

# Forming Consistent Time Series: FR Y-9C, Consolidated Financial Statements for Bank Holding Companies

Schedule HC-L: Derivatives and Off-Balance-Sheet Items 2007-2012

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## Objectives of Forming Consistent Time Series

- 1. Detail development of specific FR Y-9C components from 2007-2012
  - Map changes to Schedules HC-B, HC-C, HC-D, and HC-L
- Accurately reference and construct data of aggregate Loan, Security, Derivative and Off-Balance Sheet Items
- 3. Study the change in composition of BHC Loan, Security, Derivative and Off-Balance Sheet holdings
- 4. Provide structure (data dictionary) for future analysis on internal and external level (District and System)
  - Internal: Statistical and Financial Reports, Data Analytics Unit, Economic Research, Supervision and Regulation
  - External: Academic and private sector research

#### **Advantages of Time Series**

#### Four Roadblocks to Yielding Sensible Data

- Choosing the data
  - What data to analyze? Which financial report(s)? What type of institutions?
- 2. Standardizing the data
  - How should loans/securities be categorized? What are their components?
- 3. Establishing long-term consistency in aggregate data
  - How should the researcher manage the report's historical changes?
- 4. Establishing a consistent panel of institutions
  - · How should the researcher take into account mergers, failures, and new reporters that are significant?
- Advantages of this document:
  - Eliminates three of four roadblocks above (1, 2, 3)
  - · Effectively and accurately standardizes data into categories
  - Enables accurate construction of aggregates from 2007-2012
  - Dynamic: Identifies how data can be analyzed broadly and granularly

## **Future Opportunities and Inquiries**

#### Future Opportunities

- Continue oversight of time series; make changes to document with future FR Y-9C developments
- Pursue further (prior to 2007) historical mapping of Loan/Security categories
- Develop long-term (10 years plus) time series documentation of FR Y-9C Income items

#### Inquiries

- Questions about time series?
- Suggestions for future development?
- Contact Information:
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  - financialreporting@chi.frb.org

# How to use the Time Series: Notation and Example

	Name of Category  N						
Notation	Description of line	e item					
	FR Y-9C	Line Item	View (querying	N	Inemonic/		
	Schedule	Line item	purposes)	Reference Numb			
	Re	sidential Real Esta	ate Loans		100		
Example	1. Loans secured by real estate. c. Secured by 1-4 family residential properties: (1) Revolving, open-end loans secured by 1-4 family residential prosperities and extended under lines of credit						
	HC-C 1. c. (1) (Column B) Internal Use Only BHDM1						

## Aggregate Derivative and Off-Balance Sheet Items

Composition and Components of Aggregate Data	Component Number(s)
Credit Derivatives: Guarantor and Beneficiary	100-107
Derivative Contracts:	
Interest Rate	200-203
Foreign Exchange	300-303
Equity Derivative	400-403
Commodity/Other	500-503

# Credit Derivatives: Guarantor and Beneficiary

#### Gross Positive and Negative Fair Value

C	omponents From	3/31/2007-3/31/2	:009				Components Fror	n 6/30/2009-Prese	nt	
Credit o	derivatives, Gross posi	tive fair value, Guaranto	or	100		Credit der	rivatives, Gross positiv	re fair value, Sold Protec	tion	104
7. Credit derivative Guarantor	s, b. Gross fair values:	(1) Gross positive fair v	alue, Column A	À,	Developed	7. Credit derivative Protection	s, b. Gross fair values:	(1) Gross positive fair v	alue, Column A	۱, Sold
HC-L	7. b. (1) (Column A)	Internal Use Only	ВНСКС2	19		HC-L	7. b. (1) (Column A)	Internal Use Only	ВНСКС2	!19
Credit d	lerivatives, Gross nega	tive fair value, Guaranto	or	101		Credit der	ivatives, Gross negativ	ve fair value, Sold Protec	ction	105
7. Credit derivatives Guarantor	s, b. Gross fair values:	(2) Gross negative fair v	alue, Column	Α,	Developed	7. Credit derivative Protection	s, b. Gross fair values:	(2) Gross negative fair v	value, Column	A, Sold
HC-L	7. b. (2) (Column A)	Internal Use Only	BHCKC2	20		HC-L	7. b. (2) (Column A)	Internal Use Only	BHCKC2	20
Credit d	lerivatives, Gross posit	ive fair value, Beneficia	ry	102		Credit deriva	tives, Gross positive fa	air value, Purchased Pro	tection	106
7. Credit derivatives Beneficiary	s, b. Gross fair values:	(1) Gross positive fair va	alue, Column E	3,	Developed	7. Credit derivative Purchased Protection	•	(1) Gross positive fair v	alue, Column E	3,
HC-L	7. b. (1) (Column B)	Internal Use Only	BHCKC2	21		HC-L	7. b. (1) (Column B)	Internal Use Only	BHCKC2	21
Credit d	erivatives, Gross nega	tive fair value, Beneficia	ıry	103		Credit derivat	ives, Gross negative f	air value, Purchased Pro	tection	107
7. Credit derivative: Beneficiary	s, b. Gross fair values:	(2) Gross negative fair v	alue, Column	В,	Developed	7. Credit derivatives Purchased Protection		(2) Gross negative fair v	ralue, Column I	В,
HC-L	7. b. (2) (Column B)	Internal Use Only	ВНСКС2	22		HC-L	7. b. (2) (Column B)	Internal Use Only	внскс2	22

# Derivative Contracts: Unchanged Since 2007

Page 1 of 2

Derivative Contracts, Interest Rate Contracts 2					
14. Gross fair values	14. Gross fair values of derivative contracts: a. Contracts held for trading: (1) Gross				
positive fair value, (	Column A) Interest Ra	te Contracts			
HC-L	14. a. (1) Internal Use Only BHCK873			22	
TIC-L	(Column A)	internal ose only	BITCKO7	33	
Der	ivative Contracts, Int	erest Rate Contracts		201	
14. Gross fair values	of derivative contrac	ts: a. Contracts held for	trading: (2) Gr	oss	
negative fair value,	(Column A) Interest R	ate Contracts			
HC I	14. a. (2)		DUCKOZ	77	
HC-L	HC-L (Column A) Internal Use Only BHCK8737				
Derivative Contracts, Interest Rate Contracts 202					
14. Gross fair values	of derivative contrac	ts: b. Contracts held for	purposes other	er than	
trading: (1) Gross po	sitive fair value, (Colu	ımn A) Interest Rate Co	ntracts		
HC-L	14. b. (1)	Internal Hea Only	BHCK87	41	
HC-L	(Column A)	Internal Use Only	ВПСК87	41	
Derivative Contracts, Interest Rate Contracts 203					
14. Gross fair values of derivative contracts: b. Contracts held for purposes other than					
trading: (1) Gross negative fair value, (Column A) Interest Rate Contracts					
14. b. (2)				45	
	HC-L (Column A) Internal Use Only BHCK8745				

Davius	tive Couturate Fouri	Freshaman Cambus etc.		300	
Derivative Contracts, Foreign Exchange Contracts					
14. Gross fair values	14. Gross fair values of derivative contracts: a. Contracts held for trading: (1) Gross				
positive fair value, (	Column B) Foreign Ex	change Contracts			
110.1	14. a. (1)		DI ICKOZ	2.4	
HC-L	(Column B)	Internal Use Only	BHCK87	34	
Deriva	tive Contracts, Forei	gn Exchange Contracts		301	
14. Gross fair values	of derivative contrac	ts: a. Contracts held for	trading: (2) Gr	oss	
negative fair value,	(Column B) Foreign Ex	change Contracts			
116.1	14. a. (2)			20	
HC-L	(Column B) Internal Use Only BHCK8738		38		
Derivative Contracts, Foreign Exchange Contracts 302					
Deriva	tive Contracts, Forei	gn Exchange Contracts		302	
	·	gn Exchange Contracts ts: b. Contracts held for	purposes other		
14. Gross fair values	of derivative contrac	<u> </u>			
14. Gross fair values trading: (1) Gross po	of derivative contrac	ts: b. Contracts held for umn B) Foreign Exchang	ge Contracts	er than	
14. Gross fair values	of derivative contractive fair value, (Columbia)	ts: b. Contracts held for		er than	
14. Gross fair values trading: (1) Gross po HC-L	of derivative contract positive fair value, (Colu 14. b. (1) (Column B)	ts: b. Contracts held for umn B) Foreign Exchang	ge Contracts	er than	
14. Gross fair values trading: (1) Gross po HC-L	of derivative contractsitive fair value, (Column B) ative Contracts, Forei	ts: b. Contracts held for umn B) Foreign Exchang Internal Use Only	e Contracts BHCK87	42 303	
14. Gross fair values trading: (1) Gross po	of derivative contract strive fair value, (Column B)  ative Contracts, Foreither of derivative contracts.	umn B) Foreign Exchang Internal Use Only gn Exchange Contracts	BHCK87	42 303	
14. Gross fair values trading: (1) Gross po	of derivative contract strive fair value, (Column B)  ative Contracts, Foreither of derivative contracts.	umn B) Foreign Exchang Internal Use Only gn Exchange Contracts ts: b. Contracts held for	BHCK87	42 303 er than	

## Derivative Contracts: Unchanged Since 2007

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Deriva	ative Contracts, Equit	y Derivative Contracts		400
14. Gross fair values	14. Gross fair values of derivative contracts: a. Contracts held for trading: (1) Gross			
positive fair value, (	Column C) Equity Deri	vative Contracts		
HC-L	14. a. (1) Internal Use Only BHCK873		25	
HC-L	(Column C)	Internal Use Only	ВПСКО7.	33
Deriva	ative Contracts, Equit	y Derivative Contracts		401
14. Gross fair values	of derivative contrac	ts: a. Contracts held for	trading: (2) Gr	oss
negative fair value,	(Column C) Equity Der	rivative Contracts		
UC I	14. a. (2)		20	
HC-L (Column C) Internal Use Only BHCK8739				
Derivative Contracts, Equity Derivative Contracts 402				
14. Gross fair values	of derivative contrac	ts: b. Contracts held for	purposes other	er than
trading: (1) Gross po	sitive fair value, (Colu	ımn C) Equity Derivative	e Contracts	
116.1	14. b. (1)	Internal Hea Only	DUCKOZ	42
HC-L	(Column C)	Internal Use Only	BHCK87	43
Derivative Contracts, Equity Derivative Contracts 403				
14. Gross fair values of derivative contracts: b. Contracts held for purposes other than				
trading: (1) Gross negative fair value, (Column C) Equity Derivative Contracts				
14. b. (2)				-
HC-L	14. b. (2)	Internal Use Only	BHCK87	,, l

				500	
Derivative Contracts, Commodity and Other Contracts					
14. Gross fair values	14. Gross fair values of derivative contracts: a. Contracts held for trading: (1) Gross				
positive fair value, (	Column D) Commodit	y and Other Contracts			
116.1	14. a. (1)		26		
HC-L	(Column D)	Internal Use Only	BHCK87	36	
Derivativ	e Contracts, Commo	dity and Other Contrac	ts	501	
14. Gross fair values	of derivative contract	ts: a. Contracts held for	trading: (2) Gr	oss	
negative fair value,	(Column D) Commodi	ty and Other Contracts			
116.1	14. a. (2)			40	
HC-L	(Column D) Internal Use Only BHCK8740			40	
Derivative Contracts, Commodity and Other Contracts 502					
14. Gross fair values of derivative contracts: b. Contracts held for purposes other than					
14. Gross fair values	of derivative contract	ts: b. Contracts held for	purposes other	er than	
1		ts: b. Contracts held for umn D) Commodity and			
trading: (1) Gross po		umn D) Commodity and	Other Contrac	ts	
1	sitive fair value, (Colu			ts	
trading: (1) Gross po	sitive fair value, (Colu 14. b. (1) (Column D)	umn D) Commodity and	Other Contrac	ts	
trading: (1) Gross po	sitive fair value, (Colu 14. b. (1) (Column D) re Contracts, Commo	umn D) Commodity and Internal Use Only	Other Contrac BHCK87	ts 44 <b>503</b>	
HC-L  Derivativ  14. Gross fair values	sitive fair value, (Column D)  /e Contracts, Commo	umn D) Commodity and Internal Use Only dity and Other Contrac	Other Contract BHCK87	44 503 er than	
HC-L  Derivativ  14. Gross fair values	sitive fair value, (Column D)  /e Contracts, Commo	umn D) Commodity and Internal Use Only dity and Other Contracts: b. Contracts held for	Other Contract BHCK87	503 er than	

## Data Dictionary: Derivative and Off-Balance Sheet Items

<u>Category</u>	Mnemonic: 3/31/07-Present
Credit Derivatives, Guarantor, Positive FV	BHCK C219
Credit Derivatives, Guarantor, Negative FV	BHCK C220
Credit Derivatives, Beneficiary, Positive FV	BHCK C221
Credit Derivatives, Beneficiary, Negative FV	BHCK C222
Derivative Contracts, Interest Rate, Positive FV	BHCK 8733, 8741
Derivative Contracts, Interest Rate, Negative FV	BHCK 8737, 8745
Derivative Contracts, Foreign Exchange, Positive FV	BHCK 8734, 8742
Derivative Contracts, Foreign Exchange, Negative FV	BHCK 8738, 8746
Derivative Contracts, Equity Derivative, Positive FV	BHCK 8735, 8743
Derivative Contracts, Equity Derivative, Negative FV	BHCK 8739, 8747
Derivative Contracts, Commodity and Other, Positive FV	BHCK 8736, 8744
Derivative Contracts, Commodity and Other, Negative FV	BHCK 8740, 8748