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New Developments in BIS International Financial Statistics

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New developments in BIS International Financial Statistics

1. International banking statistics

1.1 Data coverage

Efforts are continuing to increase the number of reporting countries both in the *locational* and *consolidated* banking statistics: the *locational* statistics focus on cross-border banking assets and liabilities, which are consistent with balance of payments principles, and foreign currency positions vis-à-vis residents; the *consolidated* statistics provide a measure of the country risk exposure of national banking systems; the latter statistics are compiled on a worldwide consolidated basis with inter-office accounts being netted out.

Currently, 36 countries and centres participate in the *locational* banking statistics and 27 in the *consolidated* banking statistics. Since 1998, 21 new centres have been invited to participate in the statistics (3 developed countries, 6 offshore centres and 12 developing countries). So far, 12 new centres have joined the locational statistics and 9 countries the consolidated banking statistics. Bermuda, Brazil, Chile and Panama became members in the locational statistics as of the end of last year and the three last-mentioned also joined the consolidated statistics.

The BIS is currently receiving partial data from five additional countries on a regular basis (Cyprus, Greece, Malaysia, Mexico and Russia). No data are yet received from Argentina, China, Korea and Saudi Arabia). The following countries plan to provide sufficient detail for inclusion in the worldwide aggregates and BIS publications by the end of this year: Australia and Greece for the consolidated banking statistics (Australia already provides locational banking data) and Mexico both for the locational and consolidated banking statistics.

1.2 Data quality

Data quality has further improved as a detailed instrument breakdown (loans, securities, other assets and liabilities) is now in principle available for all reporting countries except three of the smaller offshore centres for the *locational* banking data. A number of countries also improved their reporting of country and currency breakdowns in the *locational* banking statistics. In the area of the *consolidated* banking statistics, only eight of the smaller reporting countries do not yet provide data on an ultimate risk basis, but nearly all who do supply such data provide them in compliance with BIS definitions.

Based on recommendations of a working group of the Committee on the Global Financial System and discussions among statistical experts from reporting central banks, agreements have been reached to enhance the consolidated banking statistics by providing more detailed and comprehensive data on country risk exposures. The new statistics will also cover information on derivatives exposures and will be implemented at end-2004. A set of new guidelines and report forms for the statistics was circulated to reporting central banks earlier this year.

1.3 Data availability

Most countries provide their *locational* and *consolidated* banking data in principle within 12-13 weeks. However, a few centres supply their data only within 14-15 weeks. The accessibility of the international banking data on the BIS website has been further improved and additional enhancements (such as drop-down menus) are in the planning.

At the beginning of this year, the BIS also issued a new version of its Guide to the BIS International Banking Statistics (BIS Papers No 16) that includes detailed individual country information on current reporting practices and gaps in meeting the reporting requirements.



2. Securities statistics

2.1 Data coverage

The BIS undertakes continuous efforts to increase the number of reporting countries in the area of domestic debt securities. While the country coverage of BIS international securities data from commercial sources is nearly complete, the coverage of BIS domestic securities data, which are mainly collected from central bank sources, is currently limited to 42 countries (22 developed countries, two offshore centres and 18 developing countries).

2.2 Data quality

Data quality has further improved as the BIS has moved from an annual to a quarterly reconciliation of *international* debt securities data from two major commercial data sources. In 2002, the BIS has expanded the business sector classification for its *international* securities statistics which now includes a distinction between private and public sector banks, private and public sector other financial institutions and private and public corporates. As a consequence, securities issued by state agencies have now been reclassified to public financial institutions and public corporate issuers as appropriate.

The BIS is currently exploring the possibility of enhancing its domestic securities statistics by including information on individual securities issues from commercial data suppliers. The quality and coverage of four commercial databases have been evaluated and it is planned to take a decision, before the end of this year, on whether to acquire any of the commercial databases.

2.3 Data availability

The dissemination of data has been improved with the provision of more historical data on international debt securities issues covering also the period 1966 to 1993 on the BIS website. In addition, some 1,900,000 time series on domestic and international debt securities are now accessible from the BIS Data Bank.

3. Foreign exchange and derivatives statistics

3.1 Data coverage

A record 52 countries will participate in the next triennial central bank survey of foreign exchange and derivatives activity that will be coordinated by the BIS in April and at end-June 2004. The survey will be conducted for the seventh time. The scope of the survey in 2004 will in principle remain the same as the previous one. It will cover the collection of *turnover* data of foreign exchange spot and foreign exchange and interest rate OTC derivatives transactions on a *locational* basis. In addition, it will comprise notional amounts and gross market values *outstanding* of foreign exchange, interest rate, equity, commodity, credit and "other" OTC derivative instruments on a *worldwide consolidated* basis with inter-office deals being netted out. The survey will include the collection of separate data on contracts for differences ("non-deliverable forwards") and on deals through electronic-based systems, separately for dealer and customer systems.

The BIS collects semi-annual statistics of OTC derivatives markets which comprise data on notional amounts and gross market values *outstanding* of foreign exchange, interest rate, equity and commodity derivatives from currently 60 reporting dealers in the Group of Ten countries on a worldwide consolidated basis. Furthermore, the BIS collects and publishes quarterly data on turnover and amounts outstanding of exchange-traded currency, interest rate and equity index derivatives.

3.2 Data quality

The format of the forthcoming survey includes the following refinements and clarifications of reporting procedures as compared with the previous survey: (1) a clarification of the dealer concept, in order to better distinguish between inter-dealer and customer transactions; (2) improved definitions for so-called in-house or related party deals; (3) improved definitions for the location of trades (reporting will



in principle be based on the sales desk instead of the trading desk); and (4) provision of illustrative examples of how to determine the location of trades.

3.3 Data availability

The forthcoming survey includes for the first time reporting deadlines for both the turnover part (15 June at the latest) and the amounts outstanding part of the survey (end-August at the latest). As a result it is hoped that the BIS will be able to compile and publish the first global results of the turnover part of the survey somewhat earlier (in September) than previously (October).

The publication lag of the semi-annual OTC derivatives statistics currently stands at four and a half months. A further reduction does not seem feasible in the near future.

4. General guidelines

At the beginning of this year, a new version of the Guide to the *BIS International Financial Statistics* (BIS Papers No 14) was published. The guide describes the sources, compilation and publication of the three main sets of BIS international financial statistics: international banking, international and domestic securities and derivatives and foreign exchange statistics. In addition, the guide includes a separate chapter on the uses of the statistics and a comprehensive review of data quality issues.

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