Irving Fisher Committee on
Central Bank Statistics

BANK FOR INTERNATIONAL SETTLEMENTS

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IFC / National Bank of Belgium Workshop on

DATA NEEDS AND STATISTICS COMPILATION FOR MACROPRUDENTIAL ANALYSIS

Hosted by the National Bank of Belgium, Brussels, 18-19 May 2017

CALL FOR PAPERS

This call invites the submission of abstracts on general data issues related to macroprudential analysis, to be discussed at the IFC / National Bank of Belgium Workshop in Brussels on 18–19 May 2017. The Workshop will bring together statisticians, economists, researchers and academics. It will allow producers and users of statistical information – especially from international organisations and other official institutions, including central banks and macroprudential authorities – to exchange views and country experiences as well as to present results of their own analyses and the underlying data. Therefore, the presentation of work in progress is very much welcomed. The papers will be published afterwards as an *IFC Bulletin*.

The Workshop will be organised around the following themes:

1. Databases for macroprudential analysis and policy

This session aims at discussing the datasets currently used by macroprudential authorities for their surveillance and analysis. Effective macroprudential supervision and policy making requires comprehensive, high-quality indicators to monitor risks, identify vulnerabilities and assess the effectiveness of macroprudential instruments. This calls for a close surveillance of the financial system as well as the regular monitoring of macroeconomic imbalances. In addition, the selection of indicators should be based on the need to monitor risks along two distinct dimensions. First, the cyclical dimension relates to the prevention of the build-up of fragilities over time and to the set-up of adequate buffers that can increase the resilience to shocks and support the provision of credit in the downturn. The monitoring of this cyclical dimension requires a wealth of information, for instance on developments in financial and real estate markets, credit, debt and funding patterns as well as on macroeconomic imbalances. Second, the system-wide dimension reflects financial vulnerabilities arising from interlinkages between institutions, concentration of exposures and the critical role played by specific firms in key markets (eg the so-called “too big to fail” entities). In this context, information on interconnectedness between financial institutions, common exposures, exposure concentration and herd behaviour needs to be considered.

2. Identifying and closing data gaps

This session will review those areas where macroprudential analysis is constrained by insufficiencies in the data available and the associated challenges (eg difficulties related to data-sharing and to combining micro- and macro-level data). A particular focus will be on data gaps related to the real estate sector, shadow banks and households’ financial behavior and on how ongoing national and international initiatives are working to address them.

First, the ***real estate sector*** plays an important role for the economy in general and the financial system in particular. Monitoring its developments is thus crucial to ensure the early identification of vulnerabilities. However, the availability of timely, comparable and relevant indicators is still very much constrained, as recognised at the respective European authorities in charge of macroprudential oversight of the financial system, of monetary policy or of supervision. This is an obstacle to both the monitoring of financial stability risks and the design, implementation and evaluation of related macro-prudential instruments.

Second, an adequate analysis of ***shadow banks*** requires data for identifying the institutions which need to be monitored and for assessing their related risks. To this end, one should clarify the statistical information to be used, what is missing, what types of analyses have been done and what lessons they have brought. Particular topics of interest include the measurement of the shadow banking sector (eg treatment of the *Other Financial Intermedi*aries sector, dealing with unclassified entities, and identification of entities consolidated in the regulatory perimeter), its interconnectedness with other sectors, and its specific risks (eg measures of run risk in investment funds).

Third, ***households' financial behaviour*** can have a major impact on the stability of the financial system. Standard aggregate economic data provide a frequent and timely picture of the financial position of households. Yet, this information can hide pockets of vulnerabilities that can lead to system-wide instability. This puts a premium on accessing household-level micro information – for instance the Household Finance and Consumption Survey in Europe. While such data are useful – as they provide information on the distribution of assets and liabilities and hence on financial vulnerabilities among households – they are often available at a low frequency and with significant delay. Hence, they may preferably be used as a complement to the available macro statistics. This session will provide an opportunity to illustrate and discuss the collection of household-level data for macroprudential policy analysis, their use for assessing fragilities (eg distributional issues, stress tests, vulnerabilities to potential shocks), and the identification of related data gaps.

3. Credit register data

Credit registers are an important source of information on loans provided to the economy and can be instrumental for assessing the quality of financial institutions' portfolios. Their information has been used for banking supervision and for monetary and financial stability analyses, particularly related to the calibration of macroprudential instruments and the assessment of their effectiveness. In the euro area, the use of credit registers' data will be fostered by the AnaCredit regulation and the set-up of a dataset on individual loans harmonised across countries by end–2018. This session intends to explore the use of credit register data for macroprudential analyses (eg assessment of counterparty, concentration, contagion and funding risks) as well as to calibrate and assess the effectiveness of macroprudential instruments especially targeting the credit cycle and the real economy.

4. Trade Repositories data

Financial and non-financial institutions are increasingly required to report more comprehensive, granular data on their financial operations. One example is the obligation to report derivative transactions to Trade Repositories (TRs), as requested for instance by the European Market Infrastructure Regulation (EMIR) since 2014 – noting that the amount of data collected will increase even further in 2018 with the Securities Financing Transactions Regulation. Having access to this granular information is imperative for monetary and financial stability authorities. At the same time, dealing with such "big data" presents some challenges, especially in terms of analytical methods and technical infrastructure. This session will analyse the usefulness of TRs data for financial stability risk analysis (eg interconnectedness analysis, shadow banks monitoring, central clearing issues, development of early warning indicators), the related data gaps and ways to overcome them.

Please send your title and abstract including key words and contact details by 1 March 2017 to IFC.secretariat@bis.org. **Key dates are the following:**

- **Abstract submission: 1 March 2017**
- Acceptance notification: 15 March 2017
- Submission of selected papers' presentations: 5 May 2017