Mind the gaps for analysis and policy making

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7 Nov 2012
Scope of presentation

Section 1: The importance of comparable data

Section 2: Seven principles of data collection

Section 3: Questions and gaps in socio-economic and financial data

Section 4: Barriers to effective data collection

Section 5: Mechanisms for bridging the gap between data producers and users
“An essential component of any development planning is data. Without data, a country’s efforts to plan for future growth cannot be grounded in reality and therefore may be severely flawed.”
Statistics collection must meet the interests of both producers and users

**Data producers** to better manage data users’ expectations and more responsive to their new and emerging demands

**Data users** driven by examining some of the constraints faced and identifying the data gaps
The importance of comparable data for evidenced-based policy making

- Formulate sound economic and financial-management policies as well as business practices.
- Enhanced oversight – more complete and better quality information.
- Enhanced relationships between the national authorities and economic agents as well as the financial system.
- Forward-thinking policymakers face the challenge of coordinating national statistical services in making the data they produce available and more accessible.
- Malaysia is no exception – to improve data quality and disseminate reliable statistical information to meet international standards.

BUILDING STATISTICAL CAPACITY FOR BETTER DEVELOPMENT RESULTS
Seven principles of data collection

1. Timely, precise & consistency
2. User-driven
3. Standardisation of data
4. Risk management
5. Nimble, flexible & statistically coherent
6. Data-sharing & dissemination
7. Attentive to international dimensions

Principles underlying data collection

Data Quality Dimensions

- Accuracy
- Reliability
- Timeliness
- Frequency
- Coherence
Reconcile the interests of both the users and producers

Hello!!!!!!!!!! we feel so disgruntled when asking for more data for further analysis.

YES...same here. They always give us a lot of excuses.

NO no no... we have the data, but we cannot disclose all or u have to purchase. Hope U guys understand.

We r just small potatoes. We cannot decide. We just follow instructions and procedures.
Questions on what gaps exist in the statistical database

1. What data exist?
2. Who has the data?
3. Can the Agency be given the data?
4. Is the dataset complete, well-defined or needs further fine-tuning?
5. Are the data reliable?
6. Can the agency publish the data in current form or in some other possibly aggregated form?
7. Is the data sensitive? Or open to speculation?
## Gaps in socio-economic and financial data

### National Account

- **Private investment**
  - Domestic vs. foreign investment: overall & by sector
  - Private investment by type of investment (new or diversification/expansion) and sector
- **Public investment**
  - By type of assets (vs. current's total GFCF by type of assets)
  - GLC/NFPE investments
- **Change in stocks**
  - By type (i.e. finished goods, raw materials & intermediate goods)
- **Private consumption**
- **Construction**
  - By type of goods and services
  - Civil engineering, residential & non-residential buildings subsector

### Balance of Payments (BOP)

- **Financial account**
  - FDI by sector & country to be released together with BOP report; similar to DIA
  - Other investments – further breakdown
  - Portfolio investments by asset class & by country on accrual basis
- **E&O**
  - FX revaluation gains/losses
  - E&O breakdown by unrecorded trade and outflows, if possible

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<tr>
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# Longer-dated GDP data of the new rebased year
### Gaps in socio-economic and financial data (cont’d)

#### Household (HH) data
- **HH balance sheet**
  - HH debt/liabilities by type & income category
  - HH financial assets by type & income category
  - Debt repayment ratio by income category
  - HH net worth by income category
  - HH disposable income

#### Banking & Financial system
- **Outstanding loans**
  - Mortgage loans breakdown by new loans & refinancing
  - Business loans – overall & by large corporate vs. SMEs
  - Further breakdown of personal loans/uses
  - Loans by unregulated entities or non-bank FIs by household & business
- **External exposures of domestic banks**
  - FIs’ exposures to global & regional banks by country

### Data Frequency

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<td>External exposures</td>
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Gaps in socio-economic and financial data (cont’d)

**FG Finance/National Debt**
- **Contingent liabilities of FG**: Total govt. guaranteed loans (total, domestic & external) to be published in BNM’s MSB
- **Total national debt (including private & public)**
- **Govt. subsidy breakdown**: By type in the Appendix of MOF’s economic report
- **Oil-related rev. (Petronas)**: By sources in the Appendix of MOF’s economic report

**CPI & HPI**
- **Consumer price index**: By state (Currently cover M’sia, PM, S&S)
  - Expand the CPI weights to 5-digit
- **House price index**: By primary & secondary mkts & further breakdown by type of property & by district
  - Require info. from large institutional lenders, major property developers & real estate consultants
  - No. of houses under the Rakyat Housing Programme (PPR) by state, type of property & price range
  - PR1MA & My 1st Home Scheme data
  - Foreign ownership of property by state, type of property & price range
### Gaps in socio-economic and financial data (cont’d)

#### Other indicators

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| **Services sector** | - Approved services inv’t projects by ownership, state & type of project, along with the release of mfg inv’t  
- Compile LI for services sector  
- Review the current practice of providing mthly tourist arrivals data every 6 months  
- Tourism: Medical tourism data by ctry, state & type of medical treatment  
- Tourism: Tourist expenditure by state, ctry, type and average per capita expenditure  
- Tourism: Tourist receipts by state, country & type  
- Tourism: Tourists’ accommodation expenses by type, state, country & length of stay | ✗ | ✗ | ✗ |

#### Manufacturing sector

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| - Approved mfg projects by ownership, type of projects, sector, state & country. Ceased YTD basis.  
- By economic corridors & further breakdown by source, type of invt & state  
- Realised mfg projects by ownership, sector, state and country  
- Capacity utilisation rate for export-oriented & domestic market- oriented industries & major industries. Release together with IPI. | ✗ | ✗ | ✗ |

- No data by state.
- Only have receipts by ctry.
- Only have accom. by ctry & length of stay.
- Qtrly data released by BNM.
Timing of data releases – early releases allow for a more rational digestion

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<thead>
<tr>
<th>Key indicators</th>
<th>Kuala Lumpur time (based on Bloomberg terminal)</th>
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<tr>
<td>GDP</td>
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<td>INDON.: 12.00-3.00pm</td>
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<td>CHINA: 10.30am</td>
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<td>CPI</td>
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<td>External trade</td>
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<td>CHINA: 11.00am</td>
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<td>Policy rate</td>
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<td>BOP/CA</td>
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Footnotes:
(1) Indonesia (Jakarta) = KL-1hr; (2) Thailand (Bangkok) = KL -1hr; (3) South Korea = KL+1hr; (4) China(Beijing) = KL
Press statements, publications and information material

• Strengthen the analysis and content of the press releases and statements. More disclosure of information.

• A regular review and assessment of existing structure of data collection, compilation and publication is necessary to ensure that the data are still relevant to both regulators and users.

• Include regional comparable statistics for key socio-economic indicators.
Barriers to effective data collection – Issues to consider

1. The level of cooperation between the regulators and market participants.

2. How to balance the cost and benefit of data collection and analysis?

3. Limit the quality of data collection and analysis as well as prevent the sharing of data due to privacy protection.

4. Co-engage with private sector vendors to help fill the gaps in collecting market-based data such as for the real estate market.
Mechanisms for bridging the gap between data producers and users

- Single lead national statistical agency
- Advanced & user-friendly data download programme

Data producers

DOS

| BNM | EPU | MOF | MIDA | Others |

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Conclusions

- A thorough review and reassessment of the existing structure of data collection and data usage.
- Provide more disaggregated data to facilitate deeper analysis.
- Data is reliable and of quality.
- Leverage on ICT to provide greater access to statistics for users.
THANK YOU
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