Working Party on Financial Statistics

TAILORING NATIONAL FINANCIAL ACCOUNTS TO THE USER'S NEEDS USING ADMINISTRATIVE AND LARGE GRANULAR DATASETS

JOINT MEETING

To be held on 25-27 October 2016
OECD Conference Centre
Beginning at 2:00 pm on the first day

This document has been prepared by Filipa Lima - Banco de Portugal and will be presented under item 23 of the draft agenda

The complete document is only available in PDF format
Tailoring national financial accounts to the user’s needs using administrative and large granular datasets

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Joint Meeting of the WPFS/WPNA
Paris, 24-28 October 2016
Outline

I. Introduction

II. The use of administrative and large granular databases by BdP

III. A tailored approach to national financial accounts

IV. Some applications to national accounts

V. Final remarks
I. Introduction

➢ The aftermath of the financial crises characterised by different and new data needs

- More detailed and with faster availability

➢ Banco de Portugal experience with the financial crises and the Financial Assistance Programme (2011 – 2014):

- Make extensive use of administrative and large granular databases

Tailor national financial accounts (NFA) to users needs, allowing to see the details without losing sight of the big picture
Main large granular databases used by the BdP Statistics Department

- Central Credit Register (CCR)
- Central Balance-Sheet Database (CBSD)
- Securities Statistics Integrated System (SSIS)
- Balance of Payments (BoP) / other
II. The use of administrative and large granular databases

Central Credit Register

23 Million records monthly

7.1 Million private individuals

448 Thousand corporations

188 Reporting Agents

15 different types of loans

50€ threshold

6 Working Days deadline for reporting 16h/7 days a week
II. The use of administrative and large granular databases

Central Balance Sheet Database

IES – Informação Empresarial Simplificada (Simplified Business Information)

- A successful institutional cooperation (2007)
- Annual report of almost 100% of corporations
- Format: totally automatic
- Timeliness: 6.5 months
- Level of detail: + 3 000 items

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The Use of Administrative and Big Data in Compiling National Accounts
II. The use of administrative and large granular databases

Securities Statistics Integrated System

- Flows and stocks (monthly)
- Security-by-security (ISIN code)
- Investor-by-investor
- Equity and debt securities
- Own portfolios
- Custodians

SSIS
II. The use of administrative and large granular databases

Balance of Payments / other

- Banks
- Companies
- Own operations
- Clients’ operations*
  * without statistical classification
- Own operations
- Other sources (e.g. payments data)
II. The use of administrative and large granular databases

National financial accounts: financial assets and liabilities, by sector and financial instrument

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- Currency and deposits
- Securities
- Loans
- Shares and other equity
- Insurance technical reserves
- Other accounts

GOAL

SSIS

CCR

SSIS

FEASIBLE

CBSD

BSI

FEASIBLE

BOP/IIP

The Use of Administrative and Big Data in Compiling National Accounts
III. A tailored approach to national financial accounts

a) Non-financial sector indebtedness

- Monthly data @ T+45 days
- New chapter to the Statistical Bulletin

Firm size and activity sector (NACE)

Private vs. state-owned

Type of instrument
- Loans
- Debt securities
- Trade credits

Debt → new dimensions of analysis

By creditor

Fiscal number

Statistics databases

Securities (SSIS)

External operations (BoP / IIP)

Domestic loans (CCR)

CBSD

Banco de Portugal

Eurosystem

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The Use of Administrative and Big Data in Compiling National Accounts
III. A tailored approach to national financial accounts

a) Non-financial sector indebtedness

Breakdown by creditor

General Government
External financing

Public corporations
External financing
GG financing

Private companies
Banks financing
External financing

The Use of Administrative and Big Data in Compiling National Accounts

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2011 – 2014 Financial Assistance Programme to Portugal

- **Decrease of financing needs**
  - Net funds channelled from rest of the world to general government
  - Financial sector deleveraging
  - Net flows from the financial sector to rest of the world intensify ➔ deleveraging intensified, Eurosistem funding lost momentum

- **Private sector reduces financing needs**
  - Households: lower consumption
  - NFC: sharp contraction of investment

- **Rest of the world shifts from net lender to net borrower**
  - Mirrored in current account surplus from 2012 onwards
IV. Some applications to national accounts

Nondurable private consumption vs. ATM/POS data (y-o-y growth rates)

Travel (BoP) and the use of cards issued abroad (in Portugal)
Key Success Factors

- Common IT platform
- Metadata
- Links across domains
- Governance model
- Mix of flexible solutions

IV. Final remarks
Weaknesses and Threatens of large granular datasets

- More demanding in terms of
  - IT
  - Human resources
  - Data management more demanding

- “microdatabase trap”: the risk to drown in detailed data and lose focus of the macro perspective
Thank you for your attention!

Questions?

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