Making available data more useable: Compilation and publication of break-adjusted (historical) time series

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Motivation and objectives

A break is ‘an interruption of continuity or uniformity’ (https://en.oxforddictionaries.com)

• Direct request from internal users to adjust for breaks
• Strong wish to improve the value added of DNB’s statistics

The objectives of our paper are to:
• Describe DNB’s policy for the publication of break-adjusted data
• Present the methodology underlying break-adjusted data
• Show results for break-adjusted (historical) time series
Way towards a new policy

• Some important issues for discussion
  ▪ Scope
  ▪ Methodology
  ▪ Quality
  ▪ Publication
  ▪ Resourcing
New policy for break-adjusted data

- Costs and benefits weighted: ranking of methods/approaches
  1. Adjustments based on data adjusted by reporting institutions
  2. Adjustments based on additional qualitative information
  3. Automated (i.e. multiplicative) adjustment for positions and flows
  4. Tailored solutions

- Minimal viable product: what could a user achieve?
- No adjustment for inconsistencies
- Publication of both adjusted and unadjusted series
- Start publication of key monetary indicators
Break-adjusted series: MFI’s total assets

Break-adjusted and unadjusted data for MFI’s total assets; a comparison
Historical time series for mortgage loans (1)

- Data availability
  - ‘Social-economic reporting’
  - Publication of historical time series
  - External sources (securitisations)
- Tailor-made approach: combination of different approaches
- Adjustment for securitisations and savings banks’ balance sheets developments
Historical time series for mortgage loans (2)

Break-adjusted data for MFI mortgage loans granted to Dutch households
Conclusions and way forward

• Break-adjusted statistics increase the value added of data
• The policy recently introduced fosters the compilation and publication of break-adjusted data
• Breaks are mainly adjusted automatically, historical time series require more tailor-made solutions

• Way forward:
  ▪ Assess ‘unknown users’ preferences
  ▪ Develop and assess adjustment on individual institution level
  ▪ Extend the publication of historical time series