Lessons from the crisis for central bank statistics

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# Outline

1. Lessons from the crisis
2. Data from non-financial sector are increasingly important
3. New data collections in the euro area
4. Granular data collections require fully automated processes
5. Promoting and measuring financial inclusion
6. More needs to be done in data sharing
7. Concluding remarks
The crisis triggered the need to:

- remain constantly relevant for policy-making in a changing environment
- capture heterogeneity, interconnection and complexity
- respond to urgent data requests
- collect data on all sectors of the economy
- collect and share more granular data at national and international level
NCBs have traditionally focused on data of the financial sector and aggregated data.

Increasing need to collect:

- data from all sectors for various policy purposes:
  - monetary policy,
  - micro- and macro-prudential policy
- detailed granular data

In parallel:

- step up standardisation work
- address confidentiality restrictions
New data collections in the euro area

Recently covered sectors

1. Investment funds
2. Financial vehicle corporations
3. Insurance corporations
4. Pension funds
5. Payments services providers

Special surveys (for sectors)

• Financing of SMEs (SAFE)
• Household Finance and Consumption Survey (HFCS)
New data collections in the euro area

Granular data

1. Monetary statistics – bank-by-bank
2. Supervisory data – bank-by-bank
4. Securities holdings statistics – sectors /institutions
5. Loan-by-loan data (Anacredit)
6. Money market data
7. Balance sheet information of NFCs
Headline news - Bloomberg

Euro-Area Momentum
IHS Markit's index of private-sector activity jumps to a four-month high

Vulnerable Firms
Higher financing costs could pose risks for some countries’ businesses

Source: IHS Markit

Source: Cologne Institute for Economic Research based on SAFE data, Eurostat
Granular data collection requires fully automatised processes

Prerequisite is full standardisation of:

- **Counterparts** (WHO): Legal Entity Identifier (LEI)
- **Concepts** (WHAT):
  - Statistical Data Dictionary
  - Unique Transaction Identifier (UTI)
  - Unique Product Identifier (UPI)
- **Methodologies** (HOW): Bank’s Integrated Reporting Dictionary
- **Reporting**: European Reporting Framework (ERF)
Our economies become more and more financial

The role of the financial sector is growing

To be ready for and active in this “financial world”:

• Financial inclusion, and
• Financial literacy will be crucial

→ They have to go hand-in-hand
Promoting and measuring financial inclusion

Importance of financial inclusion:

– Ensures [equal] access to financial services
– Increases the efficiency of monetary policy and central bank policy in general
– Contributes to an efficient allocation of resources and sustainable growth

A measurement framework represents:

– an important aspect of accountability and credibility of central bank policy-making
– a necessary condition for financial inclusion
Financial literacy is a precondition for successful financial inclusion

Central banks need to be involved in fostering financial literacy:

– ideally placed to contribute to financial literacy

– credible, neutral, independent sources of financial knowledge
More needs to be done in data sharing

Increasing collection of granular data, require data integration and data sharing:

• Governance frameworks
• Data sharing agreements
• Confidentiality and data protection measures

Some current International initiatives

Irving Fisher Committee on Central Bank Statistics

G 20 DGI-2 Inter Agency Group

INEXDA - Cooperation among some central banks
Concluding remarks

Fascinating challenges for the future of central bank statistics!

Let us tackle them together!