OESTERREICHISCHE NATIONALBANK
EUROSYSTEM

Sixth ECB Statistics Conference

Session 2: Statistical challenges for macro-prudential oversight – The Austrian Case

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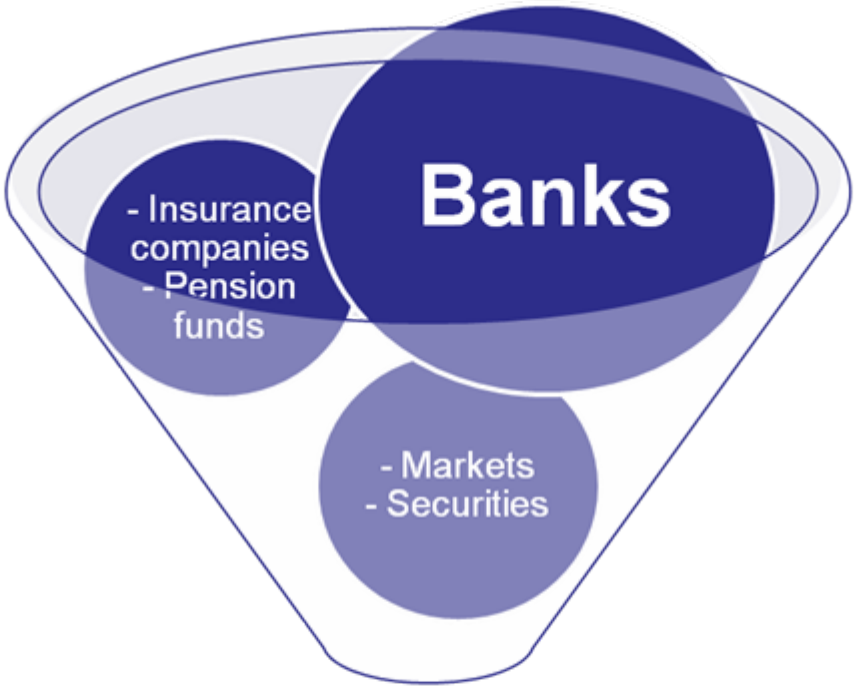
Austria's financial system and supervisory structure

Features of the Austrian financial system

- Bank-dominated (total assets 400% of GDP)
- 824 stand-alone banks
- Substantial cross-border operations in Central, Eastern and South-eastern Europe



FMA · FINANZMARKTAUFSICHT

- Integrated financial supervisory authority

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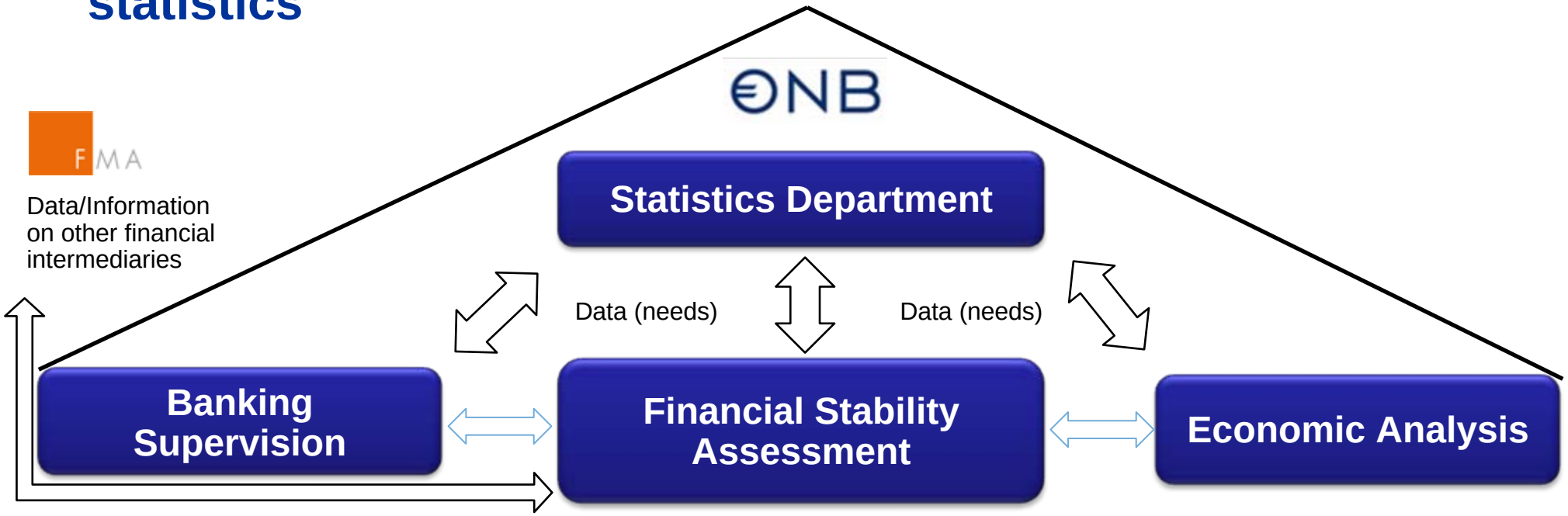
- „Fact finding" in banking supervision
- On- and off-site analysis
- Banking supervisory reporting
- Integrated financial stability analysis

OeNB‘s financial stability assessment based on various statistics



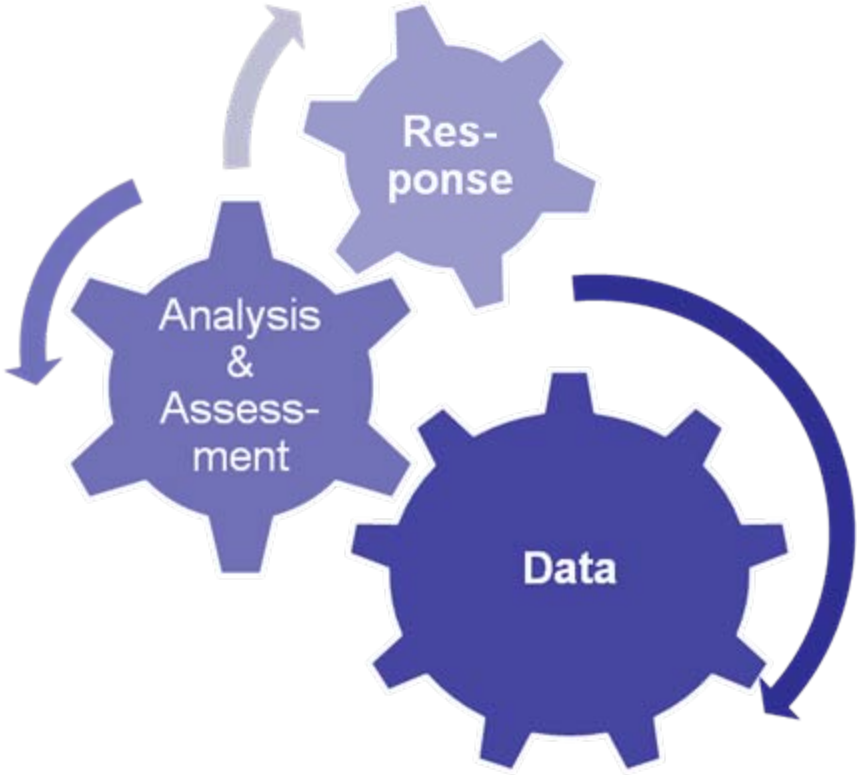
- On- and off-site analysis
- Credit risk
- Market risk
- Operational risk
- Liquidity risk

- Banking sector
- Other financial intermediaries
- CESEE
- Financial markets
- Stress testing

- Real economy
- International environment
- Real estate

OeNB‘s current **financial stability mandate** in Nationalbank Act Article 44 b:
(1) In the public interest, Oesterreichische Nationalbank shall **monitor** all **circumstances** that may have an **impact** on safeguarding **financial stability** in Austria.

What macro-prudential oversight needs from statistics:



Data:

- **Comprehensive macro- and micro-financial data**
- **High quality**
- **Consistency**
- **Timeliness**

Required for Analysis and Assessment:

- **Risk identification**
- **Diagnosis**
- **Impact analysis**

Needed for Policy Response:

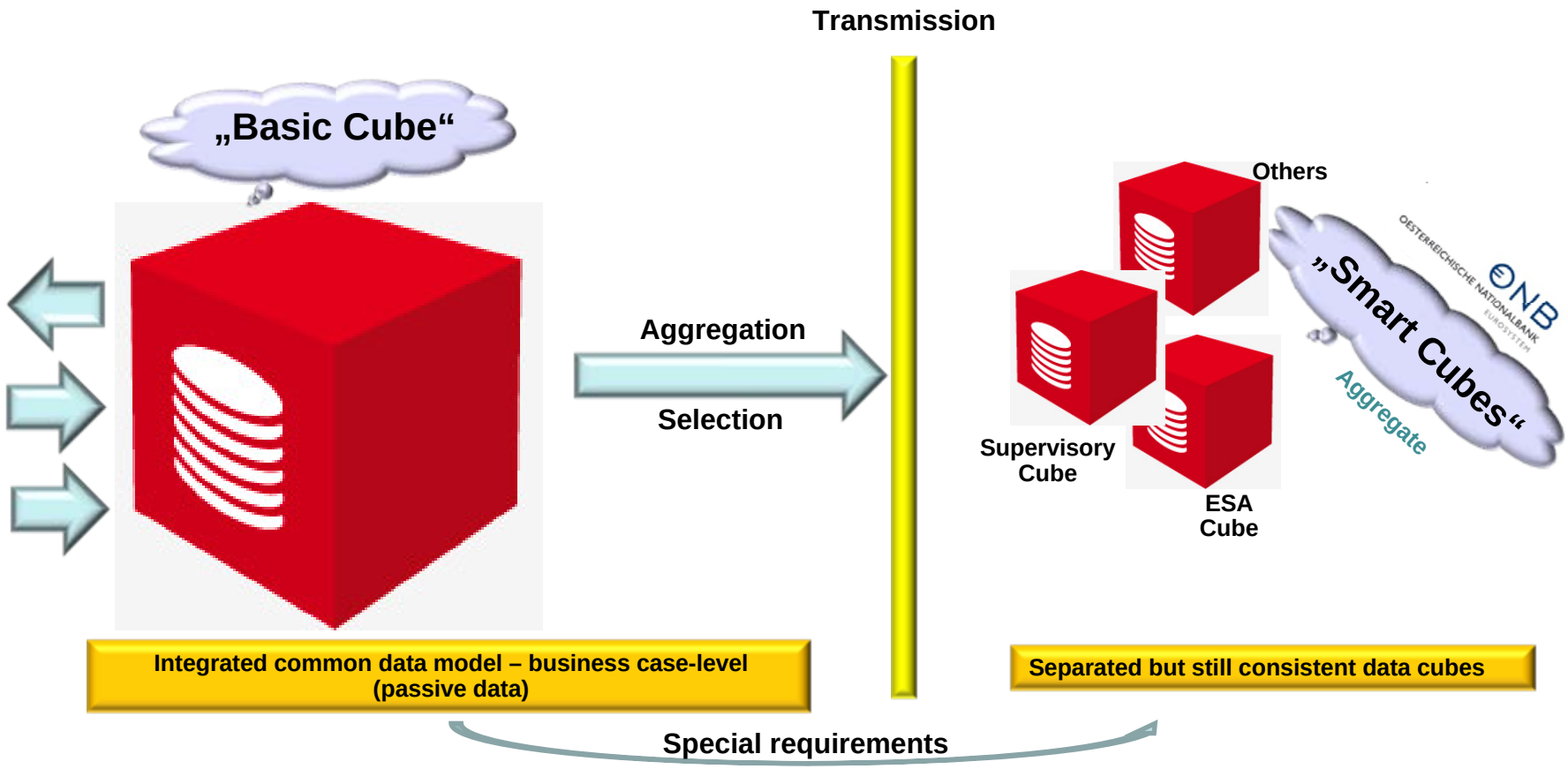
- **Implementation**
- **Monitoring**

Processes and structures:

- **Statistics and micro- and macro-prudential analysis under one roof**
- **Multi-use of data (including access to micro data)**
- **Efficient cooperation and exchange of information**
- **Rapid closure of data gaps**

Facing the challenge – in form and content

- **The new integrated common data model – a multidimensional cube-based approach**



Key features of the new data model

Basic Cube

- Exact
- Standardized
- Unique
- Unambiguous definition of individual business transactions and their attributes
- Harmonized database structure on a very granular level

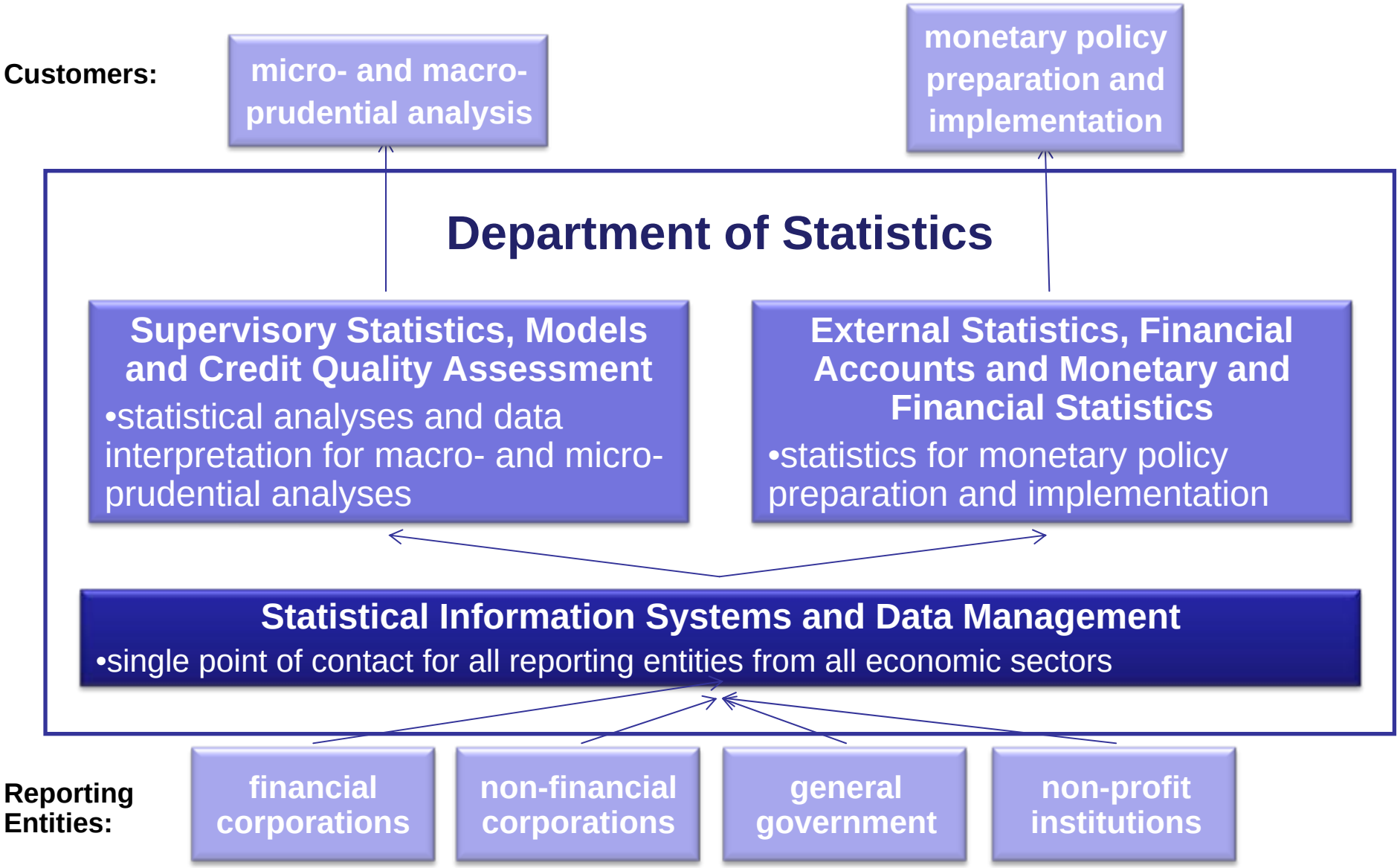
Smart Cubes

- Clearly defined
- Prefixed aggregation and selection algorithms
- Highly limited number of data models specifically designed to satisfy different current national and international reporting obligations
- May be enriched with additional integrative micro data

Perceived advantages and constraints

- **Advantages**
  - Precise, simple and unambiguous definition of information
  - Quality of reports expected to rise (parsimonious and clear data model)
  - Concept of “passive data” meant to ensure sustainability
  - Individual banks may use “basic cube” for internal reporting purposes
  - Timeliness expected to increase
- **Constraints**
  - Complexity dependent on international and national reporting prescriptions

Facing the challenge – in organisation and structure



Statistics at OeNB and macro-prudential analysis

Vision: OeNB's department of statistics as centre of expertise and competence for financial statistics and statistical analysis in Austria

Selected benefits for macro-prudential oversight:

- **Concentration of responsibilities** ensures **availability** of **broad** and **dynamic data set**
- New organisation helps producing **high-quality** and **timely input data**
- New data model **integrates** data on **different levels of granularity**, since both, aggregated and non-aggregated data are **inputs for macro-prudential analysis**
- "Basic Cube" **fosters flexibility** in light of **new and rapidly changing data requests and requirements**
- Data model combined with organisational setup fosters **multi-use of** both, **data** and **analytics**

First experiences – challenges

- Intensified national and international cooperation and communication required
- Intensified collaboration and communication with data providers and reporting institutions required
- Intensified legal efforts, preferably on an international basis, to reduce burden for reporters and respondents
- New technologies required

Concluding remarks – suggestions for policy makers

The foundation for an efficient macro-prudential oversight is based on:

- the **development of harmonised requirements** for quantitative statistical information **derived from heterogeneous basic sources** and the implementation in **standardized reporting formats**.
- the even closer **collaboration of international institutions** in the area of statistics an on-going **exchange of knowledge** and **a joint decision-making** regarding common measures.
- the **exploitation and extension of existing decentralized structures**.

Thank you for your attention!