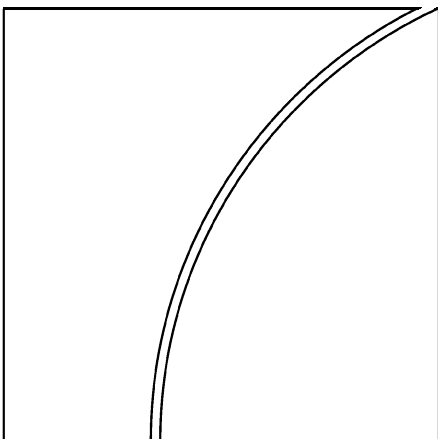


Basel Committee on Banking Supervision



Instructions for the trading book impact study

9 March 2009



BANK FOR INTERNATIONAL SETTLEMENTS

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Instructions for the trading book impact study

1. Introduction

The objective of this study is to assess the impact of the rules provided in the consultative documents *Revisions to the Basel II market risk framework* and *Guidelines for computing capital for incremental risk in the trading book* published by the Basel Committee and IOSCO in January 2009¹ on firms' regulatory capital requirements as calculated under the Basel II Framework as set forth in the Basel II Framework². In designing and conducting the study, the Committee took care to reduce the burden by targeting the scope of the study to those elements most likely to produce material results. The study includes the proposed framework for the incremental risk capital (IRC) charge, the proposed changes to the value-at-risk framework and the new rules for securitisation exposures in the trading book.

All data collected in this exercise will be treated strictly confidential and will not be attributed to individual firms.

The remainder of this document is organised as follows. Section 2 discusses general issues such as the scope of the exercise and the process. Section 3 discusses the structure of the worksheets of the Excel questionnaire.

2. General

2.1 Scope of the exercise

Participation in the impact study is voluntary. However, the Committee expects especially large firms using value-at-risk models that will be materially affected by the proposals to participate in the study. Data should where applicable be reported for consolidated groups.

2.2 Filling in the data

Data should only be entered in the yellow and green shaded cells. There are also some pink cells which will be completed by the relevant national supervisory agency. **It is important to note that any modification to the worksheets might render the workbook unusable both for the validation of the final results and the subsequent aggregation process.**

Data can be reported in the most convenient currency. The currency which has been used should be recorded in the General Information worksheet. Supervisors will provide the relevant exchange rate for converting the reporting currency to Euros. If 1,000 or 1,000,000

¹ Basel Committee on Banking Supervision, *Revisions to the Basel II market risk framework*, consultative document, January 2009; Basel Committee on Banking Supervision, *Guidelines for computing capital for incremental risk in the trading book*, consultative document, January 2009.

² Basel Committee on Banking Supervision, *International convergence of capital measurement and capital standards: A revised framework, comprehensive version*, June 2006. The document is referred to as the "Basel II Framework". Unless stated otherwise, paragraph numbers given in the remainder of these Instructions refer to this document.

currency units are used for reporting, this should also be indicated in this worksheet. When choosing the reporting unit, it should be considered that the worksheet shows all amounts as integers. The same currency and unit should be used for all amounts throughout the workbook, irrespective of the currency of the underlying exposures.

Percentages should be reported as decimals and will be converted to percentages automatically. For example, 1% should be entered as 0.01.³

Firms should report the capital and liquidity horizons based on consecutive trading business days, such that 20 trading days represent a month, 60 days represent a three-month horizon and 240 days represent a one-year horizon etc, ie 10 days equal 1/24 of a year. If banks use a different convention (eg 10 trading days = 2 weeks = 1/26 of a year because a year consists of 52 weeks) they should indicate this to their supervisor.

The Committee is aware that some firms might not yet have implemented some of the models and processes required for the calculations. In such cases firms may provide quantitative data and answers to the qualitative questionnaire on a “best efforts” basis. In case of doubt, they should discuss with the relevant national supervisor how to proceed.

2.3 Process

The Basel Committee or its Secretariat do not collect any data directly from firms. Firms should therefore contact their supervisory agency to discuss how the completed worksheets should be submitted. National supervisors will forward the relevant data to the Secretariat of the Basel Committee where they will be treated strictly confidentially and will not be attributed to individual firms.

In any case firms should also return a qualitative questionnaire. This questionnaire contains specific questions about the models used in an institution. Furthermore, firms should specify any instance where they had to deviate from the instructions provided in this document.

2.4 Reporting date

If possible, all data should be reported as of end-December 2008. If data availability does not allow a bank to use this reporting date, suitable alternatives should be discussed with the relevant national supervisor.

3. Structure of the Excel questionnaire

The Excel workbook consists of four worksheets.

- The **General Information** worksheet is intended to capture some key data regarding the firm (eg capital and provisions, firm-level capital requirements) and asks for aggregated figures on capital requirements for the trading book.

³ Depending on the regional options, it might be necessary to use a different decimal symbol. It might also be necessary to switch off the option “Enable automatic percent entry” in the Tools/Options/Edit dialog if percentages cannot be entered correctly.

- The **IRC** worksheet is intended to capture key data regarding the incremental risk charge.
- The **Securitisation** worksheet is intended to capture key data regarding the new, standardised specific risk capital charges for securitisation positions.
- The **SVaR** worksheet is intended to capture key data regarding the stress value-at-risk.

3.1 General Information

This worksheet gathers basic information that is needed to process and interpret the survey results. Section 1 deals with firm and reporting data conventions. Section 2 deals with firm capital requirements. Please note that in the case of all capital requirement questions (in Section 2 of this worksheet and elsewhere) we ask that you provide the computation under the assumption of a market risk multiplier of 3.0 and a specific risk multiplier of 4.0.

Row	Column	Heading	Description
1) Firm and reporting data			
4	E	Country code	Leave blank
5	E	Firm number	Leave blank
6	E	Firm number related to the first trading book impact study	Leave blank
7	E	Firm number in Capital Monitoring exercise	Leave blank
8	E	Reporting date (yyyy-mm-dd)	Date as of which all data are reported in the General Information, IRC, Securitisation, and SVaR worksheets (except for the “non-stressed VaR” calculation as outlined below). If different dates are used for any of the data provided, this should be explained in the qualitative questionnaire.
9	E	Reporting currency (ISO code)	Currency in which all data are reported in the General Information, IRC, Securitisation, and SVaR worksheets.
10	E	Unit (1, 1000, 1000000)	Units (thousands, hundred thousands, millions, billions) in which results are reported.
11	E	Conversion rate (to Euros)	Leave blank

Row	Column	Heading	Description
2) Capital requirements			
16	E	Overall risk-weighted assets at firm level	Overall risk-weighted assets at firm level.
17	E	Calculated using Basel I or Basel II	<p>Please indicate whether risk-weighted assets at firm level have been calculated according to Basel I or according to Basel II.</p> <p>If Basel I figures are used, they should be calculated based on the national implementation of the 1988 Basel Capital Accord by the national supervisor, referred to as “Basel I” in this document. In some countries supervisors may have had additional rules beyond the 1988 Accord or may have made modifications to the Accord in their national implementation, and these should be considered in the calculation of “Basel I” capital requirements for the purposes of this exercise.</p> <p>If a firm has already implemented Basel II by the time of this exercise, banks should calculate overall risk-weighted assets at firm level based on the national implementation of the Basel II Framework, referred to as “Basel II” in this document.</p>
23	E	Overall capital charge for market risk (risk-weighted asset equivalent); of which:	<p>Total capital charge for market risk including both general market risk and specific risk. The capital charge should include both modelled and standardised general and specific risk charges. The capital charge should be inclusive of all risks that enter the market risk capital charge potentially including, but not limited to, commodities, exchange rates, equities and interest rates. When computing the total market risk capital charge it should be assumed that the multiplier for market risk is 3.0 and the multiplier for specific risk is 4.0. When reporting overall risk-weighted assets (row 16, column E) the actual multipliers in effect as of the reporting date should be used.</p>
24	E	Standardised method, general market risk	Capital charge for general market risk based on standardised method. The capital charge should be inclusive of all risks that enter the standardised market risk capital charge.
25	E	Standardised method, specific risk	Capital charge for specific risk based on standardised method. The capital charge should be inclusive of all positions that incur a standardised specific risk capital charge.
26	E	Internal model method without the specific risk surcharge	Capital charge for general and specific risk based on internal models. The capital charge should be inclusive of all positions that receive internal model treatment. For the purposes of the calculation both general and specific risk receive a multiplier of 3.0.

Row	Column	Heading	Description
27	E	Current 10-day 99% value-at-risk	Firm-wide 10-day value-at-risk inclusive of all sources of risk that are included in the value-at-risk calculation. The reported value-at-risk should not reflect any multiplier, rather the number entered in this cell should simply be the firm's estimate of the 10-day, 99% value-at-risk of the firm's trading book portfolio as of the reporting date.
28	E	Internal model method, specific risk surcharge	Surcharge for specific risk based on a multiplier of 4.0. Accordingly, the surcharge is equivalent to one times the internally modelled specific risk capital charge.
31	E	Exposure amount	The amount of equity exposures subject to a specific risk capital charge currently lower than 8%. The exposure amount should be inclusive of all equity instruments, eg futures and options, that are subject to a specific risk capital charge currently below 8%.
32	E	Current capital charge	The specific risk capital charge on the exposures reported in row 31, column E.
3) Regulatory capital			
38	E	Tier 1 capital	Tier 1 capital net of deductions
39	E	Tier 2 capital	Tier 2 capital net of deductions
40	E	Tier 3 capital	Tier 3 capital net of deductions

3.2 Incremental risk capital charge

This worksheet deals with the proposed incremental risk charge. A detailed description of the incremental risk charge can be found in the consultative document *Guidelines for computing capital for incremental risk in the trading book*. Section 1 deals directly with internal estimates of the IRC as applied to the firm's IRC relevant portfolio as of the reporting date. Section 2 provides some additional data on the composition of the firms' IRC relevant portfolio that will be used in interpreting the results of Section 1.

Row	Column	Heading	Description
1) Data on firm's internal IRC model			
5	E	Firm's internal capital horizon [days]	Capital horizon used by firm's internal IRC model. Days should be measured in terms of trading days. As an example a capital horizon of one week is five days. If more than one horizon is used please report the horizon that is deemed most important by the firm for internal reporting purposes.
6	E	Firm's internal liquidity horizon [days]	Liquidity horizon used by the firm's internal IRC model. Days should be measured in terms of trading days. Where different liquidity horizons are used for different exposures or portfolios, these liquidity horizons and the methodology used to assign exposures or portfolios to each liquidity horizon should be described in the qualitative questionnaire. A uniform liquidity horizon which would be a best representation for the bank which uses different liquidity horizons for different exposures or portfolios should be entered in the Excel questionnaire.
13	E-M	IRC charge including default, migration and equities (if applicable)	Total IRC charge for the combination of liquidity and capital horizons listed in rows 11 and 12. The reported IRC charges should be the result of an internal model calculation. If some responses are the result of scaling up the model output reported from other liquidity horizon and capital horizon pairings then this should be reported in the qualitative questionnaire.
14	E-M	IRC charge including both default and migration only (excluding equities)	IRC charge excluding any included equity positions for the combination of liquidity and capital horizons listed in rows 11 and 12. For firms that do not plan on including equity exposures in the IRC the responses in these cells should be identical to the responses in row 13, columns E-M.
15	E-M	IRC charge including only defaults	IRC charge including only defaults and excluding equity exposures for the combination of liquidity and capital horizons listed in rows 11 and 12. This charge is most similar to the Incremental Default Risk capital charge from the previous QIS.
16	E-M	IRC charge including only migrations	IRC charge including only migrations and excluding equity exposures for the combination of liquidity and capital horizons listed in rows 11 and 12.
2) Data on total trading book positions subject to IRC			
23	E	Long exposures; of which/Exposure amount	The total exposure amount of net long positions included in the IRC. Exposures should be measured on a delta equivalent basis.
23	F	Long exposures; of which/average duration (years)	Exposure weighted average duration of net long positions included in the IRC.

Row	Column	Heading	Description
23	I	Long exposures; of which/average credit spread (%)	Exposure weighted average credit spread, reported in per cent on an annual basis, on net long positions included in the IRC as of the reporting date.
24	E, F, I	Long exposures; of which – AAA to A-	The same information as reported in row 23 only limited to net long exposures with a credit rating between AAA to A-. Reporting institutions are free to determine how to assign exposures to this rating class. Either external or internal rating systems may be used.
24	G	Long exposures; of which/average PD (%)	Exposure weighted average PD, reported in per cent, on net long positions included in the IRC.
24	H	Long exposures; of which/average LDG (%)	Exposure weighted average LGD, reported in per cent, on net long positions included in the IRC.
25	E-I	Long exposures; of which - BBB+ to BBB-	The same information as reported in row 24 only limited to net long exposures with a credit rating between BBB+ to BBB-. Reporting institutions are free to determine how to assign exposures to this rating class. Either external or internal rating systems may be used.
26	E-I	Long exposures; of which - BB+ to B-	The same information as reported in row 24 only limited to net long exposures with a credit rating between BB+ to B-. Reporting institutions are free to determine how to assign exposures to this rating class. Either external or internal rating systems may be used.
27	E-I	Below B-	The same information as reported in row 24 only limited to net long exposures with a credit rating below B-. Reporting institutions are free to determine how to assign exposures to this rating class. Either external or internal rating systems may be used.
28	E, G, H	Long equity exposures	The same information as reported in row 24, columns E, G and H, only limited to net long equity exposures.
29	E-I	Short exposures; of which	The same information as reported in row 24 except for net short positions included in the IRC rather than net long positions.
30	E-I	Short exposures; of which/AAA to A-	The same information as reported in row 24 except for net short rather than net long positions included in the IRC.
31	E-I	Short exposures; of which/BBB+ to BBB-	The same information as reported in row 25 except for net short rather than net long positions included in the IRC.
32	E-I	Short exposures; of which/BB+ to B-	The same information as reported in row 26 except for net short rather than net long positions included in the IRC.

Row	Column	Heading	Description
33	E-I	Short exposures; of which/Below B-	The same information as reported in row 27 except for net short rather than net long positions included in the IRC.
34	E, G, H	Short equity exposures	The same information as reported in row 28 except for net short rather than net long positions included in the IRC.
39	H	Pro-forma IRB capital charge applied to the absolute value of (long or short) exposures for each obligor	The pro-forma IRB capital charge applied to the absolute value of (long or short) exposures for each obligor/position included in the IRC. This computation should include any equity positions included in the IRC. Also, firms should employ the maturity adjusted IRB formula where possible. The pro-forma IRB capital charge should not be adjusted for expected loss.
40	H	Pro-forma IRB capital charge applied to the absolute value of net short exposures for short exposures	The same information as reported in row 39, column H restricted to net short positions.
41	H	Pro-forma IRB capital charge applied to the absolute value of net long exposures for long exposures	The same information as reported in row 39, column H restricted to net long positions.
42	H	Standardised method, specific market risk for IRC relevant positions	The standard specific risk capital charge applied to each position included in the IRC.
46-55	D	Ten most relevant instrument types	Report the description of the ten most relevant instrument types (in descending order by exposure amount) among positions included in the IRC.
46-55	E	Exposure amount	Report the gross exposure amount of the ten most relevant instrument types (in descending order by exposure amount) among positions included in the IRC. In the case of non-linear positions exposures should be measured on a delta equivalent basis.

3.3 Specific risk capital charges for securitisations based on external ratings

This worksheet deals with the new proposed specific risk capital charges for securitisation and re-securitisation positions as described in paragraphs 538 to 542 of the Basel II Framework. Section 1 relates to the current specific risk capital charges (both standardised and internal model based) that apply to securitisation positions. Section 2 relates to the new proposed standardised specific risk charges for securitisation and re-securitisation positions. Section 2 requests information on new proposed capital charges for securitisation positions that receive either standardised (panel (a)) or internal ratings-based (panel (b)) treatment. A description of the new proposed standardised specific risk capital charges for securitisation positions can be found in paragraphs 712(iv) to 712(vi) as proposed in the consultative document *Revisions to the Basel II market risk framework*.

In the case of non-linear positions the new proposed standardised specific risk capital charges should be computed using an exposure amount calculated on a delta equivalent basis for the purposes of this exercise.

Row	Column	Heading	Description
1) Current specific risk capital charges			
5	H	Standardised specific risk capital charge currently applied to securitisations	Total standardised specific risk capital charge applied to securitisation positions.
6	H	Standardised specific risk capital charge currently applied to net long securitisation positions	Total standardised specific risk capital charge applied to net long securitisation positions.
11	H	Current overall capital charge for market risk (including general and specific risk)	This is the total market risk capital charge, excluding the specific risk surcharge that would result in the case that the general and specific risk multipliers are 3.0.
12	H	Overall capital charge for market risk assuming all securitisation positions are included in general market risk but are removed for the calculation of specific risk	This is the total market risk capital charge, excluding the specific risk surcharge, in case that all securitisation positions were excluded from (internal) specific risk modelling. This calculation should continue to assume that the multipliers on general and specific risk are 3.0.
13	H	Implied specific risk capital charge for securitisation exposures	Do not enter any data in this cell. This cell equals the difference between rows 11 and 12, column H, and provides a measure of the increment to the overall market risk capital charge that is derived from internal specific risk capital charges.
14	H	Overall capital charge for market risk assuming internal specific risk models applied when net short securitisation positions are removed	This is the total market risk capital charge (excluding the specific risk surcharge) in case net short securitisation positions were excluded from (internal) specific risk modelling. This calculation should continue to assume that the multipliers on general and specific risk are 3.0.
15	H	Overall capital charge for market risk assuming internal specific risk models applied when net long securitisation positions are removed	This is the total market risk capital charge (excluding the specific risk surcharge) in case net long securitisation positions were excluded from (internal) specific risk modelling. This calculation should continue to assume that the multipliers on general and specific risk are 3.0.
2) New proposed standardised specific risk capital charges			
21	C	AA to AA- and A-1/P-1 / Securitisations	The new proposed standard specific risk capital charge on securitisation positions with AA to AA- and A-1/P-1 ratings that are treated according to the standardised approach.
21	G	AA to AA- and A-1/P-1 / Re-securitisations	The new proposed standard specific risk capital charge on re-securitisation positions with AA to AA- or A-1/P-1 ratings that are treated according to the standardised approach.

Row	Column	Heading	Description
22	C	A+ to A- and A-2/P-2 / Securitisations	The same information as in row 21, column C except applied to positions with a A+ to A- or A-2/P-2 rating.
22	G	A+ to A- and A-2/P-2 / Re-securitisations	The same information as in row 22, column G except applied to positions with an A+ to A- or A-2/P-2 rating.
23	C	BBB+ to BBB- and A-3/P-3 / Securitisations	The same information as in row 21, column C except applied to positions with a BBB+ to BBB- or A-3/P-3 rating.
23	G	BBB+ to BBB- and A-3/P-3 / Re-securitisations	The same information as in row 21, column G except applied to positions with a BBB+ to BBB- or A-3/P-3 rating.
24	C	BB+ to BB- / Securitisations	The same information as in row 21, column C except applied to positions with a BB+ to BB-rating.
24	G	BB+ to BB- / Re-securitisations	The same information as in row 21, column G except applied to positions with a BB+ to BB-rating.
25	C	Below BB- and A-3/P-3 / Securitisations	The same information as in row 21, column C except applied to positions with a rating below BB- or A-3/P-3 rating.
25	G	Below BB- and A-3/P-3 / Re-securitisations	The same information as in row 21, column G except applied to positions with a rating below BB- or A-3/P-3 rating.
28	C	Treatment (a) from paragraph 712 (v) / Securitisations	The new proposed standard specific risk capital charge on securitisation positions that receive treatment (a) from paragraph 712 (v) that are treated according to the standardised approach.
28	G	Treatment (a) from paragraph 712 (v) / Re-securitisations	The new proposed standard specific risk capital charge on re-securitisation positions that receive treatment (a) from paragraph 712 (v) that are treated according to the standardised approach.
29	C	Treatment (b) from paragraph 712 (v) / Securitisations	The same information as reported in row 28, column C except applied to positions that receive treatment (b) from paragraph 712 (v).
29	G	Treatment (b) from paragraph 712 (v) / Re-securitisations	The same information as reported in row 28, column G except applied to positions that receive treatment (b) from paragraph 712 (v).
30	C	Treatment (c) from paragraph 712 (v) / Securitisations	The same information as reported in row 28, column C except applied to positions that receive treatment (c) from paragraph 712 (v).
30	G	Treatment (c) from paragraph 712 (v) / Re-securitisations	The same information as reported in row 28, column G except applied to positions that receive treatment (c) from paragraph 712 (v).
31	C	Deducted from capital / Securitisations	The amount of securitisation positions that are deducted from capital.
31	G	Deducted from capital / Re-securitisations	The amount of re-securitisation positions that are deducted from capital.

Row	Column	Heading	Description
34	C	Net long positions / Securitisations	Total new proposed standardised specific risk capital charge on net long securitisation positions that receive standardised treatment.
34	G	Net long positions / Re-securitisations	Total new proposed standardised specific risk capital charge on net long re-securitisation positions that receive standardised treatment.
35	C	Net short positions / Securitisations	Total new proposed standardised specific risk capital charge on net short securitisation positions that receive standardised treatment.
35	G	Net short positions / Re-securitisations	Total new proposed standardised specific risk capital charge on net short re-securitisation positions that receive standardised treatment.
41	C	AAA/A-1/P-1 / Securitisations/ Senior Granular	Total new proposed standardised specific risk capital charge on securitisation positions that are senior and granular with a rating of AAA or A-1/P-1 and are treated according to the internal ratings-based approach.
41	D	AAA/A-1/P-1 / Securitisations / Non-Senior Granular	Total new proposed standardised specific risk capital charge on securitisation positions that are non-senior and granular with a rating of AAA or A-1/P-1 and are treated according to the internal ratings-based approach.
41	E	AAA/A-1/P-1 / Securitisations / Non-granular	Total new proposed standardised specific risk capital charge on securitisation positions that are non-granular with a rating of AAA or A-1/P-1 and are treated according to the internal ratings-based approach.
41	G	AAA/A-1/P-1 / Re-securitisations / Senior	Total new proposed standardised specific risk capital charge on senior re-securitisation positions with a rating of AAA or A-1/P-1 and are treated according to the internal ratings-based approach.
41	H	AAA/A-1/P-1 / Re-securitisations / Non-senior	Total new proposed standardised specific risk capital charge on non-senior re-securitisation positions with a rating of AAA or A-1/P-1 and are treated according to the internal ratings-based approach.
42	C, D, E, G, H	AA	The same information as in row 41 columns C,D,E,G,H only applied to positions with a rating of AA.
43	C, D, E, G, H	A+	The same information as in row 41 columns C,D,E,G,H only applied to positions with a rating of A+.
44	C, D, E, G, H	A/A-2/P-2	The same information as in row 41 columns C,D,E,G,H only applied to positions with a rating of A / A-2 / P-2.
45	C, D, E, G, H	BBB+	The same information as in row 41 columns C,D,E,G,H only applied to positions with a rating of BBB+.

Row	Column	Heading	Description
46	C, D, E, G, H	BBB/A-3/P-3	The same information as in row 41 columns C,D,E,G,H only applied to positions with a rating of BBB/A-3/P-3.
47	C, D, E, G, H	BBB-	The same information as in row 41 columns C,D,E,G,H only applied to positions with a rating of BBB-.
48	C, D, E, G, H	BB+	The same information as in row 41 columns C,D,E,G,H only applied to positions with a rating of BB+.
49	C, D, E, G, H	BB	The same information as in row 41 columns C,D,E,G,H only applied to positions with a rating of BB.
50	C, D, E, G, H	BB-	The same information as in row 41 columns C,D,E,G,H only applied to positions with a rating of BB-.
51	C, D, E, G, H	Below BB-/A-3/P-3	The same information as in row 41 columns C,D,E,G,H only applied to positions with a rating below BB-/A-3/P-3.
54	C	Treatment (a) from paragraph 712 (v) / Securitisations	The new proposed standard specific risk capital charge on securitisation positions that receive treatment (a) from paragraph 712 (v) that are treated according to the internal ratings-based approach.
54	G	Treatment (a) from paragraph 712 (v) / Re-securitisations	The new proposed standard specific risk capital charge on re-securitisation positions that receive treatment (a) from paragraph 712 (v) that are treated according to the internal ratings-based approach.
55	C	Treatment (b) from paragraph 712 (v) / Securitisations	The new proposed standard specific risk capital charge on securitisation positions that receive treatment (b) from paragraph 712 (v) that are treated according to the internal ratings-based approach.
55	G	Treatment (b) from paragraph 712 (v) / Re-securitisations	The new proposed standard specific risk capital charge on re-securitisation positions that receive treatment (b) from paragraph 712 (v) that are treated according to the internal ratings-based approach.
56	C	Treatment (c) from paragraph 712 (v) / Securitisations	The new proposed standard specific risk capital charge on securitisation positions that receive treatment (c) from paragraph 712 (v) that are treated according to the internal ratings-based approach.
56	G	Treatment (c) from paragraph 712 (v) / Re-securitisations	The new proposed standard specific risk capital charge on re-securitisation positions that receive treatment (c) from paragraph 712 (v) that are treated according to the internal ratings-based approach.

Row	Column	Heading	Description
57	C	Deducted from capital / Securitisations	The amount of securitisation positions that are deducted from capital.
57	G	Deducted from capital / Re-securitisations	The amount of re-securitisation positions that are deducted from capital.
60	C	Net long positions / Securitisations	Total new proposed standardised specific risk capital charge on net long securitisation positions that receive standardised treatment.
60	G	Net long positions / Re-securitisations	Total new proposed standardised specific risk capital charge on net long re-securitisation positions that receive standardised treatment.
61	C	Net short positions / Securitisations	Total new proposed standardised specific risk capital charge on net short securitisation positions that receive standardised treatment.
61	G	Net short positions / Re-securitisations	Total new proposed standardised specific risk capital charge on net short securitisation positions that receive standardised treatment.
64	G	Positions part of a hedging strategy where the hedges will not be recognised	Capital impact of positions that are part of a hedging strategy but the hedges will not be recognised once the new standardised securitisation charges come into effect, as described in question 33 of the qualitative questionnaire.
65	G	Inherently offsettable positions across desks that provide diversification benefits but would not be recognised	Capital impact of inherently offsettable positions across desks that provide diversification benefits but would not be recognised with the new standardised securitisation charges, as described in question 33 of the qualitative questionnaire.
70–79	B	Ten most relevant instrument types	Report the description of the ten most relevant instrument types (in descending order by exposure amount) subject to specific risk capital charges for securitisations.
70–79	C	Exposure amount	Report the gross exposure amount of the ten most relevant instrument types (in descending order by exposure amount) subject to specific risk capital charges for securitisations. In the case of non-linear positions exposures should be measured on a delta equivalent basis.

3.4 Stressed value-at-risk

This worksheet deals with the new proposed stressed value-at-risk capital charge. A detailed description of the stressed value-at-risk can be found in paragraph 718 (lxxvi) lit (i) of the consultative document *Revisions to the Basel II market risk framework*. This worksheet requests data on the firm's assessment of stressed value-at-risk for the current trading book portfolio as of the reporting date. In order to compare this new value-at-risk measure to the standard 10-day, 99% value-at-risk we also ask firms for a measure of "non-stressed VaR" for the same trading book portfolio as of the reporting date. The "non-stressed VaR" is meant to capture what the firm's portfolio value-at-risk would look like during more normal market conditions. If possible, we ask that the "non-stressed VaR" be the firm's value-at-risk for the

trading book portfolio as of the reporting date that would have obtained on 31 December 2006. In cases where this specification of the value-at-risk calculation is not feasible or unduly burdensome, firms should conduct a value-at-risk calculation on the basis of time series data of their choice provided the data are reflective of expected long-run risk and return assumptions.

Row	Column	Heading	Description
1) Trading portfolios – stressed VaR contribution			
4	E	Total VaR – 10-day, 99% / Stressed VaR	Report, for the firm’s portfolio as of the reporting date, the stressed VaR as outlined in the new consultative document, paragraph 718 (lxxvi) lit (i). The VaR should be reported as a capital charge and not be converted to risk-weighted asset equivalents.
4	F	Total VaR – 10-day, 99% / non-stressed VaR	Report, for the firm’s portfolio as of the reporting date, the VaR that would have obtained on 31 December 2006. In the event that this calculation is not feasible or too burdensome please compute a VaR estimate that is consistent with the firm’s long run risk and return expectations. Also, be sure to provide a description of how this calculation was made in the accompanying qualitative questionnaire. The VaR should be reported as a capital charge and not be converted to risk-weighted asset equivalents.
7	E	Interest rate products / Stressed VaR	Report the same information as reported in row 4 column E for the firm’s subportfolio that is limited to interest rate products. Please include hybrid products (eg currency/interest rate) on a best effort basis, eg based on internal portfolio management. (If the currency/interest rate product is managed on an interest rate desk, please include it under interest rate.)
7	F	Interest rate products / non-stressed VaR	Report the same information as reported in row 4 column F for the firm’s subportfolio that is limited to interest rate products. Please include hybrid products (eg currency/interest rate) on a best effort basis, eg based on internal portfolio management. (If the currency/interest rate product is managed on an interest rate desk, please include it under interest rate.)
8	E	Equities / Stressed VaR	Report the same information as reported in row 4 column E for the firm’s subportfolio that is limited to equities and equity related (eg options) products.
8	F	Equities / non-stressed VaR	Report the same information as reported in row 4 column F for the firm’s subportfolio that is limited to equities and equity related (eg options) products.
9	E	Foreign exchange / Stressed VaR	Report the same information as reported in row 4 column E for the firm’s subportfolio that is limited to foreign exchange and foreign exchange related (eg options) products.

Row	Column	Heading	Description
9	F	Foreign exchange / non-stressed VaR	Report the same information as reported in row 4 column F for the firm's subportfolio that is limited to foreign exchange and foreign exchange related (eg options) products.
10	E	Commodities / Stressed VaR	Report the same information as reported in row 4 column E for the firm's subportfolio that is limited to commodity and commodity related (eg options) products.
10	F	Commodities / non-stressed VaR	Report the same information as reported in row 4 column F for the firm's subportfolio that is limited to commodity and commodity related (eg options) products.
12	E	Interest rate products and equities / Stressed VaR	Report the same information as reported in row 4 column E for the firm's subportfolio that is limited to interest rate products and equity products.
12	F	Interest rate products and equities / non-stressed VaR	Report the same information as reported in row 4 column F for the firm's subportfolio that is limited to interest rate products and equity products.
13	E	Foreign exchange and commodities / Stressed VaR	Report the same information as reported in row 4 column E for the firm's subportfolio that is limited to foreign exchange and commodity products.
13	F	Foreign exchange and commodities / non-stressed VaR	Report the same information as reported in row 4 column F for the firm's subportfolio that is limited to foreign exchange and commodity products.