OFFICE OF FINANCIAL RESEARCH

Post crisis: Data Gains and Gaps

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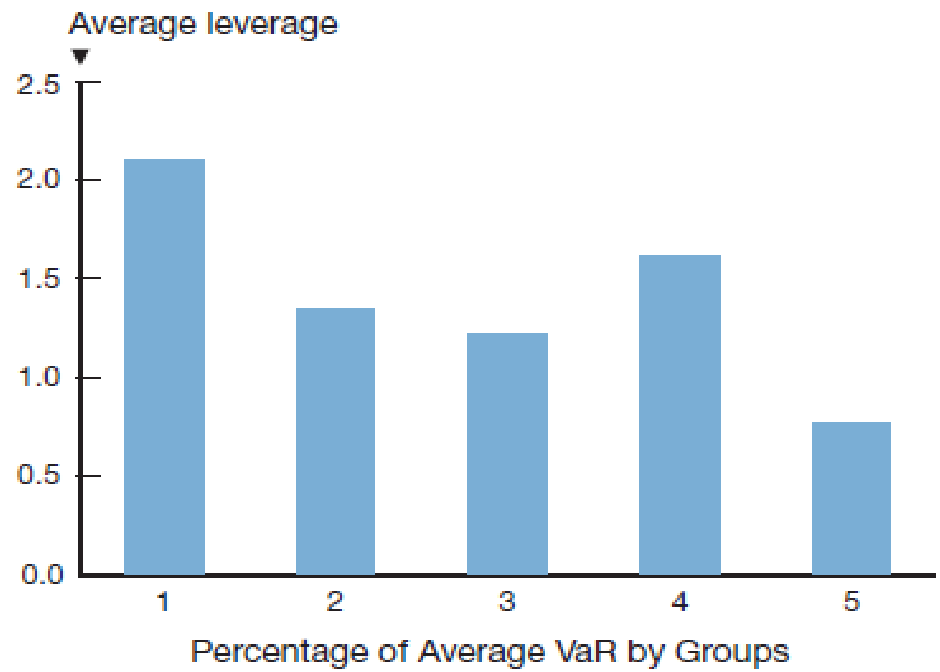
Much more data and information

- Supervisory data on institutions: Stress tests , detailed data on private funds (Form PF), National Mortgage Database, supervisor liquidity reports
- Market/instrument transparency: Derivatives trade repositories, transactions data from Swaps Execution Facilities (SEFs), securitization securities disclosure
- Improved public data: Money market funds, TRACE expansion, more detailed data on depository institutions, SIFIs, bank holding companies
- Surveys and industry data: Survey of Senior Credit Officers (SCOOS), aggregate repo data (triparty, GCF), Trade Warehouse

Example: Form PF

- Rich data, particularly for large funds
- Data on balance sheet, strategy, liquidity and risk measures from private funds (hedge funds, private equity funds, liquidity funds)
- Collected by SEC and CFTC
- Hedge funds which reported higher Value-at-Risk also tended to report lower leverage.

Hedge fund leverage relative to Value at Risk



Note: Group 1 contains 87 funds that reported zero VaR. Groups 2 through 5 are quartiles of reported (positive) VaR.

Source: OFR analysis of SEC Form PF data from the 510 funds that reported they calculate VaR.

Data Standards

- Data quality: particularly new data collections

- Can we connect the data/information that we get?
  - Aggregation and comparisons
  - Standard definitions (ontologies)
  - Common identifiers:
    - Counterparties (Legal Entity Identifier)
    - Products
    - Transactions

- Do the data answer the questions we need answered?

What’s missing?

Examples of data gaps

- Securities Lending
- Repo (notably bilateral repo)
- Money market cash investors/lenders
- Mortgage REITs
- Counterparty risk information for supervisors
- Margin and collateral
- Separately managed accounts