

**Supporting Statement for
the Weekly Report of Selected Assets and Liabilities of Domestically Chartered
Commercial Banks and U.S. Branches and Agencies of Foreign Banks
(FR 2644; OMB No. 7100-0075)**

Summary

The Board of Governors of the Federal Reserve System, under delegated authority from the Office of Management and Budget (OMB), proposes to extend for three years, without revision, the voluntary Weekly Report of Selected Assets and Liabilities of Domestically Chartered Commercial Banks and U.S. Branches and Agencies of Foreign Banks (FR 2644; OMB No. 7100-0075). The FR 2644 is a balance sheet report (also known as the bank credit report) that is collected as of each Wednesday from an authorized stratified sample of 875 domestically chartered commercial banks and U.S. branches and agencies of foreign banks.

The FR 2644 is the primary source of high-frequency data used in the analysis of current banking developments. The FR 2644 collects sample data that are used to estimate universe levels using data from the quarterly commercial bank Consolidated Reports of Condition and Income (FFIEC 031 and 041; OMB No. 7100-0036) and the Report of Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002; OMB No. 7100-0032) (Call Reports). Data from the FR 2644, together with data from other sources, are used to construct weekly estimates of bank credit, balance sheet data for the U.S. banking industry, sources and uses of banks' funds, and to analyze banking developments.

No changes are proposed to the FR 2644; however, the Federal Reserve may modify the FR 2644 instructions to maintain consistency with any proposed instructional revisions to the Call Reports that might occur during the three year extension period.

The total annual reporting burden for the FR 2644 is estimated to be 120,575 hours. The current reporting forms and instructions for the FR 2644 are located on the Federal Reserve Board's public website at www.federalreserve.gov/boarddocs/reportforms/default.cfm.

Background and Justification

The Federal Reserve has collected data from small banks since January 1946. At that time the panel consisted of the universe of small member banks, which reported on a monthly (last Wednesday) basis. Beginning in 1959 the panel reported on a semi-monthly basis (mid and last Wednesdays of the month). Then, beginning in 1969, the panel reported on a weekly basis (as of Wednesday).

In 1979 a two-tier system of reporting was adopted. A stratified sample of 400 member banks reported nine data items (including loans, securities, total assets, and large time deposits) on the FR 2644s. All other small member banks reported three data items (securities, loans, and total assets) on the FR 2644. Each Reserve Bank compiled an aggregate balance sheet for banks within their district, drawing on data from the FR 2644s and FR 2644 as well as from other

surveys (including the quarterly Call Report). The district data were used to compile a national total.

The general framework for the current FR 2644 was established in 1984. At that time the Federal Reserve decided to use the sample approach to estimate bank credit for the universe of all small banks. A stratified sample of 1,100 banks, including nonmember banks for the first time, was selected. Over the years, the respondent panel and data items collected on the FR 2644 were modified as appropriate.

As of July 1, 2009, the Federal Reserve combined the three bank credit reports, (1) the Weekly Report of Assets and Liabilities for Large Banks (FR 2416; OMB No. 7100-0075), (2) the Weekly Report of Assets and Liabilities for Large U.S. Branches and Agencies of Foreign Banks (FR 2069; OMB No. 7100-0030), and (3) the Weekly Report of Selected Assets (FR 2644; OMB No. 7100-0075), into a single reporting form collected from an authorized stratified sample of 875 domestically chartered commercial banks and U.S. branches and agencies of foreign banks.¹

Data from the FR 2644 are used in conjunction with other data to construct estimates of bank credit, sources and uses of bank funds, and a balance sheet for the entire banking system. These statistics are used to analyze current banking and monetary conditions. Currently, there is no other information collection in place that supplies the weekly data obtained on the FR 2644.

Description of Information Collection

The FR 2644 collects 30 balance-sheet items and four memoranda items as of each Wednesday from an authorized stratified sample of 875 domestically chartered commercial banks and U.S. branches and agencies of foreign banks.

Reporting panel

As mentioned above FR 2644 panel has an authorized size of 875 domestically chartered commercial banks and U.S. branches and agencies of foreign banks. This panel accounts for about 88 percent of domestic assets of commercial banks and U.S. branches and agencies of foreign banks. The Federal Reserve recommends that the authorized size of the reporting panel be kept at 875 banks in order to keep the sampling measurement error within an acceptable range.

Frequency

The FR 2644 report is submitted weekly, as of the close of business each Wednesday. Weekly data are needed for accurate and timely construction of the key series used to analyze

¹ The FR 2416 had one of the longest histories among banking time series, beginning in 1917 when about 600 domestically chartered commercial banks began reporting weekly to inform those in charge of the war effort about changing monetary and credit conditions. Weekly data on major asset and liability data items were collected on the FR 2069 from a sample of branches and agencies beginning in 1979 to provide advance estimates of bank credit and nondeposit funds.

current banking developments. The balance sheet series are constructed and published weekly. The various series that are constructed from the report are included in the weekly materials prepared for the Board of Governors and in the periodic analyses provided to the Federal Open Market Committee. None of these series could be constructed on a sufficiently accurate or timely basis if the frequency of reporting were reduced, particularly in periods of market volatility and rapid change in banking conditions.

Time Schedule for Information Collection and Publication

Respondents file the FR 2644 weekly, as of Wednesday, with their Reserve Bank. The Reserve Banks edit and transmit microdata to the Board by 12:00 noon Eastern Time on the first Wednesday after the reporting date. Aggregate data are constructed at the Board by Thursday and the H.8 Statistical Release, *Assets and Liabilities of Commercial Banks in the United States*, is published on Friday afternoon with an as-of date of two Wednesdays prior. The H.8 Statistical Release provides a balance sheet for the banking industry as a whole as well as for several bank groups (large domestically chartered banks, small domestically chartered banks, and foreign-related institutions), and it is followed by other government agencies, the banking industry, the financial press, and other users.

Legal Status

The Board's Legal Division has determined that the FR 2644 is authorized by section 2A and 11(a)(2) of the Federal Reserve Act (12 U.S.C. §§ 225(a) and 248(a)(2)) and by section 7(c)(2) of the International Banking Act (12 U.S.C. § 3105(c)(2)) and is voluntary. Individual respondent data are regarded as confidential under the Freedom of Information Act (5 U.S.C. § 552(b)(4)).

Consultation outside the Agency

On December 8, 2011, the Federal Reserve published a notice in the *Federal Register* (76 FR 76730) requesting public comment for 60 days on the extension, without revision, of the FR 2644. The comment period for this notice expired on February 6, 2012. The Federal Reserve did not receive any comments on the extension, with revision. On February 28, 2012, the Federal Reserve published a final notice in the *Federal Register* (77 FR 12056) for the FR 2644.

Estimate of Respondent Burden

As presented in the table below, the annual reporting burden for the FR 2644 is estimated to be 120,575 hours. The total annual burden for the FR 2644 represents 1.0 percent of the total Federal Reserve System paperwork burden.

	<i>Number of respondents²</i>	<i>Annual frequency</i>	<i>Estimated average hours per response</i>	<i>Estimated annual burden hours</i>
FR 2644	875	52	2.65	120,575

The total cost to the public is estimated to be \$5,232,955.³

Sensitive Questions

These collections of information contain no questions of a sensitive nature, as defined by OMB guidelines.

Estimate of Cost to the Federal Reserve System

The total annual cost to the Federal Reserve System for collecting and processing the FR 2644 estimated to be \$1,768,800.

² Of the actual respondents, 132 are small entities as defined by the Small Business Administration (i.e., entities with less than \$175 million in total assets) www.sba.gov/content/table-small-business-size-standards.

³ Total cost to the public was estimated using the following formula: percent of staff time, multiplied by annual burden hours, multiplied by hourly rate (30% Office & Administrative Support @ \$16, 45% Financial Managers @ \$50, 15% Legal Counsel @ \$54, and 10% Chief Executives @ \$80). Hourly rate for each occupational group are the median hourly wages (rounded up) from the Bureau of Labor and Statistics (BLS), Occupational Employment and Wages 2010, www.bls.gov/news.release/ocwage.nr0.htm. Occupations are defined using the BLS Occupational Classification System, www.bls.gov/soc/.