

Manual of Reporting Forms and Instructions for Deposit-Taking Institutions

AMENDMENT CONTROL LOG

Securities Report

Amendment Number	Effective Reporting Date	Page Number	Description
Please note that as of November 2002, all changes are highlighted			
1	Q1 1998	2, 5, 6, 7	<u>Delete:</u> ◆ Reference to the phase in of the report - December 1995.
2	Q1 1999	12, 13	<u>Delete:</u> ◆ Federal Government Enterprises which have been privatized: - Canadian Commercial Corporation - Canadian National Railway Company and subsidiaries - Canarctic Shipping Company Ltd. - Petro-Canada and subsidiaries
3	Q1 2000	1	<u>Add:</u> ◆ Section 600 of the Bank Act (applies to Foreign Bank Branches) <u>Change:</u> ◆ Section 523 of the Bank Act is now Section 628
4	Q1 2006	1	<u>Add:</u> ◆ Section 24 of the Bank of Canada Act <u>Change:</u> ◆ Contact Agency to Bank of Canada
5	Q4 2006 for October Year end DTI's and Q1 2007 for December Year end DTI's.	2, 3, 4, 6, 7, 9	<u>Change:</u> ◆ Book Value to Balance Sheet Value
		3, 7	<u>Change:</u> ◆ Section II title from Investment Account, Other Securities by Sector, (less allowance for impairment) to Other Securities Distributed by Sector <u>Add:</u> ◆ Line 4, Unallocated
		4, 9	<u>Change:</u> ◆ Section III title from Trading Account Securities to Securities Held for Trading ◆ Section IV title from Book and Market Values for Total Securities to Total Securities <u>Delete:</u> ◆ Subtotal, Section IV ◆ Line 2, Trading Account ◆ Market Value Column
		8, 10	<u>Change:</u> ◆ Export Development Corporation to Export Development Canada ◆ Farm Credit Corporation to Farm Credit Canada ◆ Alberta Treasury Branches to ATB Financial <u>Delete:</u> ◆ Province of Ontario Savings Office
		9	<u>Delete:</u> ◆ Note: under Section III, 2. Other Securities
		10	<u>Change:</u> ◆ Alberta Municipal Financial Corporation to Alberta Capital Finance Authority

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6	Q1 2008	11	<u>Add:</u> ♦ Government Business Enterprises <u>Change:</u> ○ Instructions under Public Non-Financial Enterprises
		12-23	<u>Delete:</u> ♦ List of Federal and Provincial Government Enterprises
7	Q1 2009	2 to 6, 12	Significant changes were made to these instructions due to Data Rationalization. Please note that the copy of the return template has been deleted from these instructions and has been posted as a separate item on OSFI's website.

SECURITIES REPORT

PURPOSE

This return provides a detailed breakdown of the securities holdings of deposit-taking institutions.

STATUTORY

Sections 628 and 600 of the Bank Act, Section 495 of the Trust and Loan Companies Act and Section 24 of the Bank of Canada Act.

APPLICATION

This return applies to all institutions.

PUBLICATION

Information from this return is not published.

FREQUENCY

Quarterly - calendar.

CONTACT PERSON

Provide name and phone number of person to contact regarding any questions about this return.

REPORTING DATES

This return is to be completed within 45 days of the calendar quarter-end.

CONTACT AGENCY

Bank of Canada.

GENERAL INSTRUCTIONS

This return provides information on securities (Asset 2).

Please ensure that the figures in this return reconcile with the institution's balance sheet.

Report total booked in and outside Canada.

Report all figures net of Allowance for Impairment.

SECTION I - TOTAL SECURITIES

1. (a) Securities Issued by Canada

Government of Canada securities are to be reported on the basis of remaining term-to-maturity.

- (i) Treasury Bills
- (ii) Other securities maturing within 3 years
- (iii) Other securities over 3 years

(b) Securities Guaranteed by Canada

Government of Canada securities are to be reported on the basis of remaining term-to-maturity.

- (i) Securities maturing within 3 years
- (ii) Other securities over 3 years

(c) Securities Issued or Guaranteed by Provinces

Short-term means, for Securities Issued or Guaranteed by Provinces, any security having an original term to maturity of one year or less.

Long-term means, for Securities Issued or Guaranteed by Provinces, any security having an original term to maturity of greater than one year.

Corporate shares means all corporate shares issued or guaranteed by Provinces.

Report the balance sheet value of holdings of Provincial issued or guaranteed securities broken down into the three categories shown in the return.

(d) Securities Issued or Guaranteed by Municipal or School Corporations

Short-term means any security having an original term to maturity of one year or less.

Long-term means any security having an original term to maturity of greater than one year.

Report the balance sheet value of holdings of Canadian municipal or school corporations securities broken down into the three categories shown in the return.

2. Other Securities

Short-term means any security having an original term to maturity of one year or less.

Long-term means any security having an original term to maturity of greater than one year.

Own asset backed securities means securitization made on the assets of the bank.

Under corporate shares, mutual fund units means shares with mutual fund units. Income trust units means shares with income trust units.

Report the balance sheet value of holdings of other securities broken into the three categories shown in the return and between resident and non-resident.

Memo Items

1. Securities guaranteed by Canada

- (a) Federal government business enterprises – short term (original term to maturity of one year or less)
- (b) Federal government business enterprises – long term (original term to maturity of more than one year)
- (c) Own mortgage backed securities
Report holdings of securities that are backed by mortgages of the bank.
- (d) Other mortgage backed securities
Report holdings of securities that are backed by mortgages of other financial institutions.
- (e) Other securities
Include holdings of securities issued by the Canada Housing Trust

The sums of the memo items for securities guaranteed by Canada should agree to the sub-total for securities reported under the resident columns, i.e. Securities guaranteed by Canada in Section I, 1(b)(i) and 1(b)(ii).

2. Total Securities

Report the balance sheet values of securities held to maturity, available for sale and held for trading for residents and non-residents.

The sums of the memo items for total securities should agree to the total for securities reported under the resident and non-resident columns, i.e. total of Section I 2(a), 2(b) and 2(c).

SECTION II - OTHER SECURITIES DISTRIBUTED BY SECTOR

In Section II, report those securities that are reported in Section I 2(a), 2(b) and 2(c).

Note: The totals reported in Section II must equal Asset 2(b) as reported on the Balance Sheet.

The concept of institutional sectors used in this return conforms to the definitions of financial flow sector accounts detailed in the attached Definition of Financial Flow Sectors. This concept is also used in the Non-Mortgage Loans Report and the Return of Deposit Liabilities Classified by Institutional Sectors.

The return also makes use of the 1980 Statistics Canada Standard Industrial Classification (SIC) to identify issuers of securities.

Note that both the Definitions of Financial Flow Sectors and the Statistics Canada Standard Industrial Classification speak only to the Canadian situation. These must be adapted by institutions, as necessary for issuers of securities outside of Canada.

Non-Residents

Non-residents are individuals, corporations or other organizations (including international and other extra-territorial agencies) not ordinarily resident in Canada. Residential status is to be determined by reference to the recorded address of the individual, corporation or other organization, unless the institution knows that the residential status is different from the recorded address.

1. Foreign Governments

Include:

- all emanations of national, state, district or municipal level governments, outside Canada, that do not have their own borrowing authority.

Exclude:

- securities of government boards, corporations and commissions that are separately constituted and carry on business enterprises. Securities from this latter group are to be reported in item 3(c), Non-financial Corporations, non-residents.

2. Financial Institutions

(a) Deposit-taking Institutions, resident

Include:

- all deposit-taking institutions in Canada, credit unions and caisses populaires, trust companies and mortgage loan companies (see SIC, Division K, Classes 7031, 7041, 7042, 7051, 7052 and 7099).

Exclude:

- public deposit-taking institutions such as ATB Financial (see SIC, Division K, Class 7029) that are reported under 1(g); please refer to the list of Government Business Enterprises.

(b) Other Financial Institutions, resident

Include:

(i) Call and other short loans to investment dealers and brokers, secured

See SIC, Division K, Group 741.

(ii) Consumer and business finance companies

See SIC, Division K, Major Group 71.

(iii) Investment Companies

Include:

- see SIC, Division K, Major Group 72.

Exclude:

- trustee pension funds (class 7291) and other pension funds (class 7299) which are reported under 1(f).

(iv) Insurance Companies

Include:

- life insurance companies, fraternal benefit societies and property and casualty insurance companies (see SIC, Division K, Major Group 73 - non-government).

(v) Pension Funds

Include:

- see SIC, Division K, Class 7291 and other pension funds (Class 7299).

(vi) Other

Include:

- mortgage brokers, security and commodity exchanges and other financial institutions (SIC, Division K, Group 742, 743 and 749);
- public financial institutions, such as: Canada Deposit Insurance Corporation, Canada Mortgage and Housing Corporation, Export Development Canada, Farm Credit Canada, Business Development Bank of Canada and ATB Financial (see SIC, Division K, Class 7029 and see conceptual overview in the Definition of Financial Flow Sectors);

(c) Financial Institutions, non-resident

Include:

- foreign entities similar to those Canadian entities above plus Foreign official monetary institutions such as treasuries, ministers of Finance, finance or corresponding government departments, central banks, stabilization funds, equalization accounts, exchange control authorities or any similar fiscal agencies (including government-owned corporations) which act as government agents and which have an important function or functions similar to those of treasury, central bank or stabilization fund.

3. Non-Financial Corporations

(a) Public sector, residents

Include:

- loans to all emanations of governments that carry on a business or that have their own borrowing authority (see conceptual overview in the Definition of Financial Flow Sectors). A list of Canadian Federal and Provincial enterprises and their subsidiaries can be found under a new section entitled “Government Business Enterprises”.
- all Canadian public corporations in which Canadian governments hold at least 50 per cent of the voting stock and any subsidiaries of those companies.

Exclude:

- Canada Deposit Insurance Corporation, Canada Mortgage and Housing Corporation, Export Development Canada, Farm Credit Canada, Business Development Bank of Canada and ATB Financial, which are to be reported under Item 1(g).

(b) Private sector, residents

Include:

- all resident and non-resident corporations and unincorporated businesses except financial institutions and government enterprises reported elsewhere in this report.

(i) Agriculture

See SIC, Division A, Major Groups 01 and 02.

(ii) Fishing and Trapping

See SIC, Division B, Major Group 03.

(iii) Logging and Forestry

See SIC, Division C, Major Groups 04 and 05.

- (iv) Mining, Quarrying and Oil Wells
 - (A) Mining
 - See SIC, Division D, Major Group 06.
 - (B) Energy - Oil and gas
 - See SIC, Division D, Major Group 07.
 - (C) Other
 - See SIC, Division D, Major Groups 08 and 09.
- (v) Manufacturing
 - (A) Food, beverage and tobacco products
 - See SIC, Division E, Major Groups 10, 11 and 12.
 - (B) Leather, textile and apparel products
 - See SIC, Division E, Major Groups 17, 18, 19 and 24.
 - (C) Metal products
 - See SIC, Division E, Major Groups 29 and 30.
 - (D) Transport equipment products
 - See SIC, Division E, Major Group 32.
 - (E) Petroleum products
 - See SIC, Division E, Major Group 36.
 - (F) Rubber, plastic and chemical products
 - See SIC, Division E, Major Groups 15, 16 and 37.

(G) Other

See SIC, Division E, Major Groups 25, 26, 27, 28, 31, 33, 35 and 39.

(vi) Construction/Real Estate

(A) Builders and developers - residential

See SIC, Division F, Group 401.

(B) Builders and developers - commercial

See SIC, Division F, Group 402.

(C) Land developers

See SIC, Division F, Class 4491.

(D) Real Estate Operators

See SIC, Division L, Major Group 75

(E) Other

See SIC, Division F, Major Groups 41 and 42, Group 441 and Class 4499.

(vii) Transportation, communications and other utilities

(A) Transportation

See SIC, Division G, Major Group 45.

(B) Pipeline transport

See SIC, Division G, Major Group 46.

(C) Storage and warehousing

See SIC, Division G, Major Group 47.

(D) Communications

See SIC, Division H, Major Group 48.

(E) Other utilities

See SIC, Division H, Major Group 49.

(viii) Wholesale trade

(A) Apparel

See SIC, Division I, Major Group 53.

(B) Other

See SIC, Division I, Major Groups 50, 51, 52, 54, 55, 56, 57 and 59.

(ix) Retail trade

(A) Food stores, food beverages and drug stores

See SIC, Division J, Major Group 60.

(B) Clothing

See SIC, Division J, Major Group 61.

(C) Furniture

See SIC, Division J, Major Group 62.

(D) Automotive

See SIC, Division J, Major Group 63.

(E) Department stores

See SIC, Division J, Major Group 64.

(F) Other

See SIC, Division J, Major Groups 65 and 69.

(x) Service

(A) Hotels

See SIC, Division Q, Major Group 91.

(B) Restaurants and bars

See SIC, Division Q, Major Group 92.

(C) Leasing companies

See SIC, Division R, Group 992.

(D) Other

See SIC, Division L, Major Group 76; Division M, Major Group 77; Division R, Major Group 96 and 97 and Groups 991, 993, 994, 995, 996 and 999.

(xi) Multiproduct conglomerates

Include:

- those non-financial private corporations in which no one business, as cited in (i) to (x) above, constitutes more than 50 per cent of the corporation's total activity.

(xii) Other

Include:

- charitable organizations, universities, clubs, religious organizations, etc.
- all health organizations not included in loans to governments (section 2). See SIC, Division N, Major Group 84; Division O, Groups 852, 853, 854, 855 and 859; Division P, Major Group 86; Division R, Major Group 98.

(c) Non-residents

Include all non-resident non-financial corporations.

DEFINITIONS OF FINANCIAL FLOW SECTORS

Note that the conceptual framework of Financial Flow Sectors set out below speaks only to the Canadian situation.

For three returns (*Non-Mortgage Loans Assets Classified by Institutional Sector; Securities Report; and Deposit Liabilities Classified by Institutional Sector*), the concept of institutional sectors is used. These sectors and a brief explanation of them are:

I. Provincial and/or Municipal Government

Include transactions with social insurance programs operated by governments (e.g., Workmen's Compensation Board), non-trusted public service pension plans operated outside the governmental budgetary framework (e.g., Public Service Superannuation Fund (Ontario)) and public hospitals.

II. Public Financial and Non-Financial Institutions

These are defined as enterprises which are of a commercial nature and charge a price for their goods and services related to their costs of production. Typically, these institutions are engaged in manufacturing, lending, insurance, transportation, communication, the provision of electric power, and the distribution of liquor through provincial liquor boards.

Institutions included in this category typically are characterized by the following:

- (a) the institution must have a statutory basis which directs it to produce a good or a service for sale on the market at a price related cost,
- (b) the institution maintains financial accounts separate from those of the government which established it and charges costs of production against revenue,
- (c) management of the institution is relatively autonomous.

Not included are organizations which:

- (a) are wholly or primarily engaged in the business of effective intergovernmental flows of funds (e.g., Alberta **Capital Finance Authority**), or
- (b) wholly or primarily engaged in the business of selling their output to the government which established them. Such organizations are included in their respective government sectors.

A. Public Financial Institutions

Include the Canada Deposit Insurance Corporation, Canada Mortgage and Housing Corporation, Export Development **Canada**, Farm Credit **Canada**, Business Development Bank of Canada **and ATB Financial**.

B. Public Non-Financial Enterprises

A list of organizations at the federal and provincial levels is provided in the manual. There is no corresponding list at the municipal level.

The determination for using the municipal category is left at the discretion of the institution.

III. Non-Financial Private Corporations

Includes all corporations and unincorporated branches of foreign corporations operating in Canada, except financial institutions and government enterprises.

IV. Private Financial Institutions

- (a) chartered banks - self-explanatory;
- (b) other deposit-taking institutions - includes credit unions and caisses populaires, trust companies and mortgage loan companies;
- (c) other private financial institutions - includes life insurance companies, fraternal benefit societies, fire and casualty insurance companies, trustee pension plans, investment dealers, mutual funds, closed-ends funds, mortgage investment trusts, sales finance and consumer loan companies, **issuers of asset backed securities**, and other private financial institutions (such as holding companies, financial leasing companies, venture capital companies and other business finance companies).

V. Unincorporated Business

Includes all businesses which are not incorporated under the law of Canada or a province and which are not unincorporated branches of foreign corporations (see III above).

GOVERNMENT BUSINESS ENTERPRISES

The complete list of Federal and Provincial Government Enterprises can now be found under a new section entitled Government Business Enterprises (GBE).