

October 26, 2016

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

RE: *Federal Register Notice* of September 1, 2016 for the Department of Treasury's Annual Survey of U.S. Ownership of Foreign Securities, including Selected Money Market Instruments: Form SHC/SHCA (OMB Control Number – 1505-0146)

Dear Mr. Wolkow:

The Bureau of Economic Analysis (BEA) strongly supports the continued collection of data on Form SHC/SHCA and the proposed changes. The data collected on these forms are crucial to key components of BEA's economic statistics.

Annual and benchmark reports on U.S. residents' holdings of foreign securities are used directly in compiling BEA's international investment position (IIP) accounts. Specifically, these reports are required for statistics related to U.S. holdings of financial assets—portfolio investment, comprised of equity and investment fund shares and debt securities—in lines 10-14 of IIP table 1.2. In addition, these reports serve as critical inputs for annual revisions of financial transactions in portfolio investment assets in BEA's international transactions accounts (ITAs), and for associated statistics related to receipts of portfolio investment income. Specifically, these reports affect statistics on several lines of ITA table 1.2, including lines 65-69 (portfolio investment assets) and line 26 (portfolio investment income), as well as lines 1-13 of ITA table 7.1. The accompanying table lists the items used by BEA.

BEA supports the proposed increase in exemption levels for filing schedules 2 and 3 from \$100 million to \$200 million and the other changes to the instructions. The increase in exemption levels will reduce burden for reporters and the government without a material change in the quality of the reported data. The change will not adversely affect BEA's use of the survey data.

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 Tiffany Burrell, Source Data Coordinator, on 301-278-9618 or by e-mail at [tiffany.burnell@bea.gov](mailto:tiffany.burnell@bea.gov). If you should need assistance in justifying this survey to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,



Dennis J. Fixler  
Chief Economist

Attachment

## Attachment

### Items on Form SHC/SHCA used by the Bureau of Economic Analysis

Source Data	BEA Data Usage
SHC Tables 1, 2, 4, 27 (derived from Schedules 1, 2,3)	ITA Table 1.1, Line 21 ITA Table 1.2, Lines 10-11 ITA Table 7.1, Lines 1-4 IIP Table 1.1, Line 8 IIP Table 1.2, Lines 10-11
SHC Tables 5, 6, 8, 9, 27 (derived from Schedules 1, 2,3)	ITA Table 1.1, Line 21 ITA Table 1.2, Lines 10, 12-14 ITA Table 7.1, Lines 1, 5-9 IIP Table 1.1, Line 8 IIP Table 1.2, Lines 10, 12-14
SHC Tables 3, 23, 28	ITA Table 1.1, Lines 13-14 ITA Table 1.2, Lines 23-24, 26 ITA Table 4.1, Lines 10-13
SHC Tables 7, 24, 29	ITA Table 1.1, Lines 13-14 ITA Table 1.2, Lines 23-24, 26 ITA Table 4.1, Lines 10, 14-16