

The Deutsche Bundesbank's Prudential Database (BAKIS)

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Introduction

Analyses and empirical studies of the banking sector and financial stability are becoming ever more important. Research using microdata, in particular, has gained in international significance in the past few years. The Bundesbank collects microdata on German banks which are also used for research purposes. Since the early 1990s, the Bundesbank has been electronically storing these data in its prudential information system (*Bankaufsichtliches Informationssystem*, hereafter BAKIS). These data are of interest for micro- and macroprudential research of the Bundesbank for the following reasons.

- Census: every bank in Germany is required to report its data to the Bundesbank. Compliance is reviewed regularly.
- Scope and relevance: for prudential purposes, the Bundesbank and the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, hereafter BaFin) collect information that not even experienced balance sheet analysts can infer. However, in most cases this is precisely the information needed for a comprehensive and precise assessment of a bank's situation.
- Reliability: since these data often have implications for supervisory action, supervisors and banks insist on particular care in the recording of these data.

The German Banking Act and the related regulations form the legal basis for the collection of data. The collection of these data enables the Bundesbank and BaFin to monitor banks in Germany effectively. These data have also been used for academic study since the end of the 1990s. A growing number of projects are based on these data. As these data contain sensitive information, there are restrictions associated with their use. For instance, these data can be used only at the Bundesbank, and the results may be published only after the data have been anonymised.

* The opinions expressed in this paper are those of the authors and do not need to reflect the opinions of the Deutsche Bundesbank.