



**WELCOME TO
THE TREASURY INTERNATIONAL
CAPITAL (TIC) SECURITIES FORM
SEMINAR**

SEPTEMBER 21, 2004

SEMINAR PRESENTERS

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**FOREIGN
PURCHASES
AND
SALES OF
LONG-TERM
SECURITIES**





**THE
TIC REPORTING
SYSTEM**

BACKGROUND

- ▼ Origin
- ▼ Purpose
- ▼ Publications
- ▼ Authority
- ▼ Confidentiality

TIC website <http://www.ustreas.gov/tic>

TIC REPORT SERIES

Report Series/Form	Frequency	Data Coverage
<p><u>TIC B Series</u> (Banking)</p> <p>BC, BL-1, BL-2</p> <p>BQ-1, BQ-2, BQ-3</p> <p>BC(SA), BL-1(SA), BL-2(SA)</p>	<p>Monthly</p> <p>Quarterly</p> <p>Semiannual</p>	<p>Reporter's Own and U.S. Customers' Liabilities to, and Claims on Foreign Residents filed by Depository Institutions, Bank Holding Companies (BHCs), Financial Holding Companies (FHCs), and Securities Brokers/Dealers</p>

TIC REPORT SERIES

Report Series/Form	Frequency	Data Coverage
<u>TIC C Series</u> (Nonbanking) CQ-1 CQ-2	Quarterly	Financial/Commercial Liabilities to, and Claims on Foreign Residents filed by U.S. Residents Other than Depository Institutions and Securities Brokers/Dealers

TIC REPORT SERIES

Report Series/Form	Frequency	Data Coverage
<u>TIC S Series</u> (Securities) Form S/ Memorandum	Monthly	Purchases and Sales of Long-Term Securities by Foreigners filed by U.S. Residents

FRBNY WEB SITE

<http://www.newyorkfed.org/index.html>



The screenshot shows the homepage of the Federal Reserve Bank of New York. At the top, the text "FEDERAL RESERVE BANK of NEW YORK" is displayed in white on a dark blue background. Below this is a navigation bar with the following menu items: BANKING, MARKETS, RESEARCH, EDUCATION, REGIONAL OUTREACH, and ABOUT THE FED. A red arrow points to the "BANKING" link. Below the navigation bar is a large image of the bank's building. Underneath the image, a text box states: "The Federal Reserve Bank of New York plays a leadership role in monetary policy, financial supervision and the payments system. More >>". To the right of the main content is a "KEY INDICATORS" section, which includes a "Fed Funds" rate chart. The chart shows a blue line representing the "Daily 1.0" rate, with labels for "Apr" and "Ju". Below the chart, there is a "12 mo" label. At the bottom of the page, there are two main sections: "RECENT DEVELOPMENTS" and "IN THE SPOTLIGHT". Under "RECENT DEVELOPMENTS", there is a link for "EMPIRE STATE" with the headline "The latest Empire State Manufacturing". Under "IN THE SPOTLIGHT", there is a link for "Upcoming" with the headline "State Member Bank and Bank Holding".

FRBNY WEB SITE

<http://www.newyorkfed.org/banking/index.html>

FEDERAL RESERVE BANK of NEW YORK

Careers
Publications Catalog
News and Events

BANKING MARKETS RESEARCH EDUCATION REGIONAL OUTREACH ABOUT THE FED SEARCH

Supervision and Regulation

Reporting Forms and Instructions

Mergers and Acquisitions

Payment Systems

Discount Window

International Affairs

Consumer Protection

Services for Financial Institutions

of New York plays a leadership role in monetary policy, the payments system. More >>

KEY INDICATORS

Fed Funds Discount

2.50%
2.00%
1.50%
1.00%
0.50%

Apr Jul Oct Jan

Daily 1.00% Target 1.00%

12 months 1 week

Foreign Exchange Rates >>

Regional Economy
In December, the Indexes of

IN THE SPOTLIGHT


Upcoming EVENT

State Member Bank and Bank Holding Company Regulatory Reporting Changes

Half-day seminar: Thu, March 18, 2004

FRBNY WEB SITE

<http://www.newyorkfed.org/banking/reportingforms/index.html>



FEDERAL RESERVE BANK *of* NEW YORK

Publica
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BANKING MARKETS RESEARCH EDUCATION REGIONAL OUTREACH ABOUT THE FED

BANKING

- Supervision and Regulation
- Reporting Forms and Instructions**
- Reporting Forms
- Mergers and Acquisitions
- Payment Systems
- Discount Window
- International Affairs

Home > Banking

Reporting Forms and Instructions

We collect and analyze a wide range of reports on behalf of the Federal Reserve and other government agencies. Here you will find forms, instructions and other information related to regulatory and statistical reporting.

FEATURES

Financial Interpretation No. 46 (FIN 46) and Regulation D
On January 26, 2004, the Legal Division of the Board of Governors issued a staff opinion stating that certain liabilities of asset-backed commercial paper conduits are not considered "deposits" for Regulation D purposes. On February 13, 2004, the Statistics Function sent a related letter to depository institutions in the Second District.

TOOLS

- Electronic S of Federal R Reports

EXTERNAL

- Federal Reg
- Federal Res Reporting F
- Federal Fina Institutions Examination
- Treasury Bu

RELATIONSHIP TO OTHER REPORTS

- ▼ Foreign Holdings of U.S. Securities, Including Selected Money Market Instruments (Form SHLA/ Form SHL)

<http://www.newyorkfed.org/banking/reportingforms/SHLA.html>

- ▼ U.S. Ownership of Foreign Securities, Including Selected Money Market Instruments (Form SHCA/ Form SHC)

<http://www.newyorkfed.org/banking/reportingforms/SHCA.html>



GENERAL INSTRUCTIONS

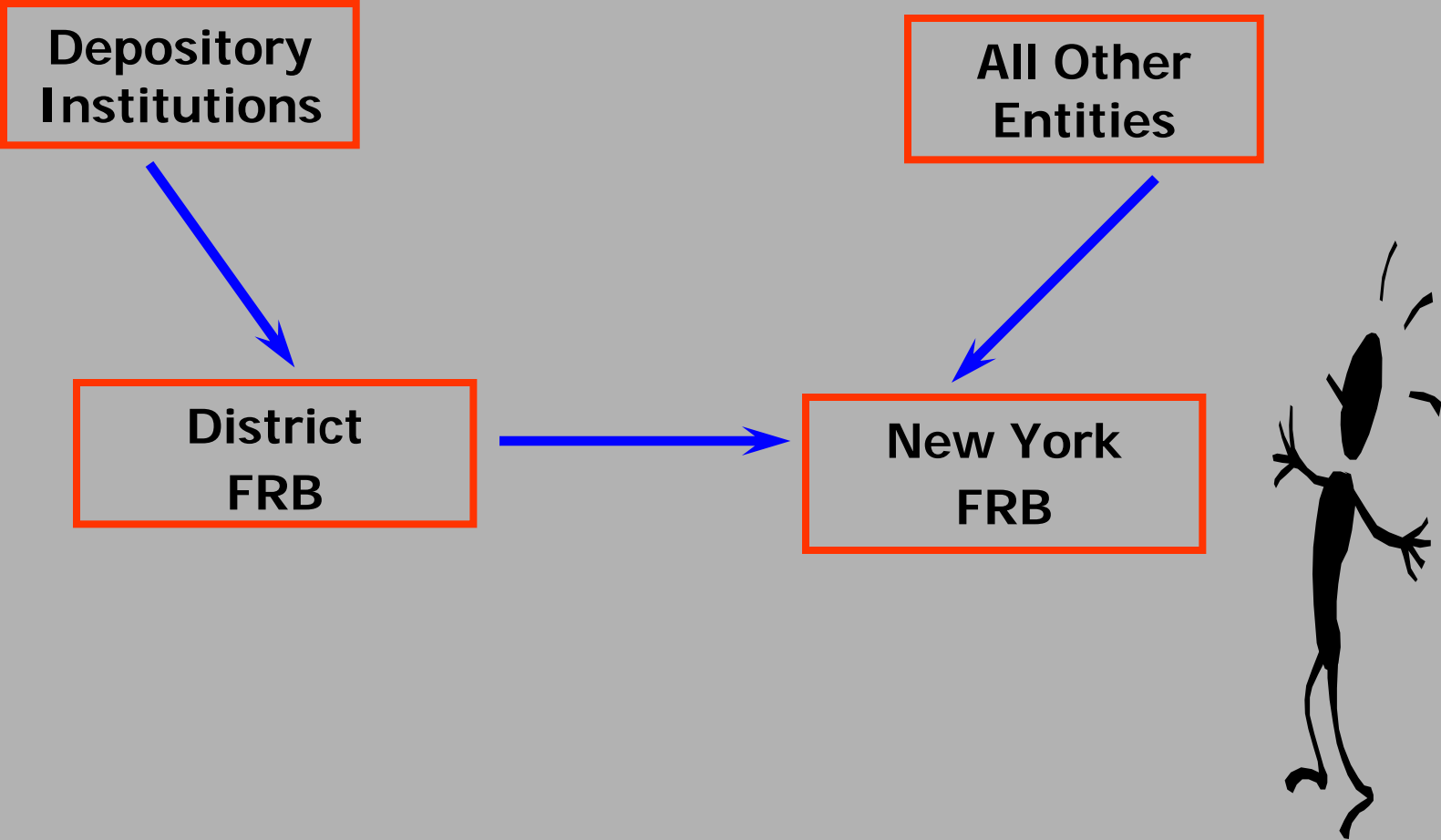
WHO MUST REPORT

- ▼ U.S. entities who buy or sell long-term securities directly from or to foreigners

Including:

- ▶ Depository Institutions (including BHCs/FHCs)
- ▶ Nonbank Holding Companies
- ▶ Securities Brokers and Dealers
- ▶ Insurance Companies
- ▶ Investment Managers (e.g., pension funds, mutual funds, hedge funds, limited partnerships)
- ▶ Industrial and commercial entities
- ▶ Other investors or nonbanking entities

WHERE TO FILE



CONSOLIDATION RULES

Filing Responsibility	Entities to Include	Entities to Exclude *
Depository Institutions	All U.S. located Offices (including IBFs)	<ul style="list-style-type: none"> Parent Organization
BHCs/FHCs	<ul style="list-style-type: none"> Own U.S. Nonbanking Subsidiaries 	<ul style="list-style-type: none"> Banking Subsidiaries Broker/Dealer Subsidiaries Insurance Underwriting Subsidiaries
Banking Edge Act or Agreement Corporation	Same methodology used for quarterly Condition Report (FR 2886b) **	
U.S. Branches/Agencies of Foreign Banks	Offices in same state and FRB district Note: Offices in same state but different FRB district should file separately in the district they operate	

* Files a separate report

** Include all branches and unlying subsidiary companies

CONSOLIDATION RULES

Filing Responsibility	Entities to Include	Entities to Exclude *
Nonbanking Companies	<ul style="list-style-type: none"> . U.S.-resident Offices . U.S.- resident Subsidiaries 	<ul style="list-style-type: none"> . Broker/Dealer Subsidiaries
Insurance Underwriting Companies	<ul style="list-style-type: none"> . U.S.-resident Offices . U.S.-resident Subsidiaries 	<ul style="list-style-type: none"> . Broker/Dealer Subsidiaries . Banking Subsidiaries
Brokers/Dealers	<ul style="list-style-type: none"> . U.S.-resident Offices . U.S.-resident Nonbanking Subsidiaries 	<ul style="list-style-type: none"> . Banking Subsidiaries . Insurance Underwriting Subsidiaries
Fund Managers (e.g., mutual funds, pension funds, hedge funds, limited partnerships)	<ul style="list-style-type: none"> . All U.S. resident Funds they manage 	

*** Files a separate report**

EXEMPTION LEVEL

	REQUIRED TO FILE	
	YES	NO
Form S		
Total purchases <u>or</u> total sales are \$50M or more	X	
Total purchases <u>and</u> total sales are both less than \$50M		X

Note: Once you exceed the exemption level, you must continue to file for the remaining calendar year and the following calendar year

DATES

- ▾ **As of Date**

- Last business day of each month

- ▾ **Due Date**

- No later than the 15th calendar day following the last day of the month

Note: If the due date of a report falls on a weekend or holiday, the due date is the following business day

DATA SUBMISSION

- ▼ **Reporter's Information**
 - ▶ RSSD_ID
 - ▶ Legal name of reporting institution

- ▼ **Signature Requirement**
 - ▶ Signed by authorized officer

- ▼ **Method of Submitting**
 - ▶ Mail
 - ▶ Fax
 - ▶ Hand-delivered
 - ▶ The Internet (IESUB)

DATA SUBMISSION

- ▾ **Alternative Method of Reporting:**
 - Computer generated forms must receive written approval from the responsible Federal Reserve Bank

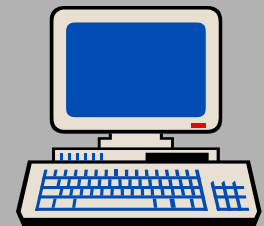
Forms and instructions can be printed from
<http://www.ustreas.gov/tic/forms.html>

INTERNET DATA SUBMISSION

▾ Internet Electronic Submission System (IESUB)

Features of IESUB:

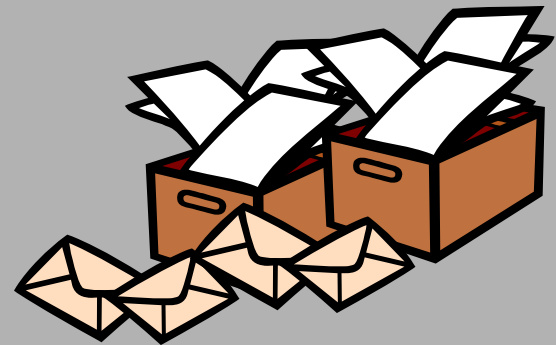
- Data entry
- Spreadsheet file transfer
- User friendly and convenient
- Eliminates paper and fax
- Ability to submit reports for multiple DIs to multiple Reserve Banks
- Validity checking
- Confirmation of receipt



For additional information refer to
www.reportingandreserves.org/iesub.html

MAINTAINING DATA RECORDS

- ▾ **Record/Report Retention**
 - Reports must be retained for 3 years from the date of submission





GENERAL RULES

GENERAL RULES

▼ Report:

- ▶ In millions of U.S. dollars
- ▶ Positive and whole values (no negatives or decimals)
- ▶ U.S. dollar equivalent of foreign currency-denominated transactions (use spot rate on the as-of date of the report)
- ▶ Gross using settlement date accounting
- ▶ Securities at cost regardless of discounts or premiums
- ▶ Aggregate transactions in the month they settle

**KEY TERMS
&
DEFINITIONS**

DEFINITIONS

▾ United States

- ▶ 50 States and District of Columbia
- ▶ The Commonwealth of Puerto Rico and Northern Mariana Islands
- ▶ U.S. territories (e.g., U.S. Virgin Islands, Wake Island)



DEFINITIONS

▾ **U.S. Resident**

Individuals, corporations, or other organizations located in the United States

For example:

- ▶ A U.S. branch of a German bank
- ▶ A U.S. incorporated fund that invest solely in foreign-issued securities
- ▶ An individual residing outside the U.S. who files an IRS Form W-9

DEFINITIONS

▼ **Foreign Resident**

Individuals, corporations, or other organization located outside the United States

For example:

- ▶ A U.K. branch of a U.S. bank
- ▶ Individuals that have filed an IRS Form W-8
- ▶ U.S. corporations that have re-incorporated under the laws of a foreign country (e.g., Tyco International)

DEFINITIONS

▾ Foreign Resident

For example:

- International or Regional organizations and affiliated agencies (e.g., International Bank for Reconstruction and Development (IBRD) and United Nations (U.N.))

DEFINITIONS

▾ Foreign Official Institutions (FOIs)

Includes:

- ▶ Treasuries (including ministries of finance or corresponding departments)
- ▶ Central banks
- ▶ Stabilization funds (including official exchanges control offices or other gov't. exchange authorities)
- ▶ Diplomatic & consular establishments

DEFINITIONS

▾ Foreign Official Institutions (FOIs)

Includes:

- ▶ Other departments and agencies of national governments
- ▶ International and regional organizations
- ▶ Banks, corporations or other agencies (including Development banks) that are majority-owned by central governments and act as fiscal agents of the government

DEFINITIONS

- ▾ **Location of Foreign Purchaser or Seller**
Transaction should be reported opposite the country or geographical area in which the direct purchaser or seller resides

For example:

- Purchases of L.T. securities by a U.K. branch of a Swiss bank should be reported opposite the United Kingdom (row 1300-5)

DEFINITIONS

▾ Location of Foreign Purchaser or Seller

For example:

- Sales of L.T. yen-denominated securities by a Paris office of a German bank should be reported opposite France (row 1080-4)

DEFINITIONS

▼ Location of Foreign Purchaser or Seller

Exceptions:

- ▶ Branches or agencies of Foreign Official Institutions
- ▶ Bank for International Settlements (BIS)
- ▶ International and multi-national regional organizations

TREASURY WEBSITE

www.ustreas.gov/tic/forms.html

- ▼ For a list of countries and their codes refer to the **Geographical Classification** list in the Instructions for the TIC Securities Form S, Appendix I
- ▼ For a list of **Foreign Official Institutions** refer to the Instructions for the TIC Securities Form S, Appendix II
- ▼ For **Frequently Asked Questions** refer to Q & A for TIC Form S

DEFINITIONS

▾ **Custodian**

A bank or other institution that manages or administers the custody or safekeeping of securities or other assets for clients. A custodian could have a network of local and/or global sub-custodians

For example:

- A New York bank that holds L.T. securities in a fiduciary account in the name of its customer

DEFINITIONS

- ▾ **Short-Term (S.T.)**

An original maturity of one year or less

For example:

- ▶ A note that was issued today that has a maturity date of April 20, 2005
- ▶ A Treasury bill issued today that has a maturity date of Sept. 1, 2005

DEFINITIONS

▾ Long-Term (L.T.)

An original maturity of more than one year from date of issuance or no contractual maturity (e.g., equity)

For example:

- ▶ A 5-year note that has 6 months remaining to maturity
- ▶ Stock issued by a New York resident company

DEFINITIONS

▾ Long-Term Domestic Securities

Securities issued by entities located within the United States that have either no contractual maturity (e.g., equities) or an original maturity of more than one year from the date of issuance

For example:

- Stock issued by a NY corporation
- 15-year notes (issued in Dec. 1989) by a Boston company with 1 month remaining to maturity

Note: S.T. securities (an original maturity of one year or less) should be excluded

DEFINITIONS

▾ Long-Term Foreign Securities

Securities issued by entities located outside the United States that have either no contractual maturity (e.g., equities) or an original maturity of more than one year from the date of issuance

For example:

- ▶ Depositary receipts (e.g., ADS, GDRs)
- ▶ Brady bonds
- ▶ 15-year global notes issued by IBRD

Note : S.T. securities (an original maturity of one year or less) should be excluded

DEFINITIONS

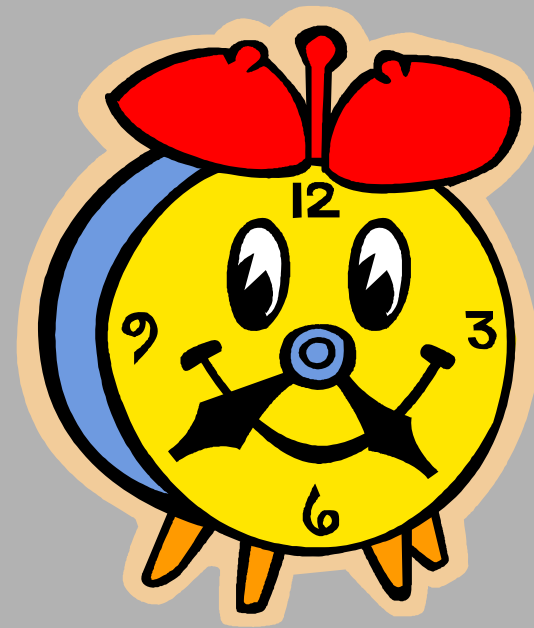
▾ Financing Agreements

- ▶ The sale of financial assets (Repurchase agreement) or the purchase of financial assets (Reverse Repurchase Agreement) by one party to another party, subject to agreement to repurchase or resale the assets at a specified date or in specified circumstances

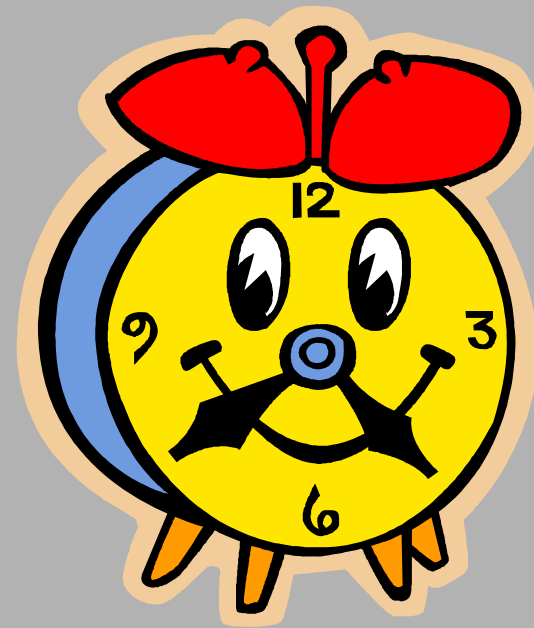
Note: Financing agreements are not reportable on Form S



LETS TAKE
A
BREAK



LETS TAKE
A
BREAK



QUESTIONS & ANSWERS



QUESTIONS & ANSWERS



SPECIFIC INSTRUCTIONS

WHAT TO REPORT

- ▼ Direct transactions between U.S. residents and Foreign residents

Types of transactions to include:

- ▶ Purchases of L.T. securities
- ▶ Sales of L.T. securities
- ▶ New Issues of L.T. securities
- ▶ Redemptions of L.T. securities
- ▶ Conversions of financial instruments to L.T. securities

REPORTABLE SECURITIES

- ▼ L.T. debt issued by U.S. residents and Foreign residents

Include:

- ▶ Bonds and Debentures
 - ✓ Zero coupon debt
 - ✓ Floating rate debt
 - ✓ Convertible debt
 - ✓ Perpetual debt

REPORTABLE SECURITIES

- ▾ L.T. debt issued by U.S. residents and Foreign residents

Include:

- Asset-Backed Securities
 - ✓ Mortgage-backed securities
 - ✓ Collateralized Debt Obligations (CDOs)
- Notes
 - ✓ Floating rate notes (FRNs)
 - ✓ Medium-term notes (MTNs)

REPORTABLE SECURITIES

- ▼ Equity issued by U.S. residents and Foreign residents

Include:

- ▶ Common stock
- ▶ Preferred stock
- ▶ Options and warrants on L.T. securities
- ▶ Shares of Funds (e.g., mutual, pension, hedge, money market) and Investment companies
- ▶ Limited partnership interest

EXCLUSIONS

- ▼ Exclude:
 - ▶ S.T. securities (an original maturity of one year or less)
 - ▶ New offering of securities issued by foreigners for the sale only to foreigners
 - ▶ Interest payments on securities
 - ▶ Dividend distributions
 - ▶ CDs, deposit notes, bankers' acceptances, loan participations

EXCLUSIONS

- ▼ Exclude:
 - ▶ Securities involved in Repurchase/ Resale or similar financing agreements
 - ▶ Securities lending transactions/ Securities taken in or lent as collateral
 - ▶ Derivatives (including forward contracts)
 - ▶ Direct investment (10% or more of voting stock)
 - ▶ Custodial holdings of L.T. securities

FORM LAYOUT

- ▼ The Layout:
 - ▶ Foreign Country Column (far left-hand side column)
 - ✓ Country location of the direct purchaser or seller
 - ▶ Columns
 - ✓ Purchases and Sales of L.T. securities by Issuer (domestic or foreign) by Security type (debt or equity)
 - ▶ Memorandum
 - ✓ Purchases and Sales of L.T. domestic securities by Foreign Official Institutions

HOW TO REPORT

Form S is completed from the viewpoint of the foreigner

- ▶ A **sale** by your institution to a foreigner is reported on Form S as a **purchase** by a foreigner
- ▶ A **purchase** by your institution to a foreigner is reported on Form S as a **sale** by a foreigner

Note: If the foreigner is a Foreign Official Institution remember to also include in the Memorandum section

HOW TO REPORT

	Reportable on		
	Form S	Form S	Memorandum to Form S
Transactions in L.T. Securities:	Purchases & Sales of Domestic Securities	Purchases & Sales of Foreign Securities	Purchases & Sales of Domestic Securities
U.S. issuers of L.T. securities directly in a foreign market	X		
U.S. entities purchasing or selling L.T. securities directly with foreigners that are <u>not</u> Foreign Official Institutions	X	X	
U.S. entities purchasing or selling L.T. domestic securities directly with Foreign Official Institutions	X		X
U.S. entities purchasing or selling L.T. foreign securities directly with Foreign Official Institutions		X	

FORM S

FORM S

PURCHASES AND SALES OF LONG-TERM SECURITIES BY FOREIGNERS				
Foreign Countries	U. S. Treasury and Federal Financing Bank Bonds and Notes	Bonds of U.S. Govt. Corporations and Federally-Sponsored Agencies	Bonds	Stocks
	Columns 1 & 2	Columns 3 & 4	Columns 5 & 6 Columns 9 & 10	Columns 7 & 8 Columns 11 & 12
	Millions	Millions	Millions	Millions
Austria 1018-9 ◀				
Grand Total 9999-6				

MEMORANDUM: PURCHASES AND SALES OF LONG-TERM DOMESTIC SECURITIES BY FOREIGN OFFICIAL INSTITUTIONS

Fill in country name & code (e.g., Canada, 2999-8) + Grand Total 9999-6	Columns 1 & 2	Columns 3 & 4	Columns 5 & 6	Columns 7 & 8

**FUNDS AND
REPORTING BY FUND
MANAGERS**

FUND MANAGERS

- ▼ Fund Managers should include on a consolidated basis the reportable transactions of all the funds they manage

For example include:

- ▶ Mutual funds
- ▶ Pension funds
- ▶ Hedge funds
- ▶ Limited partnerships

FUND MANAGERS

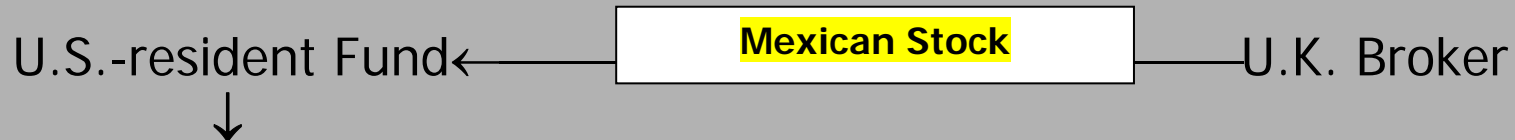
When acting
as an:

Reportable Transactions	
Investor	Intermediary
Report <u>direct</u> purchases and sales of L.T. securities (debt & equity) with foreign residents	Report <u>direct</u> purchases and sales by foreign residents of the shares of 'The Fund' or 'Limited Partnership' Note: Shares of funds are considered equity

FUND MANAGERS

Transaction 1

A U.S.-resident fund buys stock of a Mexican company through a London broker for its own portfolio.



Reports a sale by a foreigner of foreign stock (Form S, Column 12, United Kingdom (row 1300-5))

FUND MANAGERS

Transaction 2

A Swiss-resident investor buys shares of a New York incorporated bond fund. No U.S. broker is acting as an intermediary.

U.S.-resident Fund ——— **Shares of a U.S. fund** ———> Foreign Investor

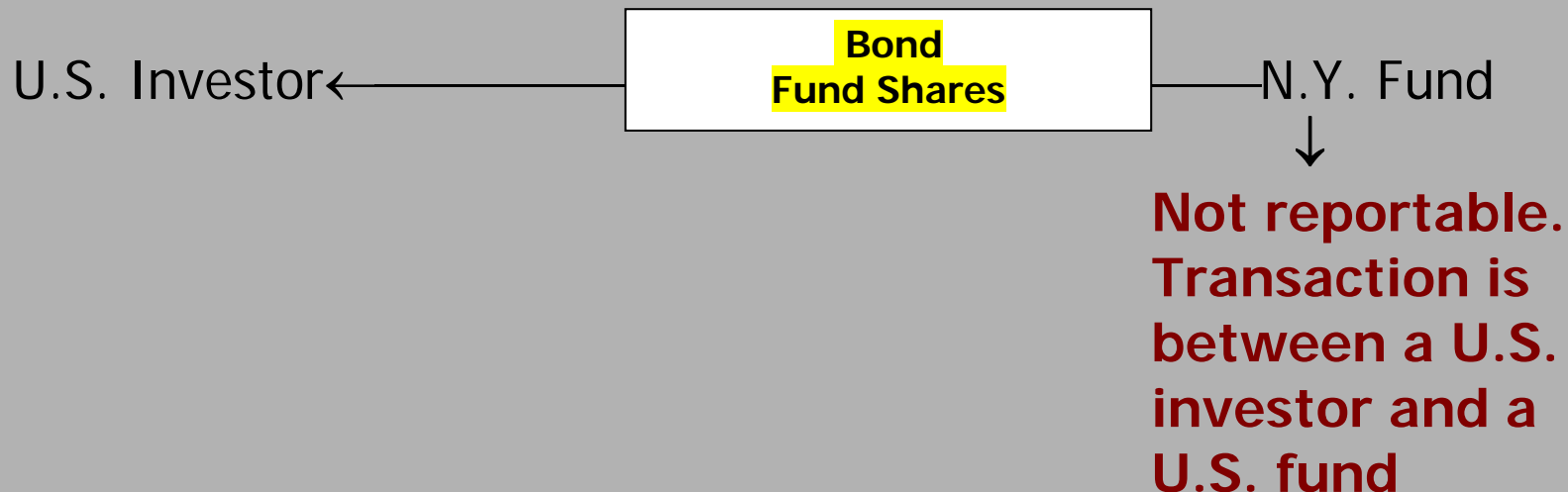


**Reports a purchase by a foreigner
of domestic stock (Form S, Column 7,
Switzerland (row 1268-8))**

FUND MANAGERS

Transaction 3

A U.S.-resident institutional investor buy shares of N.Y. incorporated Latin American bond fund for their own portfolio. No broker is acting as an intermediary.



Note: The fund's portfolio has no bearing on the reportability.

FUND MANAGERS

Transaction 4

A U.S.-resident institutional investor buy shares of London registered bond fund for their own portfolio. No U.S. broker is acting as an intermediary.



**Reports a sale by a foreigner
of foreign stocks (Form S, Column 12,
United Kingdom (row 1300-5))**



**NEW ISSUES
AND
REDEMPTIONS**

NEW SECURITY ISSUES

- ▾ New Public Offerings of L.T. Securities Issued by U.S. Residents

The U.S. manager of an underwriting group for a new offshore security issue should report:

- ▶ The amount of the issue taken by foreign members of the underwriting group
- ▶ The amount of the issue taken by the manager's own foreign customers

Note: The other U.S. members of the underwriting group should report the amount of the issue taken by their foreign customers as purchases by foreigners

NEW SECURITY ISSUES

- ▾ New Public Offerings of L.T. Securities Issued by Foreign Residents

The U.S. manager of an underwriting group for a new foreign security issue should report:

- ▶ The amount of the issue sold to U.S. members of the underwriting group
- ▶ The amount of the issue sold to the manager's own U.S. customers
- ▶ The amount of the foreign issue that remains unsold and retained by the reporter at the end of the offering

Note: The other U.S. members of the underwriting group should report the amount by their foreign customers as purchases by foreigners

PRIVATE PLACEMENTS

- ▼ Private Offerings of L.T. Securities

Any U.S. resident acting in its own behalf or on the behalf of its customers as an intermediary should report the private placement of:

- ▶ U.S. securities with foreign investors
- ▶ Foreign securities with U.S. investors

Note: A U.S. issuer of a private placement using a foreign intermediary to place the security outside the U.S. should report on Form S

REPORTING

NEW U.S. ISSUED SECURITIES

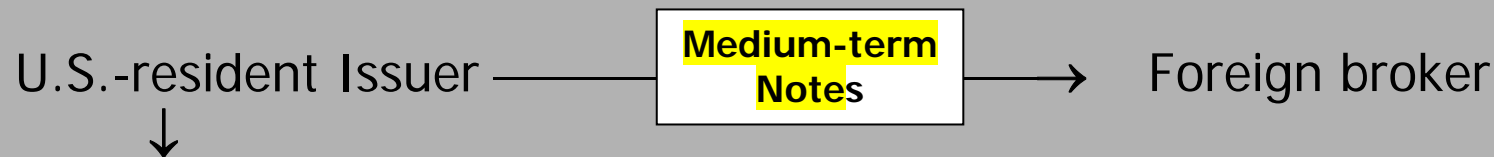
Report as Purchases by Foreigners of Domestic Securities (include private and public issues)			
Foreign Countries	Bonds of U.S. Govt. Corporations and Federally- Sponsored Agencies Column 3 Millions	Corporate and Other Bonds Column 5 Millions	Domestic Stocks Column 7 Millions
Austria 1018-9 ← Grand Total 9999-6	(e.g., USD 15 yr. global notes of Fannie Mae)	(e.g., Euro 5 yr. FRNs of an insurance company located in Kansas)	(e.g., \$3B common stock issue of company located in Texas)

Report the amount taken by foreign investors (including foreign members of the underwriting group) in the appropriate country/column

NEW OFFSHORE SECURITY ISSUE

Transaction 5

A U.S.-resident corporate borrower issues 500M euro denominated medium-term notes solely to foreign-resident investors and a London broker is used.



Reports on Form S, \$550M (U.S. dollar equivalent), Column 5, opposite the United Kingdom (row 1300-5)

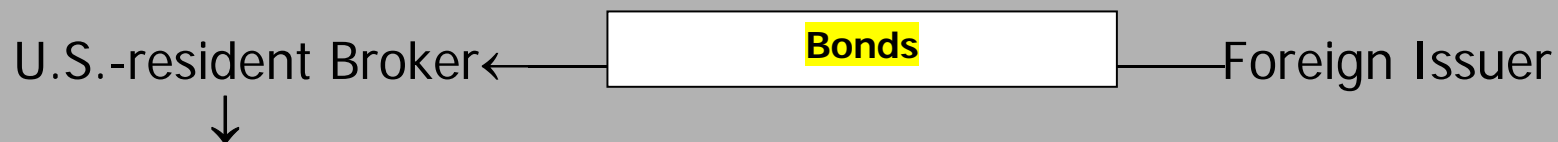
REPORTING NEW FOREIGN ISSUED SECURITIES

Report as Sales by Foreigners of Foreign Securities (include private and public issues)		
Foreign Countries	Foreign Bonds Column 10 Millions	Foreign Stocks Column 12 Millions
Austria 1018-9 ◀ Grand Total 9999-6	(e.g., 5 yr. notes of Republic of Italy)	(e.g., ADS issue of China Telecom Ltd.)

NEW FOREIGN SECURITY ISSUE

Transaction 6

A U.S.-resident broker is the lead manager for \$1B of 30-year bonds being issued by a German entity for sale in the U.S.



**Reports on Form S, \$1B, Column 10,
Germany (row 1100-2)**

REDEMPTIONS AND CALLS

For Sinking Fund Redemptions and Called or Matured **U.S. Securities**

	Report	
	Sales of Domestic Securities by Foreigners	Purchases of Domestic Securities by Foreigners
U.S. issuers of securities who have designated a foreign fiscal agent/paying agent for the redemption of their securities	X	
U.S. fiscal agent/paying agent who have been presented with U.S. securities for redemption directly by foreigners	X	

REDEMPTIONS AND CALLS

For Sinking Fund Redemptions and Called or Matured **U.S. Securities**

	Report	
	Sales of Domestic Securities by Foreigners	Purchases of Domestic Securities by Foreigners
U.S. banks, other depository institutions, brokers/dealers, and other U.S. persons presenting U.S. securities for redemption on behalf of foreigners to a U.S. fiscal agent/paying agent	X	
U.S. banks, other depository institutions, brokers/dealers, and other U.S. persons presenting U.S. securities for redemption for their own account or the account of their U.S. customers to a foreign fiscal agent/paying agent		X

REDEMPTIONS AND CALLS

For Sinking Fund Redemptions and Called or Matured Foreign Securities

U.S. banks, other depository institutions, brokers/dealers, and other U.S. persons presenting foreign securities for redemption in their name or nominee name for foreigners to a U.S. fiscal agent/paying agent

Report	
Sales of Foreign Securities by Foreigners	Purchases of Foreign Securities by Foreigners
X	

REDEMPTIONS AND CALLS

	Report	
	Sales of Foreign Securities by Foreigners	Purchases of Foreign Securities by Foreigners
For Sinking Fund Redemptions and Called or Matured Foreign Securities		
U.S. banks, other depository institutions, brokers/dealers, and other U.S. persons presenting foreign securities for redemption in their name or for the account of U.S. customers to a foreign fiscal agent/paying agent		X
U.S. fiscal agent/paying agent who have been presented with foreign securities for redemption		X

COMMON REPORTING ERRORS

- ▼ Erroneously Reporting:
 - ▶ S.T. securities (e.g., Treasury bills)
 - ▶ Securities held under repurchase/resale or similar financing agreements
 - ▶ Foreign currency units (e.g., 200 billion yen) instead of the U.S. dollar equivalent
 - ▶ Transactions with U.S. offices of foreign entities (e.g., NY branch of Bank Lundy Paris)

COMMON REPORTING ERRORS

- ▼ Erroneously Reporting:
 - ▶ Federally-sponsored agency securities as domestic corporate securities
 - ▶ Your role in the transaction (e.g., your purchases should be reported as sales by foreigners)
 - ▶ Opposite the country of the currency of denomination

COMMON REPORTING ERRORS

- ▼ Erroneously Reporting:
 - ▶ Opposite the country of the guarantor
 - ▶ Domestic securities as foreign securities (e.g., securities issued by BMW USA Capital) and foreign securities as domestic securities (e.g., securities issued by the IBRD)



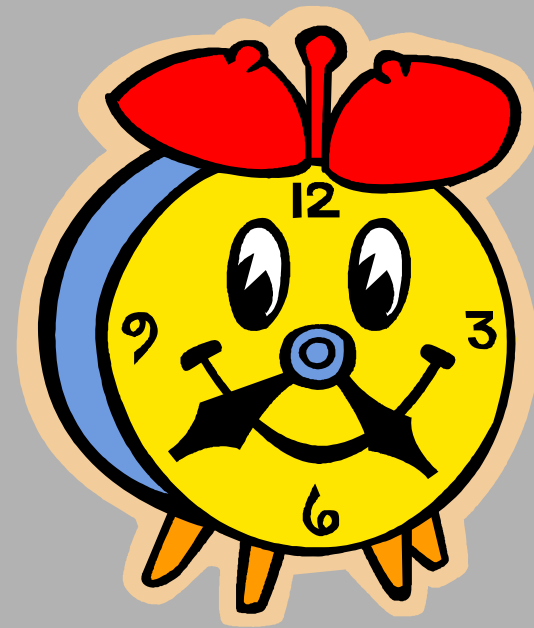
DATA QUALITY CHECKS

DATA REVIEW

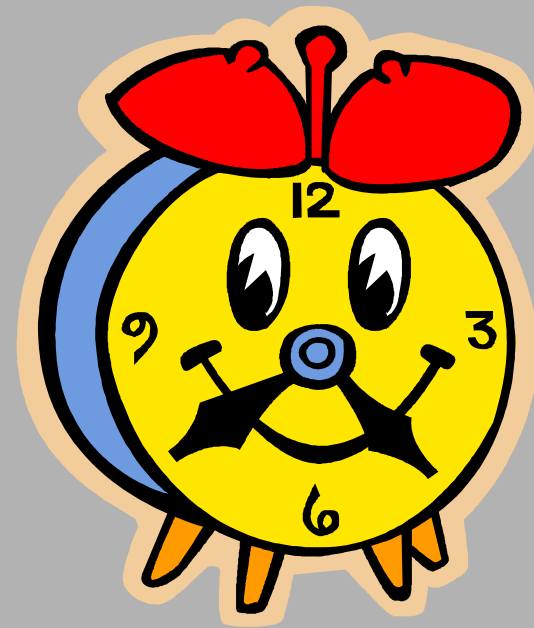
- ▼ Data are reviewed by Federal Reserve staff for:
 - ▶ Unusual changes
 - ✓ Sizeable fluctuations (dollar and/or percent)
 - ✓ Reported country (e.g., Cuba)
 - ✓ Column/row switches
 - ✓ Data omissions (e.g., trades with FOIs not reported on Memorandum)
 - ▶ New Security Issues (e.g., Offshore, Foreign)
 - ▶ Trend analysis

Note: The results of the review process may require the reporter to submit explanations and/or revisions

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QUESTIONS & ANSWERS



QUESTIONS & ANSWERS



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