



BANCA D'ITALIA
EUROSISTEMA

Supplements to the Statistical Bulletin

Monetary and Financial Indicators

Household Wealth in Italy

2007

New series

Volume XVIII Number 76 - 18 December 2008

GENERAL INFORMATION

- I - Unless indicated otherwise, figures have been computed by the Bank of Italy.
- II - Symbols and Conventions:
- the phenomenon in question does not occur;
 - the phenomenon occurs but its value is not known;
 - .. the value is known but is nil or less than half the final digit shown.
- Figures in parentheses in roman type () are provisional, those in parentheses in italics () are estimated.
- III - The tables are identified both by a number and by an alphanumeric code that defines the content of the table in the database in the electronic archive in which information to be released to the public is held. A similar code identifies the different aggregates shown in each table.
- IV - The methodological notes in the last part of the Supplement are identified by electronic codes that refer to the tables and, within each table, to the individual aggregates. Notes that refer to a single observation are also identified by the date of that observation.

SUPPLEMENTS TO THE STATISTICAL BULLETIN

Monetary Financial Institutions: Banks and Money Market Funds (monthly)

The Financial Market (monthly)

The Public Finances, borrowing requirement and debt (monthly)

Balance of Payments (monthly)

Monetary and Credit Aggregates of the Euro Area: the Italian Components (monthly)

Financial Accounts (quarterly)

Payment System (half yearly)

Public Finance Statistics in the European Union (annual)

Local Government Debt (annual)

Household Wealth in Italy (annual)

Sample Surveys (irregular)

Methodological Notes (irregular)

All the supplements are available on the Bank of Italy's site (www.bancaditalia.it).

Requests for clarifications concerning data contained in this publication can be sent by e-mail to statistiche@bancaditalia.it

CONTENTS

	Page
1. Amount and composition of household wealth	5
2. An international comparison	9
METHODOLOGICAL NOTE.....	10
STATISTICAL TABLES	11

In 2005 the Bank of Italy began a research project with the aim of setting up a database containing estimates of household wealth in Italy. The preliminary estimates and the methods used were discussed at the conference “Household Wealth in Italy”, held in Perugia, 16-17 October 2007, which was attended by leading experts on the subject. The conference papers were collected in the volume “Household Wealth in Italy”, Banca d’Italia, 2008, available at http://www.bancaditalia.it/studiricerche/convegni/atti/ric_fam_it/Household_wealth_Italy.pdf. The first official estimates were published in Household Wealth in Italy, 1995-2005, Supplements to the Statistical Bulletin, Monetary and Financial Indicators, No. 75, 19 December 2007, (http://www.bancaditalia.it/statistiche/stat_mon_cred_fin/banc_fin/ricfamit/2007/en_suppl_75_07.pdf).

Edited by Ivan Faiella, Stefano Iezzi and Andrea Neri.

The database was constructed by a working group comprising Laura Bartiloro, Riccardo Bonci and Lisa Rodano for financial assets; and Ivan Faiella, Stefano Iezzi and Andrea Neri for the real assets.

HOUSEHOLD WEALTH IN ITALY IN 2007

1. Amount and composition of household wealth

In 2007 Italian households' total net wealth¹ i.e. the sum of real assets (dwellings, land, etc.) plus financial assets (deposits, securities, shares, etc.) minus debts (mortgages, personal loans, etc.) was about €8,512 billion (Tables 1A and 3A).

Total net wealth, at current prices, rose between 2006 and 2007 by about 3.9 per cent (roughly €17 billion); lower than the average annual rate of growth for the period 1995-2006 (about 6.2 per cent). This slowdown in accumulation was due to a substantial stagnation of financial assets (an increase of 0.6 per cent) and the growing proportion of debt (+8.2 per cent), while the increase in real assets remained high (+6.7 per cent)² (Table 1A). The per capita rate of growth was 3 per cent, the number of households having increased by 0.8 per cent in the same period.

At constant prices,³ compared with 2006, total wealth grew by 1.7 per cent (about €139 billion in 2007); the per capita increase was 0.8 per cent (Table 2A).

The change in wealth can generally be divided into two components: capital gains, which express the variation in asset prices, and savings. Considering the whole period 1995-2007, the contribution of capital gains to the growth of wealth showed greater variability than the contribution of savings which, since 2000, has been around 1 per cent of net wealth (Figure 1).

During the period 1995-2000 savings contributed almost as much as capital gains to wealth accumulation whereas between 2001 and 2005 capital gains played the more important role. In the last two years under consideration, net wealth grew by less as a result of a reduced contribution from capital gains.

In the first six months of 2008, financial household wealth at current prices fell by about 6 per cent, above all because of a fall in equity prices.⁴ This negative trend continued more strongly in the following months as the international financial crisis worsened. According to the 6-monthly note issued by the Property Market Observatory of the Italian Land Registry,⁵ in the first part of 2008 growth in property prices slowed and there was a sharp drop in sales volumes. In the first half of 2008, components for which we already have the figures represent about 90

¹ This publication considers the set of consumer households and producer households but excludes non-profit institutions that do not produce goods and services for sale (trade unions, sports associations, political parties, etc.). The data provided can therefore differ from other sources using different definitions, such as the Financial Accounts which give financial assets and liabilities for the household sector, including non-profit institutions in this category.

² In the period 2006-07 house prices grew by 5.9 per cent on average.

³ Values at 2007 prices are obtained by using the household consumption deflator from national accounts. This indicator is preferable to the consumer price index since it contains information on some goods and services consumed by households but not included in the CPI (e.g. imputed rents). The consumption deflator indicates a change of 2.2 per cent in prices between 2006 and 2007.

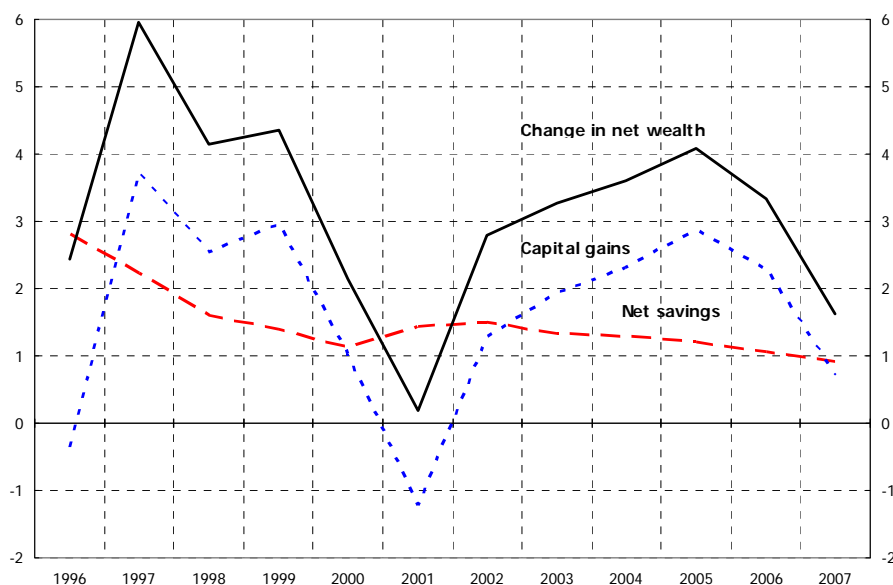
⁴ Estimates are based on the publication *Financial Accounts*, Supplements to the Statistical Bulletin, Monetary and Financial Indicators, No. 65 (5 November 2008).

⁵ *Il Mercato Immobiliare nel primo semestre 2008*, available in Italian only on the Land Registry's website: http://www.agenziaterritorio.it/sites/territorio/files/agenzia/at%20informa/Cartaqualita/nota_semestrale2008.pdf

per cent of total household net wealth; it can therefore be assumed that the overall aggregate at current prices remained basically stationary in that period, with a slight fall in real terms.

Figure 1

Savings, capital gains and changes in net wealth
(as a percentage of net wealth)



In 2007 the ratio of net wealth to gross disposable income was 8.1, higher than in the preceding years (the ratio was 6 in 1995 and 7 in 2001; Table 2A).

At the end of 2007, net wealth per household was about €360,000 (€143,000 per capita) overall (Table 2A).⁶ Nevertheless, the distribution of wealth is highly concentrated: many households have little or no wealth whereas only a few have high levels of wealth. Information on wealth distribution, based on the Bank of Italy's survey on household income and wealth (SHIW),⁷ indicates that in 2006 the poorest half of Italian households held less than 10 per cent of total wealth while the richest 10 per cent held almost half (Table 4A). However, the number

⁶ The number of households is calculated by dividing the resident population according to Istat data (excluding cohabitations) by the average number of persons obtained from the Bank of Italy's survey on household budgets. Data referring to years when the survey was not conducted are interpolated; for 2007 they are extrapolated from the previous years' trend.

⁷ Sample data is required to evaluate wealth distribution. However these data are not totally consistent with the aggregate values. The main reasons for these discrepancies are to be found in the lower propensity of the wealthiest households to participate in the sample surveys and in the reticence of participating households about giving truthful information. Sample-data based wealth estimates therefore tend to underestimate the aggregate data: this is more often the case for the financial assets component (which mostly characterize the wealthiest households) than for the real wealth components. For more information on this aspect, see G. D'Alessio and I. Faiella, *Non-response behaviour in the Bank of Italy's Survey of Household Income and Wealth*, Banca d'Italia, Working Papers, No. 462, 2002; R. Bonci, G. Marchese and A. Neri, *Financial Wealth in the Financial Accounts and in the Survey of Household Income and Wealth*, Banca d'Italia, Working Papers, No. 565, 2005 (text only in Italian); L. D'Aurizio, I. Faiella, S. Iezzi and A. Neri, *The Under-reporting of Financial Wealth in the Survey of Household Income and Wealth*, Banca d'Italia, Working Papers, No. 610, 2006 (text only in Italian).

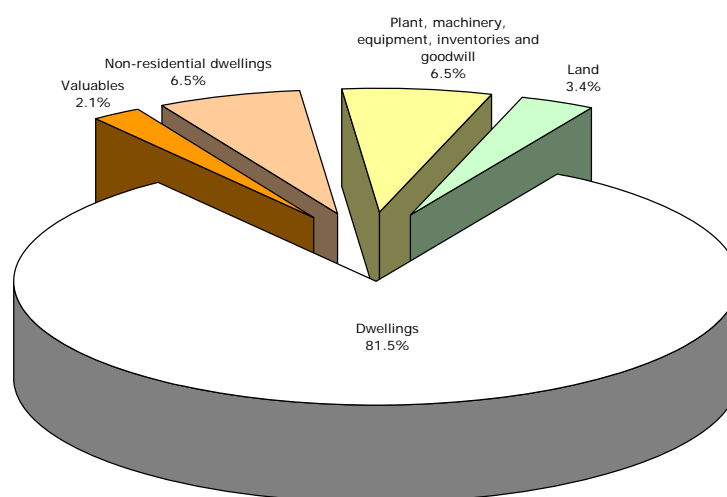
of households with negative wealth is around 3 per cent, a much lower proportion than that in other countries such as the United States, the United Kingdom and France.⁸

At the end of 2007, real assets accounted for about 60 per cent of gross wealth (€5,570 billion), financial assets around 40 per cent (€3,652 billion) and financial liabilities about 8 per cent (€710 billion) (Table 1A).

The composition of real assets underwent some small changes compared with past years: at the end of 2007, the proportion of real wealth in dwellings was around 82 per cent of total value and in non-residential buildings it was about 6 per cent. Plant, machinery, equipment, inventories and goodwill accounted for about 6 per cent of the total value of real assets while land and valuables were 3 and 2 per cent respectively (Figure 2).

Figure 2

Composition of real assets in 2007
(percentages)



At the end of 2007 about 49 per cent of financial assets were held in corporate bonds, foreign securities, loans to cooperatives, equity, shares in quasi-corporations and investment funds. Cash, bank deposits and postal savings accounted for about a quarter of all financial assets, while about 5 per cent was directly invested by households in Italian government bonds (Figure 3).

Between 2006 and 2007 there was a shift in the composition of household's portfolios towards less risky investments: the value of Italian government bonds grew by 0.8 percentage points to 5.5 per cent and that of Italian corporate bonds from 10.3 to 11 per cent; conversely the amount held in investment funds and Italian equity fell by 1.1 and 1.6 percentage points to 7.2 and 18.3 per cent respectively. In 2007 the proportion of foreign securities, which had been

⁸ See E. Sierminska, A. Brandolini and T.M. Smeeding, *Comparing Wealth Distribution across Rich Countries: First Results from the Luxembourg Wealth Study*, in "Household Wealth in Italy", *op. cit.*

increasing over the years, remained unchanged in comparison with 2006, stabilizing at 3.5 per cent of the value of assets (Table 3A).

Household liabilities in 2007 were characterized by a high proportion of home mortgage loans (around 40 per cent), whose value increased by about 10 per cent in relation to 2006. On the other hand, trade debts and other loans, mainly linked to the funding requirements of producer households, accounted for about 30 per cent. The proportion of debt linked to consumption needs (13 per cent) increased, confirming the trend seen in recent years (Figure 4, Table 3A).

Figure 3

The composition of financial assets in 2007
(percentages)

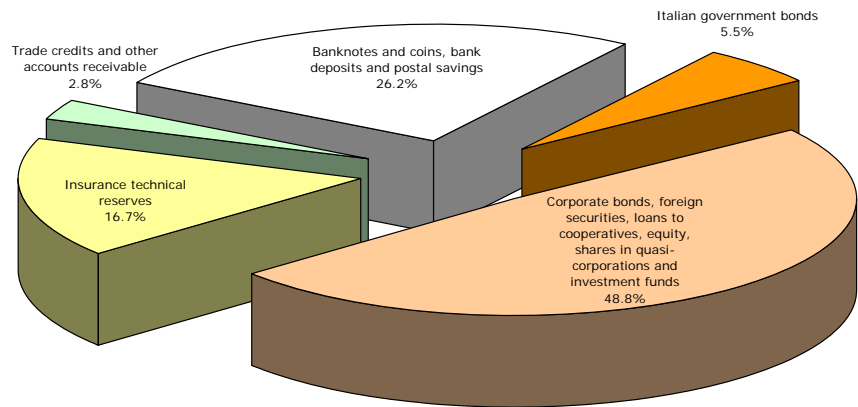
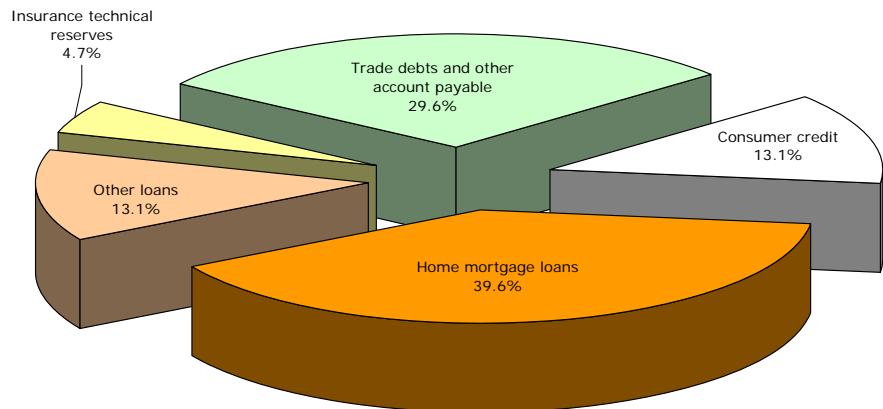


Figure 4

Composition of financial liabilities in 2007
(percentages)



2. An international comparison⁹

In 2006, the last year for which data is available to make a cross-country comparison, the real assets of Italian households were 5.1 times greater than disposable income, lower than in the United Kingdom and France but higher than in the United States and Germany (where the figure was, respectively, around 3 and 4 times household disposable income) (Table 1).

In Italy, financial assets were more than 3.5 household income, a lower ratio than in the United States and the United Kingdom, but higher than in Germany and France. The total liabilities of Italian households was 65 per cent of disposable income, the lowest figure out of the countries under consideration: this figure was 90, 100, 140 and 170 per cent of gross disposable income in France, Germany, the United States and the United Kingdom, respectively.

Overall, in 2006 the ratio between net wealth and income in Italy was similar to that of the United Kingdom and France but higher than that of the United States and Germany.

Table 1

Household wealth: an international comparison (percentages of gross disposable income)¹⁰

	2000	2001	2002	2003	2004	2005	2006
Real assets ⁽¹⁾							
USA	219	226	234	244	254	269	270
Germany	389	385	393	396	400	401	416
France	347	364	388	432	487	546	578
United Kingdom	378	380	442	472	509	501	536
Italy	407	410	431	455	470	491	514
Financial assets							
USA	463	424	378	417	427	435	449
Germany	273	270	265	276	284	294	303
France	283	267	259	270	272	291	306
United Kingdom	487	427	381	397	412	441	460
Italy	360	338	330	332	342	353	358
Financial liabilities							
USA	103	107	113	121	127	134	140
Germany	115	112	112	111	109	107	105
France	77	78	76	80	84	87	89
United Kingdom	114	118	130	141	153	155	169
Italy	50	49	51	54	57	61	65
Net wealth							
USA	579	543	499	540	554	570	579
Germany	547	543	546	561	575	588	614
France	553	553	571	622	675	750	795
United Kingdom	751	689	693	728	768	787	827
Italy	717	699	710	733	755	783	807

⁽¹⁾ For Germany and the United States, real assets also include durable goods. **Sources:** Banca d'Italia, Istat, OECD.

⁹ The results of international comparisons should be viewed with caution, bearing in mind that the available data are not always totally consistent. For financial assets, see L. Bartiloro, M. Coletta, R. De Bonis, *Italian households' wealth in a cross-country perspective*, in "Household Wealth in Italy", *op. cit.*; for real assets, see R. Bonci, L. Cannari, A. Karagregiou, G. Marchese, A. Neri, *Defining Household Wealth in Business*, IFC Bulletin, No. 25, March 2007.

¹⁰ Here, wealth is related to disposable income including depreciation since this is the most widely used variable in international comparisons. Therefore, comparing the numbers in Table 1 with those of the corresponding table in *Household Wealth in Italy, 1995-2005, op.cit.*, it should be borne in mind that the latter used wealth data on household disposable income net of depreciation. The OECD data on the value of real assets in relation to gross disposable income in Italy up to 2005 are different from those presented here in Table 1 because the methodology for estimating the aggregate is different and based on different data. See L. Cannari, G. D'Alessio, G. Marchese, *Italian household wealth: background, main results, outlook*, in "Household Wealth in Italy", *op. cit.*

METHODOLOGICAL NOTE

Net wealth is the sum of real and financial assets, net of liabilities. Real components are mainly tangible assets, such as dwellings, land and valuables although they also include some non-tangible assets such as the value of business goodwill.

Financial assets, such as deposits, government securities and corporate bonds, are instruments which entitle the owner - the creditor - to receive, without supplying any service or good, one or more payments from the debtor who is bound by the corresponding obligation. Financial liabilities i.e. debts, represent the negative component of wealth and consist mainly of mortgage loans and personal loans.

Wealth estimates are obtained for all households resident in Italy, both as consumers (Consumer Households) and producers (Producer Households).¹¹ However these estimates do not include the assets and liabilities of non-profit institutions that do not produce goods and services for sale (trade unions, sports associations, political parties, etc.).¹²

Details of the methodology used to construct the single instruments comprising, under assets and liabilities, the formation of household net wealth are given in the methodological note in *Household Wealth in Italy, 1995-2005*, Supplements to the Statistical Bulletin, Monetary and Financial Indicators, No. 75, 19 December 2007.¹³ For further information on the financial component, see the guide *The Italian Financial Accounts*, Bank of Italy, 2003.¹⁴

This present publication also includes data from 1995 on. Any changes in respect of previous publications are due to revisions of the elementary data used to construct the aggregates.

¹¹ A detailed description of producer households and how this influences the classification of the components of wealth is contained in L. Cannari, I. Faiella, G. Marchese and A. Neri, *The real assets of Italian households*, in "Household Wealth in Italy", *op.cit.*

¹² When comparing or linking data from different sources, it should be borne in mind that on the basis of the European System of Accounts (ESA95), non-profit institutions are considered as households, as happens in the Financial Accounts.

¹³ Available at www.bancaditalia.it/statistiche/stat_mon_cred_fin/banc_fin/ricfamit/2007/en_suppl_75_07.pdf

¹⁴ Available at http://www.bancaditalia.it/pubblicazioni/temist/cofin03/manual_financial_accounts.pdf

STATISTICAL TABLES

Table 1A

COMPOSITION OF NET WEALTH

(billions of euros)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	<i>current prices</i>												
Total real assets (a)	2,742.9	2,882.0	3,050.8	3,106.0	3,151.7	3,336.7	3,546.9	3,880.6	4,219.5	4,507.4	4,834.1	5,222.1	5,570.3
Total financial assets (b)	1,754.0	1,924.0	2,178.2	2,450.1	2,775.7	2,950.5	2,926.7	2,978.1	3,077.2	3,277.8	3,483.3	3,629.6	3,652.1
Total financial liabilities (c)	255.0	280.0	308.0	328.7	362.5	407.1	426.1	459.5	497.7	548.6	603.2	656.6	710.5
Net wealth (d = a+b-c)	4,241.9	4,526.0	4,921.0	5,227.3	5,564.9	5,880.1	6,047.6	6,399.1	6,799.1	7,236.6	7,714.3	8,195.1	8,511.9
	<i>2007 prices ⁽¹⁾</i>												
Total real assets (a)	3,737.9	3,773.1	3,906.0	3,905.2	3,891.6	3,985.1	4,127.0	4,389.4	4,644.2	4,835.5	5,071.7	5,335.7	5,570.3
Total financial assets (b)	2,390.3	2,518.9	2,788.8	3,080.5	3,427.3	3,523.9	3,405.3	3,368.6	3,387.0	3,516.4	3,654.5	3,708.5	3,652.1
Total financial liabilities (c)	347.5	366.5	394.4	413.3	447.6	486.2	495.7	519.8	547.8	588.5	632.8	670.9	710.5
Net wealth (d = a+b-c)	5,780.7	5,925.4	6,300.4	6,572.3	6,871.3	7,022.7	7,036.5	7,238.1	7,483.4	7,763.4	8,093.3	8,373.3	8,511.9

(1) Values calculated using the national accounts consumption deflator.

Table 2A

PER CAPITA AND PER HOUSEHOLD WEALTH

(euros)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	<i>current prices</i>												
Per capita net wealth ⁽¹⁾	74,624	79,576	86,478	91,853	97,762	103,231	106,110	111,636	117,452	123,782	131,303	138,592	142,771
Per household net wealth ⁽²⁾	216,897	228,208	244,650	256,299	270,084	282,343	288,600	301,932	311,053	320,879	338,847	356,096	360,318
	<i>2007 prices ⁽⁴⁾</i>												
Per capita net wealth	101,693	104,181	110,719	115,488	120,712	123,291	123,462	126,274	129,273	132,793	137,755	141,605	142,771
Per household net wealth	295,575	298,768	313,230	322,247	333,488	337,208	335,795	341,521	342,360	344,238	355,499	363,837	360,318
<i>Memorandum item :</i>													
<i>Net wealth / Disposable income ⁽³⁾</i>	6.0	6.1	6.5	6.8	7.0	7.2	7.0	7.1	7.3	7.6	7.8	8.1	8.1

(1) This value is obtained on the basis of Istat resident population data. (2) The number of households is calculated by dividing the resident population (excluding cohabitations) by the average number of household members obtained from the Bank of Italy survey on household income and wealth. Data referring to years when the data was unavailable are interpolated; data for 2007 are extrapolated by assuming a linear trend. "Cohabitations" refer to the set of persons who, while not having marriage, family or similar ties, live in institutionalized settings such as religious communities, hospitals or care homes, barracks, prisons, etc. (3) Household gross disposable income is obtained from national accounts. (4) Values calculated using the national accounts' consumption deflator.

Table 3A

ITALIAN HOUSEHOLD WEALTH

(billions of euros at current prices)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Dwellings	2,113.2	2,232.0	2,375.3	2,407.1	2,436.1	2,580.4	2,752.9	3,033.3	3,328.1	3,578.2	3,884.0	4,234.7	4,540.3
Valuables	78.9	81.8	85.2	87.7	95.4	104.3	111.1	117.9	124.3	129.9	122.8	115.1	118.1
Non-residential buildings	171.3	180.3	191.3	194.4	196.3	207.7	221.0	246.4	267.0	280.6	301.2	332.9	359.7
Plant, machinery, equipment, inventories and goodwill	218.8	227.2	235.5	244.5	254.3	268.8	282.0	299.5	310.4	325.1	335.7	349.7	361.2
Land	160.7	160.7	163.5	172.3	169.5	175.5	179.9	183.4	189.7	193.7	190.3	189.7	190.9
Total real assets (a)	2,742.9	2,882.0	3,050.8	3,106.0	3,151.7	3,336.7	3,546.9	3,880.6	4,219.5	4,507.4	4,834.1	5,222.1	5,570.3
Banknotes and coins	41.2	42.0	45.0	48.3	54.1	57.1	47.2	45.9	55.0	64.1	73.1	80.7	85.5
Bank deposits	520.1	532.6	495.5	459.1	438.6	443.0	469.1	480.8	488.4	497.0	518.4	565.1	589.1
<i>of which: current accounts</i>	193.8	206.7	224.1	235.6	245.9	256.4	284.2	315.6	338.5	355.2	375.8	396.7	399.5
Postal savings	106.9	118.1	128.3	137.9	155.3	165.1	189.1	202.4	222.1	242.6	258.6	271.8	283.5
<i>of which: current accounts</i>	3.9	3.3	3.0	4.7	2.7	2.8	7.5	8.6	13.1	17.6	20.5	22.1	21.9
Securities	435.1	512.8	551.6	513.6	436.4	504.3	562.3	622.1	624.2	674.2	642.1	667.0	729.1
Italian government bonds	363.0	379.3	352.6	258.2	169.7	190.3	211.3	231.5	194.4	215.8	171.4	169.0	199.3
Italian corporate bonds	40.6	94.5	145.5	196.6	194.0	238.1	259.5	299.6	339.3	371.0	352.1	372.7	402.7
<i>of which: issued by banks</i>	36.5	88.3	139.8	190.1	188.3	228.1	244.7	271.8	296.7	333.6	312.0	328.8	351.6
Foreign securities	31.6	39.0	53.5	58.8	72.7	75.8	91.5	91.0	90.4	87.4	118.5	125.3	127.1
Loans to cooperatives	5.5	6.1	6.7	7.3	8.2	8.2	9.2	9.9	10.9	11.7	12.6	13.2	13.8
Shares and other equity in corporations	248.6	254.6	349.4	455.3	698.9	755.4	668.6	637.2	617.3	668.7	778.9	822.6	756.5
Italian shares and other equity	222.8	226.9	305.4	395.3	603.8	648.1	575.7	570.6	544.6	592.7	688.6	723.3	668.0
<i>of which: listed shares</i>	50.7	56.6	94.3	155.5	210.8	219.1	132.5	117.5	154.9	159.9	183.6	207.1	203.0
Foreign shares and other equity	25.8	27.7	44.0	60.0	95.1	107.4	93.0	66.6	72.6	76.0	90.3	99.3	88.5
<i>of which: listed shares</i>	18.2	19.5	31.0	42.3	70.8	82.9	70.6	48.6	53.5	56.6	68.7	76.3	75.6
Equity in quasi-corporations ⁽¹⁾	91.2	89.4	109.6	141.2	147.4	149.0	146.5	159.7	169.6	189.6	193.0	201.3	218.8
Investment funds	67.4	105.6	195.2	369.1	478.7	453.5	388.0	326.5	338.8	320.6	330.9	301.6	264.0
Insurance technical reserves ⁽²⁾	171.8	191.2	217.1	246.4	289.0	329.6	369.8	412.5	467.8	521.1	577.6	610.8	609.8
<i>of which: pension funds</i>	101.6	107.8	114.4	120.6	129.7	138.8	148.1	157.1	166.8	177.7	191.0	201.6	205.6
<i>of which: life insurance reserves</i>	55.7	66.9	84.5	105.1	136.4	165.4	194.5	226.4	270.1	310.8	352.5	373.4	364.3
Other accounts receivable	9.6	10.1	10.6	10.7	11.5	12.7	5.4	7.1	6.9	7.0	11.5	6.9	11.5
Trade credits	56.5	61.5	69.1	61.2	57.7	72.7	71.4	73.9	76.3	81.1	86.7	88.6	90.5
Total financial assets (b)	1,754.0	1,924.0	2,178.2	2,450.1	2,775.7	2,950.5	2,926.7	2,978.1	3,077.2	3,277.8	3,483.3	3,629.6	3,652.1
Total assets (a+b)	4,496.9	4,806.0	5,229.0	5,556.0	5,927.4	6,287.2	6,473.6	6,858.6	7,296.8	7,785.2	8,317.4	8,851.7	9,222.4
Loans	163.5	174.0	185.3	202.2	231.3	252.4	267.4	293.3	320.9	364.7	410.3	455.5	499.5
Consumer credit	8.4	9.4	9.2	24.5	28.7	32.9	36.7	43.5	50.1	57.4	68.6	81.1	93.0
Home mortgage loans	51.0	54.2	59.2	69.9	89.7	116.3	126.3	141.3	163.6	195.3	228.8	256.2	281.0
Other loans	104.2	110.4	116.8	107.8	112.9	103.2	104.4	108.5	107.2	112.0	112.9	118.1	125.4
Insurance technical reserves ⁽²⁾	15.2	16.4	17.8	19.2	20.6	22.2	23.9	25.8	27.8	30.0	32.4	33.1	33.1
Trade debts	52.8	57.8	65.2	57.1	53.3	68.6	67.0	68.6	70.7	75.2	80.8	82.6	84.6
Other accounts payable	23.5	31.8	39.7	50.3	57.3	63.9	67.7	71.8	78.2	78.7	79.7	85.4	93.3
Total financial liabilities (c)	255.0	280.0	308.0	328.7	362.5	407.1	426.1	459.5	497.7	548.6	603.2	656.6	710.5
Net wealth (a+b-c)	4,241.9	4,526.0	4,921.0	5,227.3	5,564.9	5,880.1	6,047.6	6,399.1	6,799.1	7,236.6	7,714.3	8,195.1	8,511.9
<i>Memorandum item: durable goods</i>	<i>404.8</i>	<i>428.3</i>	<i>445.8</i>	<i>469.0</i>	<i>485.7</i>	<i>506.2</i>	<i>526.5</i>	<i>545.6</i>	<i>565.1</i>	<i>579.7</i>	<i>598.0</i>	<i>615.3</i>	<i>631.5</i>

(1) "Quasi-corporations" are unincorporated businesses holding a complete set of accounts and whose economic and financial behaviour is clearly separated from the proprietor's. The category of non-financial quasi-corporations includes general, limited, informal and *de facto* business partnerships and sole proprietorships (craftsmen, farmers, individual entrepreneurs, freelance professionals and generally anyone who is self-employed), as long as they have more than five employees. (2) "Technical reserves" are sums reserved by insurance companies and pension funds (independent and non-independent) in order to cover future payments to beneficiaries. Funds reserved to cover future severance pay provisions are recorded here because they are included with pension funds. Reserves recorded as liabilities include severance pay funds earmarked by households for their own employees.

Table 4A

DISTRIBUTION OF NET WEALTH: 1995-2006

	1995	1998	2000	2002	2004	2006
Percentage of wealth held by the richest 10 per cent.....	44.5	46.5	47.5	44.9	42.9	44.7
Percentage of wealth held by the poorest 50 per cent.....	9.3	9.3	9.6	9.6	10.1	9.7
Percentage of households with negative net wealth.....	2.3	2.3	1.8	2.1	2.6	2.7
Gini inequality index ⁽¹⁾ :						
net wealth	0.618	0.628	0.631	0.618	0.603	0.616
real assets	0.629	0.638	0.627	0.619	0.607	0.615
financial assets	0.737	0.743	0.809	0.767	0.733	0.769
financial liabilities	0.908	0.937	0.925	0.924	0.922	0.926
Memorandum item:						
<i>Household income Gini inequality index.....</i>	<i>0.363</i>	<i>0.375</i>	<i>0.362</i>	<i>0.357</i>	<i>0.353</i>	<i>0.348</i>

(1) The Gini index varies between 0 (the lowest) and 1 (the highest) concentration.

Source: Based on data obtained from the survey on Italian household budgets, Bank of Italy's Annual Database.

