



BANK FOR INTERNATIONAL SETTLEMENTS



EUROPEAN CENTRAL BANK

EUROSYSTEM



The Financial Crisis and Information Gaps Implementing the G-20 Recommendations

Plan of Action for Recommendation 7
Securities statistics

Basel, 8 and 9 April 2010

Plan of Action for Recommendation 7

- **Recommendation 7 of the G-20 Report**
 1. **Available methodologies**
 2. **Available data**
 3. **Suggested action plan**

Issues for discussion

Plan of Action for Recommendation 7

- **Recommendation 7 of the G-20 Report states:**

Central banks and, where relevant, statistical offices, particularly those of the G-20 economies, to

- participate in the BIS data collection on securities and
- contribute to the further development of the BIS-ECB-IMF *Handbook on Securities Statistics (Handbook)*.

The Working Group on Securities Databases (WGSD) to

- develop and implement a communications strategy for the *Handbook*.

1. Available methodologies

- The BIS, the ECB and the IMF are the lead agencies in the WGSD which are responsible for the *Handbook*

The *Handbook* is based on the 2008 SNA and the BPM6

Part 1 of the *Handbook* on statistics of debt securities issues has been published in May 2009 (see <http://www.imf.org/external/np/sta/wgsd/hbook.htm>)

Part 2 of the *Handbook* on statistics of debt securities holdings is being developed

Other parts of the *Handbook* on non-debt securities (equities) statistics are being considered

2. Available data

- **The BIS started to collect and publish statistics on international debt securities issues in the mid-1980s and on domestic debt securities issues in the second half of the 1990s**
International debt securities statistics on the basis of security-by-security data
Domestic debt securities statistics are derived from aggregated information
- **The ECB has published securities issues statistics (SEC) since 1999 based on an ECB Guideline (legally binding for euro area central banks)**
SEC includes data on issues of both debt securities and quoted shares
Data are published monthly and seasonally-adjusted
- **The IMF is collecting, compiling and disseminating debt securities holdings data in the context of the Coordinated Portfolio Investment Survey (CPIS)**
CPIS as an annual exercise with 72 countries participating in the latest survey (end-2008)
- **Variety of national sources for debt securities issuance**
National agencies use securities statistics as a source to compile financial accounts

3. Suggested action plan (i)

- **The BIS data collection on debt securities**

All 40 non-euro area central banks involved have nominated official contact persons for this exercise

Based on Part 1 of the *Handbook*

Key breakdowns by sector, market and currency)

The BIS aims to complete the improvement of its quarterly data collection for all G-20 countries before end-August 2010

- **To facilitate the implementation of the *Handbook* the WGSD recommends a step-wise approach**

- Debt securities issues

- Start with the current reporting to the BIS covering breakdowns by sector, market and currency by early 2011(quarterly frequency and timeliness)

- From 2012, further breakdowns by selected sub-sector, maturity and interest rate

- From 2014, both market and nominal valuation

- Debt securities holdings

- From 2012, some limited information

3. Suggested action plan (ii)

- **Handbook on Securities Statistics**

First draft of Part 2 on debt securities holdings has been prepared by the BIS, the ECB and the IMF and discussed by the Review Group in March 2010

Plan to publish Part 2 of the *Handbook* by June 2010

Part 3 of the *Handbook* will cover equities statistics and is expected to be finalised by end 2011

Development of a specific Data Structure Definition using SDMX

- **Communication strategy**

Supporting the dissemination of improved securities statistics

Aggregate information to be included in the Principal Global Indicators website (Rec. 20)

Quarterly CPIS (Rec. 11)

Securities statistics will follow concepts and classifications as outlined in the *Handbook*

Consultation of the Review Group

Use of the WGSD website to promote communication on the work of the WGSD

Press statements

WGSD members make presentations on the *Handbook* and its implementation

Issues for discussion

- 1. What are the challenges that compilers at central banks or other agencies face in collecting information on debt securities issues and holdings in the time frame indicated in Annex 3? Do they lack human resources, access to commercial or institutional databases (e.g. centralised securities databases, custodians) or IT infrastructure (e.g. to compile security-by-security information)?*
- 2. Which other parts of the Handbook would be useful to develop after Part 2? Would it be appropriate to address securities other than debt (i.e. equities) next? Which other topics should be covered eventually?*
- 3. Is the communication policy of the WGSD appropriate? Do compilers want additional guidance on the collection, compilation and dissemination of national securities statistics?*

Annex 1: Progress with respect to improving the BIS securities statistics

Assets and liabilities	G-20 central banks*	All central banks*
Step 1: Expert nominated	16	40
Step 2: Check data availability	15	37
Step 3: Check metadata availability	12	28
Step 4: Data source identification	14	35
Step 5: Reporting of data for one period and reconciliation with existing BIS data	11	22
Step 6: Series codes mailed to central bank	7	11
Step 7: Improved data and metadata reported	1	4
Step 8: Time series released internally and to BIS member central banks	1	3
Step 9: Improved data released on BIS website	0	0
* Does not include the euro area central banks and the ECB (they constitute 4 members of the G-20).		
Step 10: Reporting of additional breakdown	0	9 2

Annex 2: Current BIS data collection exercise

Market, currency		Issuer	Residents			Non-residents	All issuers
		Non-financial corporations	Financial corporations	General government			
Domestic market	Local currency						
	Foreign currency						
	Total						
International market	Local currency						
	Foreign currency						
	Total						
All markets	Local currency						
	Foreign currency						
	Total					10	

Annex 3: Timeline for disseminating key securities statistics 2010-2015

Breakdowns	2010	2011	2012	2013		
Issues						
Amounts outstanding	✓	✓	✓	✓		
All markets or domestic market	✓	✓				
All markets			✓	✓		
Key institutional sectors	✓	✓	✓	✓		
Selected sub-sectors				✓		
Currency	✓	✓	✓	✓		
Maturity				✓		
Interest rate				✓		
Quarterly frequency		✓	✓	✓		
3 months reporting lag		✓	✓	✓		
Nominal value			✓	✓		
Market value						
Holdings						
By institutional sector			✓	✓		
Quarterly frequency			✓	✓		
3 months reporting lag			✓	✓		

Annex 4: Debt securities issues classified by issuers and maturity

Maturity/ interest rate	Issuer	Residents					
		Non-financial corporations	Financial corporations			General government	
			Total	Of which Central bank	Of which Deposit-taking corporations other than central bank	Total	Of which Central government
Short term at original maturity							
Long term at original maturity							
Fixed interest rate							
Variable interest rate							
All interest rates							
All maturities							
<i>Memo item: Long term at original maturity, with a remaining maturity up to and including one year</i>							
<i>Memo item: Securitisation debt securities</i>							

Annex 5: Key breakdowns on holdings of debt securities

Issuer \ Holder	Residents					Non-residents
	Non-financial corporations	Financial corporations	General government	Households and non-profit institutions serving households	All residents	
Residents						
Non-residents						
All issuers						