

February 16, 2022

Mr. Dwight Wolkow
International Portfolio Investment Data Systems
Department of the Treasury - Room 1050
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Re: *Federal Register* notice of February 1, 2022, requesting comments on the Treasury International Capital (TIC) reporting system forms BC, BL-1, BL-2, BQ-1, BQ-2, BQ-3, (OMB Number 1505-0016), forms CQ-1 and CQ-2 (OMB Number 1505-0024), form D (1505-0199), form S (1505-0001), and form SLT (1505-0235)

Dear Mr. Wolkow:

The Bureau of Economic Analysis (BEA) strongly supports the continued collection of the TIC B- and C-forms, as well as TIC forms D, S, and SLT. The data collected on these forms are critical to key components of BEA's economic statistics.

The TIC forms collection provide the most comprehensive data available on financial transactions and investment positions in U.S. assets and liabilities, excluding direct investment, between U.S. residents and foreigners. The investment instruments covered by these forms include, loans, deposits, trade credits, derivatives, equity securities, and debt securities. These TIC data programs are critical for the production of the financial account of the U.S. International Transaction Accounts (ITAs) and the U.S. International Investment Position (IIP). The TIC data also form the basis of U.S. current account estimates of investment income payments and receipts, excluding direct investment. These income estimates are also components of interest paid to the rest of the world in the U.S. National Income and Product Accounts. The attached tables show the data used from these forms by BEA.

Please keep BEA informed of any modifications to these forms. We are particularly interested in any modifications proposed during the forms approval process that would substantially affect our use of these data. For additional information, please contact Tiffany Burrell, Source Data Coordinator, on 301-278-9618 or by e-mail at Tiffany.Burrell@bea.gov. Should you need assistance in justifying this form to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,

Dennis Fixler,
Chief Economist

Attachment

Attachment

The TIC data are generally aggregated and provided to BEA according to the layout of the reporting form as a matrix consisting of data components that define columns and geographical areas that define rows. Many forms have memorandum items following the geographical areas that obtain additional details for the component columns. The tables below outline how the TIC forms are currently used in BEA statistics.

Use of TIC B-form and C-form Data in the International Transactions Accounts

Generally, all components and rows of all the TIC B- and C-forms are used in BEA statistics, except for the BQ-3, which is not currently used. The BQ-3 will be used in the future to capture maturity detail.

TIC Inputs	BEA Statistics
Form BC	ITA table 1.2, lines 26, 27, 68, 69, 71, 72, and tables 4.3, 4.4, 7.1, and 8.1
Form BL-1	ITA table 1.2, lines 56, 94, 95, and tables 4.4 and 8.1
Form BL-2	ITA table 1.2, lines 55, 56, 91, 92, 95, and tables 4.3, 4.4, 7.1, and 8.1
Form BQ-1	ITA table 1.2, lines 26, 27, 68, 69, 71, 72, and tables 4.3, 4.4, 7.1, and 8.1
Form BQ-2 part 1	ITA table 1.2, lines 26, 27, 55, 56, 68, 69, 71, 72, 91, 94, 95, and tables 4.3, 4.4, 7.1, and 8.1
Form BQ-2 part 2	ITA table 1.2, lines 55, 56, 91, 92, 95, and tables 4.3, 4.4, 7.1, and 8.1
Forms CQ-1	ITA table 1.2, lines 26, 27, 55, 56, 68, 69, 71, 72, 91, 95, and tables 4.3, 4.4, 7.1, and 8.1
Forms CQ-2	ITA table 1.2, lines 27, 56, 74, 97, and tables 4.4 and 8.1

Use of TIC Form D in BEA Statistics in the International Investment Position and in the International Transactions Accounts

Item	Description
Lines 1 & 3, IIP Tables 1.1, 1.2, & 1.3	Financial derivatives other than reserves, net
Lines 4, 6, & 9, IIP Table 1.1 and lines 4, 6, & 15-20, Tables 1.2 & 1.3	Financial derivatives other than reserves (gross positive fair value)
Lines 12, 14, & 17, IIP Table 1.1 and Lines 36, 38, & 51-56, IIP Tables 1.2 & 1.3	Financial derivatives other than reserves (gross negative fair value)
Line 28, ITAs Table 1.1 & Line 107 in Tables 1.2 & 1.3	Financial derivatives other than reserves, net transactions

Use of TIC Form S in the International Transactions Accounts

Items	Used in Analysis and Verification of
U.S. Treasury and Federal Financing Bank Bonds and Notes (Columns 1 and 2)	Net U.S. incurrence of portfolio liabilities, long-term debt securities, ITA Table 1.2 Line 99
Bonds of U.S. Government Corporations and Federally Sponsored Agencies (Columns 3 and 4)	Net U.S. incurrence of portfolio liabilities, long-term debt securities, ITA Table 1.2 Line 99
U.S. Corporate and Other Bonds (Columns 5 and 6)	Net U.S. incurrence of portfolio liabilities, long-term debt securities, ITA Table 1.2 Line 99
U.S. Equities (Columns 7 and 8)	Net U.S. incurrence of portfolio liabilities, equity and investment fund shares, ITA Table 1.2 Line 96
Foreign Bonds (Columns 9 and 10)	Net U.S. acquisition of portfolio assets, long-term debt securities, ITA Table 1.2 Line 75
Foreign Equities (Columns 11 and 12)	Net U.S. acquisition of portfolio assets, equity and investment fund shares, ITA Table 1.2 Line 72

Use of Revised TIC Form SLT in the International Transactions Accounts (continues)

Items	Used in Estimation of
U.S. Treasury Federal Financing Bonds and Notes (Columns 1-8)	<p>Long-term portfolio investment liabilities, ITA Table 1.2 Line 99</p> <p>Treasury bonds and notes, ITA Table 7.1 Line 25</p> <p>Portfolio investment income payments, ITA Table 1.2 Line 61</p>
Bonds of U.S. Government Corporations and Federally-Sponsored Agencies (Columns 9-16)	<p>Long-term portfolio investment liabilities, ITA Table 1.2 Line 99</p> <p>Federally sponsored agency securities, ITA Table 7.1 Line 27</p> <p>Portfolio investment income payments, ITA Table 1.2 Line 61</p>
U.S. Corporate and Other Bonds (Columns 17-24)	<p>Long-term portfolio investment liabilities, ITA Table 1.2 Line 99</p> <p>State and local government securities, ITA Table 7.1 Line 26</p> <p>Corporate bonds and notes, ITA Table 7.1 Line 28</p> <p>Portfolio investment income payments, ITA Table 1.2 Line 61</p>
U.S. Equity (Columns 25-32)	<p>Equity and investment fund shares, ITA Table 1.2 Line 96</p> <p>Equity and investment fund shares, ITA Table 7.1 Lines 15-17</p> <p>Portfolio investment income payments, ITA Table 1.2 Line 61</p>
Foreign Government Bonds (Columns 33-36)	Long-term portfolio investment assets, ITA Table 1.2 Line 75
Foreign Corporate and Other Bonds (Columns 37-40)	Government securities, ITA Table 7.1 Line 11

	<p>Corporate bonds and notes, ITA Table 7.1 Line 12</p> <p>Portfolio investment income receipts, ITA Table 1.2 Line 29</p>
Foreign Equity (Columns 41-44)	<p>Equity and investment fund shares, ITA Table 1.2 Line 72</p> <p>Equity and investment fund shares, ITA Table 7.1 Lines 2-4</p> <p>Portfolio investment income receipts, ITA Table 1.2 Line 29</p>