

Table of Contents

1	Member Statement	1
2	Executive Summary	3
3	Annual Report Recommendations	11
4	Macroeconomic Environment	17
	Box A: U.S. Dollar as the International Reserve Asset	34
	Box B: Municipal Debt Market	38
	Box C: Country Support Developments in Europe	42
5	Financial Developments	45
	Box D: Money Market Funds	50
	Box E: Exchange Traded Funds	66
	Box F: Improvements in Regulatory Capital and Accounting Measures of Assets	72
	Box G: Analytical Basis for Basel III Capital Standards	84
	Box H: Improving Capital Planning	88
	Box I: Addressing Issues Related to Large Complex Financial Institutions	112
6	Progress in the Implementation of the Dodd-Frank Act; Council Activities	115
7	Potential Emerging Threats to U.S. Financial Stability	131
	Box J: Measuring Systemic Risk	132
	Box K: Stress Testing as a Forward-Looking Risk Mitigation Tool	134
	Box L: Improvements in the Monitoring of Risks to Financial Stability	139
	Glossary	151
	Abbreviations	165
	Notes on the Data	171
	List of Charts	173