trading assets.

Item 4.a. Federal Funds sold and securities purchased under agreements to resell: with depository institutions in the U.S. (including U.S. branches and agencies of foreign banks). This item differs from Schedule RAL, items 1.d.1(a) and 1.d.2(a) on the FFIEC 002, which include only commercial banks in the U.S.

Item 4.c. Federal Funds sold and securities purchased under agreements to resell: with others. This item includes transactions with Federal Home Loan Banks.

Item 5. Loans and leases. In conformity with their treatment on the FFIEC 002, loans (items 5.a(1) through 5.f) should be reported net of unearned income to the extent possible. Netting for any remaining unearned income (as is done on Schedule C, Part 1, item 10 of the FFIEC 002) should be performed on FR 2069 item 5.f "All other loans." (That is, FR 2069 item 5.f should be reduced by the amount of any remaining unearned income.)

Item 5.b. Loans to, and acceptances of, commercial banks in the U.S (including U.S. branches and agencies of foreign banks). For the definition of "Commercial banks in the U.S.," please refer to the Glossary section of the FFIEC 002 instructions.

Item 5.f. All other loans. This item includes all loans and leases as reported on Schedule C of the FFIEC 002 and not reported in items 5.a(1) through 5.e of this report. Note that this item includes several items that are reported separately on the FFIEC 002: loans to other (nonbank) depository institutions in the U.S., loans to banks in foreign countries, loans to foreign governments and official institutions, and lease financing receivables (net of unearned income). Consistent with the FFIEC 002, this item includes loans to nonbank financial institutions, loans to finance agricultural production and other loans to farmers, obligations (other than securities) of state and political subdivisions in the U.S., and loans to individuals for personal expenditures.

All other loans also include certain unplanned overdrafts. Overdrafts are either planned or unplanned. Unplanned overdrafts occur when a depository institution honors a check or draft drawn against a deposit account containing insufficient funds and there is no advance contractual agreement to honor the check or draft. Unplanned overdrafts should be reported in item 5.f, "All other loans," except if the overdrawn depositor is a commercial bank in the United States. Unplanned overdrafts in this account should be reported in item 5.b, "Loans to, and acceptances of, commercial banks."

Also, see instructions above for item 5 for treatment of unearned income.

Items 7 and 13. Net due from/due to head office and other related depository institutions in the U.S. and in foreign countries. For the reporting branch or agency, excluding its IBF, report only a single net position in either item 7 or 13 that represents its net position with the head office and related depository institutions. NOTE: The net due from/due to position of the reporting branch or agency's own IBF with other related depository institutions is to be excluded from these items. The position of the reporting branch or agency with its own IBF is to be reflected in the overall net due from/due to position of the branch or agency. If the single net amount is a net due from, it should be entered in item 7; if the single net amount is a net due to, it should be entered in item 13. Under no circumstances should an amount be reported in both items 7 and 13.

Item 10. Borrowings. This item consists of demand notes issued to the U.S. Treasury, federal funds purchased and securities sold under agreements to repurchase, and other borrowed money. Borrowings to be included in item 10 of the FR 2069 are equivalent to FFIEC 002 items (see attached tables).

For item 10.a, see the Glossary section of the FFIEC 002 instructions for the definition of "Commercial Banks in the U.S."

For item 10.b, include borrowings from all other entities, including a Federal Reserve Bank or Federal Home Loan Bank.

Item 14. Total liabilities. If the reporting branch or agency has an IBF, then "Total assets," item 8, and "Total liabilities," item 14, of the FR 2069 may not equal their counterparts in the FFIEC 002 (Schedule RAL, items 3 and 6, respectively) owing to the exclusion of the IBF's balances on the FR 2069 (except to the extent that they are included in items 7 or 13).

Item M.1. Derivatives with a positive fair value held for trading purposes (included in 2.b above). The frequency with which derivatives with a positive fair value held for trading purposes are restated (marked to market) may differ across reporting branches and agencies. Those that revalue weekly should report the appropriate amount each week in item M.1. Those that revalue less frequently should report the most recent value of "derivatives with a positive fair value held for trading purposes" until a new value becomes available.

Item M.2. Derivatives with a negative fair value held for trading purposes (included in item 11 above). The frequency with which derivatives with a negative fair value held for trading purposes are restated (marked to market) may differ across reporting branches and agencies. Those that revalue weekly should report the appropriate amount each week in item M.2. Those that revalue less frequently should report the most recent value of "derivatives with a negative fair value held for trading purposes" until a new value becomes available.

Relationship of FR 2069 Items to Items on the Report of Assets and Liabilities
of U.S. Branches and Agencies of Foreign Banks (FFIEC 002)

FR 2069	FFIEC 002
ASSETS	
Item 1	RAL, Column A minus Column B, Item 1.a
Item 2.a ¹	RAL, Column A minus Column B, Item 1.f(1)
Item 2.b ¹	RAL, Column A minus Column B, Item 1.f(2)
Item 3.a	RAL, Column A, Items 1.b(1) + 1.b(2) + Column A minus Column B, Item 1.c(2)a
Item 3.b	RAL, Column A minus Column B, Items 1.c(1) + 1c(2)b + 1.c(3) + 1.c(4)
Item 4.a ¹	RAL, Column A minus Column B, Items 1.d(1)(a) + 1.d(2)(a) + other depository institutions in the U.S.
Item 4.b	RAL, Column A minus Column B, Items 1.d(1)(b) + 1.d(2)(b)
Item 4.c ¹	RAL, Column A minus Column B, Items 1.d(1)(c) + 1.d(2)(c) minus other depository institutions in the U.S.
Item 5.a	C, Part I, Column A minus Column B, Items 1.a + 1.b + 1.c(1) + 1.c(2) + 1.d + 1.e
Item 5.b ¹	C, Part I, Column A minus Column B, Items 2.a(1) + 2.a(2)
Item 5.c	C, Part I, Column A minus Column B, Item 7
Item 5.d	Not applicable
Item 5.e	C, Part I, Column A minus Column B, Items 4.a + 4.b
Item 5.f ¹	C, Part I, Column A minus Column B, Items 2.b + 2.c(1) + 2.c(2) + 3 + 6 + 8 + 9.a + 9.b minus 10
Item 6	RAL, Column A minus Column B, Item 1.h
Item 7 ¹	RAL, Column A, Item 2.a minus Column B, Item 2.b
Item 8	RAL, Column A minus Column B, Item 1.i + Column A, Item 2.a minus Column B, Item 2.b

1. See Supplementary Instructions.

Relationship of FR 2069 Items to Items on the Report of Assets and Liabilities
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FR 2069 FFIEC 002

LIABILITIES

Item 9.a	E,	Column A, Item 7
Item 9.b	E,	Column C, Item 7
Item 10.a ¹	RAL, P,	Column A minus Column B, Items 4.b(1)(a) + 4.b(2)(a) + Column A minus Column B, Items 1.a + 1.b
Item 10.b ¹	RAL, P,	Column A minus Column B, Items 4.b(1)(b) + 4.b(2)(b) + Column A minus Column B, Items 2.a + 2.b + 3
Item 11	RAL,	Column A minus Column B, Item 4.e
Item 12	RAL,	Column A minus Column B, Item 4.f
Item 13 ¹	RAL,	Column A, Item 5.a minus Column B, Item 5.b
Item 14 ¹	RAL,	Column A minus Column B, Item 4.g + Column A, Item 5.a minus Column B, Item 5.b

MEMORANDA

Item M.1 ¹	RAL,	Column A minus Column B, Memo Item 10
Item M.2 ¹	RAL,	Column A minus Column B, Memo Item 11

1. See Supplementary Instructions.