Irving Fisher Committee on
Central Bank Statistics

BANK FOR INTERNATIONAL SETTLEMENTS

NationalBank
OF BELGIUM
Eurosystem

IFC – National Bank of Belgium Workshop
on "Data needs and Statistics compilation for macroprudential analysis"
Brussels, 18-19 May 2017

Programme

Thursday 18 May 2017

Welcoming remark

Rudi Acx, Head of Statistics, General Statistics Department, National Bank of Belgium

Aurel Schubert, IFC Vice Chair and Director General, Statistics Department, European Central Bank

Session 1: Databases for macroprudential analysis and policy - Auditorium

This session discusses 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.

Chair: **Aurel Schubert,** IFC Vice Chair and Director General, Statistics Department, European Central Bank

Papers:

1.1. **Thomas Schepens**, National Bank of Belgium (NBB) and **Samo Boh**, European Central Bank (ECB) with co-authors from European Systemic Risk Board (ESRB): "*European Macroprudential Database*" ([presentation](#))

1.2. **Urszula Kochanska**, ESRB Secretariat: "*The New ESRB Cross-Country Database of Macroprudential Measures and Indicators of the Usage of Such Measures*" ([presentation](#))

1.3. **Maja Ivanović,** Marijana Mitrović-Mijatović and Milena Vučinić, Central Bank of Montenegro: *"Towards identification of gaps in data availability for maintaining financial stability – the case of Montenegro"* ([presentation](#))

1.4. **Jens Mehrhoff**, Eurostat *"How should we measure residential property prices to inform policy makers?"* ([presentation](#))

Session 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, new patterns of intermediation and households' financial behavior and on how ongoing national and international initiatives are working to address them. Taking account of the vast domain this session, which continues this afternoon, will work via breakout sessions: we have in parallel the presentations on real estate and household financial behaviour on the one hand and those on shadow banking on the other hand.

Breakout A: The real estate sector

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.

Chair: **Pedro Duarte Neves,** Vice Governor, Bank of Portugal

Papers:

2.A.1. **Frank Dierick**, ESRB Secretariat, and **Emmanuel Point**, French Prudential Supervision and Resolution Authority, with co-authors: Wanda Cornacchia, Bank of Italy and Mara Pirovano, NBB and: "*Closing real estate data gaps in the EU"* (presentation)

2.A.2 **Edwige Burdeau**, Bank of France: "*Evaluating risks in the French office market with new sources of data on commercial property prices*" (presentation)

2.A.3. **Philip Du Caju**, NBB: "*Survey evidence of pockets of risk in the Belgian mortgage market: A micro analysis based on HFCS data*" (presentation)

2.A.4. **Peter Lindner** and Nicolas Albacete, Central Bank of the Republic of Austria: "*Simulating impacts of borrower based macroprudential policies on mortgages and the real estate sector in Austria – evidence from the Household Finance and Consumption Survey 2014"* (presentation)

2.A.5. **Luca Onorante**, ECB, with co-authors: Matija Lozej and Ansgar Rannenberg, Central Bank of Ireland: "*Countercyclical Capital Regulation in a Small Open Economy DSGE Model"* (presentation)

Breakout B: Shadow banking

Shadow banks have stepped into lending after the global financial crisis, which enhances the importance of monitoring their activity. Risks surveillance 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.

Chair: **Charles Thomas,** IFC Executive member and Associate Director, Division of International Finance, Board of Governors of the Federal Reserve System

Papers:

2.B.1. **Anna Maria Agresti** and Rok Brence, ECB: "*Statistical work on shadow banking: development of new datasets and indicators for shadow banking*" (presentation)

2.B.2. **James Younker**, Bank of Canada: "*Peer-to-Peer Lending: An Emerging Shadow Banking Data Gap*" (presentation)

2.B.3. **Celestino Girón** and **Antonio Matas**, ECB: "*Interconnectedness of shadow banks in the euro area*" (presentation)

2.B.4. **Jose Maria Serena Garralda** and Kaushik Jayaram, Bank for International Settlements (BIS): *"Interlinkages between Non-Financial Firms, Banks, and Institutional Investors: Towards a Dataset of Financial Exposures"* ([presentation](#))

2.B.5. **Giorgio Nuzzo**, Bank of Italy: "*A critical review of macro statistics assessing the size and the riskiness of the securitization market: evidence from Italy and the other euro area countries*" ([presentation](#))

Luncheon address

Jan Smets, Governor of the National Bank of Belgium and former IFC Chair

Keynote remarks

Claudia Buch, IFC Chair and Vice President, Deutsche Bundesbank

Breakout C: Households' financial behavior

The 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.

Chair: **Joao Cadete de Matos,** IFC Executive member, Director / Head of Statistics Department, Bank of Portugal

Papers:

2.C.1 **Kamil Galuscak**, Czech National Bank: "*Stress Testing the Private Household Sector Using Microdata*" ([presentation](#))

2.C.2 **Katarzyna Bańkowska**, Juha Honkkila, Sébastien Pérez-Duarte and Lise Reynaert Lefebvre , ECB: "*Household vulnerability in the euro area*" ([presentation](#))

2.C.3. **Michael Ziegelmeyer** and Gaston Giordana, Central Bank of Luxembourg: "*Household debt burden and financial vulnerability in Luxembourg*" ([presentation](#))

2.C.4. **Julia Le Blanc**, Deutsche Bundesbank, and co-authors from ECB, University of Alberta, Pennsylvania State University and NBER: "*Household Finance in Europe"* ([presentation](#))

2.C.5. **Jérôme Coffinet** and Christophe Jadeau, Bank of France: *"Household financial exclusion in the Eurozone throughout the crisis"* ([presentation](#))

Breakout D: New patterns of intermediation

New patterns of financial intermediation are emerging after the global financial crisis, posing challenges for the standard interpretations of statistics and traditional data techniques. This session seeks to discuss the analytical treatment of unclassified entities, identification of entities consolidated in the regulatory perimeter, interconnectedness between entities, and how the use of advanced techniques can help to overcome data gaps.

Chair: **Bruno Tissot,** Head of IFC Secretariat and Head of Statistics and Research Support, Monetary and Economic Department, Bank for International Settlements (BIS)

Papers:

2.D.1. **Brian Golden** and Eduardo Maqui, Central Bank of Ireland: "*What 'special purposes' make Ireland attractive for debt funding by international banks?*" ([presentation](#))

2.D.2. **Martine Druant**, Steven Cappoen and Stijn Ferrari, NBB: "*The Belgian shadow banking sector with a focus on OFIs*" ([presentation](#))

2.D.3 **Tobias Cagala**, Deutsche Bundesbank: *"Improving Data Quality and Closing Data Gaps with Machine Learning"* ([presentation](#))

2.D.4. **Graziella Morandi** and Giulio Nicoletti, ECB: "*Using microdata from monetary statistics to understand intra-group transactions and their implication in financial stability issues*" ([presentation](#))

Session 3: Trade Repositories

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 (interconnectedness analysis, shadow banks monitoring, central clearing issues, development of early warning indicators,…), the related data gaps and ways to overcome them.

Chair: **Mario Alejandro Gaytan**, IFC Executive member and Director, Financial System Information, Bank of Mexico

Papers:

3.1. **Mario Ascolese**, Annalisa Molino, Grzegorz Skrzypczynski, Julius Cerniauskas and Sébastien Pérez-Duarte, ECB: "*Euro-area derivatives markets: structure, dynamics and challenges"* ([presentation](#))

3.2. **Iman van Lelyveld**, Netherlands Bank: *"Unlocking the Power of EMIR: Challenges and Prospects"*

3.3. **Angela Armakolla**, Université Paris 1 Panthéon-Sorbonne, and Benedetta Bianchi, Trinity College Dublin: *"The European CCP ecosystem"* ([presentation](#))

Friday 19 May 2017

Session 4: 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.

Chair: **Marcia De Wachter,** Executive Director, Member of the Board of the National Bank of Belgium

Papers:

4.1. **Patrick van Roy**, NBB and co-authors from ECB: "*Use of credit registers to monitor financial stability risk: An application to commercial real estate*" ([presentation](#))

4.2. **Orestes Collazo Brananova** and **Gibran Watfe**, ECB: "*AnaCredit: From bottom-up to top-down macroprudential analysis*" ([presentation](#))

4.3. **Oya Gençay**, Central Bank of the Republic of Turkey: "*Non-Financial Sector's Foreign Exchange Risk: New Project of Foreign Exchange Position Monitoring System in Turkey*" ([presentation](#))

4.4. **João Cadete de Matos**, Bank of Portugal: "*The Portuguese Central Credit Register as a key input to the analysis of financial stability and beyond!*" ([presentation](#))

Panel discussion

Chair: **Marcia De Wachter**, Executive Director, Member of the Board of the National Bank of Belgium

Panellists:

- **Claudia Buch**, IFC Chair and Vice President, Deutsche Bundesbank
- **Pedro Duarte Neves**, Vice Governor, Bank of Portugal ([presentation](#))
- **Philip Lane**, Governor, The Central Bank of Ireland
- **Jan Smets**, Governor of the National Bank of Belgium and former IFC Chair