NATIONAL DATA CENTRE AND FINANCIAL STATISTICS OFFICE

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A LITTLE HISTORY

• First inception 16 years ago!

• Why not collecting a better way?
  – Data collection with less effort
  – Data could be more correct
  – Whole process less painstaking

DATA (COLLECTION + PROCESSING) = INEFFICIENT + INEFFECTIVE !!!

• Why was it inefficient and ineffective?
  – Multiple reporting to multiple collectors!
  – Multiple storage for the same / similar sets!
  – Slow everything! (Collection + Reporting)

  REDUNDANCIES
  HIGHER COSTS
  SLOW / LAGGED POLICY REACTIONS!
A LITTLE HISTORY

• Could this inefficiency be eliminated? YES!  
  **LOWER THE OVERBURDEN!**  
  – Over DATA PROVIDERS  
  – Over DATA COLLECTORS  
  ONE REPORT TO MULTIPLE COLLECTOR  
  DATA SHARING

• Is it possible to develop a more efficient and effective system? YES!  
  **CENTRALISE IT!**  
  – Data storage  
  – Coordination issues  
  – Dataset responsibility  
  – Unique records/ No Redundancies  
  ONLY IN TWO PLACES, MINIMUM COST!  
  NO OPERATIONAL RISK!  
  UNIQUE SETS + FAST COLLECTION!  
  CONSISTENCY + INTEGRITY!

• Cross Checking Sets  
  – Basic Identity Information Data Sets (BIIDS)
A LITTLE HISTORY

• Viewed as ‘Utopia’ by many!
  – Discouragement and fatigue

• CLOSED THE FILE

• A LOST CHANCE THEN!
  – Data wasn’t as BIG (Big Data not even formally defined)
  – Business Intelligence only had baby steps
  – Frequencies were LOWER
  – Neither data nor the players were as SOPHISTICATED

• Crisis then RESUSCITATION
### SOME CONCEPTS AND DEFINITIONS

- Data Stakeholder
- Data Custodian
- Data Owner
- Data Feeder
- Data Processor
- Data Responsibility
- Reporting Burden
- Data and Information Provision
- Security and Authority

#### DATA RELATIONS

<table>
<thead>
<tr>
<th>DATA</th>
<th>FEEDER</th>
<th>CENTRE</th>
<th>USER</th>
</tr>
</thead>
<tbody>
<tr>
<td>STAKEHOLDER</td>
<td>YES</td>
<td></td>
<td>YES</td>
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<tr>
<td>CUSTODIAN</td>
<td></td>
<td>YES</td>
<td></td>
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<tr>
<td>OWNER</td>
<td></td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>PROCESSOR</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
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</tbody>
</table>
PROPOSED ARCHITECTURE

DATA FEEDERS

- National Data Centre
  - Collection of databases of raw data
  - Data warehouses
  - Reporting tools

COUNTRY STATISTICS OFFICE

- Collection of non-financial data
  - Demographics
  - Production data
  - Geographical information
  - Employment + wages + salaries
  - Price indices
  - Questionnaires
  - Foreign debt & BOP + IP
  - Trade statistics & indices
  - Others...

FINANCIAL STATISTICS OFFICE

- Collection of financial data
  - Bank financials
  - Corporate financials
  - Market data
  - Credit information
  - Monetary stats
  - Securities information
  - Exchange rates
  - Interest rates
  - Central bank
  - Funds transfers
  - Others...

DATA USERS

- Input
  - Raw data
  - Processed data
  - Reports

Databases of raw data

FEEDBACK

- Raw data
- Processed data
- Reports

OUTPUT

- Raw data
- Processed data
- Reports

Feedback

INPUT

- Raw data
- Processed data
- Reports

Collection of financial data
WHAT TO EXPECT FROM THE CENTRE

- Collect as much data as possible
  - Optimal cost
  - Shortest time
  - Lowest error
  - No redundancy
  - Least effort
  - Smallest burden

- Process the data
  - Highest IT capabilities
  - Shortest time
  - Lowest cost

- Provide
  - Most correct + timely data and reports
  - Custodianship @ highest security levels

- Increase the QUALITY of the data and reports
FINANCIAL STATISTICS OFFICE

- Why set up a distinctly defined separate identity?
  - Rising demand for granular high frequency data

- Which datasets are held in FSO?
  1. Banks’ financial data
  2. Corporate financial data
  3. Market data
  4. Credit data and information
  5. Credit card statistics and data
  6. Monetary statistics
  7. Securities data and information
  8. Exchange rates data and information
  9. Interest data and information
  10. Central bank data
  11. Treasury activities
  12. Funds transfers
  13. Others

- What are the common characteristics?
  - HIGH FREQUENCY + VERY DETAILED
FINANCIAL STATISTICS OFFICE

• Potential Uses and Users
  - Supervisory bodies + rating agencies
  - Supervisory bodies + Central bank
  - Supervisory bodies + Central bank
  - Supervisory bodies + Central Bank
  - Supervisory bodies + Tax authority
  - Supervisory bodies
  - Supervisory bodies
  - Tax authority
  - Policy makers
  - Central Bank
  - Central Bank
  - Central Bank
  - Researchers + analysts + statisticians
  - Researchers + analysts + policymakers
  - Credit risk rating systems
  - Monitoring of financial innovations
  - Market efficiency evaluations

  CREDIT RISKS
  CREDIT/DEBIT POSITIONS + OTHER RELATIONS
  ACTIVITIES (DOMESTIC + FOREIGN) (BANKS + FUNDS)
  SYSTEMIC RISK EVALUATIONS
  INTER AND INTRA-COMPANY FUND TRANSFERS
  BUY/SELL RELATIONS FOR FINANCIAL PRODUCTS
  FRAUDULENT + MONEY LAUNDERING + ILLEGAL ACTIVITIES
  TAX COLLECTION + FISCAL POLICY-EXTENSIONS
  CAPITAL MARKETS TRENDS
  MONETARY POLICY DESIGN (CAPITAL FLOW)
  BOP + IIP CALCULATIONS
  MACRO PRUDENTIAL POLICY MAKING + FINANCIAL STABILITY
  STATISTICAL + ECONOMIC ANALYSES
  FINANCIAL STABILITY ANALYSES AND REPORTS
  EFFICIENCY IN CREDIT MARKETS + BETTER CREDIT RATIONING
WHAT’S AHEAD?

• Convince the **individual data feeders** & awaken them of the benefits of the proposed architecture
  – Less burden
  – More focused work
  – Data with less error
  – More free time for extracurricular activities

• **Policymakers** are in a better position than the individual feeders, they are more or less persuaded & though not as sophisticated they ask for such information and data

• **Politicians** and **economy management**, they ask for the data and info but they don’t know much about the details and intricacies. There’ll be reactions from some and they need to be convinced “to change the legislation”. A difficult issue!

• What we should do? We need to come up with **concrete projects** or **products** like the one mentioned before & show the **benefits** of having such a platform in policymaking and for the economy as a whole. That’s the best bet, or else, nobody’s willing to change the status quo even if they complain the most from it!
IMPLICATIONS AND CONCLUSION

- Need for an **optimised data management** had always been a focal point,
- Due to many reasons like *secrecy* and *confidentiality* on legal grounds and zealous ownership concerns confronted with reactions and had to wait *inactive,*
- Crisis triggered the *rethinking* of old issues,
- Designs *redone* and *updated,*
- Need commodious PR and marketing efforts: still most institutions stand cautious concerned with security issues and they are right,
- Data *sharing* is popular *centralising* isn’t!
- Demand from the users would help materialise plausible actions be taken! **User driven consensus** must be reached hopefully before another crisis emerges!
Thank you for your attention...

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