

Measuring Global Flow of Funds: Conceptual Framework, Data Sources and Approaches

Nan Zhang*

Stanford University, CA, USA-nanzhang08@gmail.com

This paper is a trial to measure Global Flow of Funds (GFF), it includes four portions. Firstly, the paper will give a definition on GFF, based on the definition to decide the statistical domains of GFF, and build a statistical monitoring system for GFF using economic concepts and theoretical frameworks. Secondly, the paper sets out the concepts and existing data sources and integrates the data sources for measuring GFF which are reflected in the Balance of Payments, International Investment Position (IIP), the Coordinated Portfolio Investment Survey, Locational Banking Statistics, and in the “rest-of-the-world” account of the national accounts. These datasets provide valuable information for the analysis of GFF. Thirdly, The Balance Sheet Approach is used to break down the rest of the world by components of IIP. An external statistics’ matrix (metadata) exercise shows what external sector financial data are available by IIP concept. As the outcome of the study, this paper compiled GFF Matrix with the pattern of “Country by Country” matrix. Fourthly, we expand the empirical analysis based on above statistical methods, and bring up future issues for discussions.

Keywords: Integrating Framework, IMF data, BIS data, Systemic risk.