

The Financial Crisis and Information Gaps

Recommendation 2: Financial Soundness Indicators

Senior Officials Conference
Basel, April 8 and 9, 2010

G-20 recommendation

- *The IMF to work on increasing the number of countries disseminating Financial Soundness Indicators (FSIs), including expanding country coverage to encompass all G-20 members, and on other improvements to the FSI website, including preferably quarterly reporting. FSI list to be reviewed.*
- Lead agency: IMF
- Conceptual advice: *The Compilation Guide on FSIs*

Current reporting

- 49 countries are report for publication on the IMF's website
- Various combinations of the 12 core FSIs (for deposit takers) and 28 encouraged FSIs (including 13 for deposit takers).
- Four G-20 economies do not report FSIs for dissemination on the IMF website.

Current tasks

- Streamlining the FSI template to reduce the burden on the reporting countries.
- Enhancing the user friendliness of the website
- Inclusion of FSIs in IMF's Special Data Dissemination Standard on an encouraged basis in March 2010.
- Work to integrate the regularly reported FSI data into the IMF's *Global Financial Stability Report*. This project is slated to be completed in early 2011.

Way forward

- Increase the number of countries reporting FSIs for dissemination on the IMF website, and encourage quarterly reporting.
- Streamlined reporting, inclusion of FSIs in the SDDS and regularly reported data in GFSR should support this process.
- The IMF is work to encourage the remaining G-20 countries that do not report to do so.

List of FSIs

- In 2011 the IMF to organize a meeting of the FSI Reference Group of Experts to discuss possible changes in the list of FSIs and the methodology.
- Perhaps include new FSIs for sectors other than deposit takers, such as other financial corporations, nonfinancial corporations, and households.
- Report back to the IMF Executive Board on FSI work at the Eighth Review of Data Standards, provisionally H1 2012.

Questions

- Views are welcome on the work program of the FSIs.
- Are there any initial ideas for additional FSIs, particularly for the nonbanks sectors?