



BANCA D'ITALIA
EUROSISTEMA

Supplements to the Statistical Bulletin

Monetary and Financial Indicators

Household Wealth in Italy
2014

New series

Year XXV - 16 December 2015

Number

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HOUSEHOLD WEALTH IN ITALY IN 2014

Since 2007 the Bank of Italy has published in the Supplement to the Statistical Bulletin an assessment of the overall wealth of Italian households in which the data on financial assets and liabilities obtained from the Financial Accounts have been supplemented with an estimate of the value of their real assets. Released for the first time in 2015, Istat's annual estimate of the value of the stock of the institutional sectors' non-financial assets has bridged the gap in information. Work is underway to integrate Istat's new estimates of the institutional sectors with those released by the Bank of Italy in the Financial Accounts. This issue concludes the series on Household Wealth in the Supplement, pending a new and more comprehensive publication on the balance sheets of the institutional sectors.

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Table 1A contains the main financial and real assets and the financial liabilities of Italian households calculated using the Bank of Italy's old methodology. Table 1B reports the same figures for the household sector and for private non-profit institutions, combining Istat's estimates of the value of real assets with those of the financial assets based on the Bank of Italy's Financial Accounts.

In 2013 Istat's estimate of the value of real assets held by households and private non-profit institutions was approximately 14 per cent higher than previously estimated by the Bank of Italy for households only. This discrepancy is due to Istat's higher appraisal of housing wealth (10 percentage points) and non-residential buildings (7 percentage points), offset in part by a more favourable appraisal by the Bank of Italy of other items (3 percentage points). These differences reflect the various estimation methods and information sources available.

The more significant differences are the following.

Housing wealth. Istat's housing wealth estimates include the value of the dwelling and the transfer costs, factors that are not considered by the Bank of Italy for lack of sufficient sources of information: in 2013 this difference explains 7 percentage points of the gap between the two estimates. With regard to house prices, Istat uses more detailed information that is not publicly available, while the Bank of Italy uses house price indices released by Istat for the whole of Italy: this difference accounts for about 5 percentage points of the gap. Lastly, Istat uses cadastral data that is not publicly available to calculate the number of houses owned by households, while the Bank of Italy uses data from population and housing censuses for its estimates. This difference results in an estimate by the Bank of Italy that is 2 percentage points higher.

Non-residential buildings. The difference between the estimates for non-residential buildings (7 percentage points) exclusively reflects the inclusion by Istat of certain assets (laboratories, stables, garages, roofed areas) that are excluded by the Bank of Italy in its estimates because of the difficulty of ascribing them to households based on the sources available.

Households' other real assets. Istat's estimates do not include valuables held by households, while the Bank of Italy's estimates do, based on the Survey on Household Income and Wealth; moreover, Istat's estimates contain lower valuations for 'other assets'.

Between 2012 and 2013, the new estimates indicate a 0.3 per cent reduction in total wealth for households and private non-profit institutions (Table 1B), and a smaller fall than estimated by the previous methodology for the household sector alone (-0.9 per cent, Table 1A). The wealth-income ratio in 2013 was 8.6 compared to 8.0 as calculated with the old methodology.

ITALIAN HOUSEHOLD AND NON PROFIT INSTITUTIONS SERVING HOUSEHOLDS NET WEALTH
(BANK OF ITALY AND ISTAT ESTIMATES)

(billions of euros at current prices)

Voci	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Dwellings	2.940,1	3.218,2	3.522,5	3.857,9	4.223,9	4.714,3	5.081,7	5.374,9	5.455,2	5.569,7	5.688,0	5.627,1	5.509,9	....
Non-residential buildings	....	....	....	....	608,1	660,8	708,5	739,3	746,1	755,8	772,4	769,9	750,0	....
Fixed capital ⁽⁴⁾	91,86	95,057	98,231	100,444	99,277	101,063	100,955	100,314	96,815	....
Land	....	....	....	....	222,2	224,5	229,5	231,7	232,1	232,1	231,4	229,2	226,5	....
Total real assets (a)	....	....	....	....	5.146,1	5.694,6	6.117,9	6.446,3	6.532,8	6.658,7	6.792,8	6.726,4	6.583,3	....
Notes and coin	49,2	53,4	64,3	76,0	89,1	103,9	113,0	123,2	129,2	133,4	141,8	137,7	139,9	141,2
Bank deposits	504,0	517,4	530,8	539,9	562,2	605,5	628,5	679,7	673,8	656,4	647,2	696,2	710,6	736,8
<i>of which: current accounts</i>	296,0	328,8	352,6	370,0	391,5	413,2	416,1	450,0	512,0	515,0	497,6	489,1	500,3	543,6
Post office deposits	191,0	204,5	224,4	245,1	261,2	274,6	286,4	295,9	313,9	325,8	330,2	344,3	352,6	361,0
<i>of which: current accounts</i>	7,7	8,8	13,5	18,1	21,1	22,8	22,6	24,1	25,4	25,7	25,3	27,9	29,0	29,4
Securities	566,8	637,7	642,5	718,5	735,9	727,1	746,3	801,5	762,5	716,1	728,5	718,9	638,3	536,1
Italian government securities	248,5	306,5	255,3	305,4	275,9	258,4	264,5	273,5	200,3	168,6	202,5	209,2	188,0	175,2
Italian corporate and bank bonds	206,5	224,0	278,8	296,5	302,8	310,7	323,6	367,7	397,3	380,7	378,3	378,7	336,5	252,0
<i>of which: bank bonds</i>	199,8	217,3	246,9	269,8	274,4	284,8	302,7	356,4	381,7	373,3	376,4	375,0	326,7	238,6
Securities issued abroad	110,5	106,7	108,1	116,4	156,9	157,8	157,7	159,4	164,6	166,4	147,4	130,5	113,3	108,4
Loans to cooperatives	9,2	9,9	10,9	11,7	12,6	13,0	13,2	13,5	13,7	14,0	14,2	14,8	15,2	15,6
Shares and other equity in corporations	647,3	626,5	593,6	642,0	898,8	1.124,7	871,2	686,3	594,9	512,9	461,2	538,7	632,8	652,4
issued by residents	582,7	577,9	547,4	598,2	854,1	1.080,4	833,0	653,1	567,6	474,0	423,2	500,5	591,4	607,0
<i>of which: listed shares</i>	85,8	59,7	84,6	75,5	92,8	99,9	82,7	64,3	81,8	71,9	58,9	58,5	60,6	64,7
issued by non-residents	64,7	48,6	46,2	43,8	44,7	44,3	38,2	33,2	27,3	38,9	38,0	38,2	41,4	45,4
<i>of which: listed shares</i>	35,4	23,0	22,8	22,2	23,8	24,6	19,7	11,9	12,7	14,4	14,9	13,4	17,1	20,0
Equity in quasi-corporations (1)	146,5	159,7	169,6	189,6	193,0	201,3	221,6	233,9	212,7	216,3	204,4	198,3	200,7	211,9
Investment fund units	449,3	413,3	424,8	417,5	426,0	406,9	359,1	231,6	259,7	272,2	239,8	273,9	309,2	380,3
Insurance technical reserves	369,8	412,5	471,6	524,7	581,3	614,1	609,7	593,8	640,0	677,9	680,2	701,5	735,2	803,8
<i>of which: pension funds</i>	148,1	157,1	170,7	181,3	194,7	205,0	208,7	213,5	217,5	221,2	224,3	235,7	239,7	246,7
<i>of which: life insurance reserves</i>	194,5	226,4	270,1	310,8	352,5	373,4	364,3	342,3	383,8	417,8	417,5	427,3	457,1	518,9
Other accounts receivable	8,0	8,1	7,2	7,3	11,8	8,0	9,9	8,3	6,4	3,4	3,8	4,6	0,8	1,9
Trade credits	80,3	84,1	86,6	89,4	92,2	96,6	99,4	103,5	101,2	104,4	105,0	102,8	102,5	102,5
Total financial assets (b)	3.021,5	3.127,2	3.226,2	3.461,8	3.864,2	4.175,8	3.958,3	3.771,2	3.708,0	3.632,8	3.556,1	3.731,7	3.837,8	3.943,5
Total assets (a+b)	....	....	....	....	9.010,3	9.870,5	10.076,2	10.217,5	10.240,8	10.291,4	10.348,9	10.458,1	10.421,0	....
Loans	311,9	346,0	381,7	432,6	491,1	553,7	614,7	638,0	668,2	700,1	717,3	709,2	698,4	692,8
Consumer credit	40,0	45,2	52,1	61,3	73,1	86,6	98,9	106,9	114,9	120,3	122,5	119,6	115,3	111,9
Home mortgage loans	133,6	166,1	195,2	229,1	271,1	311,8	347,1	353,2	361,0	367,6	382,3	381,0	379,3	379,8
Other loans	138,3	134,6	134,4	142,2	146,8	155,3	168,7	177,9	192,3	212,1	212,5	208,7	203,7	201,1
Insurance technical reserves (2)	23,9	25,8	27,8	30,0	32,4	33,1	33,5	34,0	34,4	34,9	35,5	36,1	36,7	37,2
Trade debts	72,6	75,6	77,8	80,2	83,0	86,2	89,6	93,7	92,0	94,1	94,2	92,8	93,2	93,1
Other accounts payable	67,7	71,8	78,2	78,6	79,6	86,9	91,5	92,0	90,2	91,8	91,3	92,2	93,4	92,6
Total financial liabilities (c)	....	....	....	....	686,1	759,8	829,3	857,6	884,8	920,9	938,3	930,3	921,7	915,7
Net wealth (a+b-c)	....	....	....	....	8.324,2	9.110,7	9.246,9	9.359,9	9.356,0	9.370,6	9.410,5	9.527,8	9.499,3	....
Wealth-disposable income ratio	....	....	....	....	8,1	8,6	8,4	8,3	8,5	8,5	8,4	8,7	8,6	....

(1) Plant, machinery, equipment, inventories and goodwill

(2) 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').

(3) 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.

(4) Plant, machinery, motor vehicles, office equipment, computers, furniture, weapons, software and R&D.

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

Money and Banking (monthly)

The Financial Market (monthly)

The Public Finances, borrowing requirement and debt (monthly)

Balance of Payments and International Investment Position (monthly)

Financial Accounts (quarterly)

Payment System (half yearly)

Public Finance Statistics in the European Union (annual)

Local Government Debt (half yearly)

Household Wealth in Italy (annual)

Sample Surveys (irregular)

Methodological Notes (irregular)

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

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

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