OMB Supporting Statement for the
Liquidity Monitoring Reports
(FR 2052a and FR 2052b; OMB No. 7100-0362)

Summary

The Board of Governors of the Federal Reserve System (Board), under delegated authority from the Office of Management and Budget (OMB), proposes to extend for three years, with revision, the Complex Institution Liquidity Monitoring Report (FR 2052a) and the Liquidity Monitoring Report (FR 2052b) (OMB No. 7100-0361) effective beginning March 31, 2015. The FR 2052 reports are authorized by section 5 of the Bank Holding Company Act and section 165 of the Dodd-Frank Act. The FR 2052a and FR 2052b reports collect quantitative information on selected assets, liabilities, funding activities, and contingent liabilities on a consolidated basis and by material legal entity. U.S. bank holding companies (BHCs) designated by the Financial Stability Board (FSB) as Global Systematically Important Banks (G-SIBs) report the complete FR 2052a daily. Foreign banking organizations (FBOs) with U.S. broker/dealer assets of $100 billion or more report the complete FR 2052a on occasion and an abbreviated FR 2052a (as discussed further below) twice a month. U.S. BHCs (excluding G-SIBs) with total consolidated assets of $50 billion or more (including FBO subsidiaries) and U.S. BHCs (not controlled by FBOs) with total consolidated assets of $10 billion to $50 billion report on the FR 2052b monthly and quarterly, respectively.

The FR 2052 reports are used to monitor the overall liquidity profile of institutions supervised by the Federal Reserve. These data provide detailed information on the liquidity risks within different business lines (e.g., financing of securities positions, prime brokerage activities). In particular, these data serve as part of the Federal Reserve's supervisory surveillance program in its liquidity risk management area and provide timely information on firm-specific liquidity risks during periods of stress. Analysis of systemic and idiosyncratic liquidity risk issues are then used to inform the Federal Reserve's supervisory processes, including the preparation of analytical reports that detail funding vulnerabilities.

The Federal Reserve proposes to revise the FR 2052a report by modifying the: 1) respondent panel and threshold, 2) frequency of reporting, 3) reporting platform structure, and 4) data item granularity. The Federal Reserve proposes to revise the FR 2052b report by modifying the respondent panel threshold and frequency. The proposed revisions are described in detail below.

The total current annual paperwork burden for the FR 2052 reports is estimated to be 495,920 hours. With the proposed revisions, the paperwork burden for 2015 is estimated to initially decrease to 407,400 hours, with incremental increases for 2016 and 2017, for an annual net increase of 938,240 hours.

Background and Justification

The financial crisis of 2007 and 2008 highlighted the need for timely liquidity data to identify and monitor liquidity risks at individual firms as well as in aggregate across the financial system. The data provided in the FR 2052 reports meet this need. The crisis highlighted the importance of understanding intra-company flows and exposures within a consolidated institution. Capturing such flows is a focus of the FR 2052a, particularly at large, systemically important, globally active U.S. banking institutions. A single, consolidated view is not sufficient to provide meaningful insight into an institution's liquidity profile. Rather, disaggregated views by legal entities (parent company, broker/dealer entities, bank entities, etc.) have contributed to supervisory monitoring efforts and risk supervision by identifying vulnerabilities posed by potential impediments to the movement of liquidity across legal entities. The modified FR 2052a report would provide sufficient detail to monitor compliance of those institutions subject to the Liquidity Coverage Ratio (LCR). Furthermore, the collection of these data assists with the Federal Reserve's macroprudential supervision. For example, some of the instruments that are commonly used in conjunction with an institution's funding and liquidity activities (e.g., financing of securities positions) may have also been at the center of stress points during periods of systemic risk.

Description of Information Collection

Data from the FR 2052 reports are used to monitor the liquidity profile and also provide detailed information on the liquidity risks within different business lines within a firm. Data from these reports serve as part of the Federal Reserve's supervisory surveillance program in its liquidity risk management area and provide timely information on firm-specific liquidity risks during periods of stress. These reports assist in supervisory assessments of liquidity risk levels and conditions at individual institutions.

Current FR 2052a

The FR 2052a report includes sections covering broad funding classifications by product, outstanding balance, purpose, and segmented by maturity date. Generally, each section can be classified into one of the following categories:

- <u>Section 1: Secured Financing</u>: Institutions report obligations and lending activities backed by the pledge of assets or other collateral. This section includes asset-backed commercial paper (single-seller and multi-seller arrangements), term asset-backed securities, collateralized commercial paper, and other secured financing.
- <u>Section 2: Official Government Sources Drawn</u>: Institutions report their borrowings from the Federal Reserve and other Central Banks, Federal Home Loan Banks (FHLBs) as well as any amounts drawn from official government sources.
- <u>Section 3: Repurchase & Securities Lending Transactions</u>: Institutions report repurchase and securities lending transactions such as those conducted under a Global Master Repo Agreement, Master Securities Loan Agreement or a Master Securities Forward Transaction Agreement. Repurchase & Securities Lending Transaction would be grouped according to specific categories pre-identified by the Federal Reserve.

- Section 4: Unencumbered Assets: Institutions report the amount of assets that are free and clear of any encumbrances such as creditor claims or liens. Unencumbered assets would be grouped according to specific categories pre-identified by the Federal Reserve.
- Section 5: Expected Cash Inflows: Institutions report cash and collateral inflows, for example those related to derivatives, and not covered in any other section.
- Section 6: Cash Inflows from External Counterparties: Institutions report inflows related to Fed funds and Eurodollars sold and other loan cash inflows.
- Section 7: Reverse Repurchase & Securities Borrowing Transactions: Institutions report reverse repurchase and securities borrowing transactions such as those conducted under a Global Master Repo Agreement, Master Securities Loan Agreement or a Master Securities Forward Transaction Agreement. Reverse Repurchase & Securities Borrowing Transactions are grouped according to specific categories pre-identified by the Federal Reserve.
- Section 8: Unsecured Financing: Institutions report the amount of obligations not backed by the pledge of specific collateral. Categories include commercial paper, wholesale certificates of deposit and bank notes, promissory notes, Fed funds and Eurodollars purchased, long-term debt (structured and non-structured), draws on committed lines from external entities and other unsecured financing.
- Section 9: Central Bank, FHLB Sources, and Nostro Balances: Institutions report cash balances maintained at the Federal Reserve and at other central banks. Firms' cash balances held at other financial institutions (Nostro balances) would be reported.
- Section 10: Deposit Funding: Institutions report the amounts of retail and wholesale deposits and retail CDs based on Basel III classifications as of the December 2010 release. These classifications differentiate between accounts that are stable versus less stable and operating versus non-operating. Institutions would report wholesale CDs in Section 8.
- Section 11: Expected Cash Outflows: Institutions report cash and collateral outflows, for example those related to derivatives, and not covered in any other section.
- Section 12: Operating Cash Flows: Institutions report operating cash flows related to prime brokerage (e.g., free credits, external/internal funding used to cover customer shorts, margin loans, lockup cash flows) to help supervisors disentangle firm-specific and business-specific trends. Expected cash outflows/inflows related to derivatives activities is also reported.
- Section 13: Unsecured Internal Cash Flows: Institutions report unsecured lending between internal entities.
- Section 14: Secured Internal Cash Flows: Institutions report the amounts of repurchase, reverse-repurchase, and securities borrowed and securities lending transactions between legal entities. Secured Internal Cash Flows are grouped according to specific categories pre-identified by the Federal Reserve.
- Section 15: Contingency Line Items: Institutions report all contingent items that could impact the funding and liquidity at the reporting institution. Examples include undrawn commitments provided to external counterparties. Institutions also report the total cumulative market value of additional collateral their counterparties will require the Institutions to post as a result of various levels of credit rating downgrades.
- Section 16: Funding Pricing: Institutions report the market rates paid to third parties to execute secured and unsecured transactions.

U.S. BHCs designated by the FSB as G-SIBs are required to provide a complete FR 2052a daily. For continuous monitoring purposes, FBOs with U.S. broker/dealer assets of $100 billion or more are required to provide a complete FR 2052a report on an occasional basis. These FBOs also submit an abbreviated FR 2052a report twice a month as reflected in Appendix C of the FR 2052a instructions.

The Federal Reserve may also conduct up to 10 ad-hoc collections of daily liquidity data from a total of 16 respondents. The ad-hoc collections consist of approximately 65 data items not currently reported on the FR 2052a. Results from the ad-hoc collections are used to develop future enhancements to the FR 2052a report.

Current FR 2052b

The FR 2052b includes sections covering broad funding classifications by product, outstanding balance, purpose, and segmented by maturity date. Generally, each section may be classified into one the following categories:

- Section 1: Liquid Assets: Institutions report cash balances maintained at the Federal Reserve and at other central banks. Firms' cash balances held at other financial institutions are reported as well as physical currency and coin positions.
- Section 2: Reverse Repos: Institutions report reverse repos by maturity and security collateral type.
- Section 3: Investment Securities: Institutions report assets by risk weight and type, segregating those that are unencumbered from those that are pledged to garner secured funding by the counterparty type (FHLB, Central Bank, etc.) to which the collateral is pledged. Both marketable and lendable values should be included.
- Section 4: Loans and Leases: Institutions report loans by type, segregating those that are unencumbered from those that are pledged to garner secured funding by the counterparty type to which the collateral is pledged.
- Section 5: Secured Funding Sources Outstanding: Institutions report their borrowing outstanding by maturity from the Federal Reserve, the FHLB, and other secured financing facilities.
- Section 6: Repurchase Transaction: Institutions report repurchase transactions by securities collateral type and maturity.
- Section 7: Unsecured Financing: Institutions report the amount of obligations not backed by the pledge of specific collateral. Categories include commercial paper, wholesale certificates of deposits and bank notes, Fed funds and Eurodollars purchased, long-term debt (structured and non-structured), draws on committed lines from external entities and other unsecured financing.
- Section 8: Estimated Core Funding Gap: The Net Loan Growth/Attrition and Net Retail Deposit Growth/Attrition line items are included to capture the forecasted (best estimate, non-stressed) change in loan and retail deposits over the stated horizon.
- Section 9: Contractual Loan Inflows and Committed Inflow: Institutions report contractual inflows of all maturing performing loans are listed in the corresponding maturity columns.

- Section 10.4: Brokered CDs/NMDs: Institutions report all insured and uninsured deposits originated through financial advisory or broker sales force. This should include deposits sourced from deposit gatherers. Brokered deposits represent funds which the reporting bank obtains, directly or indirectly, by or through any deposit broker for deposit into one or more deposit accounts. Thus, brokered deposits include both those in which the entire beneficial interest in a given bank deposit account or instrument is held by a single depositor and those in which the deposit broker sells participations in a given bank deposit account or instrument to one or more investors.
- Section 11: ABCP Exposure: Institutions report the outstanding asset backed commercial paper issued to fund the assets of a single or several unrelated sellers.
- Section 12: Not applicable.[1]
- Section 13 - 18: Parent Company Schedule: Institutions report items in the Parent Company Only section which relate only to the Parent Company. Included are fields for liquid assets, forecasts of cash inflows (such as dividends from subsidiaries and operations) and outflows (such as operating expenses, dividends, subsidiary support and debt service), unsecured financing (such as commercial paper, debt and draws on committed lines), and committed liquidity and credit facilities provided to third-party banks.
- Section 19 -20: Pricing Schedule: Section 19, Credit Default Swap (CDS) - Institutions report (in basis points) the CDS 5 year (or closest tenor available) spread or premium per annum. Section 20, Unsecured Funding - Institutions report the market rates paid to third parties to execute unsecured transactions, by BHC, across the maturity spectrum. If market funding quotes are unavailable, the institution's internal funds pricing curve could be used as a supplement.

U.S. BHCs (excluding G-SIBs) with total consolidated assets of $50 billion or more (including FBO subsidiaries) and U.S. BHCs (not controlled by FBOs) with total consolidated assets of $10 billion to $50 billion report on the FR 2052b monthly and quarterly, respectively.

Proposed FR 2052a Revisions

The Federal Reserve proposes to revise the FR 2052a report to improve the effectiveness of its supervisory surveillance program. In general, the revisions would provide additional detail to facilitate a more sophisticated approach to monitoring liquidity risk. The proposed data elements are more detailed and would align with the LCR.[2] For the most internationally active firms, liquidity profiles would be reported by currency for each material entity of the reporting institutions, which for BHCs may include sub-divisions of the global banking entity by geographical region, and for FBOs would include material entities managed within the U.S. These dimensions are important because dislocations in foreign exchange markets and restrictions limiting fund transfers can inhibit the ability of a global financial institution to

[1] The Federal Reserve temporarily exempted FR 2052b filers from reporting Section 12 "Undrawn Commitments and Contingent Liquidity Needs" until modifications could be made to more closely align with the LCR rule. Section 12 was retained as a placeholder to reduce respondent reprogramming burden.
[2] 79 FR 61440 (October 10, 2014) . Press Release is available: http://www.federalreserve.gov/newsevents/press/bcreg/20140903a.htm

convert its available sources of liquidity to meet its specific needs. The proposed data collection would collect more details regarding securities financing transactions, wholesale unsecured funding, deposits, loans, unfunded commitments, collateral, derivatives, and foreign exchange transactions. The greater level of detail surrounding these activities is necessary to ensure that supervised firms are adequately reserving for the risks based on current supervisory expectations and the Dodd-Frank Act's Enhanced Prudential Standards. Furthermore, the Federal Reserve proposes to change the structure of the collection to an XML format from a spreadsheet format. This new structure is necessary to accommodate the additional granularity and implement the collection with leading data industry practices.

The revisions to FR 2052a include a new hierarchy that subdivides the three general categories of inflows, outflows and supplemental items into 10 distinct data tables. These tables are designed to stratify the assets, liabilities and supplemental components of a firm's liquidity risk profile based on products that can be described with common data structures, while still maintaining a coherent framework for liquidity risk reporting.

The internationally active reporting entities would report by major currency all data elements denominated in major currencies, while other data elements denominated in non-major currencies would be converted into USD and flagged as converted. Reporting entities that are not internationally active would be able to report exclusively in United States Dollar (USD) by flagging data as converted. Reporting by major currency or flagging a conversion should help supervisors to identify potential currency mismatches. Additionally, data elements would be reported for each material legal entity, which are identified by the Federal Reserve for a given reporting entity. All entities that are required to comply with the LCR are considered material legal entities. This granularity in currency and material legal entity reporting would enhance monitoring of a firm's liquidity resources to ensure they are distributed according to specific needs, considering existing or potential regulatory or other limitations on inter-company liquidity transfers.

The granularity of the data increased along numerous items of FR 2052a. Maturity buckets increased to daily for the first 60 days to eliminate potential contractual maturity mismatches in the near term.[3] There are now more categories of assets, largely delineated by the type of security or loan, the structuring of cash flows, and risk-based capital weightings. The list of counterparty types increased, along with the number of products requiring the counterparty to be reported, including loan cash flows, deposits, committed facilities, and certain unsecured borrowings.

The proposed revisions would also draw more distinction between types of securities financing transactions such as collateral swaps, to-be-announced contracts, and the various methods of covering firm or customer short sales. Fields would be added for the amount of re-hypothecation, collateralization, encumbrance, and methods of settlement. The report would provide information on the stock and flow of collateral received and posted for derivative transactions, as well as values of prime brokerage client assets and associated wire transfers.

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[3] The Federal Register notice will include a question regarding the burden of providing data based on daily maturity buckets for the first 60 days for the smaller firms required to report on FR 2052a.

Together, these revisions to secured financing transactions would provide a more complete view of the firm's activities, especially brokerage activities, and certain liquidity risk characteristics, all of which were implicated during the recent financial crisis.

Several new types of deposit accounts would also be added, such as escrow accounts and various categories of brokered deposits and sweeps. Balances that are "fully insured" would be identified, as well as balances that are subject to withdrawal in the event of a specific change or trigger.

Certain elements would be added to capture risk associated with collateral. The potential requirements to post collateral in the event of an adverse move in the mark-to-market value of a firm's derivative portfolio or a change in a firm's financial condition is reported. Additionally, firms would report collateral balances that are contractually owed to a counterparty, but not yet called.

Fields would be added to capture the settlement date cash flows in forward starting transactions. This revision would accommodate "trade date" reporting, which would allow for a more accurate representation of forward looking cash flows.

The instructions for reporting the maturity date of a transaction would also be modified for short term (less than one year) liabilities with call options, as well as certain transactions reported in the Secured Inflows table where the collateral received was rehypothecated.

Reporting of foreign exchange transactions, such as foreign exchange spot, forwards and futures, and swap transactions, would be required in order to complement the currency level reporting of cash flows.

The proposed revisions to the FR 2052a report includes sections covering broad funding classifications by product, outstanding balance and purpose, segmented by maturity date. Generally, each section can be classified into one of the following categories:

- <u>Section 1: Inflows-Assets</u>: Institutions would report assets such as unencumbered assets, borrowing capacity from central banks or FHLBs, unrestricted reserve balances at central banks, restricted reserve balances at central banks, unsettled asset purchases, and forward asset purchases.
- <u>Section 2: Inflows-Unsecured</u>: Institutions would report unsecured inflow transactions such as onshore placement, offshore placements, required nostro balances, excess nostro balances, outstanding draws on revolving facilities, and other unsecured loans.
- <u>Section 3: Inflows-Secured</u>: Institutions would report secured inflow transactions such as reverse repurchase agreements, securities borrowing transactions, dollar rolls, collateral swaps, margin loans, other secured loans where the collateral is rehypothecatable, and other secured loans where the collateral is not rehypothecatable.
- <u>Section 4: Inflows-Other</u>: Institutions would report other inflow transactions such as derivatives receivables, collateral called for receipt, sales in the to-be-announced market, undrawn committed facilities purchased, lock-up balances, interest and dividends

receivables, a net 30-day derivatives receivables measure, principal payments receivable on unencumbered investment securities, and other inflow transactions.

- Section 5: Outflows-Wholesale: Institutions would report wholesale outflow transactions such as asset-backed commercial paper single-seller outflows, asset-back commercial paper multi-seller outflows, collateralized commercial paper, asset-backed securities, covered bonds, tender option bonds, other asset-backed financing, commercial paper, onshore borrowing, offshore borrowing, unstructured long-term debt, structured long-term debt, government supported debt, unsecured notes, structured notes, wholesale certificates of deposit, draws on committed facilities, free credits, and other unsecured wholesale outflow transactions.
- Section 6: Outflows-Secured: Institutions would report secured outflow transactions such as repurchase agreements, securities lending transactions, dollar rolls, collateral swaps, FHLB Advances, outstanding secured funding from facilities at central banks, customer short transactions, firm short transactions, and other secured outflow transactions.
- Section 7: Outflows-Deposits: Institutions would report deposit outflow transactions such as transactional accounts, non-transactional relationship accounts, non-transactional non-relationship accounts, operational accounts, non-operational accounts, operational escrow accounts, non-reciprocal brokered accounts, affiliated sweep accounts, non-affiliated sweeps accounts, other product sweep accounts, reciprocal accounts, other third-party deposits, and other deposit accounts.
- Section 8: Outflows-Other: Institutions would report other outflow transactions such as derivatives payables, collateral called for delivery, purchases in the to-be-announced market, credit facilities, liquidity facilities, retail mortgage commitments, trade finance instruments, potential derivative valuation changes, loss of rehypothecation rights and collateral required due to changes in financial condition, excess customer margin, commitments to lend on margin to customers, interest and dividends payables, a net 30-day derivatives payables measure, other outflows related to structured transactions, and other cash outflow transactions.
- Section 9: Supplemental-Informational: Institutions would report supplemental information such as initial margin posted and received, variation margin posted and received, collateral dispute receivables and deliverables, collateral that may need to be delivered, collateral that the institution could request to be received, collateral that could be substituted by the institution or a counterparty, long and short market value of client assets, gross client wires received and paid, subsidiary liquidity that cannot be transferred, 23A capacity, outflows or inflows from closing out hedges early, and potential outflows from non-structured or structured debt maturing beyond 30 days where the institution is the primary market maker in that debt.
- Section 10: Supplemental-Foreign Exchange: Institutions would report foreign exchange information such as foreign exchange spot, forwards and futures, and swap transactions.

The Federal Reserve requests specific comment on the following:

- The proposal would require data retention of six months. Is six months appropriate or would another time period be more appropriate, such as three months or one year?
- Is the proposed maturity schedule provided in the Appendix IV to the instructions appropriate for all respondents, such as those firms that are only subject to the Liquidity

Coverage Ratio for Certain Bank Holding Companies?[4] If not appropriate, what maturity schedule should apply to those respondents? Additionally, is the proposed maturity schedule provided in Appendix IV to the instructions appropriate for all listed products? If not, what maturity schedule should apply to those products?

- Should a description of how the FR 2052a data will be used to monitor LCR compliance be published?

Proposed FR 2052b Revisions

The Federal Reserve proposes to revise the FR 2052b reporting panel by eliminating the monthly reporting frequency. The U.S. BHCs (excluding G-SIBs) with total consolidated assets of $50 billion or more (including FBO subsidiaries) that currently file the monthly FR 2052b report would move to the proposed FR 2052a monthly and daily reporting panel.

Current Reporting Panel and Frequency of Submissions[5]

The current scope of application, frequency, and submission dates are contained in the following table.

Report Number	*Reporter Description*	*Frequency*	*As-of Date*	*Submission Date*
FR 2052a	U.S. BHCs that the Financial Stability Board designated as Global Systematically Important Banks (G-SIBs)	Daily	09/11/2014	09/15/2014
FR 2052a	Foreign banking organizations with U.S. broker/dealer assets > $100 billion	On Occasion *(FR 2052a; complete report)* Twice a month *(FR 2052a; abbreviated report)*	*TBD Advanced notice from supervisors* 09/11/2014	*TBD Advanced notice from supervisors* 09/15/2014
FR 2052b	U.S. BHCs (excluding G-SIBs) with total consolidated assets greater than $50 billion (including FBO subsidiaries)	Monthly	11/30/2014	12/15/2014
FR 2052b	U.S. BHCs (not controlled by FBOs) with total consolidated assets of between $10 billion and $50 billion.	Quarterly	12/31/2014	01/15/2015

U.S. BHCs filing the FR 2052a are required to submit data on a consolidated basis as well as by material legal entity. These material legal entities are determined by the institutions

[4] 79 FR 61440, 61540.

[5] Savings and Loan Holding Companies (SLHCs) are not subject to these reporting requirements, however, through future rulemakings these institutions may be required to participate in some form of liquidity monitoring.

and their Reserve Banks and are based upon size and importance of the subsidiary's liquidity profile to the holding company. These institutions report all material bank, broker dealer, and non-bank entities contributing to the institution's funding and liquidity operations.

Foreign banking organizations filing the FR 2052a, must submit separate reports for each material entity. FBOs with $100 billion or more in U.S. broker-dealer assets are required to submit separate reports for each material entity in their U.S. operations and for their consolidated U.S. operations, excluding U.S. BHCs. Material entities (including material foreign branches) are entities that pose liquidity risk, provide liquidity support to, or depend on liquidity support from, affiliates. The Federal Reserve does not consider the asset size of the entity to be the determining factor of whether the subsidiary should be treated as material for purposes of liquidity risk monitoring. Institutions are required to consult with supervisors to determine which entities are material for purposes of the liquidity reporting requirements.

BHCs filing the FR 2052b report consolidated information and provide parent entity specific information using the additional schedule included within the FR 2052b.

Proposed Reporting Panel and Frequency of Submissions[6]

The proposed scope of application, frequency, and submission dates are contained in the following table.

[6] SLHCs that are not subject to the LCR are not subject to these reporting requirements, however, through future rulemakings these institutions may be required to participate in some form of liquidity monitoring.

Report Number	*Reporter Description*	*Frequency*	*First As-of Date*	*First Submission Date*[7]
FR 2052a	U.S. chartered firms with total assets ≥ \$700 billion or with assets under custody of ≥ \$10 trillion	Monthly	03/31/2015[8]	04/02/2015
		Daily	07/01/2015	07/03/2015
FR 2052a	U.S. chartered firms with total assets < \$700 billion and with assets under custody of < \$10 trillion but, total assets ≥ \$250 billion or foreign exposure ≥ \$10 billion	Monthly	07/31/2015[9]	08/02/2015
		Daily	07/01/2016	07/03/2016
FR 2052a[10]	U.S. chartered firms with total assets ≥ \$50 billion but, total assets < \$250 billion and foreign exposure < \$10 billion	Monthly	01/31/2016	02/02/2016
FR 2052a	FBOs with U.S. assets ≥ \$50 billion and U.S. broker-dealer assets ≥ \$100 billion	Monthly	03/31/2015	04/02/2015
		Daily	07/01/2015	07/03/2015
FR 2052a	FBOs with U.S. assets ≥ \$50 billion and U.S. broker-dealer assets < \$100 billion	Monthly	01/31/2016	02/02/2016
		Monthly[11]	07/31/2016	08/02/2016
FR 2052b[12]	U.S. BHCs (not controlled by FBOs) with total consolidated assets of ≥ \$10 billion but < \$50 billion.	Quarterly	12/31/2014	01/15/2015

The parent company for those firms with less than $250 billion in total consolidated assets and with less than $10 billion of on-balance sheet foreign exposure would submit data for

[7] For U.S. bank holidays and weekends, no positions should be reported. For data reported by entities in international locations, if there is a local bank holiday, submit data for those entities using the data from the previous business day.
[8] These firms must comply with the transitions set forth in the LCR, which requires an LCR calculation monthly starting in January 2015. However, these firms do not need to report on 2052a until this reporting as-of date.
[9] These firms must comply with the transitions set forth in the LCR, which requires an LCR calculation monthly starting in January 2015. However, these firms do not need to report on 2052a until this reporting as-of date.
[10] The frequency of the FR 2052a monthly report may be temporarily adjusted to daily on a case-by-case basis as market conditions and supervisory needs change to carry out effective continuous liquidity monitoring.
[11] These FBOs would be required to have the ability to report on each business day. If the FBO consolidates a U.S. chartered firm that would independently have to report daily, then the FBO must report daily. The Federal Reserve will test these FBOs for their ability to report daily.
[12] FR 2052b will not change for U.S. BHCs (not controlled by FBOs) with total consolidated assets of between $10 billion and $50 billion, so the frequency and as-of date will be the same as it is currently.

the following entities: the global consolidated entity and the parent only (ignoring consolidated subsidiaries). Respondents should consult their supervisory teams to determine if the parent company should also separately report any consolidated banks or non-banks that are material contributors to the firm's funding and liquidity operations.

The parent company for those firms with $250 billion or more in total consolidated assets or $10 billion or more of on-balance sheet foreign exposure would submit data for the following entities: the global consolidated entity, the parent only (ignoring consolidated subsidiaries), and, separately, each consolidated bank and non-bank entity that is a material contributor to the firm's funding and liquidity operations. For these firms, all bank entities with total consolidated assets of $10 billion or more would be considered material legal entities. Respondents should consult their supervisory teams to determine other material legal entities that should also be reported.

FBOs with U.S. assets of $50 billion or more would report for their consolidated U.S. assets, as well as for all material entities managed within the U.S. For FBOs that own U.S. entities subject to the LCR, material entities include at least those entities subject to the LCR. Respondents should consult their supervisory teams to determine other material entities that should also be reported.

Some firms that are currently filing on FR 2052b would be required to file on the updated 2052a, pursuant to the proposed schedule set forth in the transition table. The firms currently filing on FR 2052b would cease filing the 2052b once they begin filing the updated 2052a.

Firms currently filing the FR 2052a would be required to file the updated 2052a, pursuant to the proposed schedule set forth in the transition table. The firms currently filing on FR 2052a would cease filing on the current 2052a once they are filing daily on the updated 2052a.

Additionally, there are some firms that are not currently filing either the 2052a or 2052b, but would be required to file the updated 2052a, pursuant to the proposed schedule set forth in the transition table. Among these companies are SLHCs that are subject to the LCR and nonbank financial companies that the Financial Stability Oversight Council has determined under section 113 of the Dodd-Frank Act (12 U.S.C. 5323) shall be supervised by the Board and for which such determination is still in effect, where the Board has applied the requirements of the LCR to such company by rule or order.

Time Schedule for Information Collection

There are no changes proposed to the time schedule of the FR 2052 reports. The current reporting schedule provides adequate timely data to meet the analytical and supervisory needs of the Federal Reserve.

Institutions filing the FR 2052a report are required to electronically submit their report by 12:00 pm (Eastern Standard Time) two business days after the as-of date (T+2)[13] to the Federal

[13] Today plus two days

Reserve Bank of New York. Institutions file the FR 2052b report by the 15th of the month following the data as of date.[14]

Legal Status

The Board's Legal Division has determined that the liquidity monitoring reports are authorized pursuant to section 5 of the Bank Holding Company Act (12 U.S.C. § 1844), section 8 of the International Banking Act (12 U.S.C. § 3106) and section 165 of the Dodd Frank Act (12 U.S.C. § 5365) and are mandatory. Section 5(c) of the Bank Holding Company Act authorizes the Board to require BHCs to submit reports to the Board regarding their financial condition. Section 8(a) of the International Banking Act subjects FBOs to the provisions of the Bank Holding Company Act. Section 165 of the Dodd-Frank Act requires the Board to establish prudential standards for certain BHCs and FBOs; these standards include liquidity requirements. The individual financial institution information provided by each respondent would be accorded confidential treatment under exemption 8 of the Freedom of Information Act (5 U.S.C. § 552(b)(8)). In addition, the institution information provided by each respondent would not be otherwise available to the public and is entitled to confidential treatment under the authority of exemption 4 of the Freedom of Information Act (5 U.S.C. §§ 552(b)(4)), which protects from disclosure trade secrets and commercial or financial information.

Consultation Outside the Agency

The Board consulted outside the Federal Reserve System with other U.S. regulatory authorities including the Office of the Comptroller of the Currency and Federal Deposit Insurance Corporation in the development of FR 2052a. In addition, data sharing agreements will be constituted with other U.S. regulatory agencies with supervisory responsibilities over subject institutions to monitor compliance with the LCR and to ensure there are no redundant data collections. Also, Federal Reserve has held general discussions with financial institutions.

On December 2, 2014, the Federal Reserve published a notice in the *Federal Register* (79 FR 71416) requesting public comment for 60 days on the proposed revisions to the FR Y-16. The comment period for this notice expire on February 2, 2015.

Estimate of Respondent Burden

The current total annual burden for the FR 2052a and FR 2052b reports is estimated to be 495,920 hours. The Federal Reserve estimates that, with the proposed revisions, the total annual burden would initially reflect a decrease in 2015, increasing in 2016 and 2017, as shown in the tables below. The changes in the estimated annual burden are primarily due to a shift in respondents from the FR 2052b monthly reporting panel to the FR 2052a monthly and daily reporting panel and the increased data item granularity of the FR 2052a report. The current total burden for the FR 2052a and FR 2052b represents 3.10 percent of total Federal Reserve System

[14] If the 15th of the month falls on a weekend or holiday the report would be submitted the next business day.

annual burden and with the proposed 2015 revisions would change to 2.55 percent of total Federal Reserve System.[15]

Current **FR 2052a & FR 2052b**	*Number of respondents*	*Annual frequency*	*Estimated average hours per response*	*Estimated annual burden hours*
FR 2052a				
One-time Implementation	16	1	160	2,560
Ongoing:				
BHCs (G-SIBs)[16]	8	251	200	401,600
FBOs – (complete)	8	1	200	1,600
FBOs – (abbreviated)	8	24	60	11,520
Ad-Hoc[17]	16	10	100	16,000
FR 2052a Total burden hours				433,280
FR 2052b				
One-time Implementation	71	1	480	34,080
Ongoing: BHCs *(excluding G-SIBs, >$50 billion, including FBO subsidiaries)*	24	12	60	17,280
BHCs *(>$10 & <$50 billion, not controlled by FBOs)*	47	4	60	11,280
FR 2052b Total burden hours				62,640
Current Total burden hours				495,920

[15] The total burden for 2016 and 2017 would represent 6.96 percent and 8.98 percent respectively, of total Federal Reserve System annual burden.
[16] A list of G-SIBs is available at http://www.financialstabilityboard.org/publications/r_131111.pdf.
[17] The FR 2052a Ad-Hoc surveys would be discontinued once the enhanced liquidity data collections are put into production.

Proposed FR 2052a for 2015	*Number of respondents*	*Annual frequency*	*Estimated average hours per response*	*Estimated annual burden hours*
One-time Implementation	50	1	400	20,000
Monthly:				
U.S. chartered firms with total assets ≥ \$700 billion or with ≥ \$10 trillion in assets under custody[18]	8	4	220	7,040
U.S. chartered firms with total assets < \$700 billion and with < \$10 trillion in assets under custody but total assets ≥ \$250 billion or foreign exposure ≥ \$10 billion	6	6	120	4,320
FBOs with U.S. operations ≥ \$50 billion and U.S. broker-dealer assets ≥ \$100 billion	5	4	220	4,400
Daily:				
U.S. chartered firms with total assets ≥ \$700 billion or with ≥ \$10 trillion in assets under custody	8	126	220	221,760
FBOs with U.S. operations ≥ \$50 billion and U.S. broker-dealer assets ≥ \$100 billion	5	126	220	138,600
FR 2052a Total annual burden hours for 2015				396,120

[18] "Assets under custody" is defined in the reporting instructions for the Banking Organization Systemic Risk Report (FR Y-15; OMB No. 7100-0352).

Proposed FR 2052a for 2016	*Number of respondents*	*Annual frequency*	*Estimated average hours per response*	*Estimated annual burden hours*
Monthly: U.S. chartered firms with total assets < $700 billion and with < $10 trillion in assets under custody but total assets ≥ $250 billion or foreign exposure ≥ $10 billion	6	6	120	4,320
U.S. chartered firms with total assets ≥ $50 billion but total assets < $250 billion and foreign exposure < $10 billion	12	12	120	17,280
FBOs with U.S. operations ≥ $50 billion and U.S. broker-dealer assets < $100 billion	19	6	100	11,400
Daily: U.S. chartered firms with total assets ≥ $700 billion or with ≥ $10 trillion in assets under custody	8	251	220	441,760
U.S. chartered firms with total assets < $700 billion and with < $10 trillion in assets under custody but total assets ≥ $250 billion or foreign exposure ≥ $10 billion	6	126	120	90,720
U.S. chartered firms with total assets ≥ $50 billion but total assets < $250 billion and foreign exposure < $10 billion	1	251	120	30,120
FBOs with U.S. operations ≥ $50 billion and U.S. broker-dealer assets ≥ $100 billion	5	251	220	276,100
FBOs with U.S. operations ≥ $50 billion and U.S. broker-dealer assets < $100 billion[19]	19	126	100	239,400
FR 2052a Total annual burden hours for 2016				1,111,100

[19] These FBOs would be required to have the ability to report on each business day. If the FBO consolidates a U.S. chartered firm that would independently have to report daily, then the FBO must report daily. The Federal Reserve will test these FBOs for their ability to report daily.

Proposed FR 2052a for 2017 and ongoing	*Number of respondents*	*Annual frequency*	*Estimated average hours per response*	*Estimated annual burden hours*
Monthly:				
U.S. chartered firms with total assets ≥ $50 billion but total assets < $250 billion and foreign exposure < $10 billion	12	12	120	17,280
Daily:				
U.S. chartered firms with total assets ≥ $700 billion or with ≥ $10 trillion in assets under custody	8	251	220	441,760
U.S. chartered firms with total assets < $700 billion and with < $10 trillion in assets under custody but total assets ≥ $250 billion or foreign exposure ≥ $10 billion	6	251	120	180,720
U.S. chartered firms with total assets ≥ $50 billion but total assets < $250 billion and foreign exposure < $10 billion	1	251	120	30,120
FBOs with U.S. operations ≥ $50 billion and U.S. broker-dealer assets ≥ $100 billion	5	251	220	276,100
FBOs with U.S. operations ≥ $50 billion and U.S. broker-dealer assets < $100 billion[20]	19	251	100	476,900
FR 2052a Total annual burden hours for 2017 and ongoing				1,422,880

[20] These FBOs would be required to have the ability to report on each business day. If the FBO consolidates a U.S. chartered firm that would independently have to report daily, then the FBO must report daily. The Federal Reserve will test these FBOs for their ability to report daily.

Proposed FR 2052b	*Number of respondents*	*Annual frequency*	*Estimated average hours per response*	*Estimated annual burden hours*
BHCs *(>$10 & <$50 billion, not controlled by FBOs)*	47	4	60	11,280
FR 2052b Total burden hours				11,280

Proposed FR 2052a and FR 2052b:	
2015 - Proposed Total burden hours	**407,400**
Change	**-88,520**
2016 - Proposed Total burden hours	**1,122,380**
Change	**714,980**
2017 - Proposed Total burden hours	**1,434,160**
Change	**311,780**
Net Change	**938,240**

The current cost to the public is estimated be $25,242,328 and with the proposed revisions the total cost to the public for 2015 is estimated be $20,736,660.[21]

Sensitive Questions

These collections of information contain no questions of a sensitive nature, as defined by OMB guidelines (e.g., ethnicity, sexual relationships, etc.).

Estimate of Cost to the Federal Reserve System

The cost estimate to the Federal Reserve System will be obtained.

[21] Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rates (30% Office & Administrative Support at $18, 45% Financial Managers at $61, 15% Lawyers at $63, and 10% Chief Executives at $86). Hourly rate for each occupational group are the (rounded) mean hourly wages from the Bureau of Labor and Statistics (BLS), Occupational Employment and Wages 2013, www.bls.gov/news.release/ocwage.nr0.htm Occupations are defined using the BLS Occupational Classification System, www.bls.gov/soc/. The cost to the public for 2016 and 2017 is estimated be $57,129,142 and $72,998,744 respectively.