REGULATORY CAPITAL

New Regulatory Capital Measures (available beginning in 1990)
From 1990 until 1994 Ken Kuttner proposes the following approximation:

Regulatory Capital Variables (beginning in 1990)

Ken Kuttner produced the following approximations which one might consider using to get risk weighted assets -- prior to 1994

IF RCON9804 = 51
THEN RFSECS = RCFD0400 + RCFD3762 + RCON3766 +
0.8*(RCFD3760 + RCFD0604 - RCON3766)
ELSE RFSECS = RCON0400 + RCON3762 + RCON3766 +
0.8*(RCON3760 + RCON3764 + RCON3765);

All the variables used to derive RFSECS are available only from 03/31/90 to 12/31/93

IF RCON9804 = 51 OR RCON9804 = 52
THEN OBSI = RCFD3814 + RCFD3815 + RCFD3816 + RCFD6550 +
RCFD3817 + RCFD3818 + RCFD3819 + RCFD3821 +
RCFD3411 + RCFD3429 + RCFD3433 + RCFD3650 +
RCFD3652 + RCFD3654 + RCFD3434 + RCFD3435 +
RCFD3450 + RCFD3823 + RCFD3825 + RCFD3826 +
RCFD3415 + RCFD3828 + RCFD3830 + RCFD3832 +
RCFD3830 -
RCFD3820 - RCFD3822;
ELSE OBSI = RCFD3814 + RCFD3815 + RCFD3816 + RCFD6550 +
RCFD3817 + RCFD3818 + RCFD3819 + RCFD3821 +
RCFD3411 + RCFD3429 + RCFD3433 + RCFD3650 +
RCFD3652 + RCFD3654 + RCFD3434 + RCFD3435 +
RCFD3450 + RCFD3823 + RCFD3825 + RCFD3826 +
RCFD3415 + RCFD3828 + RCON3835 + RCFD3430 -
RCFD3820 - RCFD3822;

ATA = RCFD2170 + RCFD3123 + OBSI - RCON0080 - RFSECS;

IF RCON9804 = 51
THEN TIER1CAP = RCFD3230 + RCFD3839 + RCFD3632 + RCFD3284 +
RCFD3000 + RCFD3778 + RCFD0297 - RCFD3163;
ELSE TIER1CAP = RCFD3230 + RCFD3839 + RCFD3632 +
RCFD3000 + RCFD3778 + RCFD0297 - RCFD3163;

WSD = 0.2*(RCFD3781 + RCFD3787) + 0.4*(RCFD3782 + RCFD3788) +
0.6*(RCFD3783 + RCFD3789) + 0.8*(RCFD3784 + RCFD3790) +
1.0*(RCFD3785 + RCFD3791);

TIER2CAP = MIN(WSD,0.5*TIER1CAP) + MIN(RCFD3123,0.0125*ATA) +
RCFD3838 + RCFD3295 - RCFD3778;

PRIMCAPX = RCFD3230 + RCFD3838 + RCFD3839 + RCFD3632 +
RCFD3123 + RCFD3000;
OKMCDEBT = MIN( RCFD3295, (0.1667/(1-0.1667)) * PRIMCAPX )

XSMCDEBT = MIN( 0, (RCFD3295-OKMCDEBT) )

PRIMCAP = PRIMCAPX + OKMCDEBT

SECCAP = RCFD3282 + RCFD3200 + XSMCDEBT

RWA = (RCFD3798+RCFD3799+RCFD3800+RCFD3801)*0.2 + (RCFD3802+RCFD3803)*0.5 + (RCFD3804+RCFD3805)*1.0

Tier 1 Capital TIER1CAP
Tier 2 Capital TIER2CAP
Total Qualifying Capital RCFD3792
Weighted Subordinated Debt WSD
Adjusted Total Assets ATA
Off-Balance Sheet Items OBSI
Risk-Free Securities RFSECS
Risk-Weighted Assets RWA

Primary Capital PRIMCAP
Secondary Capital SECCAP

After March 1994 the information is directly available on the call reports as follows:

Total capital>=8% of adjusted total assets RCFD6056
Tier 1 Capital RCFD8274
Tier 2 Capital RCFD8275
Excess Allowance for loan and lease losses RCFDA222
Net risk-weighted assets RCFDA223
Average Total Assets RCFDA224
Asset and credit equivalent amounts of off-balance sheet
assigned to the zero percent risk category:
  Asset recorded on the balance sheet RCFD5163
  Securities issued by, other claims on, and claims unconditionally guaranteed by, the U.S. Government and its agencies and other OECD central governments RCFD3794
  All other RCFD3795
  Credit equivalent amount of off-balance sheet items RCFD3796

Asset and credit equivalent amounts of off-balance sheet
assigned to the 20 percent risk category:
  Asset recorded on the balance sheet RCFD5165
  Claims conditionally guaranteed by, the U.S. Government and other OECD central governments RCFD3798
  Claims collateralized by securities issued by the U.S. Government and its agencies and other OECD central...
government; by securities issued by US Government-sponsored agencies; and by cash on deposit RCFD3799
All other RCFD3800
Credit equivalent amount of off-balance sheet items RCFD3801
Asset and credit equivalent amounts of off-balance sheet
assigned to the 50 percent risk category:
Asset recorded on the balance sheet RCFD3802
Credit equivalent amount of off-balance sheet items RCFD3803
Asset and credit equivalent amounts of off-balance sheet
assigned to the 100 percent risk category:
Asset recorded on the balance sheet RCFD3804
Credit equivalent amount of off-balance sheet items RCFD3805
On-balance sheet asset values excluded from the deducted
in the calculation of the risk-based capital ratio RCFD3806
Total assets recorded on the balance sheet RCFD3807