

Challenges to improve global comparison of securities statistics

Opening remarks

Jan Smets¹

Good morning, ladies and gentlemen,

As Chairman of the Irving Fisher Committee on Central Bank Statistics, I would like to welcome all of you to the workshop on “Challenges to improve global comparison of securities statistics”. I am very grateful that the IMF has agreed to host this event. I would like to also thank the Board of Governors of the Federal Reserve System for its support. I sense a keen anticipation among all central banks, statistical offices, economic ministries and multilateral institutions represented here in this room. This is indeed a highly topical field of statistics and one that, despite its infancy, does show a promising future. I would like to put you in the picture as to the background of this workshop and its objectives.

The Irving Fisher Committee on Central Bank Statistics, or IFC, is a forum for discussing statistical issues of interest to central banks, including those relating to economic, monetary and financial stability. The key objective of the IFC is to bring together compilers of statistics and the community of users and analysts of statistical information, both in and outside central banks.

Since its inception in 1997, the IFC has been governed by the international central banking community and has been associated with the International Statistical Institute. At the beginning of 2006 the Bank for International Settlements, or BIS, agreed to provide the Secretariat to the IFC, as it does for other well known groups. Since then all BIS shareholding central banks, and a few more, have become full institutional members of the IFC. The IFC is thus anchored in the international community of both statistical experts and central bankers.

The IFC has regularly been sponsoring meetings in the context of the biennial conferences of the International Statistical Institute. It has also organised independent conferences at the BIS in Basel. Moreover, the Committee has also occasionally organised workshops on specialised topics such as the measurement of consumer price indices in 2006, and in 2007 on the use of surveys by central banks.

The IFC first discussed the idea of organising a reflection on securities statistics at its meeting in August 2006, on the basis of a proposal prepared by its Secretariat. The Secretariat worked out the idea in more detail and at its 2007 meeting in Lisbon, the Committee expressed strong support for organising a workshop on the topic. The IFC took note that two international reports had been issued that confirmed the importance of the topics to policymakers. One was by the BIS Committee on the Global Financial System, which issued a report on “Financial Stability and Local Currency Bond Markets” in which it identified a lack of consistency in the statistical information on securities markets in emerging markets. The other was by the G8, which also looked at the same issues and recommended

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improvements in the databases on securities market developments, including statistical information. We will hear about these reports, and their follow up, during our workshop.

After Lisbon, the IFC Executive and Secretariat worked out the workshop structure and content in more detail and were fortunate to receive the logistical and analytical support of the IMF, as a result of which we are now all sitting around this table here in Washington. Moreover, the IFC Secretariat, and Paul Van den Bergh in particular, have done us a great favour in providing us with a background document that provides us with a script for our meeting.

The background paper shows us that we have a very interesting, challenging and ambitious programme. We will first hear the experiences of international practitioners on the uses and sources of securities statistics. Though by no means exclusively so, one recurring theme is the added insight these statistics can provide in the analysis of financial stability. You will no doubt agree with me that this is highly relevant in today's tumultuous credit markets. Subsequently we will hear an overview of existing statistical frameworks and country experiences of debt issuance statistics. Then we will address the nuts and bolts of statistical methodologies that statistical compilers have to address. The focus will afterwards shift to the other side of the coin, or rather the balance sheets, ie to various approaches to compiling data on holdings of securities and the difficulties that have been experienced in this area. We will also cover security-by-security databases, an approach that shows a great deal of promise despite a number of associated issues, not least of which are the resources required to develop and operate them. Finally, the closing session of the workshop will be a kind of stocktaking of where international cooperation is currently situated, and what challenges lie ahead in defining an articulated set of principles and practices for this emerging statistical domain.

For each of the workshops we will have interveners to introduce the respective topic. I hope the presenters will understand that we want to have a general discussion on the key issues that have been identified in the background note rather than on their individual presentations. I am confident that the chairpersons of the different sessions will keep us focused on these key issues. Let me already thank the chairpersons and interveners in advance for their active contribution to the workshop.

Underlying the presentations and discussions there are three underlying objectives for our workshop:

1. First, to share experiences that we all have on particular issues relating to debt securities statistics, be they from the perspective of compilers, analysts or policymakers.
2. Second, to identify key areas in which follow-up would be useful, in particular with respect to the development of specific methodologies for statistics on issuance and holdings of debt securities.
3. Third, to establish an active network between the experts present at the workshop and, indirectly, with their colleagues at their respective organisations. This network will hopefully prove useful for any follow-up work that existing international groups or organisations might want to sponsor in the area of securities statistics. With respect to the latter, I should point out that the IFC does not want to duplicate the work of other organisations, for instance by launching the drafting of a compilation manual for securities statistics or by sponsoring a data collection exercise. For us, this workshop is thus a one-off exercise. I do hope, however, that our workshop will produce enough material for the publication of a special issue of the IFC Bulletin, to which others can refer in the future.

Ladies and gentlemen, I wish the workshop much success. Let me sincerely thank the IMF once more for its hospitality and the Board of Governors for the dinner invitation, which many of us here have accepted. Thank you.