

International Workshop on “Big Data for Central Bank Policies”

Bali, 23 – 25 July 2018

Opening remarks by Yati Kurniati, Executive Director,
Head of Statistics Department, Bank Indonesia

Honorables:

- Head of Statistics & Research Support and Head of Irving Fisher Committee Secretariat, Bank for International Settlements, Mr. Bruno Tissot,
- Our Distinguished speakers from the Bank of England, Santa Clara University, the University of Oxford, Massachusetts Institute of Technology, and Financial Network Analytics, and
- Distinguished representatives of all the participating countries from around the world.

Assalaamu’alaikum Wr. Wb.,

Peace be upon us, Om Swastiastu

Good Morning and Welcome to the Island of Gods - Bali, one of the most beautiful places on earth.

1. First of all, let us extend our praise to The God Almighty, since only with His permission and blessings we can all get together this morning to attend the *“International Workshop on Big Data for Central Bank Policies”*.
2. We are delighted to have another opportunity to collaborate with BIS, after the Satellite Seminar on Big Data, preceding the ISI Regional Statistics Conference, which was held in March 21st 2017, also in Bali. I believe this event will be as fruitful and productive as the last.
3. We are honored to have the contributions of our prominent instructors of this workshop: Mr. Bruno Tissot from BIS, Mr. Paul Robinson from the Bank of England, Mr. Sanjiv Das from Santa Clara University, Mr. Stephen Hansen from the University of Oxford, Mr. Roberto Rigobon from MIT, and Mr. Kimmo Soramaki from Financial Network Analytics. I hope you would enjoy teaching and speaking at this event, and we will do our best to learn as much as we can from you.
4. This workshop is attended by approximately 70 participants from 18 countries around the world; quite an international audience, I would say. You come from macroeconomic, monetary, supervisory, financial stability, research, and various other departments of your institutions. I am sure your diverse backgrounds will only enrich our discussions and we will have much to gain from each other’s experience. I hope we can also establish productive relationships from this

workshop. A knowledge that you think is trivial could be huge and important for another institution.

Distinguished Ladies and Gentlemen,

5. I believe we all know or at least have heard about Big Data. It is a very popular topic in recent years, and it has gained significant traction both in the industry and in academia.
6. But is Big Data Analytics really relevant for our work as central bankers and government officials? Will it bring value to our current practices of policy-making and supervision? We believe so, and that is why Bank Indonesia decided to organize this important workshop on Big Data for policy-making.
7. As you will learn in the coming days, Big Data Analytics is not separate from “traditional” statistics, and indeed it borrows many long-established methodologies from statistics.
8. The one characteristic that certainly sets Big Data Analytics apart is its application on “modern” datasets. Today’s digital technologies have resulted in data being produced in massive amounts, in real-time, in a variety of formats, by various institutions and individuals. Extracting relevant information from these sources is not straightforward and will require a distinct set of skills. The workshop curriculum that we have designed aims to introduce some of these concepts.

Distinguished Ladies and Gentlemen,

9. Let me briefly go through the workshop’s sessions. The first session by Mr. Bruno Tissot will introduce the definition of Big Data, and provide examples of Big Data Analytics as well as the challenges in its implementation. For the second session we will have Mr. Paul Robinson, who will continue from Bruno’s main points and present further examples of Big Data Analytics. Paul will also introduce us to several methodologies for Big Data Analytics.
10. The third session will be delivered by Mr. Sanjiv Das. It will cover some of the most popular Big Data Analytics algorithms. Although quite technical, the session nicely illustrates the analytical tools that we have for Big Data, and we will see how they differ from the usual statistics and econometrics methodologies.
11. Mr. Stephen Hansen’s 3-hour session on the second day will focus on text mining: the set of methodologies for understanding texts written in human language. Text data, which include newspaper articles, official reports, and social media posts, contain a lot of information that may not be available elsewhere in conventional, structured data. Mr. Hansen will also teach one application of text mining that is very relevant to central banks, namely how we could measure people’s opinion and sentiment that they express in text data.
12. Besides Mr. Stephen, we will also have Mr. Roberto Rigobon in the second day. He is widely known for his Billion Prices Project, and hopefully we can learn from his insightful experience about macroeconomic nowcasting and forecasting with Big Data.
13. On the third day Mr. Kimmo will present another family of Big Data Analytics: network analysis. He will discuss the networked structure of economic and financial activities, and how Big Data can help us identify prominent agents and patterns in such networks.

14. In this workshop we will also have the opportunity to learn specific research and applications of Big Data Analytics that you have implemented in your institutions. We will hear 7 exciting paper presentations on Tuesday and Wednesday, chaired by Paul and Roberto. We hope these will further exemplify Big Data Analytics for policy-making.
15. As you are already aware, this 3-day Workshop will be followed by the International Seminar on *"Building Pathways for Policy Making with Big Data"* on Thursday. This high-level seminar will host prominent chairs and speakers and will be attended by 200 audiences from various backgrounds, from central banks, public institutions, banks and financial institutions, other industries, and academics. It will discuss important insights and topics of Big Data Analytics for policy-making, including implementation challenges as well as the strategies adopted by central banks. We are also hosting a Gala Dinner for the seminar on Wednesday evening.
16. I am honored to invite you to attend and I sincerely hope you could participate in the seminar and the Gala Dinner.

Distinguished Ladies and Gentlemen,

17. We really hope that this program would be able to strategically contribute to our knowledge enhancement on Big Data, as well as to provide a strong basis for better policy-making going forward. I hope this program might reveal the best result for all of us. I am confident that your in-depth discussions and the outcomes of this workshop will further enable us to realize this workshop's objectives.
18. Before I end my remarks, on behalf of Bank Indonesia, I would like to thank BIS again for their strong support and collaboration in delivering the success of this event. Last but not least, I would like to say: "Have a nice workshop and I wish you all get fruitful days during this program. Have a pleasant stay in Bali."

And finally, allow me to declare the official opening of the workshop.

Thank you very much.

Wabillahi taufiq wal hidayah. Wassalamu alaikum Wr. Wb.