

**DRAFT – May 24, 2013**

**Board of Governors of the Federal Reserve System**

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**Instructions for Preparation of  
The Report of Selected Money Markets Rates  
Reporting Form FR 2420**

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## Instructions for the preparation of the Report of Selected Money Markets Rates

# FR 2420

The FR 2420 report collects detailed data on banking institutions' daily transactions in selected money market instruments. The report has three parts. Part A collects data on domestic federal funds purchased. Part B collects data on Eurodollar liabilities. Part C collects data on CDs issued by domestic offices. These data will include for each transaction: the amount, the maturity, the interest rate, and other associated information.

### **GENERAL INSTRUCTIONS**

#### **1. Purpose**

The FR 2420 is used to monitor market activity in selected money market instruments.

#### **2. Authority**

The FR 2420 reports are authorized by law (12 U.S.C. 248(a)).

#### **3. Confidentiality and Burden**

The Federal Reserve Board regards the individual organization information provided by each respondent as confidential (5 U.S.C. § 552(b)(4)). The Federal Reserve, however, may publish aggregate or summary information in a way that does not reveal your individual organization's confidential information. If it should be determined subsequently that any information collected on this form must be released, the respondents will be notified.

Public reporting burden for this collection of information is estimated to be [X] hours per response, including the time to gather data in the required form and to review instructions and complete the information collection. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Secretary, Board of Governors of the Federal Reserve System, 20th and C Streets, N.W., Washington, D.C. 20551, or via email to

regs.comments@frb.gov; and to the Office of Management and Budget, Paperwork Reduction Project 3 ((INSERT REPORT'S OMB NUMBER)), Washington, D.C. 20503. The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

#### **4. Reporting Criteria**

The following banking organizations must file the FR 2420 daily:

- a. Every national bank, state member bank, insured state non-member bank, and savings association with total assets of \$26 billion or more as of the most recent September 30, Call Report (FFIEC 031 or 041).
- b. Every U.S. branch and agency of a foreign bank with total third party assets of \$900 million or more as of the most recent September 30, FFIEC 002 (RAL Item 3 less RAL Item 2.a.) Please note that these entities will report only Part A and Part C of the FR 2420.

#### **5. Where to Submit Reports**

All respondents must submit their completed report using the Federal Reserve System's Reporting Central system. The Federal Reserve Bank of New York (FRBNY) will provide technical assistance to any respondent requiring guidance in creating files for submission via Reporting Central. See: [http://www.frb services.org/centralbank/reportingcentral/resource\\_center.html](http://www.frb services.org/centralbank/reportingcentral/resource_center.html) for additional information on the Reporting Central system.

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## 6. When to Submit Reports

Respondents must file the FR 2420 each day for the previous business day by 7 a.m., except during a short transition period as follows:

- a. Data for fourth quarter of 2013 will be due no later than 10 a.m. the next business day.
- b. Date for January 2014 will be due no later than 9 a.m. the next business day.
- c. Data for February 2014 will be due no later than 8 a.m. the next business day.
- d. Data for March 2014 and thereafter will be due no later than 7 a.m. the next business day.

If the submission date falls on a weekend or holiday, the data must be received on the first business day after the weekend or holiday. No other extensions of time for submitting reports will be granted.

## 7. How to Prepare Reports

- a. Respondents are required to prepare and file the FR 2420 in accordance with generally accepted accounting principles (GAAP) and these instructions.
- b. Rules of Consolidation: Part A and Part C of the FR 2420 will include:  
**FFIEC 031 and 041 reporters:** Institutions with foreign offices must follow the Call Report instructions for consolidation in the domestic-office portion of the FFIEC 031. That is, domestic branches and majority-owned domestic

subsidiaries that meet the tests of significance (as described in the General Instructions of the Call Report) are to be fully consolidated on this report.

FFIEC 041 reporters must follow the Call Report instructions for consolidation in the domestic-office portion of the FFIEC 041. That is, domestic branches and majority-owned domestic subsidiaries that meet the tests of significance (as described in the General Instructions of the Call Report) are to be fully consolidated on this report.

**FFIEC 002 reporters:** U.S. branches and agencies of foreign banks must follow the FFIEC 002 instructions for consolidation. Each designated branch or agency of a given foreign bank must 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 2420 must be filed. Respondents should notify Federal Reserve Bank of New York to obtain permission for any deviation from this practice.

For Part B, U.S. commercial banks and thrifts should consolidate all reportable liabilities for each foreign office that exceed \$2 billion or more in total assets. Please note that U.S. branches and agencies of foreign banks do not report under Part B.

## 8. Amended Reports

The Federal Reserve will require the filing of amended reports if reports as previously submitted contain significant errors.

**PART A: FEDERAL FUNDS**

This section contains line item instructions on federal funds transactions.

**1. Definition**

- Respondents should report all unsecured borrowings of U.S. dollars made to the institution’s U.S. offices at the close of business for the report date. Exclude the following borrowings from Part A:
  - Deposit (as defined on the Schedule E of the Call Report and the FFIEC 002)
  - Debt instruments (using the assets definitions on Schedule B and Schedule D of the Call Report and the FFIEC 002)
  - Repurchase agreements and security lending transactions (as defined on RC, Item 14.b on the Call Report and RAL or Item 4.b.2 on the FFIEC 002).
  - Equity (as defined on RC, Item 28 on the Call Report)
  - Currency and Coin
  - Overdrafts
  - Affiliate and related party transactions.
  - Intraday transactions
  - All forward starting transactions, even when the reporting date is the settlement date

**2. Items to Report**

**SEQUENCE NUMBER**

Report the number of the row for the specific transaction. This should use simple “one up” numbering (Row 1, 2, 3....).

**AMOUNT**

Report the amount (in millions of dollars) of each reportable federal funds transaction that settles (i.e., the date the receipt or disposal of the funds is executed and funds are made available to the reporting institutions) on the report date.

**MATURITY**

Report the maturity of each transaction in DDMMYY format. In cases where the transaction does not have a specific maturity date enter 999999.

**RATE**

Report the rate applicable to the transaction. The rate should always be expressed in terms of five decimal places.

**PART B: EURODOLLARS**

This section contains line item instructions on Eurodollar transactions. Please note that Part B should not be submitted by U.S. branches and agencies of foreign banks.

**1. Definition**

Respondents should report all unsecured liabilities at the close of business in U.S. dollars booked at each non-U.S. office whose total assets booked at that office exceed \$2 billion at the close of business for the report date.

Exclude the following borrowings from Eurodollar transactions:

- Demand deposits (as defined on the Schedule E of the Call Report) and any deposit placed under sweep agreements or other contractual cash management agreements (as defined in the General Instruction of FR 2900 instruction).
- Debt instruments (using the assets definitions on Schedule B and Schedule D of the Call Report)
- Repurchase agreements and security lending transactions (as defined on RC, Item 14.b on the Call Report)
- Related parties
- Overdrafts
- Intraday transactions
- Liabilities to individuals
- All forward starting transactions, even when the reporting date is the settlement date

**2. Items to Report**

**SEQUENCE NUMBER**

Report the number of the row for the specific transaction. This should use simple “one up” numbering (Row 1, 2, 3....).

**AMOUNT**

Report the amount (in millions of dollars) of each reportable Eurodollar transaction that settle (i.e., the date the receipt or disposal of the funds is executed and funds are made available to reporting institutions) on the report data.

**MATURITY**

Report the maturity of each transaction in DDMMYY format. In cases where the transaction does not have a specific maturity date enter 999999.

**RATE**

Report the rate applicable to the transaction. The rate should always be expressed in terms of five decimal places.

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**PART C: CERTIFICATES OF DEPOSIT (CDs)**

This section contains line item instructions on CD transactions.

**1. Definition**

Report in this part time certificates of deposit that are booked in U.S. offices in U.S. dollars, denominated in amounts of \$250 thousand or more; and are evidenced by a negotiable or nonnegotiable instrument, or a deposit in book entry form evidenced by a receipt or similar acknowledgement issued by the bank, that provides, on its face, that the amount of such deposit is payable to the bearer,

to any specified person, or to the order of a specified person as follows:

- a. on a certain date not less than seven days after the date of deposit,
- b. at the expiration of a specified period not less than seven days after the date of the deposit, or
- c. upon written notice to the bank which is to be given not less than seven days before the date of withdrawal.

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## 2. Items to Report

- 5 - 3 Month LIBOR
- 6 - Overnight Swap Index
- 7 - Other

### SEQUENCE NUMBER

Report the number of the row for the specific transaction. This should use simple “one up” numbering (Row 1, 2, 3....).

### AMOUNT

Report the amount (in millions of dollars) each reportable CD transaction that settles (i.e., the date the receipt or disposal of the funds is executed and funds are made available to reporting institutions) on the report data.

### RATE

If the CD’s floating rate uses a reference rate, enter the entire rate (the reference rate and the spread). The rate should always be expressed in terms of five decimal places.

### MATURITY

Report the maturity of each transaction in DDMMYY format.

### NEGOTIABLE

Please enter Y if the CD is negotiable or N if the CD is non-negotiable.

### FLOATING OR FIXED RATE

If the CD has a floating rate, enter 1. If the rate is fixed enter 2. CDs that have a reset period should be reported as fixed.

### RESET PERIOD

Enter the value below to describe the frequency for when the rate for the reported CD can reset.

- 0 - No Reset
- 1 - Weekly
- 2 - Monthly
- 3 - Quarterly
- 4 - Semi-annual
- 5 - Annual
- 6 - Other

### REFERENCE RATE

If the CD has a floating rate enter the value below to describe the reference rate. Enter 0 if the CD has a fixed rate.

- 0 - NA
- 1 - Federal Funds Effective Rate
- 2 - Prime
- 3 - 1 Month U.S. Treasury Constant Maturity Rate
- 4 - 1 Month LIBOR