

October 31, 2011

Mr. Dwight Wolkow
Department of the Treasury
International Portfolio Investment Data Systems
Room 5422
1500 Pennsylvania Avenue, NW
Washington, DC 20220

Re: *Federal Register* notices of September 19, 2011, requesting comments on the Treasury International Capital (TIC) reporting system forms: BC, BL-1, BL-2, BQ-1, BQ-2, BQ-3, CQ-1, and CQ-2 (OMB Numbers: 1505-0016, 1505-0020, 1505-0189, and 1505-0024)

Dear Mr. Wolkow:

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

The TIC B- and C- forms, along with the S- and D-series forms, provide the most comprehensive data available on financial transactions, excluding direct investment, between U.S. residents and foreigners. Without the TIC data programs, it would be impossible to obtain estimates of the financial account of the U.S. International Transaction Accounts (ITAs), the U.S. Net International Investment Position, or net foreign investment in the U.S. National Income and Product Accounts (NIPAs). The TIC data also form the basis of U.S. current account estimates of income payments and receipts on investment other than direct investment, and of income payments by the U.S. government. These income estimates are also components of interest paid to the rest of the world in the NIPAs. The attachment describes BEA use of the TIC data.

BEA supports the continuing work of the TIC User Group and BEA values its participation in it. Through its participation, BEA was able to be a part of the planning of major changes in the TIC data programs, including the earlier reporting of Form D data. BEA appreciates the commitment of the Department of the Treasury, the Federal Reserve Bank of New York, and the Board of Governors of the Federal Reserve System to the continued improvement of the TIC data programs, including the TIC B-, C-, S-, and D-series forms.

Please keep BEA informed about 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 Ruth Bramblett, Source Data Coordinator, on (202) 606-9653 or by e-mail at Ruth.Bramblett@bea.gov. Should you need assistance in justifying these forms to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,

Ruth Bramblett for

Dennis Fixler
Chief Statistician

Attachment

ATTACHMENT

Use of TIC B-form and C-form Data in BEA Statistics

The TIC B- and C-form 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. 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 may be used in the future to capture maturity detail for future presentations. The table below outlines how the TIC B- and C-forms are currently used in BEA statistics

Table of Items Used In BEA Estimates:

TIC Inputs	BEA Statistics
Form BC all columns	ITAs table 1, line 54 and table 10
Form BL-1 excluding foreign official	ITAs table 1, line 69 and table 11
Form BL-1 columns 1-2 (foreign official)	ITAs table 1, line 62 and table 5
Form BL-2 excluding foreign official	ITAs table 1, line 69 and table 11
Form BL-2 columns 1-3 (foreign official)	ITAs table 1, line 62 and table 5
Form BQ-1 all columns	ITAs table 1, line 54 and table 10
Form BQ-2 part 1 columns, 1, 2 and part 2	ITAs table 1, line 69 and table 11
Form BQ-2 part 1 columns 3-6	ITAs table 1, line 54 and table 10
Forms CQ-1 col 3-5, and CQ-2 col 3-4	ITAs table 1, line 53 and table 9, part A
Forms CQ-1 col 1-2 and CQ-2 col 1-2	ITAs table 1, line 68 and table 9, part B