

# The Financial Crisis and Information Gaps

## Recommendation 5: Credit Default Swap Statistics

Senior Officials Conference  
Washington, 30-31 March 2011

# G-20 recommendation

- *The CGFS and the BIS to undertake further work in close cooperation with central banks and regulators on the coverage of statistics on the credit default swap markets for the purpose of improving understanding of risk transfers within this market.*

# Current status

- BIS has compiled and published data on credit default swaps (CDS) since 2005
- Semi-annual data from G10 countries + Switzerland
  - Notional amounts and gross market values
  - Limited counterparty and maturity breakdown
- CGFS decided to expand reporting in Sept 2009
  - see Working Group Report “Credit risk transfer statistics”, <http://www.bis.org/publ/cgfs35.pdf>
- First set of changes implemented for June 2010 data
  - CCPs as new counterparty, separate reporting of hedge funds, index products
  - First data published in November 2010

# Next steps

- Second set of changes implemented for June 2011 data
  - Regional counterparty breakdowns
  - CDS on ABS as new reference entity
  - Gross credit exposure (after bilateral netting agreements)
- Large increase in CDS reporting
  - original (2004) framework had >300 series
  - 2011 framework has >1000 series
- BIS invited a couple of extra countries to join the semi-annual derivatives collection
- BIS views this Recommendation as having been fully satisfied.