



BANCA D'ITALIA  
EUROSISTEMA

# Supplements to the Statistical Bulletin

Monetary and Financial Indicators

Household Wealth in Italy  
2011

New series

Year XXII - 13 December 2012

Number

65



## CONTENTS

	Page
1. Wealth.....	5
2. Real assets.....	9
3. Financial assets .....	11
4. Financial liabilities.....	12
5. International comparison .....	13
STATISTICAL TABLES .....	21

*The text of this report was prepared by Andrea Alivernini.*

*The database was set up by Andrea Alivernini (real components) and Diego Caprara (financial components).*

## **HOUSEHOLD WEALTH IN ITALY – 2011**

### **THE MAIN FINDINGS**

- At the end of 2011 the net wealth of Italian households amounted to about €8,619 billion, corresponding to just over €140,000 per capita and €350,000 per household.
- Real assets made up 62.8 per cent and financial assets 37.2 per cent of total assets. Financial liabilities, which amounted to €900 billion, were equal to 9.5 per cent of total assets.
- During 2011 total net wealth at current prices diminished by 0.7 per cent; the increase in real assets (1.3 per cent) was more than offset by a decrease in financial assets (3.4 per cent) and an increase in liabilities (2.1 per cent). In real terms, deflated by the consumption deflator, net wealth fell by 3.4 per cent. The aggregate has contracted by 5.8 per cent overall since reaching its peak at the end of 2007.
- Italian household wealth in the form of housing at the end of 2011 was estimated at just over €5,000 billion, up by 1.3 per cent in nominal terms but down by 1.4 per cent in real terms compared with the end of 2010.
- According to preliminary estimates, in the first half of 2012 Italian households' net wealth diminished by a further 0.5 per cent in nominal terms compared with the end of December 2011.
- By international standards Italian households have a high level of net wealth: in 2010 it was equal to 8 times disposable income, compared with a factor of 8.2 in the United Kingdom, 8.1 in France, 7.8 in Japan, 5.5 in Canada and 5.3 in the United States. They also have relatively little debt: household debt is equal to 71 per cent of disposable income in Italy, compared with about 100 per cent in France and Germany, 125 per cent in Japan, 150 per cent in Canada and 165 per cent in the United Kingdom



# HOUSEHOLD WEALTH IN ITALY IN 2011

## 1. Wealth

At the end of 2011 the net wealth of Italian households,<sup>1</sup> i.e. the sum of real assets (dwellings, land, etc.) and financial assets (deposits, securities, shares, etc.) minus financial liabilities (mortgages, personal loans, etc.), was equal to about €8,619 billion (Tables 1A and 3A).<sup>2 3</sup>

Between the end of 2010 and the end of 2011 net wealth at current prices diminished by 0.7 per cent or €63 billion). The 1.3 growth in real assets was accompanied by a decrease of 3.4 per cent in financial assets and an increase of 2.1 per cent in liabilities (Table 1A). In real terms,<sup>4</sup> total net wealth diminished by €3.4 per cent (€306 billion at 2011 prices; Table 1A). Since the end of 2007, when the aggregate peaked at €9,151 (at 2011 prices), the decline has been equal to 5.8 per cent.

According to preliminary estimates,<sup>5</sup> in the first half of 2012 households' net wealth fell further by 0.5 per cent in nominal terms as a result of a decrease of 0.7 per cent in real assets and 0.4 per cent in financial assets, not completely offset by the 1.0 per cent decline in liabilities (Figure 1).

---

<sup>1</sup> This report examines consumer and producer households but does not include non-profit institutions serving households, i.e. non-profit organizations producing non-market goods and services (trade unions, sports clubs, political parties, etc.). As a result the data may differ from those obtained from other sources, for example, the Financial Accounts, which record the financial assets and liabilities of the household sector including non-profit institutions serving households.

<sup>2</sup> The methodological note (Appendix A) describes the methods used to estimate the various components of wealth; for more details see the papers presented at the conference, "Household Wealth in Italy", held in Perugia on 16-17 October 2007, published in the volume *Household Wealth in Italy*, Banca d'Italia, 2008 ([http://www.bancaditalia.it/studicerche/convegni/atti/ric\\_fam\\_it/Household\\_wealth\\_Italy.pdf](http://www.bancaditalia.it/studicerche/convegni/atti/ric_fam_it/Household_wealth_Italy.pdf)).

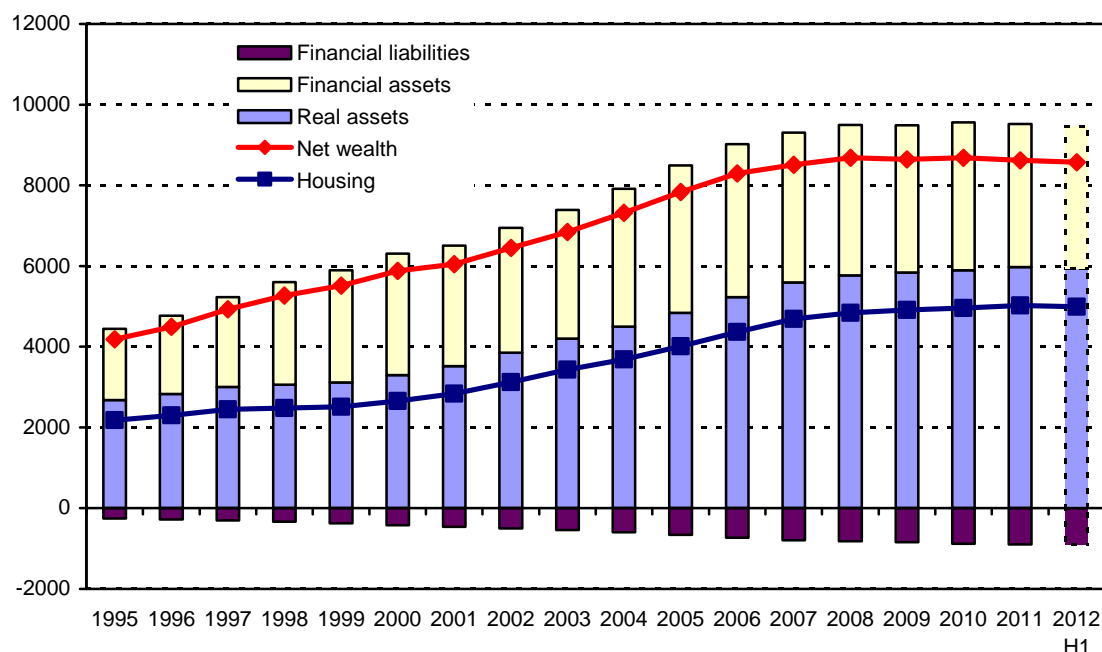
<sup>3</sup> This report contains data from 1995 onwards. Any differences with respect to the figures reported in previous publications are due to revisions of the data used to construct the aggregates or of the methodology used for the estimates. In particular, this year's report does not make use of the results of the 15th Population and Housing Census (2011), which Istat has only released in preliminary form.

<sup>4</sup> There are differences of opinion over which prices to use to deflate wealth (see for example *Household Wealth in Italy*, Banca d'Italia, 2008, and M. Reiter, "Asset Prices and the Measurement of Wealth and Saving", Department of Economics and Business, Universitat Pompeu Fabra, Barcelona, Economics Working Papers, No. 396, 1999). In this report, the real values are obtained by using the national accounts household consumption deflator, which shows a 2.8 per cent increase in prices between 2010 and 2011. This is to be preferred to the consumer price index as it incorporates some goods and services consumed by households that are not included in the CPI (for example imputed rents).

<sup>5</sup> The value of houses at the end of the first half of 2012 is estimated using the database of the price index of houses purchased by households, released by Istat for the first time in October 2012 and applied to the end-2011 price, and projections of the average size and total number of housing units added to the pre-existing stock. The estimated addition to the stock in the first half (96,000 homes) is in line with forecasts prepared by the building industry's economic and market research organization, CRESME, according to which a total of 187,000 new housing units were built in 2012 as a whole. The value of the remaining real assets is estimated on the basis of the past ratio between the value of houses and total real assets, which has been fairly stable in recent years at around 84 per cent. In the case of the financial components, the values obtained from the Financial Accounts, not including the part attributable to non-profit institutions serving households, have been supplemented with additional estimates of the items "other accounts receivable" and "other accounts payable", which are only available for the end of the year.

**Figure 1**

**Household wealth and its components, 1995-2011**  
(billions of euros at current prices; for 2012 H1, preliminary estimates)



The variation of household wealth in real terms can be put down to two factors: the flow of saving (net of amortization) and capital gains/losses, which reflect changes in the prices of real and financial assets, net of the change in the consumption deflator.<sup>6</sup> In 2011 household saving amounted to about €44 billion; however, there were capital losses of about €350 billion, two-thirds of which on financial assets<sup>7</sup> and one-third due to the fall in house prices in real terms.

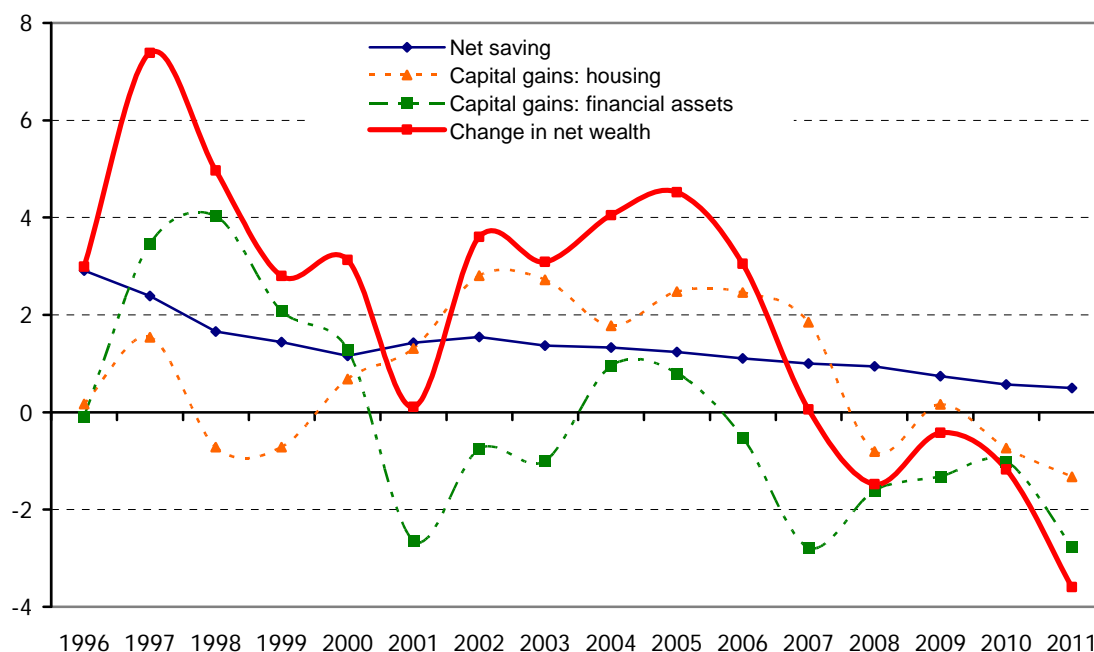
Over the period 1995-2011, saving contributed significantly more than capital gains to the growth in net wealth (65 and 35 per cent respectively). Capital gains came entirely from housing and other real goods, offsetting losses of 8 per cent on financial assets (Figure 2). In this period, household saving followed a downward trend, more pronounced in recent years. From 1996 to 2002, the annual flow of saving was equal on average to 1.8 per cent of net wealth; it fell to 1.3 per cent between 2003 and 2006, to 0.9 per cent between 2007 and 2009, and to just over 0.5 per cent in 2010-11. There were capital gains on financial assets, valued at constant prices, until 2000, followed by capital losses except in the two years 2004-2005; for housing, again at constant prices, there were capital gains between 2000 and 2007, in connection with the rapid rise in house prices that accompanied the start of Economic and Monetary Union. In more recent years, with the protracted economic crisis, there have been capital losses on real assets.

<sup>6</sup> Other factors can affect levels of household wealth, such as wars and earthquakes (counted as “Other changes on capital account”). As far as Italy is concerned, such factors have not played a significant role in recent years, allowing capital gains to be estimated as the balance between the increase in wealth and the increase in savings. For example, the major earthquakes that struck the Abruzzo region in April 2009 and the regions of Emilia Romagna, Lombardy and Veneto in May and June 2012 had a limited impact on total household wealth in Italy. The value of all residential property located in the affected areas is estimated to be below 0.1 per cent of Italian household’s total net wealth.

<sup>7</sup> In 2011 the main international stock market indices recorded substantial losses. Milan’s FTSE MIB fell by about 26 per cent

Figure 2

**Saving, capital gains/losses and changes in net wealth**  
(as a percentage of net wealth; constant prices)



At the end of 2011 net wealth was equal to 8 times gross disposable income, about the same as in the most recent years, compared with a multiple of 6 in 1996, 7 in 2001 and between 8 and 8.2 in the period 2006-10 (Table 2A). Net wealth per household was equal to €350,000.<sup>8</sup>

The distribution of net wealth is highly concentrated: many households have little or no wealth, while a few hold substantial wealth. Data on the distribution of wealth – based on the Bank of Italy's Survey on Household Income and Wealth (SHIW)<sup>9</sup> – indicate that at the end of 2010 the bottom 50 per cent of Italian households owned 9.4 per cent of total wealth, while the top 10 per cent owned 45.9 per cent. The Gini index, which ranges from 0 (minimum

<sup>8</sup> The number of households is calculated by dividing the resident population according to Istat data (i.e. not including people living in institutions) by the average number of household members in the Bank of Italy's Survey on Household Income and Wealth. The data for the years for which the Survey is not available are interpolated. For 2011, the average number of household members was estimated at 2.45, slightly less than in 2010. As a result of the increase in population in 2011, the number of households rose by more than 200,000. These estimates differ slightly from Istat's, which are based on public records held in municipal registry offices.

<sup>9</sup> The distribution of wealth can only be assessed using survey data, although these are not entirely consistent with the aggregate values. The main reasons for the discrepancy are the relative unwillingness of wealthier households to take part in sample surveys and the reticence of those who do, whose information may not be entirely truthful. Wealth estimates based on survey data therefore tend to underestimate the aggregate data: this occurs more often for the components of financial wealth, which wealthier households are more likely to possess, than for the components of real wealth. See G. D'Alessio and I. Faiella, "Nonresponse behaviour in the Bank of Italy's Survey on Household Income and Wealth", Temi di discussione, 462, Banca d'Italia, 2002; R. Bonci, G. Marchese and A. Neri, "La ricchezza finanziaria nei conti finanziari e nell'indagine sui bilanci delle famiglie italiane", Temi di discussione, 565, Banca d'Italia, 2005; L. D'Aurizio, I. Faiella, S. Iezzi and A. Neri, "L'under-reporting della ricchezza finanziaria nell'indagine sui bilanci delle famiglie", Temi di discussione, 610, Banca d'Italia, 2006; and G.D'Alessio, "Ricchezza e disuguaglianza in Italia", Questioni di Economia e Finanza, 115, Banca d'Italia, February 2012..

inequality) to 1 (maximum inequality) was equal to 0.624 in 2010, slightly higher than its levels in the past decade but in line with those of the end of the 1990s.<sup>10</sup>

The share of households with negative net wealth has risen gradually since 2000, standing at 2.8 per cent at the end of 2010 (Table 4A). Available estimates show that the inequality in household net wealth in Italy is fairly low by international standards, even by comparison with the advanced countries only.<sup>11</sup>

Between the end of 2010 and the end of 2011 net wealth per household decreased by 1.0 per cent at current prices and by 3.7 per cent at constant prices (Table 2A); at constant prices, it was comparable with the levels recorded in the first half of the last decade (Figure 3). Net wealth per household registered more negative developments, diminishing in 2011 by 1.6 at current prices and 4.3 per cent at constant prices. Average wealth per household at constant prices in 2011 was in the vicinity of its level at the end of the 1990s. It should be borne in mind, however, that between 1995 and 2011 the number of Italian households grew by nearly 5 million, mainly as a result of the reduction in the size of the average household, which shrank from 2.9 to 2.5 members.

At the end of 2011 real assets (€5,978 billion) accounted for around 62.8 per cent of gross wealth and financial assets (€3,541 billion) for 37.2 cent, while financial liabilities (€900 billion) were equal to 9.5 per cent of gross wealth (Table 1A). By comparison with the first few years of the last decade the share of gross wealth consisting in real assets grew in relation to that of financial assets. Between 1995 and 2011 the share of financial liabilities also increased, rising by 2.7 percentage points.

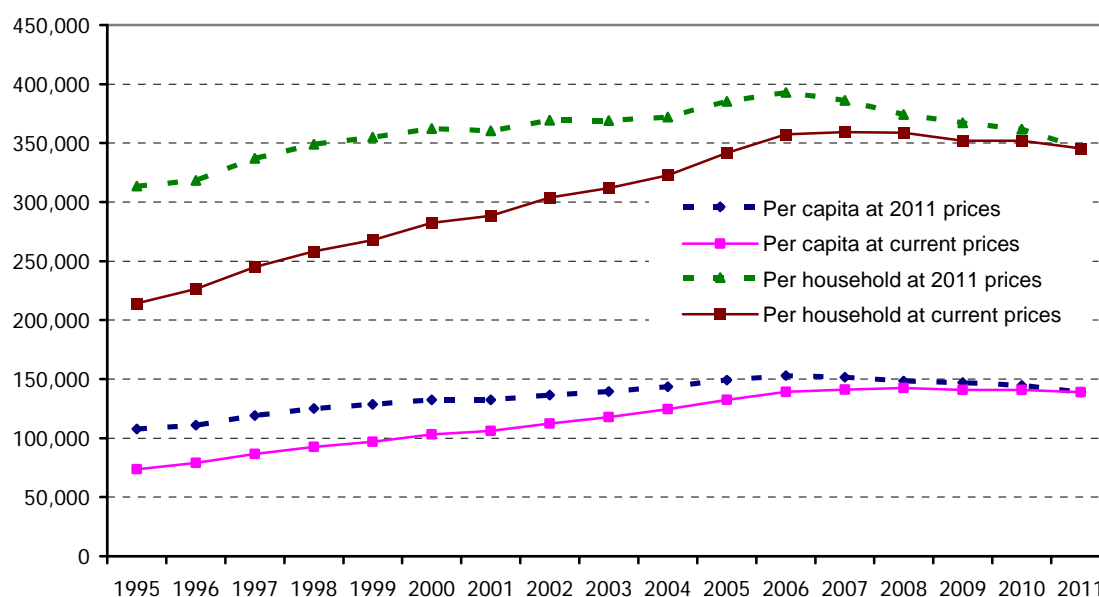
---

<sup>10</sup> See the Supplement to the *Statistical Bulletin*, “Household Income and Wealth in 2010”, [http://www.bancaditalia.it/statistiche/indcamp/bilfait/boll\\_stat/en\\_suppl\\_06\\_12n.pdf](http://www.bancaditalia.it/statistiche/indcamp/bilfait/boll_stat/en_suppl_06_12n.pdf).

<sup>11</sup> International comparisons must be made with caution, given that the data are not always uniform. For financial assets, see L. Bartiloro, M. Coletta and 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. Karagregoriou, G. Marchese and A. Neri, “Defining Household Wealth in Business”, *IFC Bulletin*, No. 25, March 2007. For a reconstruction of global household wealth and for some aspects of its distribution, see Credit Suisse Research Institute, *Global Wealth Report*, 2012, and *Global Wealth Databook*, 2012.

**Figure 3**

**Net wealth per household and per capita**  
(euros at current and constant prices)



## 2. Real assets

At the end of 2011 Italian households' real assets amounted to €5,978 billion. Dwellings made up 84 per cent of this total and non-residential buildings less than 6 per cent. Plant, machinery, equipment, inventories and goodwill represented 4 per cent, while land and valuables accounted for just over 4 and 2 per cent respectively (Figure 4).

The composition of real assets has undergone some significant changes since 1995 (Table 3A). The share of dwellings increased by almost 3 percentage points between 1995 and 2010 and that of plant, machinery, equipment, inventories and goodwill by more than 1 point, while that of valuables diminished by just under 1 point and land by 3 points. The share of non-residential buildings remained basically unchanged.

At the end of 2011 Italian households' wealth in the form of dwellings amounted to more than €5,000 billion, or just over €200,000 per household.

Housing wealth at current prices grew by 1.3 per cent (€65 billion) between the end of 2010 and the end of 2011. This fell far short of the 5.6 per cent annual rate of increase for the period 1995-2010, owing to the slowdown in house prices (Figure 5). In real terms, housing wealth fell by about 1.4 per cent compared with 2010.

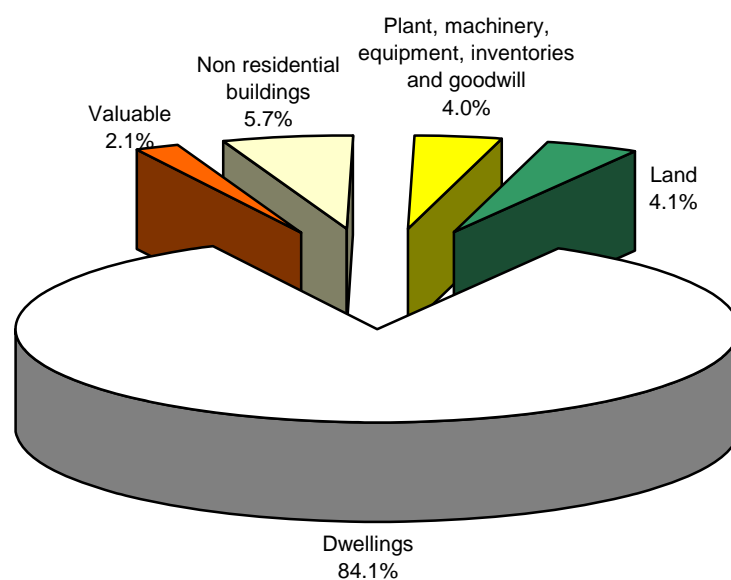
According to Istat data,<sup>12</sup> houses prices fell by 1.0 per cent in the first half of 2012 compared with the end of 2011. On the basis of these and other data,<sup>13</sup> it is estimated that housing wealth contracted by 0.7 per cent in the first half of 2012.

<sup>12</sup> Indice IPAB, <http://www.istat.it/it/archivio/73207>

<sup>13</sup> See footnote 5.

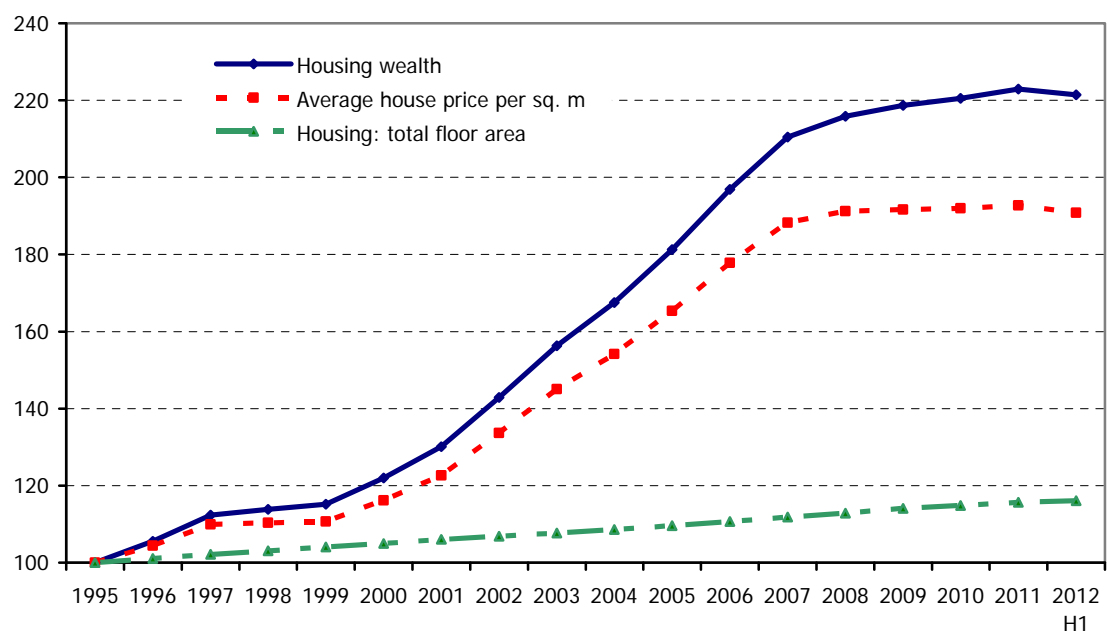
**Figure 4**

**Composition of real assets, 2011**  
(percentages)



**Figure 5**

**Changes in housing wealth and housing market trends<sup>(\*)</sup>**  
(indices, 1995=100)



<sup>(\*)</sup> The price index also takes account of changes in the quality of housing.

### 3. Financial assets

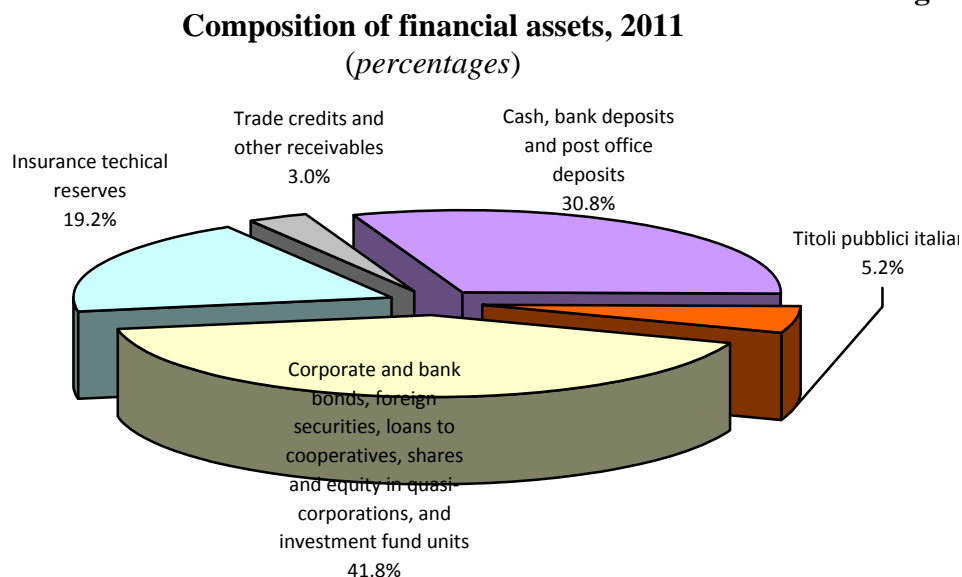
At the end of 2011 households' financial assets amounted to more than €3,500 billion, decreasing by 3.4 per cent at current prices from a year earlier. Nearly 42 per of the total consisted of corporate and bank bonds, foreign securities, loans to cooperatives, shares and other equity in corporations and investment fund units. Cash, bank accounts and post office savings accounted for almost 31 per cent and Italian government securities for 5.2 per cent. Insurance technical reserves, i.e. sums set aside by insurance companies and pension funds to cover future payments to households, represented 19.2 per cent of total financial assets (Figure 6).

In 2011 the composition of households' portfolios continue to shift towards more liquid forms of investment, such as cash, post office savings and bank current accounts, whose shares of the total rose by 0.3, 0.4 and 0.5 percentage points respectively compared with 2010. That consisting of Italian government securities grew by 1 percentage point (more than €30 billion), returning to the 2009 level. This was still substantially lower than in the second half of the 1990s, when it averaged 14 per cent. The portion held in the form shares and other equity in corporations (around €500 billion, or 14 per cent) fell by 3 percentage points with respect to the end of 2010, owing entirely to a reduction in holdings of Italian securities; in 2000 shares and other equity had accounted for a quarter of total financial assets. The portion of wealth consisting of investment fund units diminished slightly, by 0.4 percentage points (Table 3A).

Available statistics indicate that Italian households held foreign financial assets worth more than €300 billion at the end of 2011, down by about 5 per cent from a year earlier.<sup>14</sup>. The composition of financial assets has changed considerably in the the medium term. Compared with 1995, the portions held in Italian corporate and bank bonds and life insurance reserves have grown by more than 8 percentage points each (from 2.3 to 10.6 per cent and from almost 10 to more than 19 per cent respectively), offset by sharp declines in the portions held in the form of bank deposits and Italian government securities (from 29 to 18 per cent and from 19 to 5 per cent respectively).

---

<sup>14</sup> These figures do not include undeclared foreign portfolio assets held abroad, which recent studies conducted at the Bank of Italy using the IMF's Coordinated Portfolio Investment Survey data estimate at €100 billion at the end of 2010. See V. Pellegrini and E. Tosti, "In search of lost capital: an estimation of undeclared portfolio assets", Banca d'Italia, 2012, available at [http://www.bancaditalia.it/pubblicazioni/econo/quest\\_ecofin\\_2/QF\\_131](http://www.bancaditalia.it/pubblicazioni/econo/quest_ecofin_2/QF_131).

**Figure 6**

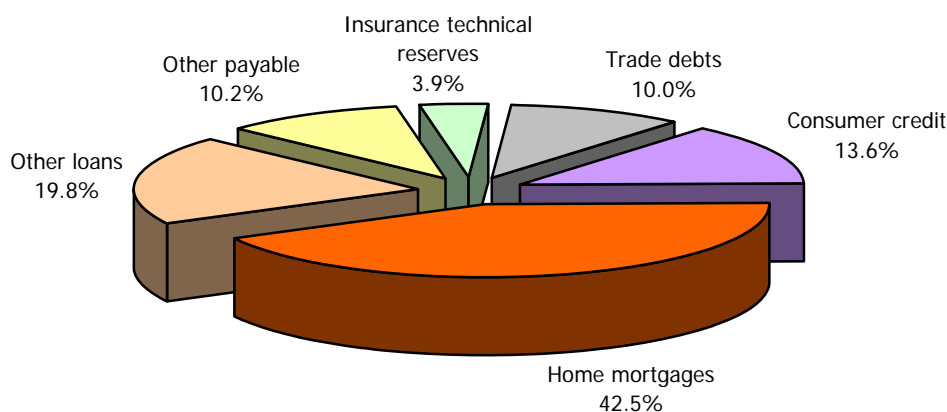
#### **4. Financial liabilities**

At the end of 2011 around 42 per cent of Italian households' €900 billion of financial liabilities consisted of home mortgage loans, while consumer credit represented around 13.6 per cent and other personal loans 20 per cent, the same as trade debts and other payables (Figure 7; Table 3A).

The rise in the value of loans for house purchase has slowed sharply in the last two years, with an annual increase of 2 per cent compared with around 15 per cent for the period 1995-2009. Consumer credit also slowed considerably, from average annual growth of 20.5 per cent in 1995-2009 to 2.1 per cent between 2009 and 2011; other personal loans stagnated after growing by an average of 3 per cent a year in 1995-2009. Trade debts increased by 1.1 per cent per year between 2009 and 2011, less than in the period 1995-2009 (3.4 per cent per year).

**Figure 7**

**Composition of financial liabilities, 2011**  
(percentages)



## 5. International comparison

At the end of 2010 Italian households' net wealth was equal to 8 times their gross disposable income, comparable to the multiple in the United Kingdom (8.2), France (8.1) and Japan (7.8) and significantly higher than in Canada (5.5) and the United States (5.3) (Table 1).

Italian households' real assets at the end of 2010 were 5.1 times their gross disposable income, lower than the multiple in France (6), comparable to that in the United Kingdom (5.2) and higher than in Japan (4), the United States (3.2) and Canada (2.1). Italian households continue to show a higher propensity to invest in real estate.

At the end of 2010 households' financial assets were equal to 3.7 times disposable income in Italy, a lower ratio than in Japan, the United States and the United Kingdom, about the same as in Canada, and higher than in Germany and France. One factor in this difference is the relatively small size of the public pension system in the Anglo-Saxon countries, which implies more substantial investment in insurance technical reserves. Italian households' liabilities at the end of 2010 amounted to 70 per cent of disposable income, the lowest figure among the countries considered here. The ratio was around 100 per cent in Germany and France, 125 per cent in the United States and Japan, 150 per cent in Canada and 165 per cent in the United Kingdom.<sup>15</sup>

<sup>15</sup>

Estimates of household wealth in over 200 countries are available in the Credit Suisse Research Institute's *Global Wealth Report, 2012* ([https://infocus.credit-suisse.com/data/product\\_documents/shop/323525/2011\\_global\\_wealth\\_report.pdf](https://infocus.credit-suisse.com/data/product_documents/shop/323525/2011_global_wealth_report.pdf)). That report puts 2011 year-end worldwide net household wealth at \$210 trillion, of which Italian households' share is 4.7 per cent, down from the previous year's estimate. To put this in perspective, Italy accounts for about 3 per cent of global GDP and less than 1 per cent of world population. Italy is one of the world's richest countries, ranking in the top 20 of the more than 200 countries considered in the report in terms of net wealth per capita. While the aggregate values for Italy given in the Credit Suisse Research Institute's report are basically in line with those given in this supplement, the findings must be treated with caution, since the data on world wealth are not harmonized but derived from relatively scarce data – from the countries, like Italy, that produce them – and from a good many estimates and calculation hypotheses.

Table 1

**Household net wealth: an international comparison**  
*(ratio of households' assets to disposable income)<sup>16</sup>*

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
	Real assets											
United States	2.19	2.29	2.39	2.48	2.59	2.77	3.05	2.98	2.68	2.22	2.20	2.10
Canada	2.68	2.62	2.68	2.81	2.92	3.03	3.18	3.28	3.38	3.35	3.39	3.40
Japan	4.17	4.06	4.38	4.20	4.08	3.95	3.88	3.93	4.00	3.95	3.83	3.76
Germany	3.87	3.92	3.88	3.94	3.95	3.99	4.06	4.20	4.35	4.37	..	..
France	3.32	3.46	3.63	3.89	4.31	4.82	5.43	5.76	5.92	5.69	5.50	5.95
United Kingdom	3.59	3.88	3.91	4.55	4.83	5.28	5.24	5.58	5.92	5.12	5.16	5.23
<b>Italy</b>	3.80	3.79	3.93	3.98	3.92	4.01	4.05	4.25	4.47	4.61	4.79	4.99
	Financial assets											
United States	5.08	4.56	4.22	3.78	4.23	4.50	4.74	4.96	4.95	3.83	4.21	4.41
Canada	3.53	3.53	3.50	3.49	3.45	3.39	3.46	3.50	3.48	3.45	3.60	3.56
Japan	4.58	4.68	4.77	4.91	5.13	5.19	5.51	5.54	5.38	5.10	5.25	5.25
Germany	2.69	2.70	2.68	2.62	2.73	2.80	2.90	2.85	2.97	2.79	2.92	2.97
France	2.94	2.88	2.67	2.59	2.70	2.77	2.92	3.08	3.09	2.83	3.05	3.15
United Kingdom	5.24	4.97	4.45	3.95	4.12	4.31	4.68	4.89	4.91	4.22	4.59	4.65
<b>Italy</b>	2.51	2.60	2.92	3.31	3.50	3.65	3.44	3.42	3.41	3.53	3.66	3.67
	Financial liabilities											
United States	1.00	1.01	1.05	1.10	1.18	1.24	1.31	1.35	1.38	1.29	1.30	1.24
Canada	1.14	1.13	1.14	1.17	1.21	1.24	1.29	1.32	1.37	1.41	1.49	1.50
Japan	1.33	1.34	1.36	1.34	1.34	1.34	1.34	1.35	1.29	1.29	1.29	1.26
Germany	1.15	1.16	1.14	1.14	1.13	1.11	1.08	1.06	1.03	0.99	1.00	0.98
France	0.72	0.69	0.70	0.71	0.74	0.77	0.83	0.88	0.92	0.92	0.96	0.99
United Kingdom	1.14	1.17	1.21	1.34	1.45	1.60	1.63	1.76	1.83	1.78	1.71	1.65
<b>Italy</b>	0.36	0.37	0.40	0.43	0.48	0.51	0.53	0.55	0.58	0.62	0.66	0.71
	Net wealth											
United States	6.27	5.84	5.57	5.16	5.64	6.03	6.47	6.58	6.25	4.76	5.11	5.26
Canada	5.07	5.02	5.03	5.13	5.16	5.18	5.34	5.46	5.48	5.39	5.51	5.46
Japan	7.42	7.40	7.79	7.78	7.87	7.80	8.06	8.13	8.09	7.77	7.79	7.76
Germany	5.42	5.45	5.42	5.42	5.55	5.67	5.87	6.00	6.29	6.17	..	..
France	5.54	5.65	5.60	5.76	6.27	6.83	7.52	7.96	8.09	7.60	7.60	8.12
United Kingdom	7.69	7.68	7.14	7.16	7.49	7.99	8.30	8.70	9.00	7.56	8.03	8.23
<b>Italy</b>	5.95	6.02	6.45	6.85	6.94	7.14	6.96	7.11	7.29	7.52	7.79	7.95

Note: With the exception of Italy, data refer to the entire set of households including non-profit institutions serving households. For the United States, data do not include unlisted companies and sole proprietorships but do include non-profit organizations serving households. For Canada, Germany and the United States, real assets include durable goods. For a more detailed description of the variables see *OECD Economic Outlook Sources and Methods* (<http://www.oecd.org/eo/sources-and-methods>).

Sources: OECD; for Italy, Banca d'Italia and Istat.

<sup>16</sup> The OECD's calculation of the ratio of real assets to disposable income for Italy differs from Table 1 because the aggregate is estimated using a different methodology and based on different data. See L. Cannari, G. D'Alessio and G. Marchese, "Italian household wealth: background, main results, outlook", in *Household Wealth in Italy*, Banca d'Italia, 2008, available at [www.bancaditalia.it/studiricerche/convegni/atti/ric\\_fam\\_it/Household\\_wealth\\_Italy.pdf](http://www.bancaditalia.it/studiricerche/convegni/atti/ric_fam_it/Household_wealth_Italy.pdf).

## METHODOLOGICAL NOTE

### 1. General features

Net wealth is the sum of real and financial assets net of liabilities. The real or non-financial components consist mainly of tangible goods, such as houses, land and valuables; but they also include intangibles, such as the value of patents or goodwill in a business activity.

Financial assets, such as deposits, government securities and private-sector bonds, are instruments that give their holder, the creditor, a claim to receive, with no obligation on his part, one or more payments from the debtor, who has taken on such obligation. Financial liabilities, i.e. debts, constitute the negative component of wealth; for the most part they take the form of home mortgages and personal loans.

Wealth estimates are obtained for all households resident in Italy. They do not include non-profit institutions serving households.<sup>17</sup>

National accounts distinguish between households in their consumption function (Consumer Households) and in their production function (Producer Households, producers of market goods and financial and non-financial services providing that in this case the household's economic behaviour is not such as to make it a quasi-corporation). In our breakdown of wealth items, we have made this distinction.<sup>18</sup>

The estimate of net wealth in this supplement follows the aggregation scheme set out in Table 2. The procedures for estimating the real and financial components of household wealth are set out in the next two sections.

**Table 2**

Net wealth aggregation scheme	
<b>A. Real assets</b> A1 Houses A2 Valuables A3 Non-residential buildings A4 Plant, machinery, equipment, inventories and goodwill A5 Land	<b>C. Financial liabilities</b> C1 Loans C2 Insurance technical reserves C3 Trade debts C4 Other payables
<b>B. Financial assets</b> B1. Cash B2. Bank deposits B3. Post office deposits B4. Bonds B5. Loans to cooperatives by members B6. Shares and other equity B7. Equity in quasi-corporations B8. Investment fund units B9. Insurance technical reserves B10. Other receivables B11. Trade credits	<b>Net wealth = A + B - C</b>

<sup>17</sup> For purposes of comparison or concordance, recall that the European System of Accounts (ESA95) aggregates non-profit institutions serving households together with households. That is the case, for instance, with the Financial Accounts.

<sup>18</sup> For a detailed account of the definition of producer households and how it affects the classification of wealth components, see L. Cannari, I. Faiella, G. Marchese and A. Neri, "The real assets of Italian households," paper presented at the conference on Household Wealth in Italy, Banca d'Italia, Perugia, October 2007.

## 2. Real assets

### 2.1. Dwellings

The estimate of housing wealth is determined by three factors: i) the number of dwellings owned by households; ii) the average floor area in square metres of dwellings; iii) the average price per square metre of the floor space of dwellings owned by households. The housing wealth for each year is estimated as the product of these three components.

- a) The number of dwellings owned by individuals is based on the 1991 and 2001 census data. The figures for the years between censuses (1992-2000 and 2002-2011) are calculated by using CRESME data on new buildings (those that can be ascribed to individuals).<sup>19</sup> The estimate does not include houses owned by Italian households abroad; nor is it possible to eliminate houses located in Italy but owned by non-resident households.<sup>20</sup>
- b) For the years 2006-2011 the average floor area of houses is taken from data given by the Agenzia del Territorio's property market observatory, OMI.<sup>21</sup> For the years between and after the previous censuses in the period 1992-2005, for which OMI data are not available, this figure is extrapolated from the census data. For the years 1995-2010, since the census figure refers to net usable floor area, to make this consistent with the figure for average prices per square metre (which refers to retail floor area) the average area is multiplied by a coefficient, representing the ratio between the extrapolated census figure and the registry office figure from OMI, available from 2006.
- c) The average price per square metre is that published by the Agenzia del Territorio in reference to the years 2008-2011.<sup>22</sup> For previous years, the benchmark for the price index is the average price per square metre in 2008, published by the Territory Agency. Price changes for the years 2002-2007 are obtained by working out the basic data provided by OMI. For the years before 2002, the change in house prices is based on the trends taken from Consulente Immobiliare for provincial capitals and the trends estimated using data for the other municipalities drawn from the Bank of Italy's Survey on Household Income and Wealth (SHIW).<sup>23</sup>

The value of housing wealth is then increased by the value of public housing sold to households.

### 2.2. Valuables and non-durables goods

Valuables are non-financial goods that are not subject to physical depreciation over time, such as jewels, antiques, artworks and collectibles. Their value is obtained by first

---

19 The CRESME estimate of new buildings includes an estimate of unauthorized buildings.

20 The estimates of the Bank of Italy indicate that the amount of Italian households' residential property investment outside Italy, net of such investment in Italy by non-residents, is negligible.

21 [http://www.agenziaterritorio.it/sites/territorio/files/osservatorio/Tabelle%20statistiche/Statistiche\\_Catastali\\_2011.pdf](http://www.agenziaterritorio.it/sites/territorio/files/osservatorio/Tabelle%20statistiche/Statistiche_Catastali_2011.pdf)

22 [http://www.agenziaterritorio.it/sites/territorio/files/osservatorio/RI\\_2012\\_Residenziale\\_Quadro\\_generale.pdf](http://www.agenziaterritorio.it/sites/territorio/files/osservatorio/RI_2012_Residenziale_Quadro_generale.pdf)

23 See L. Cannari and I. Faiella, "House prices and housing wealth in Italy," paper presented at the conference Household Wealth in Italy, op. cit., October 2007.

estimating the stock of durable goods and multiplying it by the estimator of the ratio of valuables to the stock of durable goods of households, drawn from the SHIW.<sup>24</sup>

The stock of durables is estimated by the permanent inventory method, applied to data on spending flows for the various categories of goods and with various assumptions concerning the depreciation period.<sup>25</sup>

Although durable goods in some ways resemble real assets, in the national accounts framework they are not counted as wealth. This convention is also adopted in the present publication. Given their importance and the large number of households that own them, however, their value is given as a memorandum item.<sup>26</sup>

### 2.3. Non-residential buildings

Non-residential buildings, together with land and the other real wealth components described below, form part of the non-financial wealth that households possess for business purposes. The item includes the market value of the stock of buildings owned by households for business purposes as offices, stores, workshops or industrial sheds.<sup>27</sup>

The total value of the stock was obtained as the product of the estimates of the following components for each category of building (offices, stores and workshops, sheds):

- a) total number of non-residential buildings;
- b) average floor area of the buildings;
- c) average price per square metre, calculated as the average of the minimum and maximum prices recorded in each municipality for each category of building.

The number of buildings and the price per square metre were estimated using the Agenzia del Territorio's OMI data. Floor area was taken from SHIW data for the last four surveys (2004, 2006, 2008, and 2010).

The value of non-residential buildings is increased by that of sales of public non-residential property to households.

Since the data permit the reconstruction of the series only from 2002 on, for earlier years the value of non-residential buildings is estimated based on the ratio of their value to the total value of houses and land. This ratio, equal to about 7 per cent, proved to be stable in the period 2002-2010 and is comparable to that estimated using SHIW data.

### 2.4. Plant, machinery, equipment, inventories and goodwill

The stock of plant, machinery and equipment owned by households is reconstructed from investment data. First an initial value of households' net capital stock at current prices for 1990, the base year, is estimated. This is then increased successively by net investment as calculated by Istat, deflated using the implicit deflators of fixed investment and depreciation

---

<sup>24</sup> The ratio is calculated after "windsorizing" the numerator and denominator, with the 1st and 99th percentiles of their distributions as cut-off.

<sup>25</sup> The method was developed in P. Pagliano and N. Rossi, "The Italian saving rate: 1951 to 1990 estimates" in G. Marotta, P. Pagliano and N. Rossi, "Income and saving in Italy: a reconstruction," Temi di discussione del Servizio Studi, Banca d'Italia, 169, June 1992.

<sup>26</sup> The inclusion of durable goods in real assets would be justified if the System of Accounts treated those goods as instruments used in the production of services. But the accounting framework actually classifies all spending for durable goods as part of final consumption. See, for instance, V. Siesto, *La contabilità nazionale italiana*, Il Mulino, Bologna, 1996.

<sup>27</sup> The item "warehouses" from the OMI data was excluded from these estimates, since it mainly includes houses' cellars.

from the national accounts.<sup>28</sup> This produces an estimate of net capital stock at constant prices in each year. The series for net capital stock at replacement prices is reconstructed using the respective deflators as calculated by Istat for the entire economy.

To calculate the initial net capital stock in 1990, we proceed as follows. First, the ratio of producer household investment to total investment, both net of construction, is computed. The average for this ratio, calculated for the decade of the 1980s, gives an indication of producer households' share of total non-construction investment in the economy. This weight is applied to Istat's calculation of the net capital stock for the entire economy as a whole (excluding construction). The estimate assumes that producer households' share of total non-construction investment is a reasonable proxy for their share in the total non-construction capital stock.<sup>29</sup>

The value of inventories for the entire economy is derived starting from a benchmark provided by Istat for 1989. For each year, the change in inventories at constant prices from the national accounts is added.<sup>30</sup> The data at constant prices are then converted into current prices using the GDP deflator.

The share of inventories to attribute to households is calculated by using the ratio of producer households' output at base prices to the total output of non-financial enterprises (non-financial corporations plus producer households) at base prices, assuming that the volume of inventories is proportional to the volume of output. In the 1990s, this ratio averaged 21 per cent.

To estimate goodwill we use the CERVED data for small companies, defined as those with sales below a given threshold. Sales were chosen instead of staff size because the CERVED archive often lacks the latter data.

For each year, the sales threshold is set on the basis of the average sales per worker taken from Istat data on companies' profit-and-loss statements (for enterprises with up to 9 workers). Using this subset of the CERVED sample, the average ratio of goodwill to fixed capital for the period 1995-2002 is estimated.<sup>31</sup> This coefficient, equal to 9 per cent, was then applied to the stock of capital goods (non-residential buildings plus plant, machinery and equipment), reconstructed from the national accounts data.

## 2.5. Land

The value of farmland is drawn from the annual survey of the property market by the Istituto Nazionale di Economia Agraria (INEA).<sup>32</sup> For non-agricultural land, the estimate for the value of farmland was multiplied by a coefficient equal to the ratio of the value of non-agricultural land to agricultural land, as estimated by the SHIW (for 1991-2010 the

---

<sup>28</sup> In 2006, Istat revised the methodology for the time series of fixed investment by ownership branch, of capital stock and depreciation. The new data are the product of the general revision of the national accounts pursuant to Community rules (see the box "Revisione delle metodologie di calcolo dei conti nazionali nell'Unione europea" in *Bollettino Economico* 46, March 2006, and "La revisione delle serie degli investimenti fissi per branca proprietaria, dello stock di capitale e degli ammortamenti", Nota Metodologica, Istat). One consequence of the revision was the introduction of indices at chain-linked volumes to replace fixed-base indices (base 1995). Given that chain-linked volume indices do not allow summation of volumes at constant prices (the additive property), here we use the price indices for the previous year, which do retain that property.

<sup>29</sup> For a discussion of the grounds for this assumption, see L. Cannari, I. Faiella, G. Marchese and A. Neri, "The real assets of Italian households," *op. cit.*

<sup>30</sup> As noted, indices at chain-linked volumes lack the property of additivity, so the series of changes in inventories at constant prices, which before the methodological revision of 2006 were calculated as residuals, are no longer available. To deflate the current-price series, the GDP deflator is used.

<sup>31</sup> The estimation was performed in two steps. First, taking the data of the Company Accounts Data Service the incidence of goodwill on total intangible assets by type of investment in intangible assets was estimated. Second, the estimates so obtained were applied to the CERVED archives to get an estimate of the total value of goodwill.

<sup>32</sup> The results are available at <http://www.inea.it/prog/bdfond/it/index.php>

percentage averaged 12 per cent). The total value so obtained was used to estimate the share owned by households, applying the percentage of agricultural land area used by them according to the latest census of agriculture.<sup>33</sup>

### **3. Financial assets and liabilities**

The data on the financial components of wealth are based on the Financial Accounts.<sup>34</sup> But the values given here differ from these because the reference set for our estimates does not include non-profit institutions serving households, which are counted together with households (consumer and producer) in the sectoral classification of the European System of Accounts (ESA95) used in compiling the Financial Accounts.<sup>35</sup>

---

<sup>33</sup> The general census of agriculture gives data on area of farmland utilized according to legal form of ownership. The sector of producer households is proxied by sole proprietorships, lands owned or rented in common, and a part of informal partnerships.

<sup>34</sup> See Supplement to the *Statistical Bulletin*, Monetary and financial indicators, “Financial Accounts”, no. 58, November 2011.

<sup>35</sup> For further details on the methodologies for estimating the financial components of household wealth, see the methodological appendix to the “Financial Accounts” Supplement to the *Statistical Bulletin* (various issues), and Banca d’Italia, “The Italian Financial Accounts handbook”, 2003, available at [www.bancaditalia.it](http://www.bancaditalia.it) under Publications/Institutional issues.



## **STATISTICAL TABLES**

Table 1A

**COMPOSITION OF NET WEALTH**  
(€ billion)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<i>Current prices</i>																	
Total real assets (a)	2,678	2,828	3,005	3,061	3,113	3,300	3,516	3,856	4,204	4,498	4,840	5,227	5,596	5,770	5,839	5,899	5,978
of which: housing wealth	2,181	2,303	2,450	2,482	2,512	2,660	2,837	3,126	3,431	3,689	4,008	4,363	4,688	4,842	4,914	4,962	5,027
Total financial assets (b)	1,767	1,941	2,228	2,543	2,784	3,005	2,986	3,094	3,184	3,418	3,655	3,798	3,713	3,731	3,654	3,666	3,541
Total financial liabilities (c)	257	279	303	334	379	423	461	502	546	600	662	732	799	822	847	882	900
Net wealth (d = a+b-c)	4,188	4,489	4,930	5,271	5,518	5,883	6,042	6,448	6,842	7,317	7,834	8,293	8,510	8,679	8,646	8,683	8,619
<i>2011 prices (1)</i>																	
Total real assets (a)	3,920	3,976	4,132	4,133	4,126	4,232	4,395	4,687	4,973	5,185	5,458	5,746	6,017	6,016	6,094	6,064	5,978
of which: housing wealth	3,192	3,238	3,369	3,351	3,330	3,411	3,546	3,800	4,058	4,253	4,520	4,796	5,041	5,048	5,128	5,100	5,027
Total financial assets (b)	2,586	2,729	3,064	3,434	3,691	3,854	3,733	3,761	3,766	3,941	4,122	4,175	3,992	3,890	3,814	3,768	3,541
Total financial liabilities (c)	376	392	417	451	502	542	576	610	646	692	746	805	859	857	884	906	900
Net wealth (d = a+b-c)	6,130	6,313	6,779	7,116	7,315	7,544	7,552	7,838	8,093	8,435	8,834	9,116	9,151	9,049	9,023	8,926	8,619

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

Table 2A

**TYPICAL RATIOS**  
(€)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<i>Current prices</i>																	
Net wealth per capita (1)	73,675	78,934	86,633	92,617	96,934	103,273	106,011	112,487	118,186	125,153	133,336	140,243	142,738	144,543	143,284	143,215	141,717
Net wealth per household (2)	214,138	226,366	245,089	258,430	267,798	282,458	288,332	304,234	312,997	324,434	344,096	360,338	363,305	364,417	357,843	358,212	352,340
<i>2011 prices (4)</i>																	
Net wealth per capita	107,834	110,995	119,131	125,043	128,507	132,438	132,502	136,731	139,799	144,273	150,358	154,172	153,485	150,708	149,543	147,222	141,717
Net wealth per household	313,423	318,312	337,027	348,909	355,025	362,224	360,382	369,804	370,237	373,997	388,023	396,129	390,659	379,961	373,475	368,233	352,340
<i>Memorandum item:</i>																	
Net wealth gross disposable income (3)	5.9	6.0	6.5	6.9	6.9	7.1	7.0	7.1	7.3	7.5	7.8	8.0	7.9	7.9	8.0	8.0	7.7

(1) Resident population according to Istat. (2) The number of households is calculated by dividing the resident population (excluding people living in institutions) by the average number of household members according to the Bank of Italy Survey of Household Income and Wealth. Data referring to years when the survey was not conducted are interpolated. People living in institutions are people not linked by marriage, kinship, friendship or other who live together in a religious community, in hospitals, rest homes and the like, in barracks, in prison, or in similar institutionalized situations. (3) Households' gross disposable income is drawn from national accounts. (4) Values calculated using the national accounts' consumption deflator.

Table 3A

**ITALIAN HOUSEHOLD NET WEALTH**  
(€ billion at current prices)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Dwellings	2,181.0	2,302.9	2,450.1	2,482.3	2,511.7	2,659.8	2,836.9	3,126.3	3,430.6	3,689.0	4,008.3	4,363.1	4,687.8	4,841.5	4,913.7	4,961.5	5,026.8
Valuables	78.9	82.4	84.7	87.9	95.5	104.3	111.1	117.9	124.4	130.0	122.9	115.0	119.5	122.8	124.2	124.8	125.4
Non-residential buildings	154.5	162.7	172.6	175.1	177.1	186.9	198.9	217.9	235.9	246.9	265.7	293.8	317.9	326.6	328.0	334.0	341.5
Plant, machinery, equipment, inventories and goodwill	74.9	87.2	100.1	112.3	123.7	141.7	154.7	173.0	183.7	196.8	207.0	217.4	228.2	234.7	229.2	232.4	237.0
Land	188.7	192.5	197.5	203.9	204.6	207.4	214.5	220.5	229.3	235.6	235.9	238.0	242.3	244.3	244.1	245.9	247.1
<b>Total real assets (a)</b>	<b>2,678.1</b>	<b>2,827.7</b>	<b>3,004.9</b>	<b>3,061.5</b>	<b>3,112.5</b>	<b>3,300.1</b>	<b>3,516.2</b>	<b>3,855.6</b>	<b>4,203.9</b>	<b>4,498.3</b>	<b>4,839.8</b>	<b>5,227.2</b>	<b>5,595.7</b>	<b>5,769.9</b>	<b>5,839.2</b>	<b>5,898.6</b>	<b>5,977.8</b>
Currency	41.2	42.0	45.0	48.3	54.1	57.1	47.2	45.9	55.0	64.1	73.1	80.6	85.5	95.6	102.4	107.5	113.6
Bank accounts	521.1	533.6	496.6	460.4	444.7	456.3	489.5	508.0	521.6	532.8	557.9	606.7	632.9	682.3	675.5	657.6	650.6
<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	432.0	491.5	494.4	477.7
Post office deposits	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	293.0	310.7	322.5	326.9
<i>of which: current accounts</i>	3.9	3.3	3.0	2.9	2.7	2.8	7.5	8.6	13.1	17.6	20.5	22.1	21.9	23.3	24.7	24.9	24.5
Securities	402.0	485.6	555.1	512.5	439.3	499.4	564.2	635.4	631.9	708.0	716.1	707.7	736.0	774.4	738.2	684.1	704.9
Italian government securities	329.8	352.4	356.2	279.2	171.8	196.3	243.5	300.4	250.2	299.3	270.4	253.3	268.1	268.3	191.3	152.9	183.6
Italian corporate and bank bonds	40.7	94.2	145.5	174.5	166.8	204.3	210.4	229.4	274.8	293.5	290.4	298.3	311.5	347.8	383.7	366.2	375.1
<i>of which: bank bonds</i>	36.5	87.9	139.6	165.3	160.6	195.0	203.5	222.4	253.1	277.1	272.2	282.7	300.7	344.1	376.8	366.0	372.6
Securities issued abroad	31.6	39.0	53.5	58.8	100.7	98.8	110.3	105.6	107.0	115.2	155.3	156.1	156.3	158.4	163.2	165.1	146.2
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	13.0	13.2	13.5	13.7	14.0	14.2
Shares and other equity in corporations	252.9	259.7	360.8	504.3	655.0	740.0	640.8	620.3	587.7	635.6	737.8	796.7	666.2	715.8	605.1	613.2	493.5
issued by residents	227.1	232.0	316.7	444.3	590.9	664.9	576.8	572.2	541.9	592.2	693.5	752.8	628.4	682.9	578.1	574.7	453.7
<i>of which: listed shares</i>	50.0	52.6	91.5	147.4	149.0	162.7	84.9	59.1	83.7	74.7	91.9	98.9	81.8	63.6	81.0	71.2	58.3
issued by non residents	25.8	27.7	44.0	60.0	64.1	75.1	64.0	48.1	45.7	43.3	44.3	43.9	37.8	32.9	27.0	38.5	39.8
<i>of which: listed shares</i>	18.2	19.5	31.0	18.7	32.3	44.0	35.0	22.8	22.5	21.9	23.5	24.3	19.5	11.8	12.5	14.3	14.7
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	221.6	233.9	212.7	212.0	204.6
Investment fund units	102.9	141.1	230.6	404.6	506.0	510.9	444.3	408.7	420.2	412.9	421.4	402.5	355.2	221.4	252.8	271.4	247.7
Insurance technical reserves (2)	171.8	191.2	217.1	246.4	289.0	329.6	369.8	412.5	471.6	524.7	581.3	614.1	609.7	593.8	640.0	677.9	679.9
<i>Of which: pension funds</i>	101.6	107.8	114.4	120.6	129.7	138.8	148.1	157.1	170.7	181.3	194.7	205.0	208.7	213.5	217.5	221.1	224.0
<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	342.3	383.8	417.8	417.5
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	7.7	9.6	8.0	6.1	5.5	5.3
Trade credits	61.4	63.8	67.6	69.7	73.8	76.8	80.3	84.1	86.6	89.4	92.2	95.4	99.4	99.3	96.7	99.8	100.3
<b>Total financial assets (b)</b>	<b>1,766.6</b>	<b>1,940.8</b>	<b>2,228.2</b>	<b>2,543.2</b>	<b>2,784.3</b>	<b>3,005.0</b>	<b>2,986.4</b>	<b>3,094.1</b>	<b>3,184.1</b>	<b>3,418.4</b>	<b>3,655.5</b>	<b>3,797.6</b>	<b>3,712.8</b>	<b>3,730.8</b>	<b>3,653.9</b>	<b>3,665.5</b>	<b>3,541.3</b>
<b>Total assets (a+b)</b>	<b>4,444.7</b>	<b>4,768.5</b>	<b>5,233.1</b>	<b>5,604.7</b>	<b>5,896.8</b>	<b>6,305.2</b>	<b>6,502.6</b>	<b>6,949.7</b>	<b>7,388.1</b>	<b>7,916.7</b>	<b>8,495.3</b>	<b>9,024.9</b>	<b>9,308.5</b>	<b>9,500.7</b>	<b>9,493.2</b>	<b>9,564.1</b>	<b>9,519.1</b>
Loans	163.5	174.0	185.3	202.2	235.0	267.1	296.3	328.7	362.6	411.0	466.5	526.0	583.9	606.1	634.8	665.1	682.1
Consumer credit	8.4	9.4	9.2	24.5	31.3	35.9	40.0	45.2	52.1	61.3	73.1	86.6	98.9	106.9	114.9	120.3	122.1
Home mortgage loans	51.0	54.2	59.2	69.5	81.3	96.3	108.3	165.9	195.2	229.1	271.1	311.7	347.1	353.2	361.0	367.6	382.0
Other loans	104.2	110.4	116.8	108.2	122.3	134.9	148.0	117.5	115.3	120.6	122.2	127.7	138.0	146.0	158.9	177.1	177.9
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	33.5	34.0	34.4	34.9	35.4
Trade debts	54.5	56.9	60.4	62.2	66.1	69.4	72.6	75.6	77.8	80.2	83.0	86.2	89.6	89.5	87.5	89.7	90.3
Other accounts payable	23.5	31.8	39.7	50.3	57.3	63.9	67.7	71.8	78.2	78.7	79.6	86.9	91.6	92.0	90.7	91.8	91.9
<b>Total financial liabilities (c)</b>	<b>256.7</b>	<b>279.1</b>	<b>303.3</b>	<b>333.9</b>	<b>379.0</b>	<b>422.6</b>	<b>460.6</b>	<b>501.8</b>	<b>546.5</b>	<b>599.9</b>	<b>661.5</b>	<b>732.1</b>	<b>798.6</b>	<b>821.6</b>	<b>847.4</b>	<b>881.5</b>	<b>899.7</b>
<b>Net wealth (a+b-c)</b>	<b>4,188.0</b>	<b>4,489.5</b>	<b>4,929.8</b>	<b>5,270.8</b>	<b>5,517.8</b>	<b>5,882.5</b>	<b>6,042.0</b>	<b>6,447.9</b>	<b>6,841.6</b>	<b>7,316.8</b>	<b>7,833.7</b>	<b>8,292.7</b>	<b>8,509.9</b>	<b>8,679.1</b>	<b>8,645.8</b>	<b>8,682.6</b>	<b>8,619.3</b>
<i>Memorandum item: durable goods</i>	404.8	428.3	445.8	469.0	485.7	506.2	526.5	545.6	565.1	579.7	598.1	616.0	642.6	648.1	649.4	642.6	614.0

(1) Quasi-corporations are entities without legal personality that draw up full financial statements and whose economic and financial operations are distinct from those of their owners. Non-financial quasi-corporations include general partnerships, limited partnerships, informal associations, de facto companies, sole proprietorships (artisans, farmers, small employers, members of professions and own-account workers) with more than five employees (in the case of five workers or fewer the business falls within the category "producer households").

(2) Technical reserves are the sums set aside by insurance companies and pension funds (independent or otherwise) for future payments to beneficiaries. Severance pay funds are included because they are deemed equivalent to pension funds. Reserves entered on the liability side include households' payments into severance pay funds for their employees.

Table 4A

## DISTRIBUTION OF NET WEALTH: 1998-2010

	1998	2000	2002	2004	2006	2008	2010
Share of net wealth of wealthiest 10 per cent of households .....	46.5	47.5	44.9	42.9	44.7	44.7	45.9
Share of net wealth of poorest 50 per cent of households .....	9.3	9.6	9.6	10.1	9.7	9.8	9.4
Share of households with negative net wealth .....	2.3	1.8	2.1	2.6	2.7	3.2	2.8
Gini inequality index <sup>(1)</sup> :							
net wealth.....	0.628	0.631	0.618	0.603	0.616	0.613	0.624
real assets.....	0.638	0.627	0.619	0.607	0.615	0.607	0.628
financial assets.....	0.743	0.809	0.767	0.733	0.769	0.763	0.779
financial liabilities .....	0.937	0.925	0.924	0.922	0.926	0.907	0.911
Memorandum item:							
<i>Household income Gini inequality index.....</i>	<i>0.375</i>	<i>0.362</i>	<i>0.357</i>	<i>0.353</i>	<i>0.348</i>	<i>0.353</i>	<i>0.351</i>

(1) The Gini index ranges from 0, minimum inequality, to 1, maximum inequality.

**Sources:** Based on data from the Survey of Household Income and Wealth. Yearly archives.

## 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](http://www.bancaditalia.it)).*

*Requests for clarifications concerning data contained in this publication can be sent by e-mail to [statistiche@bancaditalia.it](mailto:statistiche@bancaditalia.it)*

