



# 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
2. 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**
  1. **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?
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# How to use the Time Series: Notation and Example

Notation

Name of Category			Component Number
Description of line item			
FR Y-9C Schedule	Line Item	View (querying purposes)	Mnemonic/ Reference Number

Example

Residential Real Estate Loans			100
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	BHDM1797

# Aggregate Derivative and Off-Balance Sheet Items

<b><u>Composition and Components of Aggregate Data</u></b>	<b><u>Component Number(s)</u></b>
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

Components From 3/31/2007-3/31/2009				Components From 6/30/2009-Present				
Credit derivatives, Gross positive fair value, Guarantor <b>100</b>				Developed →	Credit derivatives, Gross positive fair value, Sold Protection <b>104</b>			
7. Credit derivatives, b. Gross fair values: (1) Gross positive fair value, Column A, Guarantor					7. Credit derivatives, b. Gross fair values: (1) Gross positive fair value, Column A, Sold Protection			
HC-L	7. b. (1) (Column A)	Internal Use Only	BHCKC219	HC-L	7. b. (1) (Column A)	Internal Use Only	BHCKC219	
Credit derivatives, Gross negative fair value, Guarantor <b>101</b>				Developed →	Credit derivatives, Gross negative fair value, Sold Protection <b>105</b>			
7. Credit derivatives, b. Gross fair values: (2) Gross negative fair value, Column A, Guarantor					7. Credit derivatives, b. Gross fair values: (2) Gross negative fair value, Column A, Sold Protection			
HC-L	7. b. (2) (Column A)	Internal Use Only	BHCKC220	HC-L	7. b. (2) (Column A)	Internal Use Only	BHCKC220	
Credit derivatives, Gross positive fair value, Beneficiary <b>102</b>				Developed →	Credit derivatives, Gross positive fair value, Purchased Protection <b>106</b>			
7. Credit derivatives, b. Gross fair values: (1) Gross positive fair value, Column B, Beneficiary					7. Credit derivatives, b. Gross fair values: (1) Gross positive fair value, Column B, Purchased Protection			
HC-L	7. b. (1) (Column B)	Internal Use Only	BHCKC221	HC-L	7. b. (1) (Column B)	Internal Use Only	BHCKC221	
Credit derivatives, Gross negative fair value, Beneficiary <b>103</b>				Developed →	Credit derivatives, Gross negative fair value, Purchased Protection <b>107</b>			
7. Credit derivatives, b. Gross fair values: (2) Gross negative fair value, Column B, Beneficiary					7. Credit derivatives, b. Gross fair values: (2) Gross negative fair value, Column B, Purchased Protection			
HC-L	7. b. (2) (Column B)	Internal Use Only	BHCKC222	HC-L	7. b. (2) (Column B)	Internal Use Only	BHCKC222	



# Derivative Contracts: Unchanged Since 2007

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Derivative Contracts, Interest Rate Contracts				<b>200</b>
14. Gross fair values of derivative contracts: a. Contracts held for trading: (1) Gross positive fair value, (Column A) Interest Rate Contracts				
HC-L	14. a. (1) (Column A)	Internal Use Only	BHCK8733	
Derivative Contracts, Interest Rate Contracts				<b>201</b>
14. Gross fair values of derivative contracts: a. Contracts held for trading: (2) Gross negative fair value, (Column A) Interest Rate Contracts				
HC-L	14. a. (2) (Column A)	Internal Use Only	BHCK8737	
Derivative Contracts, Interest Rate Contracts				<b>202</b>
14. Gross fair values of derivative contracts: b. Contracts held for purposes other than trading: (1) Gross positive fair value, (Column A) Interest Rate Contracts				
HC-L	14. b. (1) (Column A)	Internal Use Only	BHCK8741	
Derivative Contracts, Interest Rate Contracts				<b>203</b>
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				
HC-L	14. b. (2) (Column A)	Internal Use Only	BHCK8745	

Derivative Contracts, Foreign Exchange Contracts				<b>300</b>
14. Gross fair values of derivative contracts: a. Contracts held for trading: (1) Gross positive fair value, (Column B) Foreign Exchange Contracts				
HC-L	14. a. (1) (Column B)	Internal Use Only	BHCK8734	
Derivative Contracts, Foreign Exchange Contracts				<b>301</b>
14. Gross fair values of derivative contracts: a. Contracts held for trading: (2) Gross negative fair value, (Column B) Foreign Exchange Contracts				
HC-L	14. a. (2) (Column B)	Internal Use Only	BHCK8738	
Derivative Contracts, Foreign Exchange Contracts				<b>302</b>
14. Gross fair values of derivative contracts: b. Contracts held for purposes other than trading: (1) Gross positive fair value, (Column B) Foreign Exchange Contracts				
HC-L	14. b. (1) (Column B)	Internal Use Only	BHCK8742	
Derivative Contracts, Foreign Exchange Contracts				<b>303</b>
14. Gross fair values of derivative contracts: b. Contracts held for purposes other than trading: (1) Gross negative fair value, (Column B) Foreign Exchange Contracts				
HC-L	14. b. (2) (Column B)	Internal Use Only	BHCK8746	

# Derivative Contracts: Unchanged Since 2007

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Derivative Contracts, Equity Derivative Contracts				<b>400</b>
14. Gross fair values of derivative contracts: a. Contracts held for trading: (1) Gross positive fair value, (Column C) Equity Derivative Contracts				
HC-L	14. a. (1) (Column C)	Internal Use Only	BHCK8735	
Derivative Contracts, Equity Derivative Contracts				<b>401</b>
14. Gross fair values of derivative contracts: a. Contracts held for trading: (2) Gross negative fair value, (Column C) Equity Derivative Contracts				
HC-L	14. a. (2) (Column C)	Internal Use Only	BHCK8739	
Derivative Contracts, Equity Derivative Contracts				<b>402</b>
14. Gross fair values of derivative contracts: b. Contracts held for purposes other than trading: (1) Gross positive fair value, (Column C) Equity Derivative Contracts				
HC-L	14. b. (1) (Column C)	Internal Use Only	BHCK8743	
Derivative Contracts, Equity Derivative Contracts				<b>403</b>
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				
HC-L	14. b. (2) (Column C)	Internal Use Only	BHCK8747	

Derivative Contracts, Commodity and Other Contracts				<b>500</b>
14. Gross fair values of derivative contracts: a. Contracts held for trading: (1) Gross positive fair value, (Column D) Commodity and Other Contracts				
HC-L	14. a. (1) (Column D)	Internal Use Only	BHCK8736	
Derivative Contracts, Commodity and Other Contracts				<b>501</b>
14. Gross fair values of derivative contracts: a. Contracts held for trading: (2) Gross negative fair value, (Column D) Commodity and Other Contracts				
HC-L	14. a. (2) (Column D)	Internal Use Only	BHCK8740	
Derivative Contracts, Commodity and Other Contracts				<b>502</b>
14. Gross fair values of derivative contracts: b. Contracts held for purposes other than trading: (1) Gross positive fair value, (Column D) Commodity and Other Contracts				
HC-L	14. b. (1) (Column D)	Internal Use Only	BHCK8744	
Derivative Contracts, Commodity and Other Contracts				<b>503</b>
14. Gross fair values of derivative contracts: b. Contracts held for purposes other than trading: (1) Gross negative fair value, (Column D) Commodity and Other Contracts				
HC-L	14. b. (2) (Column D)	Internal Use Only	BHCK8748	

# Data Dictionary: Derivative and Off-Balance Sheet Items

<u>Category</u>	<u>Mnemonic:</u> <u>3/31/07-Present</u>
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