History and Use of Foreign Portfolio Investment Data

Philip Papaelias
Overview

- Part of an integrated system
- Used in conjunction with monthly flow data
- Annual data are detailed, but not timely
- Monthly data are very timely, but less precise
- Used together to create U.S. cross-border portfolio investment statistics

History

- Security-level data first collected in 1974
- Measured foreign investment in U.S. securities
- Congressional concern over growing foreign influence
- Existing TIC data collected monthly and quarterly, but lacked detail
Increasingly Important

- Foreign ownership increasing

<table>
<thead>
<tr>
<th>Year</th>
<th>Overall</th>
<th>U.S. Treasuries</th>
</tr>
</thead>
<tbody>
<tr>
<td>1974</td>
<td>4.8%</td>
<td>14.7%</td>
</tr>
<tr>
<td>2007</td>
<td>20.1%</td>
<td>43.5%</td>
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</tbody>
</table>

- Securities flows now much greater than bank lending

History

- Security-level collections of foreign holdings of U.S. securities data continued at 5-year intervals

- These were large, benchmark collections with hundreds of reporters
History

- Crisis of 1997-1998 caught most by surprise
- Lack of key data helped mask the problem
- Led to recognition that greater financial transparency was required
- Implies higher quality and faster data needed

Changes Required

- Lack of detailed, timely data on Reserve Assets and External Debt positions identified as major gaps
Users

- Board of Governors of the Federal Reserve
- U.S. Treasury
- U.S. Department of Commerce
- The IMF
- Academic research
- Private sector analysts

Institute of International Finance Recommendations

- IIF strongly urged changes
- IIF recommended a more rigorous system than will be implemented
- “…private sector participants in these markets bear a responsibility for full and timely disclosure of information on their activities.”
Uses

- U.S. Government - BoP, IIP, country exposure
  - Reduced net debtor position
  - Current account sustainability
  - Help to explain $US strength?

Uses

- Annual data provide more precise geography
  - Monthly long-term securities report is based on location of purchaser/seller
  - Results in heavy bias towards financial centers such as the United Kingdom
Summary

- Changes have increased the burden on both reporters and compilers
- By combining estimates with reported data we are attempting to limit the burden
- Timely, accurate data from reporters is the key

Who Must Report

Marc Plotsker
Who Must Report

- Why is my organization on the panel?
  - 2009 SHL is a full Benchmark year.
  - FRBNY looks at all filings and determined who must file in non-Benchmark years.
  - If selected, must file until 2014, when panel will be re-determined based on 2009 full Benchmark filings.

Who Must Report

- Exemption Level
  - U.S.-resident entities must report detailed Schedule 2 information if the total fair market value of all reportable U.S. securities owned by foreign residents meets or exceeds $100 million.

  - If during “Non-Benchmark” years, your institution falls under the exemption level, you must still report until 2014 when new panel will be determined.
Who Must Report

- Exemption Level
  - The exemption level is determined on a consolidated basis
  - All U.S. units of an organization must be taken into consideration and their holdings aggregated
    - U.S. subsidiaries and U.S. affiliates (including U.S. custodians)
    - U.S. offices
    - Securities issued by U.S. subsidiaries, affiliates, and offices (including securities issued abroad)

Who Must Report

- Categories of reporters
  - U.S.-resident custodians
  - U.S.-resident central securities depositories
  - U.S.-resident issuers
Proper Classification of U.S. and Foreign Reporting Organization

- Reporting organization
  - Report all U.S. securities issued directly to foreigners by all U.S.-resident parts of your organization including:
    - U.S.-resident branches
    - U.S.-resident offices
    - U.S.-resident subsidiaries

Definition of U.S. resident

- Any individual, corporation, or other entity legally established in the United States, including:
  - U.S. established subsidiaries or affiliates of foreign entities.
  - Branches/offices located in the U.S.
Proper Classification of U.S. and Foreign

- Definition of United States
  - The fifty states of the United States
  - The District of Columbia
  - The Commonwealth of Puerto Rico

- International and regional organizations are foreign residents, even if located in the United States
  - IBRD; World Bank
  - Inter-American Development Bank (IDB)
  - International Finance Corporation (IFC)
  - Refer to Appendix D of instructions and www.treasury.gov for list of international organizations.
Proper Classification of U.S. and Foreign

- Corporations legally established in the United States are U.S. residents even if they have no “physical presence” in the United States.

- Country where legally incorporated, otherwise legally organized, or licensed determines residency.

Proper Classification of U.S. and Foreign

- How to determine residency
  - Citizenship does not determine residency
  - Tax forms
    - W-8 forms are filed by foreign residents
    - W-9 forms are filed by U.S. residents
  - Mailing address
Proper Classification of U.S. and Foreign

- Examples of U.S. residents
  - UBS AG, NY Branch
  - BP America Inc.
  - Ford Motor Company
  - Toyota Motor Credit Corp.

- Examples of non-U.S. residents
  - Bank of New York Tokyo Branch
  - Vodafone Group, p.l.c.
  - Wal-Mart Canada
  - International Monetary Fund (IMF)
  - European Investment Bank

Proper Classification of U.S. and Foreign

- Holders of securities
  - Non-U.S.-resident clients
  - Non-U.S.-resident custodians
  - Non-U.S.-resident central securities depositories
  - Non-U.S-resident parts of your organization
Categories of Reporters

- U.S.-resident custodians
  - U.S.-resident entities that hold in custody or manage the safekeeping of U.S. securities for foreign individuals or organizations, including foreign-resident custodians and foreign central securities depositories.

Categories of Reporters

- U.S.-resident sub-custodians
  - If a U.S. resident custodian uses a U.S. resident sub-custodian, the custodian should report if it does not disclose the identity of the client to the sub-custodian.
Categories of Reporters

- Entity is both a U.S.-resident custodian and issuer of securities.
- Files one consolidated report for:
  - The custody accounts for which safekeeping services are provided
  - Its own U.S. securities held directly by foreign residents

U.S.-resident custodians should exclude securities held in custody by their foreign-resident affiliates or subsidiaries.

U.S.-resident affiliates or subsidiaries of foreign-resident custodians should exclude securities held by their foreign parent.
Categories of Reporters

Summary of Custodial Reporting Responsibilities

- U.S.-resident custodians should report all U.S. securities held in custody for
  - foreign residents or custodians
  - securities for which they are managing the safekeeping of foreign-resident custodians and,
  - foreign central securities depositories

Categories of Reporters

- U.S.-resident central securities depositories
  - U.S.-resident central securities depositories should report all U.S. securities they hold in custody or manage the safekeeping of directly on behalf of foreign-resident entities.
Categories of Reporters

➢ U.S.-resident issuers

➢ Entities whose securities are held directly by foreign residents, with no U.S.-resident custodian or central securities depository involved.

Categories of Reporters

➢ Each U.S.-resident issuer should file one consolidated report for:

➢ Securities issued by the reporter’s U.S.-resident subsidiaries, branches, and affiliates

➢ Their custody holdings for foreign residents
Categories of Reporters

- U.S.-resident issuers should exclude securities issued by foreign affiliates or subsidiaries.

Who Must Report

A U.S.-resident issuer clears and settles through a foreign central securities depository

- U.S.-Resident Issuer
- Foreign Central Securities Depository
- Files Schedules 1 and 2
- Does not report
Who Must Report

A foreign-resident investor employs a foreign-resident custodian

U.S.-Resident Issuer → Foreign-Resident Custodian (on behalf of foreign clients)

Files Schedules 1 and 2 → Does not report

Who Must Report

A U.S.-resident custodian holds securities for a foreign resident

Foreign-Resident Custodian → U.S.-Resident Custodian

Foreign Resident → Files Schedules 1 and 2
Who Must Report
Flow chart for securities issued directly in a foreign market.

- **Foreign Resident**
  - U.S.-Resident Issuer
    - Files Schedules 1 and 2
      - Unless they know that US Resident Custodian will be used.
  - U.S.-Resident Custodian
    - Files Schedules 1 and 2

FRBNY eliminates duplicate reporting

Who Must Report
Flow Chart for sub-custodians

- **Foreign resident owner or Foreign-resident custodian**
  - U.S.-resident custodian
    - Reports on Schedule 2 if they don’t fully disclose the client information to the sub-custodian.
  - U.S.-resident sub-custodian
    - Reports on Schedule 2 if they know the foreign client.
What Must be Reported

Nigel Jones

What is a U.S. Security?

- Securities issued by U.S.-Resident entities, including:
  - Entities legally established in the U.S.
  - U.S. subsidiaries of offices of foreign entities
  - U.S. branches of foreign banks
What is a U.S. Security?

Depositary receipts are the one exception.

- Whether or not a depositary receipt is a U.S. security depends on the country of residence of the issuer of the underlying security,
- not on the country of residence of the issuer of the depositary receipt.

What is a U.S. Security?

- **Exclude** securities issued by International and Regional Organizations - Appendix D
- **Exclude** securities issued by companies reincorporated outside the United States
- **Exclude** securities issued by U.S. entities and re-issued as stripped securities by foreign-resident entities
What is a U.S. Security?

- Information that does not contribute to determining if a security is U.S.:
  - place of issue or location of trades
  - currency of issue
  - country of residence of the parent organization
  - nationality or country of residence of the guarantor

What is a U.S. Security?

Example 1

- Euro denominated 2-year note issued by a Barclays affiliate incorporated in the United States

- Is this a U.S. security?
What is a U.S. Security?
Example 1 Answer

- Euro denominated 2-year note issued by a Barclays affiliate incorporated in the United States

- Is this a U.S. security?

- Yes. The security was issued by a U.S.-resident entity.

What is a U.S. Security?
Example 2

- U.S. dollar-denominated 30-year Yankee bond issued by the Inter-American Development Bank

- Is this a U.S. security?
What is a U.S. Security?
Example 2 Answer

- U.S. dollar-denominated 30-year Yankee bond issued by the Inter-American Development Bank

- Is this a U.S. security?

- No. This security was issued by a Regional Organization, which is considered to be a foreign-resident entity.

What is a U.S. Security?
Example 3

- U.S. dollar-denominated asset-backed security issued by Company B incorporated in Hong Kong and guaranteed by the parent, Company A, incorporated in the United States

- Is this a U.S. security?
What is a U.S. Security?
Example 3 Answer

- U.S. dollar-denominated asset-backed security issued by Company B incorporated in Hong Kong and guaranteed by the parent, Company A, incorporated in the United States

- Is this a U.S. security?

- No. This security was issued by a foreign-resident entity. The country of residence of the guarantor does not factor into the decision of whether the security is foreign or not.

Types of Reportable U.S. Securities

- Equity
- Non ABS Debt (Short-Term and Long-Term)
- Asset-Backed Securities
Equity

- Instruments representing an ownership interest in U.S.-resident organizations

- However, ownership interests representing direct investment are not reported.

Equity

Direct Investment is not reportable

- Direct investment is defined as ownership or control of 10% or more of an organization’s voting stock.
Equity

Reportable equity securities include:
- common stock
- preferred stock
- restricted stock
- shares/units in U.S.-resident funds
- shares/units in unincorporated business enterprises, such as limited partnerships

Equity

U.S.-Resident Funds

Report foreign residents’ ownership of shares/units/interests in funds legally established in the United States as equity.

Examples of funds:
- closed-end and open-end mutual funds
- real estate investment trusts
- money market funds
- index-linked funds
- investment trusts
- exchange traded funds
Equity
U.S.-Resident Funds

- Classification of the fund as “U.S.” is not based on the securities in which the fund invests.

- Examples:
  - A fund organized in New York that only purchases Japanese Treasury securities is a U.S.-resident fund.
  - A fund organized in Japan that only purchases U.S. Treasury securities is a foreign-resident fund.

Funds

- Report U.S. securities owned by foreign-resident funds.

- Do Not Report ownership of shares of foreign-resident funds.
Equity Exclusions

- Exclude from equity:
  - convertible debt - reported as debt instead
  - depositary receipts if the underlying security is issued by a foreign resident
  - ownership that represents general partner interests and other direct investments
  - rights and warrants

Term

- Term (short-term or long-term) is based on the original maturity of the security.
- Original maturities of one year or less are short-term.
- Original maturities of greater than one year are long-term.
Term

- Debt with multiple call options (multiple maturity dates) is long-term if any of the maturity dates is greater than one year from the date of issue.
- Perpetual debt is long-term.

Term Examples

- A U.S. Treasury bill issued on June 1, 2009 and maturing on December 31, 2009 is short-term.
- A U.S. bond issued 30 years ago that matures on December 31, 2009 is long-term.
Short-Term and Long-Term Debt
(excluding asset-backed securities)

- Instruments that usually give the holder the unconditional right to financial assets
- Registered (including book entry) and Bearer debt

Short-Term Debt

- Reportable short-term debt includes the following instruments where the original maturity is one year or less:
  - commercial paper - including asset-backed commercial paper
  - negotiable certificates of deposit, bank notes and deposit notes
  - U.S. government securities (e.g., U.S. Treasury bills)
  - bankers’ and trade acceptances
Long-Term Debt

- Reportable long-term debt includes the following instruments with an original maturity of greater than one year:
  - bonds
  - notes
  - debentures
  - negotiable certificates of deposit
  - convertible debt
  - zero coupon and stripped securities

Long-Term Debt

Zero Coupon Bonds

- Pricing of Convertible Zero Coupon Debt is similar to the pricing of regular Convertible Debt
- Convertible Debt is generally priced high relative to the Par Value
Stripped securities are reportable if the issuer of the stripped security is a U.S.-resident entity.

Residency of the stripped security is not determined by the residency of the issuer of the underlying security.

- New York broker issues a U.S. Treasury strip, the security is classified as U.S.
- Tokyo broker issues a U.S. Treasury strip, the security is classified as foreign.

Type of Issuer

- Based on the issuer of the underlying security
  - Issuer Type 1 - U.S. Treasury
  - Issuer Type 2 – Other Federal Agencies or Federally Sponsored Enterprises
  - Issuer Type 3 – State and Local Governments and their Subdivisions
  - Issuer Type 4 – All Other Issuers

- All STRIPS, CATS, TIGRS, COUGARS, AND LIONS should be classified as U.S. Treasury securities.
  - Issuer type code should be 1.
Long-Term Debt
Stripped Securities

- U.S. securities that are the underlying securities for stripped securities should be reported if held by a foreign resident.

- Stripped securities issued by a foreign-resident entity should not be reported, even if the underlying security is U.S.

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Long-Term Debt
Stripped Securities

- Security type code should be:
  - 10, for stripped, if the underlying security is not asset-backed
  - 12, for ABS, if the underlying security is asset-backed
Long-Term Debt
Stripped Securities Example

- U.K. Company A owns $100 million of U.S. bonds. U.K. Company A issues stripped securities where these U.S. bonds are the underlying securities. U.S. Company B purchases these stripped securities.

- What should be reported by the U.S. custodians for Company A and Company B?

Long-Term Debt
Stripped Securities Example Answer

- U.K. Company A owns $100 million of U.S. bonds. U.K. Company A issues stripped securities where these U.S. bonds are the underlying securities. U.S. Company B purchases these stripped securities.

- What should be reported by the U.S. custodians for Company A and Company B?

- Company A’s U.S.-resident custodian reports the $100 million of U.S. bonds. The stripped securities are not reported.
Debt Exclusions

- Exclude from short-term and long-term debt:
  - shares(units/interests in U.S.-resident funds, even if the U.S. fund invests in debt
  - Foreign investments in U.S.-resident funds are reported, but should be classified as equity on this report.
  - derivative contracts

Debt Exclusions

- Exclude from short-term and long-term debt:
  - loans
  - letters of credit
  - non-negotiable certificates of deposit
  - demand deposits
  - annuities, including variable rate annuities
Debt Exclusions

- Exclude from short-term and long-term debt:
  - asset-backed securities other than asset-backed commercial paper

- These securities are reported, but should be classified as asset-backed securities on this report.

Asset-Backed Securities

- Securitized interests in a pool of assets, which give the purchaser a claim against the cash flows generated by the underlying assets
Asset-Backed Securities

- Reportable asset-backed securities are those where the entity securitizing the assets is a U.S. resident.
- The underlying asset is not a factor in determining whether the ABS is a U.S. security.
- ABS may be stripped into Principal Only and Interest Only Securities.

Asset-Backed Securities

- Reportable asset-backed securities include:
  - collateralized mortgage obligations (CMOs)
  - collateralized bond obligations (CBOs)
  - collateralized loan obligations (CLOs)
  - collateralized debt obligations (CDOs)
Asset-Backed Securities

- Reportable asset-backed securities include:
  - other securities backed by:
    - mortgages
    - credit card receivables
    - automobile loans
    - consumer and personal loans
    - commercial and industrial loans
    - other assets

Asset-Backed Securities Exclusions

- Exclude from asset-backed securities:
  - asset-backed commercial paper
  - securities backed by a sinking fund
    - Sinking fund securities are reportable but should be classified as short-term or long-term debt.
Repurchase Agreements
Security Lending Arrangements

- Repurchase agreements/securities lending arrangements and reverse repurchase agreements/securities borrowing arrangements involve the temporary transfer of a security for cash or another security.

- Such agreements are not reportable.

Repurchase Agreements
Security Lending Arrangements

- The security lender should report the U.S. security as if no repo or security lending arrangement existed.

- The security borrower should exclude the U.S. security.
Three Levels of Review

- **Reporter level**
  - Analyzing your data for reasonability
  - Trend analysis
- **Security level**
  - Comparing attributes of reported securities to one another, and to commercial data sources.
- **Macro level**
  - Additional comparisons on a broader level
FRBNY Calculations

- Based on reported market value and quantity fields, FRBNY calculates:
  - Implicit Prices
  - Factor Values
  - Exchange Rates
- These calculations assist us in determining the quality of your reported market values and quantities.

FRBNY Calculations

- Calculated data
  - Implicit exchange rates
    - US MV/ FC MV
  - Implicit factor values
    - Remaining Principal/Original Face Value
FRBNY Calculations

- Calculated data
  - Implicit prices (MV/Quantity)
    - Equity – US MV/Number of Shares
  - Non ABS Debt – FC MV/Face Value
  - ABS Debt – FC MV/Remaining Principal

Reporter Level Review

Reasonability Comparisons

- Schedule 1 -vs- Schedule 2 comparison
- Schedules 1 and 2, comparison to prior year (reporting trends, if you’ve reported in prior years)
Reporter Level Review

Reasonability Analysis

- Ensuring all Schedule 2 data fields were reported. These data must include:
  - Security ID
  - Country of foreign-resident holder
  - Type of foreign holder (Official, Individual or Other)
  - Number of shares held by foreign residents (equity)
  - Face Value held by foreign residents (non-ABS debt)
  - Remaining principal outstanding held by foreign residents (ABS)

Reasonability

- Currency/Exchange Rate Analysis
  - Currency is US$ but US$ Fair (Market) Value (item 16) does not equal the Fair (Market) Value in currency of denomination (item 16a).
  - Currency is not US$ and the exchange rate is not 1, but the US$ Fair (Market) Value equals the Fair (Market) value in currency of denomination.
  - For each security, an implicit exchange rate is calculated.
Reporter Level Review

Reasonability

- Country of foreign holder
- Country of foreign holder is U.S.
  - Are these coded incorrectly or should these have been excluded from your report?
  - Are securities held by international and regional organizations reported with the U.S. as the country of foreign holder? If so, the Country of Foreign Holder code should be revised.
  - Are securities held in a U.S. protectorate (Puerto Rico, etc.)? If so, exclude from report.

- Country of foreign holder is Canada
  - Has the amount of U.S. securities held by Canadian investors changed substantially since the last reporting cycle?
  - Were Canadian-held securities coded as U.S.-held securities on your system and so were incorrectly excluded from your report?
Reasonability

Bearer Bonds

- Does your institution issue any bearer bonds?
- All bearer bonds outstanding should be reported.
- Country of foreign holder code 88862 (country unknown) should be reported for bearer bonds if the country of foreign holder cannot be determined.
- We compare your reported bearer bonds to a list of known outstanding bearer bonds provided to the Federal Reserve Bank of New York by the Bank for International Settlements (BIS).

Reasonability

Key Securities Analysis

- Largest foreign-held securities by US$ Fair (Market) value
  - Implicit exchange rates, implicit prices, country of foreign holder, etc.
- Securities reported with zero quantities
  - If reported correctly, these securities do not need to be reported, and should be excluded from future reports.
Reasonability

- **Reporter Queries**
  
  We focus on areas that were reporting problems in prior data submissions, such as:
  
  - keywords in descriptions, such as “rights,” “warrants,” “repurchase,” “repo,” etc. (should not be reported)
  - debt prices far above par
  - invalid countries of foreign holder
  - issue dates after as-of date
  - additional comparisons to other reporters’ data (e.g., implicit prices)

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Reasonability

- Consistency of data reported throughout the reporter’s submission
- Example: You report data for Stock A with two different implicit prices, which is correct?
- Stock A reported with implicit price of $55.00
- Stock A reported with implicit price of $65.00
Security Level Review

- Data embedded in the security description, e.g., security type or maturity date, are compared to data in the relevant fields.
- Term of debt is calculated using issue and maturity dates and compared to the reported term and the security description.
- Issuer should not be a foreign resident.
- Reincorporated organizations’ issued securities should not be reported.
- Total quantity reported across all reporters is compared to the total amount outstanding for a given security.

Macro Level Review

Comparisons of various “cuts” of the aggregate data.

- Equity by country and security type
- Long-term debt by country and currency
- Short-term debt by country and currency
- Long-term debt by country and type of security
- Short-term debt by country and type of security
- Debt by maturity date
Analysis of the TIC SHL(A) report in conjunction with the TIC S & TIC B reports

How TIC S and TIC SHL(A) are used together

- Totals from prior year SHL(A) data
- Add in net purchases by foreigners of U.S. securities for the year for Treasury, Agency & Corporate debt and Equity
- Add in a price adjustment
- Add in stock swap adjustment
- Total is estimate of the current year SHL(A) total
Reports Used for Comparison

- TIC SHLA
- TIC B Reports
  - TIC BL-2 Customer Liabilities
  - TIC BQ-2 Customer Liabilities denominated in foreign currency
  - http://www.ustreas.gov/tic/

Differences

- TIC B - Face Value
  - TIC SHLA - Face Value and Market Value.

- TIC B - Aggregate per country
  - TIC SHLA - Detailed information on each security
**Differences**

- TIC B - USD or USD equivalent
- TIC SHLA - Market Value in both USD and currency of denomination. Face value in currency of denomination that FRBNY converts to USD.

There may be more than one TIC B report filed per institution.

One consolidated TIC SHLA report filed per institution

For example: A U.S. entity sends in separate TIC B reports for the Bank Holding Company, Bank, and Broker/Dealer but would send in one consolidated TIC SHLA report.
Compare - Overview

- Treasury Securities
- Agency Securities
- Negotiable Securities
- Foreign Currencies
- Negotiable CDs
- Negotiable Securities Issued

Compare

Treasury Securities

- TIC SHLA (per country)
  - Type of Issuer = 1 (Item 9)
  - Term Indicator = 1 (Item 12)
  - Currency = USD (Item 13)
  - Type of Foreign Holder = 1 (Item 15)
  - Sum of face value (Item 17)

= TIC BL-2 (per country)
  - Short-Term U.S. Treasury Obligations to Foreign Official Institutions (column 1)
Compare Treasury Securities

- **TIC SHLA (per country)**
  - Type of Issuer = 1 (Item 9)
  - Term Indicator = 1 (Item 12)
  - Currency = USD (Item 13)
  - Type of Foreign Holder = 2 or 3 (Item 15)
  - Sum of face value (Item 17)

- **TIC BL-2 (per country)**
  - Short-Term U.S. Treasury Obligations to Foreign Banks and all Other Foreigners (column 4 + 7)

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Compare Negotiable Securities

- **TIC SHLA (per country)**
  - Type of Issuer = 2, 3, and 4 (Item 9)
  - Security Type 5, 6, 7, 8, 9, 10, 11, and 12 (Item 10)
  - Term Indicator = 1 (Item 12)
  - Security Type 6 includes Term Indicator = 2
  - Currency = USD (Item 13)
  - Type of Foreign Holder = 1 (Item 15)
  - Sum of face value (Item 17 or item 22 for ABS)

- **TIC BL-2 (per country)**
  - Negotiable CDs and Short-Term Negotiable Securities to Foreign Official Institutions (column 2)
Compare
Negotiable Securities

- TIC SHLA (per country)
  - Type of Issuer = 2, 3, and 4 (Item 9)
  - Security Type 5, 6, 7, 8, 9, 10, 11, and 12 (Item 10)
  - Term Indicator = 1 (Item 12) (Security Type 6 includes where Term = 2)
  - Currency = USD (Item 13)
  - Type of Foreign Holder = 2 or 3 (Item 15)
  - Sum of face value (Item 17 or item 22 for ABS)

= TIC BL-2 (per country)
  - Negotiable CDs and Short-Term Negotiable Securities to Foreign Banks and all Other Foreigners (column 5 + 8)

Compare
Negotiable CDs

- TIC SHLA (per country)
  - Security Type 6 (Item 10)
  - Currency = USD (Item 13)
  - Sum of face value (Item 17)

= TIC BL-2 (per country)
  - Negotiable Certificates of Deposits (column 11)
## Compare
### Negotiable Securities Issued

<table>
<thead>
<tr>
<th>TIC SHLA (per country)</th>
<th>=</th>
<th>TIC BL-2 (per country)</th>
</tr>
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<tbody>
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<tr>
<td>Term Indicator = 1 (Item 12)</td>
<td>=</td>
<td></td>
</tr>
<tr>
<td>Currency = USD (Item 13)</td>
<td>=</td>
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<tr>
<td>Sum of face value (Item 17 or item 22 for ABS)</td>
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## Compare
### General Government

<table>
<thead>
<tr>
<th>TIC SHLA (per country)</th>
<th>=</th>
<th>TIC BL-2 (per country)</th>
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<tbody>
<tr>
<td>Type of Issuer = 1 and 3 (Item 9)</td>
<td>=</td>
<td>Total General Government (Memo Line 8144-2)</td>
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<tr>
<td>Security Type 7, 8, 9, 10, 11, and 12 (Item 10)</td>
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<td>Term Indicator = 1 (Item 12)</td>
<td>=</td>
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</tr>
<tr>
<td>Currency = USD (Item 13)</td>
<td>=</td>
<td></td>
</tr>
<tr>
<td>Sum of face value (Item 17 or item 22 for ABS)</td>
<td>=</td>
<td></td>
</tr>
</tbody>
</table>
Compare
U.S. Agency

- TIC SHLA (per country)
  - Type of Issuer = 2 (Item 9)
  - Security Type 7, 8, 9, 10, 11, and 12 (Item 10)
  - Term Indicator = 1 (Item 12)
  - Currency = USD (Item 13)
  - Sum of face value (Item 17 or item 22 for ABS)

- TIC BL-2 (per country)
  - U.S. Agencies (Memo Line 8146-9)

Compare
Negotiable CDs in Foreign Currency

- TIC SHLA (per country)
  - Security Type 6 (Item 10)
  - Currency = not USD (Item 13)
  - Sum of face value (Item 17)

- TIC BQ-2 (per country)
  - Negotiable CDs (Part 2, Memo Line 9980-5, column 1)
Compare
Negotiable Securities in Foreign Currency

- TIC SHLA (per country)
  - Security Type 5, 7, 8, 9, 10, 11, or 12 (Item 10)
  - Term Indicator = 1 (item 12)
  - Currency = not USD (Item 13)
  - Sum of face value (Item 17 or item 22 for ABS)

= TIC BQ-2 (per country)
  - All Short-Term Negotiable Securities (Part 2, Memo Line 9980-5, column 2)