Experts from the IMF, the BIS, Chile, France, Hong Kong SAR and Japan have made wonderful speeches on how to collect and monitor derivatives transactions under both conceptual and practical frameworks. As a BOP statistician, I would like to comment on their speeches respectively.

Eduardo Valdivia-Velarde demonstrated how financial derivatives are recorded in BPM6. As some of the participants from commercial banks are also BOP reporters, the speech provided a good opportunity to acquaint them with the conceptual framework on financial derivatives statistics. In my view, this is critical because a good grasp of the concepts, the principles and the methodology contributes to the future construction of BOP reporting systems in China.

Michael Chui, Karsten von Kleist and Paul Van den Bergh also gave excellent speeches, covering the general information on derivatives, the monitoring framework and potential data sources. They demonstrated not only the key elements in the BIS’s triennial and semi-annual central bank surveys, but also the ability to collect data through payment systems. Moreover, the comparison of data from dealers and Central Counterparties (CCP) was very interesting, especially when I read the gross notional value of CDS bought (or sold) by China from the DTCC. There is obviously still more to do to fill the data gaps.

Moreover, my special thanks to the representatives of Chile, France, Hong Kong SAR and Japan, because their wonderful speeches gave practical insight into the topic. During the seminar, I kept wondering how different legal frameworks and resource constraints shape an economy’s practice. And my foreign colleagues offered the answer. For example, Chile applies a security-by-security approach, while France uses accounting data to compile financial derivatives. These two approaches are of great interest to the SAFE as we are considering designing a new financial derivatives reporting system. Also, I can see similar challenges and concerns in data collection process across countries/regions, as Yuanfeng Hou’s ACTRIG requirements from Hong Kong SAR indicate. As many countries do, we ask lots of questions before implementing new BOP reporting plans. To name a few, which data can be collected; accounting; security-by-security or transaction-by-transaction data? How do the banks view front-office and back-office data? What is the benefit? What is the cost? This process helps to identify the statistical requirements and workload of the data reporters. Moreover, thanks to Satoru Hagino’s background in both BOP and FFA statistics, he made an informative speech on how the Bank of Japan collects and estimates derivatives data. Also, thanks to Yoshiko Sato for sharing with us the recent development of the database on securities holders in Japan.

Last but not least, I would like to thank the People’s Bank of China and Irving Fisher Committee for holding the seminar. This seminar offers not only the opportunity to meet old friends, but also the chance to make new friends. I sincerely hope that the cooperation between the SAFE, the PBC and other government agencies will continue. Also, I look forward to talking to more BOP reporters in the future.

1 State Administration of Foreign Exchange.