WRDS - NIC Bank Ultimate Parent

1. National Information Center (NIC)

The National Information Center is a repository of financial data and institution characteristics collected by the Federal Reserve System. The data is comprised of the following tables:

- **`ATTRIBUTES_ACTIVE`** Provides information describing the characteristics of open and active institutions.
- **`ATTRIBUTES_BRANCHES`** Provides the last instance of closed / failed institutions.
- **`ATTRIBUTES_CLOSED`** Provides the last instance of branches whose head office is listed in either the Active or Closed Attributes tables.
- **`RELATIONSHIPS`** Provides the history of ownership between two entities.
- **`TRANSFORMATIONS`** Provides information on mergers and failures.

More detailed descriptions of these tables and the columns within them can be found in the `NPW Data Dictionary.pdf` document.

2. Relationships

The RELATIONSHIPS table has detailed information on the historical relationships between banks, including the information shown below - parent, child, start, and end date.

id_rssd_parent	id_rssd_offspring	dt_start	dt_end
1133567	3156029	20020925	20070629
3779585	3787209	19961127	20161230
3132171	3756643	20080414	20081105
5679335	5679344	20210826	99991231
1119794	55055	19741231	19761230

Where the year is 9999 an ongoing relationship is indicated.

3. Relationships by Year

As indicated in **Section 2** relationships are bound by a start and end date. In order to have yearly relationship data, a breakpoint had to be fixed. Consequently, yearly relationships are ***as of December 31*** of a given year.

Example:

	id_rssd_offspring	id_rssd_parent	d_dt_start	d_dt_end
0	783059	1122486	1995-01-03	2000-11-30
1	1717499	794037	1990-03-01	1994-12-31
2	2040907	102016	1993-02-17	1994-12-31
3	970233	1200816	1983-12-31	1984-12-30

In the example shown above, rows 1 and 2 would have a final relationship year of 1994. Rows 0 and 3, however, would have a final relationship year of 1999 and 1983 respectively.

4. Primary Parent

In many cases a bank will have more than one parent in the relationship table for a given year.

1. the subsidiary bank has only a single parent in the given year
2. "Regulated Indicator" (REG_IND) equals 1
3. "Control Indicator" (CTRL_IND) equals 1
4. there is only one parent where "Equity Indicator" (EQUITY_IND) equals 1
5. there is only one parent where "Equity Indicator" (EQUITY_IND) equals 2 and no other parent with an "Equity Indicator" of 1
6. if there is more than one parent with an non-zero "Equity Indicator" (EQUITY*IND) and a clear maximum "Percent Of Equity Voting Control" (PCT*EQUITY)
7. if the length of the relationship is clearly the longest of the parents

5. Recursive Relationships

In any given year, the relationships table contains circular or recursive parent-child relationships.

Example:

id_rssd_offspring	id_rssd_parent	d_dt_start	d_dt_end
1170142	1170151	1980-12-31	2001-12-31
1170142	1170151	2003-01-10	2007-06-29
1170142	1170151	2007-06-30	2017-05-24
1170151	1181812	2000-11-01	2007-06-29
1170151	1181812	2007-06-30	2011-05-26
2038267	1181812	2002-05-16	2017-06-11
2962791	1181812	2000-11-01	2007-06-29
2962791	1181812	2007-06-30	2017-06-11
1170151	2038267	2011-05-27	2015-06-22
1170151	2038267	2015-06-23	2019-11-10
1181812	2962791	2007-12-14	2017-06-11

In the example shown above, for the years 2008-2016, `id_rssd` 1181812 and 2962791 are simultaneously the parent and the child of each other. In other cases, this recursion is less immediate and may involve a grandparent or great-grandparent.

6. Ultimate Parent

The **`WRDS_ULTIMATE_PARENT`** table has been created by walking the relationship tree from each `id_rssd_offspring` which is not also a parent down to the last `id_rssd_parent` in the chain, for a given year (*see #2 above*).

Given the previously mentioned existence of recursive relationships, where recursion is found walking the tree ends.

The columns in the `wrds_ultimate_parent` table are as follows:

- `reln_year` The relationship year
- `focal` The id_rssd of the focal bank
- `immediate` The id_rssd of the focal bank's immediate parent
- `ultimate` The id_rssd of the focal bank's ultimate parent
- `primary_flag` Flag indicating whether the immediate parent is the primary parent based on criteria outlined in *#3* above
- `tree_list` A comma-delimited list of the full tree

Below is and example of the content of the `wrds_ultimate_parent` table.

Example:

reln_year	focal	immediate	ultimate	primary_flag	tree_list
2023	3969546	3936650	2961897	1	[4214346,4211046,3953602,3969546,3936650,2162966,2961897]
2023	5663165	5663129	2380443	0	[5663240,5663183,5663165,5663129,5286265,3989290,3989003,3997763,