

Financial footprint of nations: A global analysis

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The flow-of-funds matrices have been acknowledged as a key tool at the forefront of the financial risk debates. However, current flow-of-funds input-output models only focus on the single region or country and cannot reflect the multi-region ripple effects in the world. Considering the complexity of global financial risk network can help to effective risk reductions for countries. We develop a global flow-of-funds input-output table by combing the world multi-reginal input-output table with flow-of-funds matrices from all over the countries. This table distinguishes at least 40 individual countries including China with detailed sectors. It reconciles two main data resources named Coordinated Portfolio Investment Survey (CPIS) by International Monetary Fund and Consolidated Banking Statistics (CBS) by Bank for International Settlements. It can be a good measurement of the global financial risk by calculating the financial footprint of nations. We apply this new table to analyze the ripple effects of global financial crisis of 2007â€”2008 and the European debt crisis of 2011.