BANCA D'ITALIA
EUROSISTEMA

Statistics

Methods and Sources:
Methodological Notes

14 November 2025

For further information: statistiche@bancaditalia.it
www.bancaditalia.it/statistiche/index.html

The Financial Market

This publication provides the definitions and describes the sources, the methodologies and the revision policies regarding the statistics published in the monthly report "The Financial market";[1] the latter contains information on the Italian market for securities issued by residents, on portfolio management services provided by banks, asset management corporations (SGRs) and securities firms (SIMs) and on mutual funds.

Index

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

General information

The monthly report “The Financial Market” contains information on the Italian market of securities issued by residents, portfolio management services and mutual funds. This information can be classified into four areas:

1. gross and net issues, redemptions and outstanding amounts of securities issued by residents in Italy;
2. information on government bonds on: gross yields at issue; yields to maturity for the main categories of bonds; turnover; yields on benchmark government securities;
3. total managed funds, net inflow and portfolio composition of the portfolio management services provided by banks, securities firms and asset management corporations;
4. statistics on harmonised and non-harmonised Italian open-end mutual fund balance sheet, data on net assets and net subscriptions of investment funds established by Italian intermediaries and investment funds established by of foreign financial intermediaries traded in Italy; statistics on the balance sheet of insurance corporations resident in Italy.

Time series and additional information can be found in the Statistical Database (BDS) on the Bank of Italy’s website.
Statistical information on debt securities, equity and investment funds published in the Financial Market report can differ from those contained in the reports "Banks and Money: National Data”, “The Public Finances: Borrowing Requirement and Debt”, “Local Government Debt” and “Financial Accounts” of the Statistical series. Differences are due to different valuation and classification criteria and different data revision policy. For more information, see the methodological notes to the above-mentioned reports.

Dissemination of data

The report “The Financial Market” is published monthly in pdf format on the Bank of Italy’s website, usually on the 15th day of each month; on the same day the time series are updated in the BDS. The dates of dissemination are reported in the “Statistics release schedule”. The information contained in the report and in the BDS is static, i.e. it corresponds to the data available on the date of publication; it is revised only when the nature of the adjustments to the basic information makes it appropriate. In presence of significant revisions, a notification shall be made in the BDS.

Data confidentiality protection

The Bank of Italy takes the necessary measures to ensure that the information published in an aggregated form is in any way attributable neither to individual reporting agents nor to counterparties. These measures shall not apply in case the publication of confidential data is expressly authorised by the interested party.

The review of the report in 2017

The current publication incorporates a number of major revisions that were introduced in the March 2017 issue, concerning the content and the structure of the tables. In particular, in line with the new editorial format of the reports of the statistical series, the cover includes two figures describing some of the most representative indicators of the Italian financial market. While maintaining continuity with the previous version of the report, which remains available on the Bank's website, the revisions have made it possible to enrich and reorganise the published statistics, replacing some of them with better data in terms of calculation methodology, coverage and representativeness, as well as eliminating overlaps with statistics published in other reports of the Bank of Italy. In line with previous practice, further details relating to the pdf tables and the tables showing predominantly register information continue to be available only in the BDS. The report available (only in Italian) at the link https://www.bancaditalia.it/statistiche/basi-dati/bds/MFN_serie_BDS_it.pdf describes the new classification of the tables used in the BDS, comparing it with the previous classification, and provides the codes of new economic phenomena and institutional sectors.

In particular, with the review:

- information on securities issues and redemptions has been enhanced, including data on outstanding amounts (table 1 - VALM0100);
- the statistics on gross yields at issue of Italian government securities have been collected in a single table (table 2 - RTIT0100);
- the statistics on government securities listed on the Italian electronic bond market (MOT) have been supplemented with further information on yields and volumes traded (table 3 - QMOT0100);
- the structure of the table on portfolio management services table has been changed (table 6 - GESP0100);
- the statistics on stocks and net purchases of Italian harmonized open-end investment funds have been replaced with statistics on the balance sheets of Italian open-end investment funds (harmonised and non-harmonised) compiled in accordance with the Eurosystem definitions (tables 7 and 8 - BSFC0100 and BSFC0200);
- statistics are published on net assets and net subscriptions of investment funds managed by Italian financial intermediaries and of funds of non-resident intermediaries marketed in Italy (table 9 - BSFC0300);
- tables on investors are no longer published.

Main methodological revisions

This section describes the main factors behind breaks in the published time series due to methodological revisions; such breaks are reported in chronological order and with the indication of the table concerned by the intervention.

- For CCTs issued from January 1995, the yields to maturity are calculated by assuming that the coupons whose value has not been determined are equal to the coupon obtained with reference to the last auction of the 6-month BOTs or to the 6-month Euribor observed on the second business day before the first accrual day of the coupon. Previously, the yield was calculated by assuming that the coupons whose value had not been determined were equal to the coupon resulting from the indexation to the last four auctions of BOTs for which the results were known (table 3 - QMOT0100).
- Since January 1999, the series on debt securities issued by banks, which previously included data relating only to the monthly sample of the Bank of Italy, refer to the universe of banks (table 1 - VALM0100). The monthly sample used previously included 239 banks (of which 4 credit institutions), that covered 92 per cent of the deposits and 93 per cent of lending. Banks with predominant refinancing activities were excluded from the monthly sample: Mediocredito Centrale e Artigiancassa (see “Banks” item in the Glossary of the 1999 Annual Report).
- Starting from the fourth quarter of 2000, stocks of BTPs at market prices held by portfolio management services managed by banks, securities firms and asset management corporations include the stripped component and the coupons for securities subject to coupon stripping; previously these coupons were included only in the total of Italian government securities (table 6 - GESP0100).
- From the December 2002 figure, early redemptions of government bonds are valued at the actual price (table 1 - VALM0100).
- From August 2003 data, the series on securities issued by Ferrovie dello Stato (Italian railways), local government and companies also include issues in currencies other than the euro. In addition, the series on debt securities issued by General Government and those on debt securities issued by other residents, which previously included also bonds issued by international institutions and quoted on national markets, only include issues by residents (table 1 - VALM0100).
- As of report no. 60 of 15 November 2011, data on portfolio management services managed by asset management corporations have been revised, notably for the geographical breakdown of bonds and shares and for the item "Other financial assets" (table 6 - GESP0100).
- The January 2012 outstanding amounts show a statistical break owing to the adoption of the new classification for institutional sectors introduced under the European System of National and Regional Accounts (ESA 2010), which amongst other things resulted in the reclassification of holding companies from the "non-financial corporations" sector to "other financial intermediaries". Issues and redemptions are given net of this change (table 1 - VALM0100).
- Starting from the report of 15 June 2018, the statistics on issues, redemptions and outstanding amounts of securities have been revised owing to modifications in the calculation methods adopted in case of changes in the sector of economic activity and residence of the issuer, type of interest rate,

original duration, and currency (the classification attributes). Pursuant to the rules set out in ECB Guideline No. 43 of 6 November 2014, the new methodology establishes that changes in the attributes that occur during the life of a security produce a break in the data on outstanding amounts, but do not affect those on issues and redemptions. Previously, changes in the attributes were applied retrospectively (back to the date of issue of the security), thereby preserving the consistency between the outstanding amounts and the corresponding flows. The revisions mainly concern securities issued by non-financial corporations and other financial intermediaries and go back to January 2012.

- The statistics on listed shares are calculated on the basis of information obtained from the Bank of Italy's Securities Database. The data refer to the shares of companies established under Italian law that are listed on Borsa Italiana and foreign markets and exclude shares of companies established under foreign law that are nonetheless listed on Borsa Italiana. Prior to October 2013, these statistics were obtained from the data published by Borsa Italiana, which included companies established under foreign law listed in Italy and excluded companies established under Italian law listed on foreign markets. In contrast to Borsa Italiana, the Securities Database records the capital increases related to the exercise of pre-emption rights in the month in which transactions are carried out. Until November 2020, the data include only shares listed on regulated markets; starting from December 2020, the data include shares listed on Italian and European Multilateral Trading Facilities. The inclusion explains almost completely the changes in the stocks from the previous month, while the data on issues and redemptions are unaffected.
- Starting with data for January 2021, data on international securities issued by central government are compiled without taking into account swap transactions by which the proceeds from the issuance of securities in foreign currency are generally converted into euros (table 1 - VALM0100).
- Starting with data for July 2021, the statistics on government securities quoted on the Italian Stock Exchange (table 3 - QMOT0100) exclude securities with a residual maturity of less than 20 days; previously, those with a residual maturity of less than 8 days were excluded. This exclusion explains almost entirely the difference between the outstanding amounts of government securities published in table 3 (QMOT0100) and those published in table 1 (VALM0100).
- In table 1 (VALM0100), starting from the reference date of January 2022, published data, including listed shares, are obtained from ECB Securities Issues Statistics (CSEC, see the glossary) whose source is the Centralized Securities Database (CSDB, see the glossary).
- Starting from April 2024, the publication of data on the average residual maturity and the duration of the government securities listed on the MTS market has been discontinued.

Sources and methods

This section describes the methods and sources used to produce the statistics published in the report and those published in the BDS. These notes are presented below according to the same order as they appear in the publication and in the BDS. References to the glossary are provided in brackets.

Figure 1 - Net bond issues by issuer

The figure is based on data from table 1 (VALM0100) of the publication (see the note to the table). Differently from the classification in table 1, “other financial intermediaries” include insurance corporations. The difference between total net issues and the sum of the amounts per security category or issuer sector is due to rounding and to issues that do not reach the significant threshold.

Figure 2 - Yields on benchmark government securities

The figure is based on data from table 5 of the publication (see the note to the table). The CTZ benchmark is no longer represented since the publication of October 2021, following the suspension of CTZ issuances by the Ministry of Economy and Finance as of March 2021 (see note to table 5 - BMK0100).

Table 1 - Securities issued by residents (VALM0100)

The data in the table refer to securities issued by residents. Up to the reference date of December 2021, the data source is the Securities Register managed by the Bank of Italy (see the glossary). Starting from the reference date of January 2022, published data are obtained from ECB Securities Issues Statistics whose source is the Centralized Securities Database. Information on the category of government securities and on *covered bonds*, not available in the new source, continue to be compiled from the national Securities Register. The securities are attributed to the actual debtor, i.e. the entity that has to repay, that can be different from one that receives the credit.
The statistics refer to end-period stocks and flows in the reference period. Unlike stock statistics, time series of flows exclude reclassifications, value adjustments, exchange rate adjustments and other changes that do not arise from economic transactions. Statistical reclassifications are due, for example, to changes in the reporting population or in the securities category; value adjustments are due, for example, to the write-down of securities.
Data are not consolidated, i.e. they include securities held by the issuer and by entities belonging to the same sector as the issuer irrespective of whether they belong to the same group.
The sectoral breakdown of issuers is consistent with the definitions of institutional sectors in the ESA 2010 manual (see the glossary).

Securities issued by central government

The categories of central government debt securities are described in the glossary under “Government securities”.

Index-linked BTPs include the BTP Italia series. BTP Futura and BTP Valore are included in non-indexed BTP. Green and Short-term BTPs are included in ordinary BTP according to their original maturity.
In March 2021 the Ministry for Economy and Finance (MEF) announced the discontinuation of CTZ issuance.
For the data in the publication, the value of issues, redemptions and outstanding amounts of government securities may differ from the sum of the components due to CTZs no longer issued since March 2021 and totally reimbursed in September 2022. In the BDS, data for CTZs are still published.
Starting from the data for May 2021 the stock of BTP include the tranches issued by the Ministry of Economy and Finance to build up their own securities portfolio to be used exclusively for repo operations; starting from the reference date of January 2022, those tranches are also included in the data of net issues.
Central government securities issued by other entities classified as central government are also included.
Starting with January 2021 data, the proceeds from foreign currency issues are no longer converted into euro by means of swap transactions; thus, the stock of debt is not calculated, as was the case previously, taking into account the euro values resulting from such transactions. This criterion differs from that used in the calculation of the aggregates of the "The Public Finances: Borrowing Requirement and Debt" publication, according to which the valuation of liabilities takes into account swap transactions.
The total includes the securities issued for the repayment of previous debts.

Securities issued by general government

Data include securities issued by former autonomous government agencies that the State is obliged to redeem and those issued by Infrastrutture SpA to fund high-speed railway investments. This category of securities has been reducing.

Securities issued by banks

Up to the reference date of December 2021, data are compiled by ensuring consistency with the definitions contained in the Accounts Matrix, the main template used by banks to send the statistical and supervisory reports to the Bank of Italy.
Data include securities that are repurchased by the issuing banks, including own debt securities used in repurchase agreements (see the glossary) with other monetary financial institutions (MFIs; see the glossary), which are instead excluded from the data published in the "Banks and Money: National Data" publication.[2]
Data also include: securities issued for the collection of subordinated liabilities; since December 2000, *convertible reverse repos*; since December 2011, government-guaranteed bonds pursuant to Decree Law No 201 of 6 December 2011.
Since October 2007 securities issued by banks include those issued by Cassa Depositi e Prestiti SpA.
Data on *covered bonds* are available in the BDS (see the glossary).

[2] Further information is available in "Methods and Sources: Methodological Notes".

Starting from the reference date of January 2022, data – except *covered bonds* – are obtained from CSEC and can be different from data obtained from supervisory reports. Therefore, consistency with data published in "Banks and Money: National Data" is no longer guaranteed. With the introduction of the new source, Contingent Convertible (CoCo) Bonds (securities that can be converted into equity from the issuer bank) are now included among securities differently from the Accounts Matrix in which they are recorded as equity. "Investment Certificates" (structured financial instruments whose yield depends on an underlying variable) are instead excluded since they are reported in the CSDB without the amount in circulation and therefore not computed in the CSEC.

<u>Securities issued by non-financial corporations</u>
Starting from January 2012, securities are classified in line with the new sectoral classification in the ESA 2010, which implied the statistical reclassification of holding corporations from the sector "non-financial corporations" to the sector "other financial institutions" (see the section "The main methodological revisions").

<u>Securities issued by other financial intermediaries</u>
Data include securities issued by resident financial intermediaries other than banks and insurance corporations. Starting from January 2012, securities are classified in line with the new sectoral classification in the ESA 2010 (see the section entitled "The main methodological revisions"). Starting from January 2022 data, gross issues and redemptions do not include infra-monthly flows of securities issued by FVCs (see the item "SPVs" in the glossary), but include only net flows of the month.

<u>Listed shares</u>
Up to December 2021 data, the statistics on listed shares are calculated on the basis of the information obtained from the Bank of Italy's Securities Database. Starting from January 2022 data, redemption flows of listed shares are valued. For methodological revisions to data, see the section entitled "The main methodological revisions".

<u>Outstanding amounts at end of period</u>
Outstanding amounts are evaluated at nominal value, except listed shares that are evaluated at market value. Issues in foreign currency are converted into euro at the exchange rate of the last working day of the reference period.
In the case of index-linked bonds, end-of-period amounts do not include the revaluation component, which therefore takes effect only upon redemption. This treatment is different from that used in the publication "The Public Finances: Borrowing Requirement and Debt".
For government securities, with the exception of BOTs, the difference between the change in outstanding amounts and net issues is normally due to the discounts recorded at the time of issue.

Gross issues

Outstanding amounts are evaluated at nominal value, except listed shares that are evaluated at market value. The international securities are converted at the exchange rate obtaining on the issue date. Securities issued for bond exchange transactions (issue of a bond against the repurchase of one or more bonds by the Treasury) are included.

December 2002 data of the gross issues of BTPs include the securities with a total face value of 15,416 million assigned to the Bank of Italy in the government bond exchange transactions. This transaction involved the reimbursement prior to maturity of the BTPs held by the Bank of Italy with a total face value of 39,357 million issued in November 1994 to consolidate the overdraft on the Treasury's current account with the Bank of Italy. For more details, see the glossary's Exchange of former law 289/2002.

Data include the securities issued by the Treasury as part of "Tap" operations for "specialists" (see the glossary).

Since January 2022 the statistics on the issuance of listed shares are compiled on the basis of information from the CSEC.

Redemptions

Nominal value of the securities redeemed. Securities that are subject to reimbursement prior to maturity are included. International securities are converted at the exchange rate obtaining on the maturity date. Reimbursement prior to maturity of BTPs held at the Bank of Italy, for a total face value of 39,357 million, as part of the government bond conversion that took place in December 2002, are included among the redemptions for total government securities and not in the redemptions for BTPs since these securities were not issued at market conditions. For further details, see the glossary's Exchange of former law 289/2002.

Net issues

Net issues are obtained as the difference between the nominal value of securities issued after issue discounts and the nominal value of redeemed securities, except for BOTs and securities issued by financial and non-financial corporations that are obtained as the difference between the nominal value of issues and redemptions.

Table 2 - Government securities: gross yields at issue by sector and maturity (RTIT0100)

Yields are calculated as a quantity-weighted average of the compound allotment rates, gross of withholding tax, in the auctions settled in the reference month. The series reflect the changes made to the auction methods (frequency and number of auctions; auction placement method). Bonds are classified according to the original maturity at issue. For example, a ten-year BTP with a residual maturity of seven years at the time of issue of the tranche is classified as a 10-year BTP. For the BTP Italia series, the definitive real annual coupon rate is communicated by the Ministry for Economy and Finance in the press release on the results of the placement. For the BTP Futura and the BTP Valore, the annual coupon rate at issue is used. The

average rate for ordinary BTP does not include BTPs issued only for specialists in government securities during the month (see the glossary), BTP Futura and BTP Valore. The average yield for index-linked BTPs does not include BTP Italia.
Comprehensive statistics on all issues for the reference month are published in the BDS table.
Information on government bond auctions is available in tables TDEE0120 and BOT0100 (BOT), TDEE0121 (CTZ), TDEE0122 (CCT) and TDEE0123 (BTP) of the BDS; starting with the March 2021 data, the table of CTZs is no longer updated as these securities are no longer issued (see note to table 5).
Further information on the categories of government securities, tax treatment and auction methods are available on the MEF website at https://www.dt.mef.gov.it/en/debito_pubblico/titoli_di_stato/index.html.

Table 3 - Government securities listed on Borsa Italiana (MOT): yields to maturity, turnover and outstanding amounts (QMOT0100)

The yields to maturity are calculated on the basis of the tel quel prices listed on Borsa Italiana. The monthly data are arithmetic means of daily data. For the calculation of the daily returns of each segment, the future cash flows of the securities are added to calculate the internal rate of return as if they were a single security.
BTPs include index-linked BTPs, BTP Futura, BTP Valore, BTP Greens and Short-term BTPs. The basket of securities employed for the computation of Rendistato includes ordinary BTPs with a residual maturity of more than one year; Index-linked BTP, BTP Italia, BTP Futura and BTP Valore are therefore excluded, while Green BTP and Short-term BTP are included.
The algorithm used to compute yields is based on an iterative process for the solution of an equation in which the unknown variable is the effective yield itself, i.e. the discount rate that equalizes the present value of the future instalments of the bond and the related tel quel price. The following conventions are incorporated in the algorithm for computing yields:

- as of the coupon that starts to mature on 1 January 1999, the calculation of accrued interest for coupon securities is based on the calendar year instead of the business year;
- the calculation of yields on BOTs issued from 1 January 1999 uses the day-count convention “actual days/360” instead of “actual days/365”; for CTZs data published in BDS, it is based on “actual days/365”;
- the calculation of yields on CCTs issued from October 2025 uses the day-count convention “actual days/360” instead of “actual days/365”.
- the date for computing yields is the actual settlement date (the second working day subsequent to the trade date);
- where the maturity date of a flow is a non-working day, it is shifted to the next working day;
- interest is compounded for each coupon period or fraction thereof;
- until 31 December 1996, in computing gross yields, interest payable and the nominal redemption value of securities are reduced, respectively, by the tax

credit in respect of the interest and the issue discount accrued at the settlement date of the security;

- until 31 December 1996 for the calculation of gross returns, the tel quel price (see the glossary) of the bonds was calculated by adding to the clean price (see the glossary) the accruals ratio of 12.50 per cent on the settlement date; from 1 January 1997 the pre-tax rate is taken into account.

Gross yields to maturity for individual categories and for total government bonds are not an indicator of the issuer's burden on bond debt. This burden is measured, for coupon securities, as in the case of BTPs and CCTs, by the nominal coupon adjusted for any indexation, issue haircut or redemption premium; for zero coupon bonds, such as BOTs and CTZs, it is measured by the difference between the nominal value of the security and its placement price, adjusted for any redemption premium. The calculation takes into account the maturity of the obligation, the amortisation plan, the income that can be obtained from the reinvestment of coupons, and the profit/loss from the difference between the purchase and the redemption value.
For the data in the publication, the value of total turnover and outstanding amounts of government securities may differ from the sum of the components due to CTZs no longer issued since March 2021 and totally reimbursed in September 2022. In the BDS, data for CTZs are still published.

Table 4 - Government securities listed on MTS: turnover (QMTS0100)

Monthly, quarterly and annual values are calculated as the sum of the daily data available in the BDS.
Quantities traded in the "grey" market are not included (see the glossary).
In the past, the figure for total turnover on MTS, the regulated wholesale market for government bonds, may have differed from the sum of the components owing to the amounts recorded in trading in securities other than those published (for example, Cassa Depositi e Prestiti SpA bonds and Treasury certificates denominated in Ecu-CTEs).
For the data in the publication, the value of total turnover of government securities may differ from the sum of the components due to CTZs no longer issued since March 2021 and totally reimbursed in September 2022. In the BDS, data for CTZs are still published. Any other current discrepancies are due to rounding.

Table 5 - Benchmark government securities: gross yields to maturity (BMK0100)

The monthly data are the arithmetic average of the daily values available in table BMK0200 of the BDS.
Data refer to securities traded on MTS. The benchmark security for each category is the last security issued since the time it becomes the most traded. The method used to compute the yields is described in the note to table QMOT0100.
Pursuant to the suspension of the placements of the Treasury zero-coupon bonds (CTZs) decided by the Ministry of Economy and Finance in March 2021, the update in the BDS of the time series of the gross yield to maturity of the benchmark for this category ended with the calculation of the figure for August 2022.

Starting from 1 August 2025 the calculation of the yield of the CCT benchmark adopts the convention "effective days/360".

Table 6 - Portfolio management services: securities portfolios and total managed funds (GESP0100)

Data refer exclusively to portfolios managed on an individual basis, including those delegated to third parties.
Detailed information on the statistical reporting transmitted by intermediaries to the Bank of Italy that is used for the construction of the statistics published in the table is available in Circular No. 189[3] for the reporting by SGRs, Circular No 272[4] for the reporting by banks and Circular No 148[5] for the reporting by SIMs.
Data on Italian bonds include Italian public sector securities other than Italian government securities. Data on foreign bonds include foreign public sector securities. “Other financial assets” consist mainly of derivatives (see the glossary), rights and warrants.
The difference between the stock of total managed funds and the stock of portfolio is mainly due to liquidity, deposits and hybrid instruments not classified in the portfolio categories.
The stock of the securities portfolio and the stock of managed funds of asset management corporations show a break in the fourth quarter of 2012 due to the reorganisation of a primary insurance group; this operation explains almost entirely the quarter-on-quarter changes. Gross and net inflow data are not affected by this reclassification.
Generally, whenever possible, data on inflow do not include acquisitions and disposals of managed funds between intermediaries related to transformations, mergers and acquisitions.

Table 7 - Open-end funds under Italian law: assets, liabilities and net assets (BSFC0100)

The table shows the statistical balance sheet of the stocks at market value of the main assets and liabilities of Italian open-end investment funds established by Italian financial intermediaries. Data also include Italian open-end funds established by financial intermediaries resident in other EU member states that have an EU management corporations passport, as well as funds of funds. Money market funds are not included.
The statistics follow the harmonised criteria established within the Eurosystem and are consistent with the ESA 2010 definitions (see the glossary). The collection and compilation of the statistics on investment funds are governed by Regulation ECB/2013/38.
The items "other financial assets" and "other liabilities" represent a residual category and include all the items not classified in other categories. In particular, they include the interest accrued on deposits and loans, as well as financial derivatives.

---

[3] Circular No 189 of 21 October 1993, “Statistical and Supervisory Reporting Manual for the Cooperative Investment Bodies of Savings”.
[4] Circular No 272 of 30 July 2008, “Account matrix”.
[5] Circular No 148 of 2 July 1991, “Statistical and Supervisory Reporting Manual for Mobile Market Intermediaries”.

Apart from the transactions in table 8 (BSFC0200), changes in stocks may arise from price adjustments, exchange rate variations (in the case of instruments denominated in foreign currency) or statistical reclassifications.

Table 8 - Open-end funds under Italian law: assets, liabilities and net subscriptions (BSFC0200)

The table shows the statistical balance sheet of the transactions at market value of the main assets and liabilities of Italian open-end investment funds established by Italian financial intermediaries. Data also include Italian open-end funds established by financial intermediaries resident in other EU member states that have an EU management corporations passport, as well as funds of funds. Money market funds are not included.

The statistics follow the harmonised criteria established within the Eurosystem and are consistent with the ESA 2010 definitions (see the glossary). The collection and compilation of the statistics on investment funds are governed by Regulation ECB/2013/38.

The transactions refer to net purchases of assets and net increases in liabilities during the reference period.

The items "other financial assets" and "other liabilities" represent a residual category and include all the items not classified in other categories. In particular, they include the interest accrued on deposits and loans, as well as financial derivatives.

Table 9 - Italian market of investments funds: net assets and net subscriptions (BSFC0300)

The table shows the time series of net assets and net subscriptions of investment funds established by Italian financial intermediaries and of investment funds established by foreign financial intermediaries marketed in Italy. The investment funds established by Italian intermediaries include those issued by intermediaries resident in other EU member states that have an EU management corporations passport. The statistics on Italian investment funds issued by Italian intermediaries follow the harmonized Eurosystem methodology and are governed by Regulation ECB/2013/38.

The source of data on foreign funds of Italian intermediaries and foreign intermediaries’ funds is the Assogestioni online database (see the glossary); closed-end funds are included. The values of the deposits and assets of products governed by foreign law issued by foreign companies refer only to the share relating to Italian customers; if the latter is prevalent, the values refer to overall output.

Italian investment funds issued by Italian intermediaries are classified according to the Eurosystem’s classification method based on the type of investment most prevalent in the fund.

The item "Net subscriptions" is equivalent to the issues of new shares net of redemptions and does not reflect variations in stocks arising from revaluations and reclassifications.

Data on closed-end funds under Italian law are available every six months; for this category of funds, half-yearly data on net capital and funding are allocated to the

second and fourth quarters of the reference year. The data on net assets at the end of the first and third quarters of each year is set equal to that of the previous quarter, while the value for net subscriptions is set equal to zero.
Following the revision of the classification for Italian closed-end funds, starting from December 2021 data, some closed-end "equity" funds are classified in the closed-end funds category "other". Net inflows do not incorporate this reclassification.

Tables published in the BDS

Insurance corporations: assets and liabilities (BSIA0100)

The table presents, on a quarterly basis, the balance sheet of insurance corporations resident in Italy (including branches of Italian corporations operating abroad and branches operating in Italy of corporations whose head office is outside the European Economic Area). Statistics are produced on the basis of individual (non consolidated) supervisory data collected by the Institute for the Supervision of Insurance (IVASS) according to Solvency II directive (see the glossary). The compilation of published statistics follow harmonized criteria established within the Eurosystem and governed by Regulation ECB/2014/50.

Government securities: composition by type of security (VALM0200)

The table presents, on a monthly basis, the percentage composition of the outstanding amount of government debt securities classified in three categories: BOTs, floating rate government bonds and fixed rate government bonds.

Benchmark government securities: gross yields to maturity - daily data (BMK0200)

The table presents gross yields to maturity on a daily basis of the benchmark bonds reported in table 5 (BMK0100) of the publication.

Characteristics of Treasury bills (TDEE0120)

The table contains information on the BOTs issued. The commercial year and the compound interest criterion are used to calculate the yield at issue. The average issue price does not include withholding tax.

Characteristics of Treasury Zero-coupon certificates (TDEE0121)

The table contains information on issued CTZs. For bonds issued before 1 January 1997, the yield is calculated by subtracting from the nominal redemption value (equal to 100) the withholding tax on the issue discount accrued between the issue date and 1 January 1997. It is assumed that the withholding tax on the issue discount accrues exponentially and that it is measured on the basis of the calendar year. The issue price is the allotment price of the first tranche. For multi-tranche issues it is the fiscal reference price. The outstanding amount includes securities issued and reserved for specialists operating on the electronic government bond market.
Since March 2021 this type of securities is no longer issued (see note to table 5 - BMK0100).

Characteristics of variable rate Treasury certificates (TDEE0122)

The table contains information on the CCTs issued. Since 2010 the table has included CCTeu issues. The yield at issue is calculated on the basis of the allotment price including the outstanding amounts to be paid, as notified by the Ministry of Economy and Finance. For CCTs, a category not issued since 2011, and CCTeu coupons are indexed, respectively, to the six-month BOT yield and the six-month Euribor, plus one spread, respectively. Up to June 1992, it was assumed that undetermined coupons were equal to the gross yield resulting from the last auction of the six-month BOT. From July 1992 to the auction of 2nd January 1995, the unspecified coupons have been set equal to the coupon resulting from the indexation to the last four BOT auctions in which the outcome was known. Up to 30 June 1990, it is reported the issue price; from 1 July 1990 to 31 July 1992 it is reported the basic issue price; from 1 August 1992 it is reported the allotment price of the first tranche. For multi-tranche issues it is the fiscal reference price. Since the issue on 18 July 1994 the outstanding amount includes securities reserved to specialists active in the electronic market for government bonds.

Characteristics of the Treasury bonds (TDEE0123)

The table contains information on BTPs issued. The yield at issue is computed on the basis of the allotment price including the accrued interest as communicated by the Ministry of the Economy and Finance. Until 31 October 1988 it is reported the price at issue; from 1 November 1988 to 31 July 1992 it is shown the floor price; from 1 August 1992 the allotment price of the first tranche is quoted. For multi-tranche issues it is the fiscal reference price. Since the issue on 19 July 1994 the outstanding amount includes securities issued reserved to specialists active in the electronic market for government bonds. The table includes issues of index-linked BTPs, BTP Futura, BTP Valore, BTP Italia, Green BTP and Short-term BTP.

Early repayment of Treasury bills (TDEE0130)

The table contains information on early repayments of BTPs that may take place for exchange transactions, repurchases through an amortisation fund or from the MEF's availability account.

Buy back of variable rate Treasury credit certificates (TDEE0135)

The table provides information on early repayments of CCTs (see footnote to the table above).

Issuance of ordinary Treasury bills (BOT0100)

Prices and returns are expressed as percentages. Since 1 January 1999 a trading year (360 days) instead of a calendar year (365 days) is used for the calculation of yields. For three-month, six-month and twelve-month BOTs, normally only one auction is held per month starting in January, April and October 1998 respectively. In November 2000 and February 2009 additional tranches of, respectively, 6-month and 12-month BOTs started to be issued to specialists; the amounts shown include these additional tranches. Regular issues of 3-month BOTs ended in September 2013. “Other issues” indicate issues by means of tender procedures with a non-standard maturity, i.e. other than 3, 6 and 12 months. They include also issues of tranches subsequent to the first date of issue of the bond. Those tranches were occasional since July 2020 and become more frequent since February 2023. In this sector, the amounts shown refer to the sum of the amounts for issues made in the second half of the year. Prices, yields and maturity in days shall be weighted by the amounts allotted in each auction. Information on individual auction is given in table TDEE0120.

Glossary

Asset management	Investment portfolios management on individual basis provided by banks, SGRs (see the glossary item) and SIM (see the glossary item) to households, firms and institutional investors. Asset management has traditionally been divided into two broad categories: • asset management (GPM), in which assets are primarily invested in securities (shares and bonds); • asset management in funds or SICAVs (GPF/GPS), in which the assets are primarily invested in units of collective investment funds. Asset management combines GPMs and GPFs.
Asset management corporations - SGR	SGRs are joint stock companies to which the possibility of jointly providing collective and individual asset management services is reserved. The SGRs are authorised to: • managing own funds and assets of SICAV or SICAF; • providing portfolio management service; • providing investment advice; • providing the service of receiving and transmitting orders, if authorised to provide the service of Alternative Investment Fund (AIF) management.
Assogestioni	Italian association of asset management services. It represents the majority of Italian asset management corporations and foreign *investment management* corporations operating in Italy, various banks and insurance companies operating in the field of individual management and supplementary pensions.
Banks	The aggregate comprises all banks resident in Italy; Cassa Depositi e Prestiti SpA, which is classified in the harmonised European System of Central Banks (ESCB) statistics as “Other monetary financial institutions”, and belongs to the credit institutions category, is included.

Benchmark (securities)

A benchmark security is the most representative bond within a homogeneous class of bonds, for example the class of the ten-year fixed rate government bonds. The criteria for determining which instrument is the most representative may vary.

Central government

Central government comprises the central government of the State and economic, assistance and research bodies which extend their competence throughout the territory of the country (state, constitutional bodies, Anas - the Autonomous State Owned Company of National Roods, others).

Centralized Securities Database (CSDB)

Database containing detailed information on security-by-security financial instruments (debt securities, equity and investment fund shares) developed jointly by ECB and national central banks of the Eurosystem with the goal of providing support to the ESCB statistical production. The database registers, security-by-security, the securities denominated in euro, those issued by entities resident in the EU and those that could be held or traded by investors resident in the EU.

Clean price

The trading price of a security that does not take into account the value of the ancillary rights, the accrual rate in the case of bonds or accrued dividends in the case of shares.

Coupon stripping

A separation of coupon components, the inflation-linked component and the nominal redemption value of a bond. The *stripping* operation allows to obtain a set of zero coupon securities. As regards Italian government bonds, *stripping* and subsequent rebuilding may involve bonds with fixed rate coupons (the 3, 5, 7, 10, 15, 20, 30 and 50 years) or index-linked bonds to euro area inflation excluding tobacco products (Btp€i), which are not repayable in advance and deposited under the centralised government bond management system.

Covered bond	Bonds guaranteed by assets that, in the event of the issuer's insolvency, are used for the priority satisfaction of the bondholders' rights. Although the rules differ from country to country, these instruments are characterised by the dual level of protection of the collateral portfolio and the redemption obligation of the issuer. Italian Law No. 136/2006 regulates covered bonds issued by banks (Article 7-bis). The operational framework foresees the transfer of high quality assets (mortgage and general government loans) from a bank to a special purpose vehicle and the issuance by a bank, including other than the originator, of covered bonds guaranteed by the special purpose vehicle (SPV).
CSDB based Securities Issues Statistics (CSEC)	Statistics on the securities issued by EU residents based on the information contained in the CSDB (see the glossary item).
Electronic bond market - MOT	The MOT is the electronic bond market run by Borsa Italiana on which government securities and non-convertible bonds are traded.
Electronic government bond market - MTS	The MTS is the regulated market for the wholesale trading of government bonds. It comprises cash (spot sales), repos (repos; see the glossary item) and coupon stripping (see the glossary item). The markets are supervised by the Bank of Italy. More information can be found at https://www.bancaditalia.it/compiti/sispaga-mercati/mercati-ingrosso-titoli-stato/index.html?com.dotmarketing.htmlpage.language=1.
Exchange of former law 289/2002	Exchange of 1 per cent of government bonds received by the Bank of Italy in 1993 under Law 483/1993 with government bonds at market conditions. The Treasury account, which has constantly been a liability of the Treasury since 1969, was remunerated at an annual rate of 1 per cent and, under Article 2 of Legislative Decree No. 544/1948 amended by Law No 1333/1964, could not exceed the 14 per cent of the final expenditure of the State budget at the end of the month.

According to Law No 483/1993, the account balance at 31 December 1993, which amounted to ITL 76,206 billion, was converted to BTP remunerated at 1 per cent. These bonds were sold to the issuer on 30 December 2002 in exchange for government bonds at market conditions, in accordance with Article 65 of Law No 289/2002.

Financial derivatives

Contracts designed to change the exposure of contracting parties to market risks. These contracts are usually characterised by an arrangement that foresees the settlement at a future date of the difference between the current price (or interest rate) and the price (or interest rate) predetermined in the contract. These contracts can also foresee the delivery or the purchase of a financial instrument at a specified price at a future date.

Credit derivatives

Credit derivatives contracts allow the transfer (reference obligation) of the credit risk of a given underlying financial asset from a *protection buyer* to a *protection seller*. Among the most common types of credit derivative contracts there are *credit default swaps*, in which the *protection seller* undertakes to make a final payment to the *protection buyer* in the event of default by the party covered by the reference obligation, in exchange of a periodic *premium payment*.

Financial derivatives

Financial instruments having the following characteristics:

• do not require any initial investment or require a small investment (e.g. premium) with respect to the exposure they generate;

• they are settled at a future date;

• their value changes according to the performance of a certain predetermined variable (interest rate, stock index, price of a security, exchange rate, etc.).

These transactions involve a credit risk for the entity entitled to the difference between the current price (or interest rate) and the pre-agreed price (or interest rate) and, correspondingly, a financial risk for the counterparty.

Financial market

The market where it is possible to buy or sell financial instruments (shares, bonds, derivatives, shares of funds, etc.). A first distinction is between:

- primary market, where securities are bought at the time of issue;
- secondary market, which consists of the financial markets where securities are bought by those who have already purchased them.

Financial markets consist of IT platforms that combine proposals to buy and to sell financial instruments that are inserted electronically into the system.

Markets operating in Italy can be divided in four categories: regulated markets, multilateral trading systems (MTFs), organised trading systems (OTFs) and systematic internalisers (IS).

Financial vehicle corporations

A company which has the exclusive object of carrying out one or more securitisation operations and that issues negotiable financial instruments in this context.

General government

According to the national accounts principle, the sector includes those institutional units principally engaged in the production of non-market services and the redistribution of the country’s income and wealth: the sector is composed of three subsectors: central government (see the glossary item); local government (see the glossary item); social security funds. The detailed list of institutional units belonging to the general government sector, developed by Istat on the basis of the ESA 2010 (European System of National and Regional Accounts), is available on the website of the Statistical Office and is published annually in the Official Journal in accordance with Law 19.6.1999.

Government securities

Italian Treasury bonds. They are divided into securities issued on the Italian market and those issued on international markets.

The main categories of securities are described below.

- Treasury Bills (BOTs). BOTs are short-term securities with a maturity not higher than one year. The remuneration is entirely determined by the issue discount given by the difference between the nominal value and the price paid. They have original maturities of 3, 6, 12 months or any other maturity included within the year (flexible BOT).
- Treasury Zero Coupon Bonds (CTZs). CTZs are securities with a maturity at issuance of 24 months. The remuneration is determined by the issue discount, which is the difference between the nominal amount and the price paid. CTZs are no longer issued since March 2021.
- Credit certificates (CCTs). Securities with a maturity between 3 and 7 years. Coupons are indexed to the six-month BOT yield (CCT), a category not issued since 2011, and to the six-month EURIBOR (CCTeu), plus a spread. The remuneration is also affected by the issue discount, i.e. the difference between the nominal amount redeemed and the price paid at issue.
- Treasury Bonds (BTPs). BTPs are medium to long-term securities, with a fixed or variable coupon paid every six months. These are divided into:
- • Fixed coupon BTP. Their original maturity is 3, 5, 7, 10, 15, 20, 30 and 50 years.
- • BTP linked to euro-zone inflation (BTPs€i). Their original maturity is 5, 10, 15 and 30 years. They pay deferred variable coupons, indexed to the Eurostat Harmonised Index of Consumer Prices (excluding tobacco), and possibly issue discounts plus the revaluation of capital at maturity.
- • BTP linked to Italian inflation (BTPs Italia). Their original maturity is 4, 6 or 10 years. Coupons and capital are revalued semi-annually on the basis of Italian inflation, as measured by Istat through the national consumer price index for households of workers and employees (FOI), excluding tobacco. These securities provide a fidelity premium for the natural person acquiring the security during the placement and holding it until maturity.

- BTP Futura. They are government bonds reserved exclusively for individual investors. The certificates have a maturity from 8 to 10 years. Coupons. paid every six-months, increase over time on the basis of a step-up mechanism, with minimum guaranteed yields. The BTP Futura also provides a fidelity premium paid to the individuals who buy it on issue days and hold it until maturity.
- BTP Valore. They are government bonds reserved exclusively for individual investors. The category of BTP Valore include bonds characterized by different maturities and different financial structure of the coupon. BTP Valore foresee a "fidelity premium" paid to investors that hold the bond up to maturity.
- BTP Short-term. They are ordinary BTPs with a maturity between 18 and 30 months. They were issued as a substitute for CTZs (see item in this note) in order to help make the short-term government bond market more efficient and liquid, as well as to create additional flexibility for the management of the maturity profile.
- BTP Green. Ordinary BTPs whose proceeds are intended to finance expenditure made by the State with a positive environmental impact and to support the country's environmental transition; they have a six-month coupon and redemption at maturity at nominal value.

\- International securities. The international securities are issued by the Republic of Italy on global capital markets. They are issued in euros or in foreign currency and are subscribed by institutional investors. They take the form of global bonds, medium-term notes and commercial papers. Further information can be found on the Ministry of Economy and Finance's website at https://www.dt.mef.gov.it/en/debito_pubblico/emissioni_sui_mercati_internazionali/index.html.

Grey market

Unofficial market not subject to control by the supervisory authorities, where securities that have not yet been admitted to listing are traded during the time period between the placement to the public and the date of the start of trading on the stock market. Trading in the grey market is followed with interest by the issuer, as it provides an indication of the possible market price of the financial instrument once it has been quoted. The grey market is characterised by a very volatile liquidity and risks of large price movements.

Indexation

A mechanism that links the return or the capital of a financial asset to the performance of a given index. Indexation is termed as "financial indexation" when the mechanism is linked to an interest rate and as real indexation when the mechanism is linked to the price of a good. The mechanism is widely applied to medium and long-term government bonds (see the glossary item "Government securities").

Institutional sectors

Groups of institutional units which express autonomy and decision-making capacity in the economic and financial field and which, with the exception of households, keep separate accounting balance sheets. The European System of Accounts (ESA 2010) classifies institutional units according to their main function and type of producer. For more information on institutional sectors, see the Glossary in the Appendix to the Annual Report.

International Securities Identification Number

The ISIN is the internationally recognised code for the identification of financial instruments in markets and transactions, based on ISO 6166. For Italy, the ISIN coding service is provided by the Bank of Italy. For more information, see https://www.bancaditalia.it/statistiche/servizi/isin-anagrafe-titoli/index.html?com.dotmarketing.htmlpage.language=1.

Investment funds

Assets raised by a variety of investors through the issue and offer of shares, managed in the interest and independently from the investors, on the basis of a predetermined investment policy.

Local government

Local governments include public authorities whose competence is limited to only a part of the territory (e.g. Regions, Provences, Municipalities, local health enterprises).

Monetary financial institutions (MFIs)

The sector include central banks, banks, money market funds and other resident monetary financial institutions whose business is to receive deposits and/or close substitutes for deposits from entities other than MFIs and to grant credit and/or invest in securities. MFIs also include electronic money institutions (ELMIs) and, since September 2006, Cassa Depositi e Prestiti SpA.

Reimbursement prior to maturity of government bonds

They are extraordinary operations consisting of buyback or exchange transactions of bonds.
Buyback operations are transactions through which the Treasury repurchases Government bonds prior to maturity. Buyback operations shall be made from the Treasury availability account; reimbursement prior to maturity - as well as reimbursement at maturity - may also draw on the available resources in the amortisation fund; this fund was established in 1993 with the aim of enabling the reimbursement or withdrawal of government bonds from the market in order to facilitate the reduction of the stock of debt. Buyback operations may be executed by means of an auction made by the Bank of Italy or through bilateral operations.
Through the exchange operations, the Treasury offers one or more securities to be issued against the repurchase of one or more securities.
The execution of these operations does not follow a pre-specified calendar and participation is normally restricted to specialists in government securities (see the glossary item).

Rendistato

Weighted average yield on a basket of government bonds. Until 1 October 1995 BTPs and bonds issued by stand-alone companies, public authorities and local authorities, subject to tax and with a residual maturity of more than one year, were included in the Report basket. Subsequently, the basket was restricted to ordinary BTPs with a residual maturity of more than one year; index-linked BTP, BTP Italia, BTP

Futura and BTP Valore are therefore excluded, while Green BTP and Short-term BTP are included. For more information on the calculation criteria and the yields for each residual maturity category see https://www.bancaditalia.it/compiti/operazioni-mef/rendistato-rendiob/index.html?com.dotmarketing.htmlpage.language=1.

Reopening "Tap"

The so-called "Taps" operations reserved for specialists in government bonds (see the glossary item) are transactions whereby the Treasury returns to the market for bonds that are no longer in the course of issue (off-the-run) in order to further increase their liquidity. Such operations are exceptional in the sense that they do not follow a pre-specified calendar but are executed if market needs arise.

Repos

Repurchase agreements consist of a sale of securities and a simultaneous agreement to repurchase the securities; for the counterparty, it is a symmetric spot and forward transaction. The price is expressed in terms of the annual interest rate.

SEC (2010)

European system of national and regional accounts. The ESA 2010 defines the national accounting principles and methods at European level. It establishes in a systematic and detailed manner how the figures describing the functioning of an economy are measured, in line with the international guidelines laid down in the United Nations System of National Accounts (2008 SNA; see the glossary item).

Securities firms - SIM

SIMs are investment firms authorised to carry out investment services or activities, involving financial instruments, in accordance with the Consolidated Law on Finance (TUF). Investment services and activities shall mean the following activities involving financial instruments: execution of client orders; placement; portfolio management; the receipt and transmission of orders; investment advice; operation of MTFs. SIMs are supervised by the Bank of Italy and Consob.

Securities register The Securities Register is the database of information on financial instruments that credit and financial intermediaries, as well as other companies, report to the Bank of Italy that manages the register for statistical and supervisory purposes. The securities identification key is the International Securities Identification Number (ISIN; see the glossary item). Several sources contribute to the update of the register: Infocamere, Borsa Italiana, Monte Titoli, ECB Centralised Securities Database (see the glossary), issuers and reporting agents.

SNA (2008) The *System of National Accounts* 2008 is the international statistical standard for the compilation of national accounts. It is a statistical framework that provides a comprehensive, consistent and flexible set of macroeconomic accounts for policy-making, analysis and research. It has been prepared under the joint responsibility of the United Nations, the European Commission, the Organisation for Economic Co-operation and Development (OECD), the International Monetary Fund (IMF) and the World Bank. National statistical institutes and the central banks of many countries contributed to this development. It represents an update of the 1993 System of National Accounts.

Solvency II European prudential regime for insurance and reinsurance that has entered into force in January 2016 and that sets out requirements applicable to insurance and reinsurance companies in the EU with the aim to ensure the adequate protection of policyholders and beneficiaries.

Specialists in government securities Government bond specialists act as *market makers*, also known as *primary dealers*. They have obligations to subscriptions in government bond auctions and trading volumes on the secondary market. In view of these obligations, they have some privileges, including the possibility to participate exclusively in the additional placements of issuance auctions.

Tel quel price The trading price of a security that includes the value of the ancillary rights, the accrual rate in the case of bonds or any dividend that matures, options or assignment rights in the case of shares.