



The global network of payment flows

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Discussant



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Disclaimer

Opinions and statements are the sole responsibility of the discussant.



Take home messages

- It is an updated network analysis of SWIFT MT 103 data.
- 8 billion messages exchanged among 231 countries, from Jan 2013 to Apr 2018.
- An increasing number of messages sent, with notable seasonal variation. The increasing trend is slower after the financial crisis.
- Largest increases in activity in corridors among largest financial centers.
- Strongest bilateral relationship continues to be between US and China.
- A core-periphery structure, with a decreasing number of core countries.
- Central countries are stable and expected. Communities are stable and expected.
- A continuous reduction in the number of links—related to offshore financial centers.



My opinion

- It is always good to study the connective structure of the global, regional, and local payment networks.
- The SWIFT data is very interesting—and not widely used, to the best of my knowledge.



My suggestions & questions

- Some obvious ones...
 - Working on the value in messages is quite interesting.
 - What has happened during the Covid-19 pandemic?
- Not so obvious ones...
 - How does the maximum spanning trees compare to the exchange of goods and services?
 - How to use this to monitor geopolitical trends? Follow the money? An obvious example...



My suggestions & questions

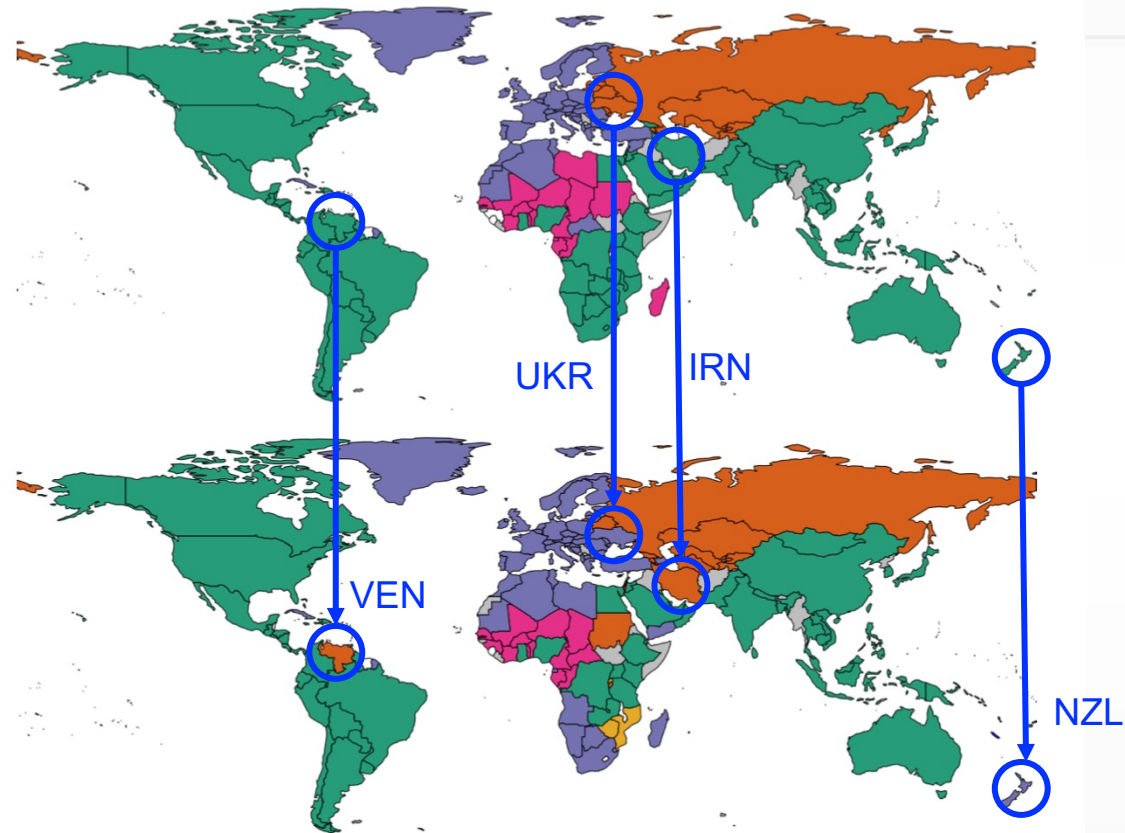


Figure 6: Upper map: Community classification in July, 2013. Lower map: Community classification in April, 2018. Data Source: SWIFT BI Watch.



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- What else can we extract from the messages? Is it possible to map the flow of money (sender – intermediary A – intermediary B – beneficiary)?



My suggestions & questions

----- Message Header -----

Swift Input : FIN 103 Single Customer Credit Transfer

Sender : INDBINBBGRD
INDUSIND BANK LIMITED
(PNA HOUSE)
MUMBAI IN

Receiver : ROYCCAT2XXX
ROYAL BANK OF CANADA
(HEAD OFFICE)
TORONTO CA

MUR : M123456

UETR : 812d0e34-e56c-7fb8-1234-3bf1a23456ef

----- Message Text -----

20: Sender's Reference
AD1TT23456789012

23B: Bank Operation Code
CRED

32A: Val Dte/Curr/Interbnk Settld Amt
Date : 29 May 2019
Currency : CAD (CANADIAN DOLLAR)
Amount : #16530,00#

50K: Ordering Customer-Name & Address
/ANWPK1234B
JOHN DOE
HOUSE NO.123 STREET NO.5 TIBBA SAHI
B HOSHIARPUR PIN-123456 PUNJABINDIA

52D: Ordering Institution-Name & Addr
/123456789012
FOREX LIMITED
2ND FLOOR, KITAB MAHAL, 2ND FLOOR,
KITAB MAHAL, ,192, DR. DN ROAD, FOR

53A: Sender's Correspondent - FI BIC
/01234-123-555-0

INDBINBBXXX
INDUSIND BANK LIMITED
MUMBAI IN

57A: Account With Institution - FI BIC
//20012

CITICATTBCH
CITIBANK CANADA
(CITIBANK NA CANADIAN BRANCH)
TORONTO CA

59: Beneficiary Customer-Name & Addr
/2012345678

FLYWIRE PAYMENTS CORPORATION
141 TREMONT STREET 10TH FLOOR BOSTO
N MA 02111(USA)

OVERSEAS EDUCATION

71A: Details of Charges

SHA

72: Sender to Receiver Information

/BNF/
//PP L1234567 DOB 22 11 1994 ID 000
//451234 SIA123456789 ANWPK1234B FA
//THER PAN



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