Macroeconomic Financial Accounts

A MOOC

by *Sapienza University* and *Coursera*

Presentation by Daniele Fano, Working Party On Financial Statistics, OECD, October 2021

SAPIENZA
UNIVERSITÀ DI ROMA

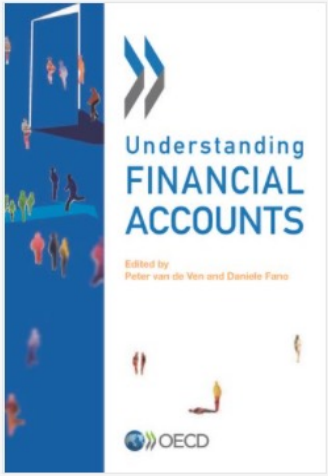
Why a course on Macroeconomic Financial Accounts

Macroeconomic Financial Accounts **support the development and use of statistics, besides policy analyses and initiatives**.

- Following the 2007-09 financial crisis, the G20 launched a **Data Gaps Initiative** and the *Financial Stability Board*, jointly with the BIS, the IMF, OECD, the ECB and other Central Banks, has given *a new impulse to the development, dissemination and use of Financial Accounts.*
- **The rise of internal and external *financial imbalances caused by the current Covid-19 crisis and it aftermath requires, more than ever, careful monitoring.***
- ***The forthcoming SNA will represent an opportunity for renewed interest***

Learning Objective:
making the logic, contents and use of macroeconomic financial accounts accessible to a *broad audience* in *an intelligible and effective way*

OECD Reference Textbook



Understanding Financial Accounts

Understanding Financial Accounts seeks to show how a range of questions on financial developments can be answered with the framework of financial accounts and balance sheets, by providing non-technical explanations illustrated with practical examples: What are the basic principles, concepts and definitions used for this framework which is part of the system of national accounts? What sources and which methodologies are used for their compilation? How are these used to monitor and analyse economic and financial developments? What can we learn about the 2007-2009 economic and financial crisis when looking at the numbers provided in this framework? What can we learn about financial risks and vulnerabilities? This publication is intended for young statisticians, students, journalists, economists, policy makers and citizens, who want to know more about the statistics that are at the heart of the analysis of financial developments in OECD economies.

Editors: Peter van de Ven and Daniele Fano Oecd Paris, 2017

The course syllabus

1. Financial systems at a glance

1.1 Financial transactions: the end of one story, the beginning of another one.
1.2 The Identity relating net lending/borrowing across the five institutional sectors
1.3 Heuristic aspects of the balancing logic and the current account balance as a proxy
Tutorial 1 -- How to select and download data from the OECD website
Assignment 1.1
Appendix 1.1. SNA definitions: Institutional Sectors Additional and optional interviews and documents 1.1- Podcast Peter van de Ven (Head of National Accounts, OECD

2. Deriving net lending/borrowing: national economy vs. rest of the world, balancing items, sectoral breakdowns.

2.1 Insights from a national economy vs rest of the world framework
2.2 The sequence of accounts, the rest of the world and the balance of payments
2.3 From the balancing items to the institutional sectors breakdowns.
Tutorial 2 – How to select and download data from the IMF website and from the Eurostat website Assignment 1.2.
Appendix 1.2. SNA definitions: Transactions, accounting identities, netting and consolidating
Additional and optional interviews and documents 1.2 Podcast Henning Ahnert (Head of the Financial Accounts and Fiscal Statistics section at ECB) Part 1

3. Financial transactions. Instruments and interconnections

3.1 The logic of the Financial Account and its informational content
3.2 "From whom to whom"?
3.3 Risk, securitization and institutionalization
Tutorial 3 – Assessing the risk of financial instruments Assignment 1.3
Appendix 1.3. SNA definitions: Discrepancies between the Capital Account and the Financial Account
Additional and optional interviews and documents 1.3 Podcast Henning Ahnert (Head of the Financial Accounts and Fiscal Statistics section at ECB) Part 2

4. Stocks. Net Worth. Financial Wealth

4.1 The Balance Sheet and its logic
4.2 Highlights on the Institutional Sectors and Financial Net Worth
4.3 Considerations on Households' Wealth
Tutorial 4 – The OECD and IMF websites for analyzing figures about levels: Financial Net Worth, International Investment Position Assignment 1.4
Appendix 1.4. SNA definitions: Quadruple Accounting Additional and optional interviews and documents 1.4

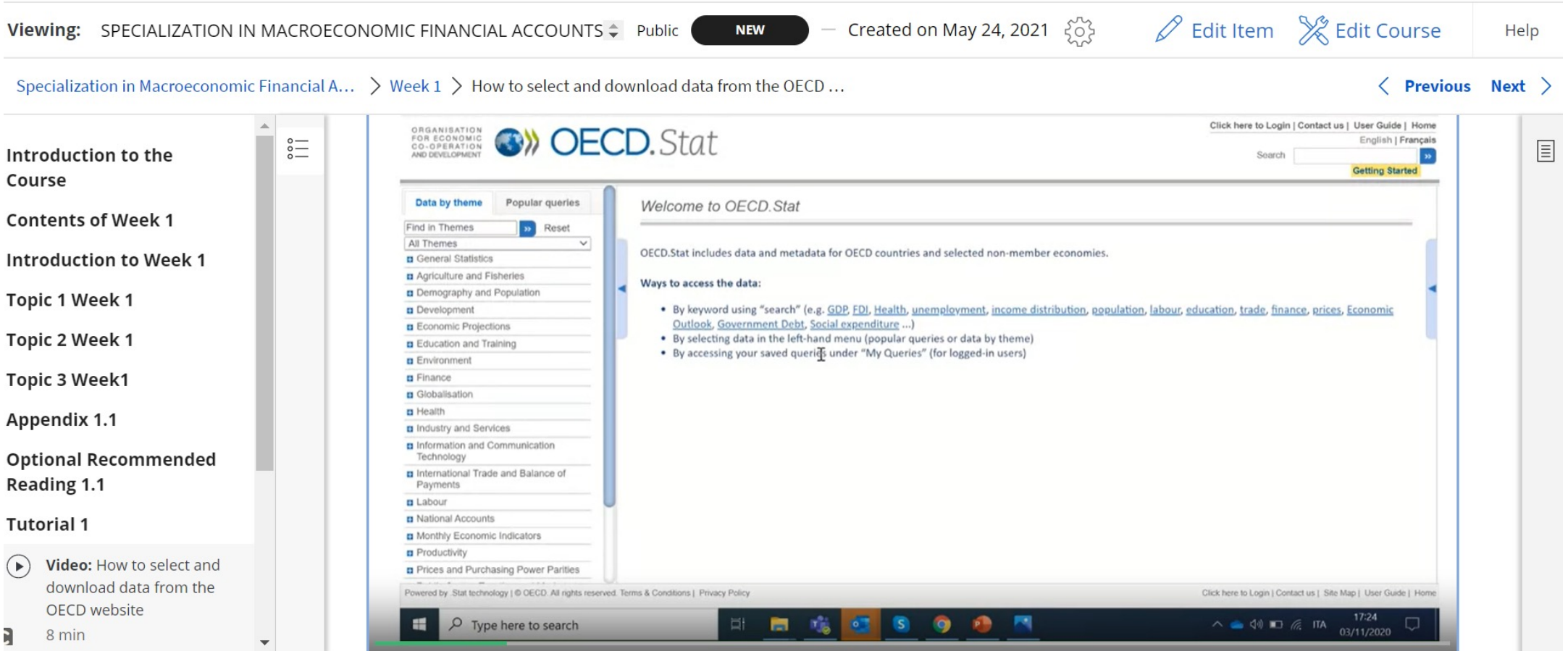
5. Accumulation

5.1 Accumulation Accounts in the SNA
5.2 The relative importance of factors affecting Net Worth
5.3 About stocks and flows across growth and cycles
Tutorial 5 – How to update a table going to the original source Assignment 1.5
Appendix 1.5. SNA definitions: Net Lending/Net Borrowing redefined; Nominal vs Real Holding Gains.
Additional and optional interviews and documents 1.5

6. Financial Accounts, Economic and Monetary Policy, Stability

6.1 Macro-financial tools for evaluating stability
6.2 Past and present: from the 2007-2009 Great Financial Crisis to Covid-19
6.3 The main available reports and documents
Additional and optional interviews and documents 1.6 Podcast Bruno Tissot (Head of Statistics and Research Support at the BIS and Head of the Secretariat of the Irving Fisher Committee on Central Bank Statistics (IFC) in three parts
Multiple Choice Final Test

The course: **statistical concepts** and theory, **bridges to economic and financial analysis** and, not least, **guides to accessing databases**, as for example:



Scientific Committee and Organization

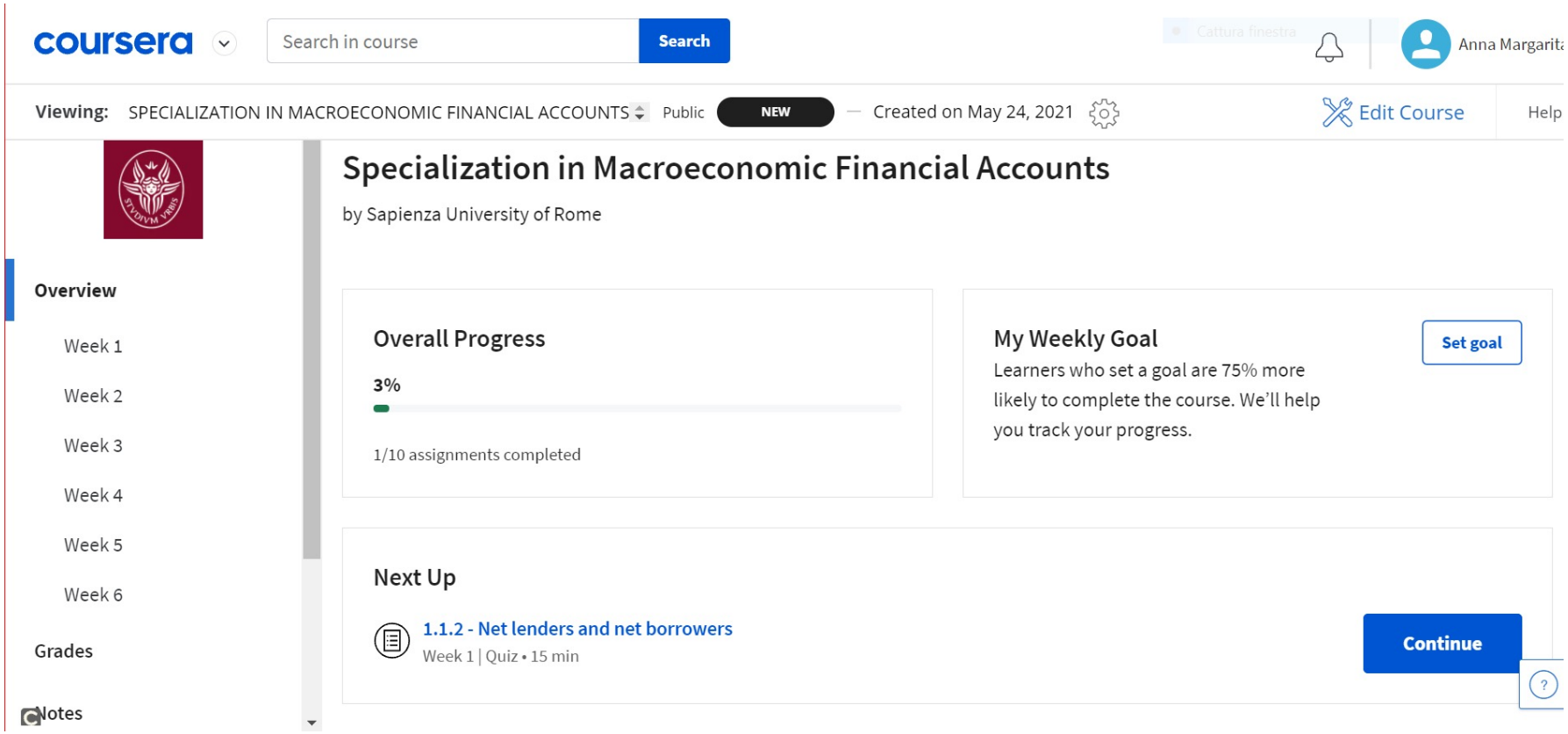
Scientific Committee

- A Scientific Committee with participants from BIS, Bank of Italy, ECB, OECD, Sapienza University and experts has overseen the course.

- The project is managed by the Department of Social and Economic Sciences of Sapienza University in Rome and by ST Skills Together, an education technologies company.

Soon on Coursera

An introductory six week Course 1 will be online with Coursera by the end of this year.
Further more specialized courses in the pipeline



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