Bank Financial Strength Dashboard

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What is the Dashboard?
Self-discipline

Market discipline

Regulatory discipline
Background on prudential disclosures

• Public disclosure is a cornerstone of prudential supervision
• NZ disclosure regime for banks introduced in 1996 (pioneering)
• NZ disclosure regime reviewed and simplified in 2011 with a focus on sophisticated audience
  • Guiding principles: Clear, comprehensive, meaningful, consistent and comparable
  • Post GFC updates - more prescriptive & more detailed
The dashboard aims to improve the comparability, accessibility and timeliness of information that banks are required to disclose to the public on their financial and prudential condition.
Expected benefits

- Enhanced market discipline
- Better public benchmark data
- Learning and research
- Better quality data
Communications Strategy

- RBNZ education & awareness campaign
- Engaging with key stakeholders
- User-friendly website design
Disclosure target audience

Creditors
- Secured debt
- Retail deposits
- Other unsecured debt
- Subordinated debt
- Equity holders
- Media
- Analysts / Academics
- Rating agencies
- Directors
- Other banks

Owners

Other interested parties (e.g.)
What is next

• Continue to promote and build awareness of the Dashboard
• Possibly other disclosure dashboards (e.g. insurance and NBDTs)
• Develop new features to meet user needs:
  • Public API’s for flexible and efficient use of data
  • Print / share image feature
• Further analytical work on market discipline
  • Quantitative and qualitative
  • Dashboard monitoring