Logbook Horse race

Dear networkers,

Next Tuesday we have our next phone conference (see call details below). I was thinking of the following agenda:

1. Follow up action points of May 13th phone call (see below).
   1. Walk through the points
   2. Proposal for joint front end (Attached horseMaster.m)
   3. Proposal for joint back end (to be circulated by Kartik)
2. NetGen
3. Any other business

Please let me know if you would like to discuss other topics or distribute relevant documents.

Best

Iman

**Call Details**

Date: May 27, 2014 at 2:00 PM CEST

Dial In Numbers

+41 58 262 07 11 (Deutsch)

+41 58 262 07 22 (English) alternative access phone nr +41 31 915 60 02

+41 58 262 07 33 (Français)

+41 58 262 07 44 (Italiano)

Access code

Participant: 558883

You can key in the following commands to your telephone key pad:

00   Request operator

\*2   Mute or unmute all participants

\*3   Lock or unlock conference

\*5   Mute or unmute own line

\*6   Waiting music stop or start

\*7   End conference

88  Ask number of participants

89  Hear names of participants

**Action points May 13th 2014**

1. Code
   1. We will add Stefano Battiston’s code. Kartik to circulate paper and (eventually) code. This brings us to 10 approaches.
   2. Kartik to look at the C++ code in approach #2 and to decide on either porting it to Matlab or turning it into an executable.
   3. Iman to liaise with Grzegorz on how to integrate Python code in a Matlab environment. Ib kindly offered the Danish CB secure environment as an alternative venue for others to run the Python code on their confidential data, if need be.
   4. Serafin and Grzegorz to contact Musmeci and Moussa, respectively (again).
   5. Group to comment on “License mail”. Iman & Dilyara to circulate to authors later this week.
   6. Iman to send around a proposal for common naming conventions early next week.
2. Data sets
   1. Brazil, Germany, France, Mexico, Netherlands, Denmark all have networks ready.
   2. Ib offers to add Danish data: interbank and repo networks.
   3. Iman to construct BIS IBS network. Will circulate codebook soliciting suggestions for the most interesting variable.
   4. We are going to solicit further participation from UK (Kartik to approach Sujit Kapadia), SA (Iman to approach Co-Pierre), Hungary (Iman to approach Ádám Banai) and India (Iman to approach Dimple Bhandia).
3. Output
   1. Kartik to send Iman one-pager on descriptives (eg average degree, correlation) and stress test measures (Debtrank, Iterative Cascade and Eisenberg-Noe). Iman to circulate next week.
   2. Code for stress test measures already available in Matlab
4. Timelines

**Please let me know if these dates work for you**

* 1. Next phone conference May 27th. Target:
     1. aim to decide on common input module (naming etc)
     2. Have codes ready
     3. Decide on output module
  2. Have Dropbox distribution ready: June 2nd.
  3. Phone conference Tuesday June 17th to make sure coding setup works and discuss first experiences/results
  4. Phone conference Tuesday July 8th: touch base/backup
  5. Phone conference Tuesday August 12th discuss first results
  6. Send firm draft to RTF LST: September 12th.
  7. RTF LST Vienna September 18th-19th.

# Tuesday, May 13, 2014

From Dilyara

Ádám Banai – Magyar Nemzeti Bank (the Central Bank of Hungary),

Address: 1054 Szabadság tér 8-9, Budapest, Hungary

Telephone: +36-1-428-2600

E-mail: [banaia@mnb.hu](mailto:banaia@mnb.hu)

From Serafin

Bhandia, Dimple ([dimplebhandia@rbi.org.in](mailto:dimplebhandia@rbi.org.in))

She is the general manager of the Financial Stability unit of the Reserve Bank of India.

And ask Co-Pierre George

Dear ,

Hope this mail finds you well.

I was wondering if I could sound you out about the attached proposal. One of the subcommittees of the Basel Committee on Banking Supervision (BCBS) is the Research Task Force (RTF). This task force aims to bring together researchers at central banks and supervisors for policy relevant initiatives. One of the RTF’s streams now works on Liquidity Stress Testing.

For the RTF Liquidity Stress Testing group, I’m leading a small group of network researchers organizing a horse race between different methods to estimate exposure matrices. The practical problem we aim to solve is how to estimate bilateral exposures if all that is available are exposures (assets & liabilities) to the market as a whole.

We currently have contributions from Germany, Canada, France, ECB, Mexico, Brazil, Netherlands, and Korea. Obviously, it would be nice to include your jurisdiction as well. As is clear in the proposal, we aim to standardize code so that work on you end should be relatively limited.

Happy to discuss this further or send more information if needed.

Kind regards,

Iman

Dear Networkers,

Earlier this afternoon we had a phone conference with Dilyara, Ib, Jill, Kartik, Serafin, Sergio, and myself being able to join.

We agreed to the following action points

1. Code
   1. We will add Stefano Battiston’s code. Kartik to circulate paper and (eventually) code. This brings us to 10 approaches.
   2. Kartik to look at the C++ code in approach #2 and to decide on either porting it to Matlab or turning it into an executable.
   3. Iman to liaise with Grzegorz on how to integrate Python code in a Matlab environment. Ib kindly offered the Danish CB secure environment as an alternative venue for others to run the Python code on their confidential data, if need be.
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  5. Phone conference Tuesday August 12th discuss first results
  6. Send firm draft to RTF LST: September 12th.
  7. RTF LST Vienna September 18th-19th.

Hope that captures everything and is clear. Please let me know if we need to add to this list.

Regards,

Iman

# Friday, May 9, 2014

Please find attached the phone conference details below.

As for an agenda I had the following items in mind. Please feel free to send suggestions for further items.

1. Code received (see xls attached)
   1. Where do we stand, what do we expect to get?
   2. Copyrights / licenses (see draft email circulated separately)
2. Data sets
   1. Where do we stand (see xls attached)
   2. What do we expect to get? Onboarding Czech Republic, US and Australia
3. Output
   1. What do we expect as output? Debtrank? Density? What other measures?
4. Timelines

# Friday, April 25, 2014

Dear Networkers,

Earlier this afternoon we had a brief phone conference with Hwayun, Dilyara, Serafin and myself being able to join.

We agreed to the following action points

1. (KA) Take another stab at the Network section. Underway
2. (IvL) Note explaining the project for the wider group. Purpose: explain project to inform and solicit participation.  Attached a new version incorporating comments which I will now send to Jill. Final drafting suggestions welcome till next **Tuesday 11.00 CEST**
3. (DS) Designing a Data Fact Sheet for each data set. Purpose: What is the minimum info we need (country, market, period(s)). See Excel sheet Dilyara sent around. To be filled in for remaining approaches.
4. (SM) Designing a Code Fact sheet for each code. What do we need to know about each code (language, assumptions needed (Probability map)? A lot of this is already in Serafin’s note.
5. SM/DS to coordinate/merge 3. And 4.
6. (IvL/DS) draft a mail for Code Providers to ask for permission to make code available to others.
7. (IvL) coordinate with Grzegorz/Sergio to get Moussa code
8. (IvL) common naming convention
9. (SM/DS) Matlab code to compute standard metrics of algorithm outcomes
10. (Everyone) Each of the codes needs a ‘champion’ to make sure that the code will accept standardised input (as defined by IvL) and produce standard output (as defined by SM/DS under item 9.). Assignment of ‘champion’ is as follows:  
    Anand                   KA  
    Mastromatteo   HL  
    Musmeci              HL  
    Halay-Kok (1)      GH  
    Halay-Kok (2)      GH  
    Moussa IvL  
    Masi                     SM  
    Baral                     DS  
    Drehmann           SM           
    Hwayun is taking a look first to see if there is a fit.

Next phone conference for either Monday 12 May or Tuesday 13 May. Both 14.00 CEST. Please **let me know what would work for you.**

Hope that captures everything and is clear. Please let me know if we need to add to this list.

Happy Easter to all.