

Statistics and analyses

Trends and risks
of the Italian financial system
in a comparative perspective

July

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CONSOB

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PER LE SOCIETÀ E LA BORSA

Congiuntura e rischi del sistema finanziario italiano in una prospettiva comparata

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Il Rapporto analizza la congiuntura e i rischi del sistema finanziario italiano nel confronto internazionale, avendo riguardo anche alle dinamiche che possono rilevare per il raggiungimento degli obiettivi istituzionali della CONSOB. Il presente numero approfondisce tendenze e vulnerabilità nel contesto della crisi innescata dalla pandemia di Covid-19.

The Report analyses trends and risks of the Italian financial system in a comparative perspective, also with regard to the developments that can affect the achievement of CONSOB remit. This Report examines trends and vulnerabilities in the context of the Covid-19 crisis.



Il Covid-19 e la congiuntura economica

Nel corso del primo semestre 2021, nei paesi avanzati i progressi registrati nelle campagne di vaccinazione contro il Covid-19, l'allentamento delle misure di contenimento del contagio e le politiche economiche adottate per contrastare la crisi hanno contribuito a ripristinare un clima di fiducia nel miglioramento della congiuntura economica. Nel mese di giugno, tuttavia, la diffusione di una nuova variante del virus, denominata Delta, ha alimentato una rinnovata incertezza, anche a fronte degli sviluppi relativi al completamento del ciclo vaccinale (in Italia, a fine luglio risulta immunizzato circa il 60% della popolazione). L'attività economica è prevista in ripresa nel corso dell'anno, sebbene in misura eterogenea tra aree e paesi. Nell'Eurozona, la cui crescita si stima inferiore a quella globale, il PIL italiano dovrebbe ritornare ai livelli pre-crisi solo nel 2022, dopo Germania e Francia. Nel frattempo, la pandemia ha innescato fattori di rischio che si aggiungono alle vulnerabilità preesistenti. È aumentato, in particolare, il livello di indebitamento sia pubblico sia privato. Le politiche di bilancio domestiche a sostegno dell'economia hanno determinato un significativo peggioramento delle finanze pubbliche. Inoltre è cresciuto il debito di famiglie e imprese. In Italia, il rapporto tra debito pubblico e PIL dovrebbe portarsi a fine 2021 su un livello significativamente maggiore alla media dell'Eurozona (rispettivamente, 159% e 102%), mentre l'incidenza del debito privato sul PIL, sebbene in crescita, a fine 2020 rimane ampiamente al di sotto della media degli altri paesi.

La ripresa dei corsi azionari

Con riferimento ai mercati finanziari, il primo semestre dell'anno ha visto un recupero degli indici azionari nelle maggiori economie avanzate, sebbene con differenze significative tra aree geografiche e settori. Il FTSEMib è ritornato sui livelli pre-crisi, registrando un incremento di 14 punti percentuali, sebbene in una prospettiva di lungo periodo permanga su valori inferiori a quelli raggiunti nel 2007. A fronte della ripresa dei corsi azionari, nell'area euro emergono segnali di un possibile disallineamento tra le valutazioni di mercato e i valori fondamentali delle società quotate, meno pronunciato nel settore bancario rispetto a quello delle società non finanziarie. In Italia tale tendenza sembra più contenuta rispetto a quella stimata per l'Eurozona.

During the first half of 2021, in developed countries progress in Covid-19 vaccination campaigns, the loosening of anti-pandemic restrictions, and economic policies adopted to counter the crisis helped restore confidence in the improvement of economic situation. In June, however, the spread of the Delta variant fuelled renewed uncertainty, also in view of the developments relative to the completion of the vaccination cycle (in Italy at the end of July, about 60% of the population was immunized). Economic activity is expected to recover over the year, albeit to different degrees across areas and countries. In the Eurozone, whose growth is estimated to be lower than global growth, Italian GDP is expected to return to its pre-crisis levels only in 2022, after Germany and France. Meanwhile, the pandemic triggered risk factors that add to pre-existing vulnerabilities. In particular, the level of both public and private debt increased. Domestic fiscal policies to support the economy led to a significant deterioration in public finances. In addition, household and corporate debt rose. In Italy, the ratio of public debt to GDP is expected to reach a level significantly higher compared to the Eurozone average at the end of 2021 (159% and 102%, respectively), while the ratio of private debt to GDP, although on the rise, at the end of 2020 remains well below the average values observed in other countries.

Covid-19 and the economic situation

With reference to financial markets, the first half of the year saw a recovery in equity indices in the major advanced economies, albeit uneven across geographical areas and sectors. The FTSEMib returned to its pre-crisis levels, showing an increase of 14 percentage points, although in a long-term perspective it remains at lower levels compared to 2007. In the euro area, the along with the positive trends there are signs of a possible misalignment between market valuations and the fundamental values of listed companies, less marked in the banking sector compared to the non-financial sector as well as less pronounced in Italy compared to that estimated for the Eurozone.

The rebound in stock prices

Il debito sovrano e le emissioni corporate

Nei mercati obbligazionari, con riferimento ai titoli del debito sovrano continuano a prevalere condizioni distese sia sul primario sia sul secondario. In Italia, le cui emissioni nel primo semestre 2021 si sono attestate attorno al 10% del debito totale con una quota a breve scadenza pari al 36%, il mercato primario ha continuato a caratterizzarsi per una domanda di titoli in sede di asta significativamente superiore all'offerta; sul mercato secondario il rendimento del BTP a 10 anni si è mantenuto su valori prossimi o inferiori all'1% dal settembre 2020. Con riguardo ai titoli di debito *corporate*, nel 2020 le emissioni nette di obbligazioni bancarie si sono azzerate, toccando il minimo del decennio, mentre quelle delle società non finanziarie sono rimaste su livelli positivi; sul mercato secondario i rendimenti si mantengono bassi sebbene in crescita rispetto alla fine del 2020.

Le vulnerabilità delle grandi imprese non finanziarie quotate

Per effetto della pandemia, nel 2020 le maggiori società non finanziarie quotate nei principali paesi europei hanno registrato una forte contrazione dei ricavi e, nel complesso, un deterioramento delle condizioni reddituali e finanziarie. Le vulnerabilità delle grandi imprese quotate risultano pertanto accentuate rispetto all'anno precedente. La quota di società con indicatori reddituali e finanziari in peggioramento rispetto alla propria media decennale è infatti cresciuta. Tale circostanza non ha cambiato la posizione relativa delle imprese italiane, che nel periodo 2011-2020 hanno registrato in media un reddito operativo stabilmente inferiore ai *competitors* inglesi, francesi e tedeschi e una leva finanziaria in media superiore a quella delle società inglesi e francesi. Nel complesso, le grandi imprese più resilienti in termini di redditività, *leverage* e liquidità rappresentano meno del 4% del totale in Italia e meno del 5% in Europa.

Il rafforzamento patrimoniale delle banche europee

Nel corso del 2020 le banche dei maggiori paesi europei hanno visto un calo dei margini reddituali connesso sia all'andamento sfavorevole dei tassi di interesse sia al calo dell'efficienza operativa. Si è invece rafforzata l'adeguatezza patrimoniale degli istituti europei e, in particolare, delle banche italiane che hanno registrato un incremento del *core tier 1 ratio* di circa due punti percentuali rispetto al 2019. È altresì migliorata la qualità del credito. Per le maggiori banche italiane l'incidenza dei crediti *non-performing* sul totale è passata dal 7% al 4%, principalmente grazie alle significative operazioni di cessione dei crediti. Gli istituti bancari restano tuttavia esposti al rischio di un deterioramento della qualità degli attivi, connesso alla difficile congiuntura economica e tanto più marcato quanto maggiore è l'esposizione verso i settori più colpiti dalla crisi. Con riguardo alle banche italiane, poco più del 50% dei crediti concessi al settore privato attiene ai comparti relativamente più colpiti della pandemia, quali commercio e trasporti, attività artistiche e ricreative, servizi di alloggio e ristorazione. Il dato risulta in linea con quello delle banche francesi (49%) e inferiore a quello della Germania (39%).

As for non-equity markets, both primary and secondary markets of sovereign bonds keep experiencing tranquil conditions. In Italy, in the first half of 2021 issues amounted to about 10% of total debt, within a proportion maturing within 12 months equal to 36% of the total issues. Italian government bond auctions kept recording a demand significantly higher than supply, while the 10-year BTP yield has remained close to or below 1% since September 2020. With regard to corporate debt securities, in 2020 net issuance of bank bonds fell to zero, reaching the lowest level of the decade, while those of non-financial companies remained at positive levels. On the secondary market yields remain low, although on the rise with respect to the end of 2020.

The sovereign and corporate bonds

Due to pandemic, over 2020 large non-financial listed companies recorded a sharp drop in revenues and, overall, a worsening in income and financial conditions. Therefore, vulnerabilities of major listed firms heightened compared to the previous year. These developments did not change the relative ranking of Italian firms, which over 2011-2020 recorded on average an operating income steadily lower compared to their peers in the UK, France and Germany and a leverage higher on average than English and French companies. The share of companies with income and financial indicators worsening compared to their ten-year average has in fact increased. Overall, the most resilient large companies in terms of income, leverage and liquidity represent less than 4% of the total in Italy and less than 5% in Europe.

Vulnerabilities of major listed non-financial companies

During 2020, banks in major European countries experienced a decline in income margins due to both the persistent low interest rate environment and the declining operating efficiency. On the other hand, capital adequacy of European institutions, and Italian banks in particular, strengthened recording an increase in the core tier 1 ratio of around two percentage points compared to 2019. Credit quality also improved. For major Italian banks the ratio of non-performing loans to the total fell from 7% to 4%, as a consequence of significant loan sales. However, banks remain exposed to the risk of a deterioration in asset quality, due to the weak economic environment, especially with respect to exposures to sectors hit hard by the crisis. As for Italian banks, just over 50% of loans granted to the private sector relate to firms operating in trade and transport, arts and leisure activities, accommodation and food services, which are relatively more vulnerable to the economic effects of the pandemic. This figure is in line with that of French banks (49%) and lower than that of Germany (39%).

Capital adequacy of European banks

La ricchezza delle famiglie italiane

Tra il 2019 e il 2020 il tasso di risparmio lordo delle famiglie italiane, pur continuando a rimanere al di sotto della media dell'Eurozona, ha sperimentato un forte incremento (dal 10% al 18%) che dovrebbe essere riassorbito solo in parte nell'anno in corso. Grazie anche alla dinamica delle quotazioni azionarie e obbligazionarie registrate nei mercati finanziari nel secondo e nel terzo trimestre del 2020, la ricchezza netta delle famiglie italiane è cresciuta, mantenendosi tuttavia al di sotto del dato di Germania e Francia. Quanto alla composizione delle attività finanziarie, è aumentato il peso della liquidità, che alla fine dello scorso anno ha registrato un tasso di variazione tendenziale al massimo storico dal 2015 (+7%), in linea con le dinamiche osservate nell'area euro. A fine 2020, le disponibilità liquide nel portafoglio delle famiglie italiane ammontavano a oltre 1.500 miliardi di euro, pari al 91% circa del PIL e a 2,5 volte la capitalizzazione complessiva di MTA e AIM Italia (rispettivamente 600 e 6 miliardi di euro). Dall'esame combinato della propensione al risparmio e dell'allocazione della ricchezza finanziaria tra liquidità e strumenti dei mercati dei capitali nel periodo 2015-2020, si evince che, rispetto alla media dell'Eurozona, l'Italia si colloca in una posizione sub-ottimale, caratterizzata da una minore propensione al risparmio e una maggiore incidenza delle disponibilità liquide.

Le negoziazioni degli investitori retail italiani

Le negoziazioni degli investitori *retail* italiani su strumenti finanziari hanno registrato a partire dai primi mesi del 2020 un'attività più intensa rispetto all'anno precedente, in particolare su azioni e fondi comuni. Nel solo mese di marzo 2020, mentre i mercati azionari sperimentavano forti turbolenze per effetto dell'emergenza sanitaria, gli acquisti netti di azioni si sono attestati a circa 3 miliardi di euro, a fronte di una media mensile di vendite nette pari, per il 2019, a circa 470 milioni di euro.

Le crypto attività

Negli ultimi anni, è cresciuto in maniera significativa l'interesse verso le crypto attività, soprattutto tra i più giovani, come mostrano i dati disponibili su numero e distribuzione per età degli utilizzatori a livello globale. In particolare, nel 2021 hanno registrato un rialzo rilevante le quotazioni delle crypto valute e, tra queste, del Bitcoin, al quale è riferibile la maggiore quota di mercato in termini di capitalizzazione complessiva. Al pari di tutte le crypto valute, il Bitcoin si caratterizza per una marcata volatilità delle quotazioni, significativamente più elevata rispetto a quella delle opzioni di investimento tradizionali. Un'ulteriore criticità è legata alla modalità di scambio delle crypto valute e alle tecnologie sottostanti. Alcune stime per il 2019 quantificano l'impatto economico di frodi e attacchi informatici concernenti crypto attività in 4,5 miliardi di dollari, in netta crescita rispetto al biennio precedente. I dati disponibili relativi a 479 piattaforme digitali dedicate a crypto attività evidenziano che meno di 30 possono ritenersi molto affidabili per la qualità delle informazioni pubblicate e solo 7 ottengono una valutazione molto positiva in termini di sicurezza cibernetica.

Between 2019 and 2020, the gross savings rate of Italian households, while remaining below the Eurozone average, experienced a sharp increase (from 10% to 18%) that should only be partially reabsorbed in the current year. Thanks also to the dynamics of stock and bond prices recorded in the financial markets in the second and third quarters of 2020, the net wealth of Italian households grew, although remaining below figures for Germany and France. As for the composition of financial assets, the weight of liquidity increased, which at the end of 2020 recorded a YoY change at its highest level since 2015 (+7%), in line with the dynamics observed in the euro area. At the end of 2020, liquid assets in portfolio of Italian households amounted to more than €1,500 billion, equivalent to about 91% of GDP and 2.5 times the total capitalisation of the MTA and AIM Italy (€600 billion and €6 billion respectively). The analysis of both the gross saving rate and the liquidity to financial assets ratio over 2015-2020 shows that Italy and Spain lag behind other countries, as they show a lower saving rate and a higher weight of liquidity than the Eurozone average.

Wealth of Italian households

Trading activity on financial instruments by Italian retail investors has intensified from 2020 onwards, particularly in equities and mutual funds. In March 2020 alone, while equity markets were experiencing severe turbulence due to the health emergency, the amount of net stock purchases hit about €3 billion, compared to the 2019 monthly average of net sales amounting to €470 million.

Trading activity by Italian retail investors

In recent years, interest in crypto assets has grown significantly, especially among the youngest, as shown by available data on the number and age distribution of users globally. In particular, in 2021, the prices of cryptocurrencies rose significantly, including Bitcoin, which has the largest market share in terms of total capitalisation. Similarly to all cryptocurrencies, Bitcoin is characterised by a very high marked volatility, which is significantly higher than that of traditional investment options. A further critical issue is related to the way cryptocurrencies are traded and the underlying technologies. Some estimates for 2019 quantify the economic impact of fraud and cyber-attacks involving crypto assets at \$4.5 billion, up sharply from the previous two years. In addition, available statistics on 479 digital exchanges show that less than 30 can be considered very reliable in terms of quality of the information published and only seven obtain a very positive assessment in terms of cybersecurity. Since mid-2020, a new area has been developing known as Decentralised Finance (DeFi), based on infrastructures that use blockchain technology and smart

Crypto assets

A partire dalla seconda metà del 2020 ha cominciato a registrare un significativo sviluppo la cosiddetta finanza decentralizzata (Decentralised Finance o DeFi), basata su infrastrutture che utilizzano la tecnologia *blockchain* e gli *smart contracts* per la creazione e lo scambio di prodotti e servizi finanziari legati a cripto attività, disintermediando gli operatori tradizionali e le infrastrutture centralizzate. In particolare, secondo le evidenze disponibili, l'ammontare del capitale depositato a garanzia (cosiddetto *value locked*, utilizzato come una proxy dimensionale) è passato da 16,5 miliardi di dollari a fine 2020 a più di 59 miliardi a fine giugno 2021. Come mostrano i dati riferiti alle prime dieci infrastrutture di DeFi, rappresentative al 21 luglio del 95% del *value locked* totale, predominano le attività di *lending*.

La finanza a supporto dello sviluppo sostenibile

La transizione verso un modello di sviluppo sostenibile è un tema prioritario nell'agenda dei *policy makers*. Uno dei pilastri del Recovery and Resilience Facility (RRF), strumento principale del programma Next Generation EU (NGEU), è la transizione ecologica, a cui deve essere allocata una quota minima delle spese pari al 37% del totale. Inoltre, nell'ambito dell'annunciata strategia di finanziamento diversificata sul mercato dei capitali di NGEU, la Commissione europea ha indicato l'emissione di titoli *green* nella misura pari almeno al 30% del totale. Tale previsione concorrerà a dare impulso alla crescita del comparto dei *green bonds*, le cui emissioni nel primo semestre 2021 sono più che raddoppiate rispetto allo stesso periodo dell'anno precedente, grazie all'ingresso nel mercato degli emittenti sovrani. In questo contesto, l'Europa svolge da tempo un ruolo trainante, con emissioni che a giugno 2021 risultano pari al 60% circa dell'aggregato globale; l'Italia, il cui contributo rimane inferiore a quello dei maggiori paesi europei, registra comunque una crescita molto elevata. L'Europa contribuisce in modo rilevante anche allo sviluppo del comparto dei fondi ESG: a marzo 2021 si contano circa 3.500 fondi europei, con un patrimonio complessivo superiore a 1.600 miliardi di euro (pari a oltre l'80% del dato globale). Analoga tendenza si osserva in Italia, dove alla fine del primo trimestre del 2021 il numero di fondi ESG è pari a 1.210 (517 a fine 2020), mentre il patrimonio promosso ha raggiunto 276 milioni di euro (81 a fine 2020). Tali dinamiche si associano alla crescita del numero di imprese attente alla sostenibilità, come si evince anche dall'aumento del numero di emittenti per i quali è disponibile una valutazione della performance ESG. Il tema è altresì all'attenzione del sistema bancario, che anche su impulso di regolatori e autorità di vigilanza, è chiamato a valutare la propria esposizione ai settori vulnerabili al rischio fisico e al rischio di transizione, legati rispettivamente ai cambiamenti climatici e a eventuali correzioni delle valutazioni di mercato delle attività nei settori a più elevati livelli di emissione di CO2 innescate, ad esempio, dal sopravvenire di regolazioni restrittive. I dati disponibili alla fine del 2020 mostrano che tra le banche dei maggiori paesi dell'Eurozona quelle spagnole e quelle italiane si connotano per le esposizioni più elevate, in valore assoluto, a imprese vulnerabili a rischi connessi a eventi climatici estremi, mentre i finanziamenti erogati dalle banche dell'area euro a società operanti nei settori a più elevati livelli di emissione di CO2 sfiorano complessivamente il 47% del totale dei crediti alle società non finanziarie.

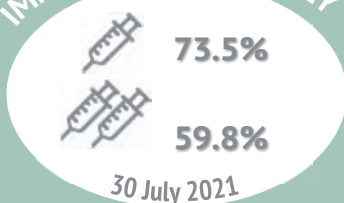
contracts to create and exchange financial products and services linked to crypto assets, without involving traditional intermediaries and centralised infrastructures. As shown by available data, the total value of assets locked (used as a growth indicator) jumped from \$16.5 billion at the end of 2020 to more than \$59 billion at the end of June 2021. Evidence on the top 10 DeFi infrastructures (accounting for 95% of the total value locked as of 21 July 2021) shows that lending activities are predominant.

Transition to a sustainable development model is a top priority in the agenda of policy makers. One of the pillars of the Recovery and Resilience Facility (RRF), the main instrument of the Next Generation EU (NGEU) programme, is green transition, as at least 37% of expenditure has to be related to climate and other environmental objectives. In addition, as part of the announced diversified financing strategy on the capital market of NGEU, the European Commission announced that at least 30% of the total bond issues will be green bonds. This measure will help boost the market of green bonds, whose issuance in the first half of 2021 more than doubled compared to the same period last year, thanks to sovereign issuers. Within such framework, Europe has long played a leading role, with new bond issues accounting for around 60% of the global aggregate as of June 2021. Italy, whose contribution remains lower than that of the major European countries, nevertheless shows a considerable increase. Europe is also a major contributor to the development of the ESG fund sector: as of March 2021, there were some 3,500 European funds, with total assets amounting to more than €1,600 billion (over 80% of the global figure). A similar trend can be observed in Italy, where at the end of the first quarter of 2021 the number of ESG funds stood at 1,210 (517 at the end of 2020), while the assets promoted reached €276 million (81 at the end of 2020). These developments are associated with the growth in the number of companies sensitive to sustainability, which is also reflected in the increase in the number of issuers for which an ESG performance assessment is available. The issue is of great importance for the banking system too, which, in response to pressure from regulators and supervisory authorities, is called upon to assess its exposure to sectors vulnerable to physical and transition risk, linked respectively to climate changes and to possible corrections in market values of assets triggered, for example, by restrictive regulation hitting sectors with higher levels of CO2 emissions. Data available at the end of 2020 show that, among the largest euro area countries, Spanish and Italian banks have the highest absolute exposures to companies vulnerable to risks related to extreme climate events, while in the Eurozone overall lending to companies operating in sectors with higher CO2 emission levels accounts for about 47% of total loans to non-financial companies.

Finance supporting sustainable development

H I G H L

IMMUNISATION IN ITALY



ESTIMATED GDP 2021



PUBLIC DEBT / GDP 2021



After a very difficult year, recovery is expected to be robust in 2021 conditional on the completion of the vaccination campaigns.

NGEU



The crisis is boosting sustainable finance and ...

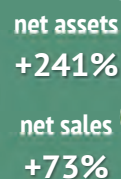
RETAIL TRADING IN 2020



CRYPTO ASSETS



ESG FUNDS Q1 2021

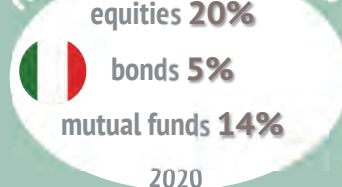


Household precautionary savings and liquidity rose, amid an accelerating interest in crypto assets.

HOUSEHOLDS



HOUSEHOLD PORTFOLIO



NET ASSETS OF MUTUAL FUNDS



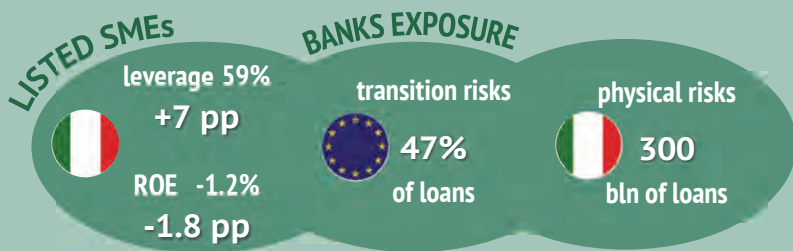
I G H T S



Financial markets are easing recovery while . . .



... digitalisation, among the main pillars of the NGEU



... the crisis heightened vulnerabilities of NFCs and posed risks to bank asset quality.



SOMMARIO

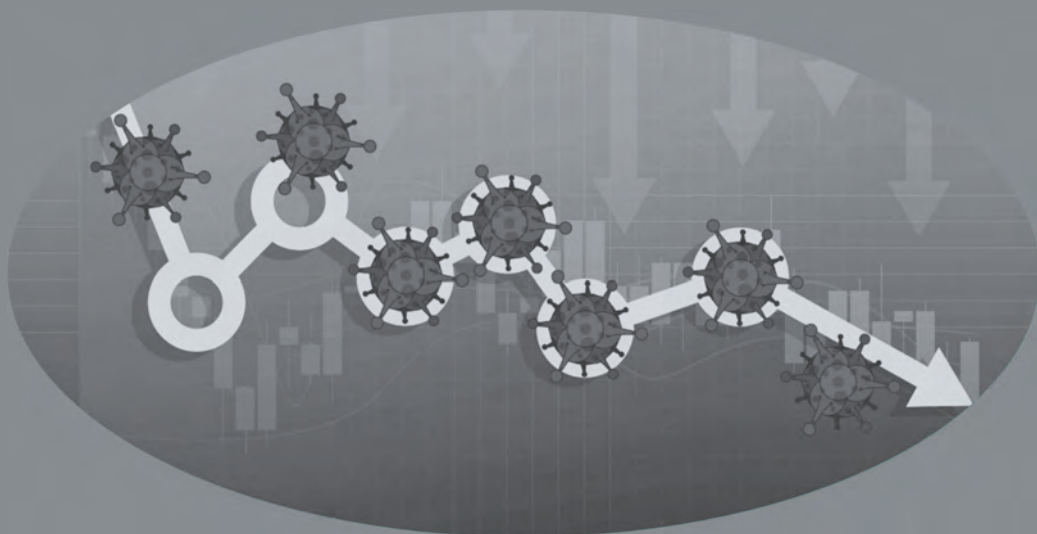
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Quadro macroeconomico

Macroeconomic landscape



Pandemia di Covid-19 e campagne vaccinali

Indicatori di incertezza

Attività economica

Indicatori di fiducia

Covid-19 pandemic and vaccination campaigns

Indicators of uncertainty

Economic activity

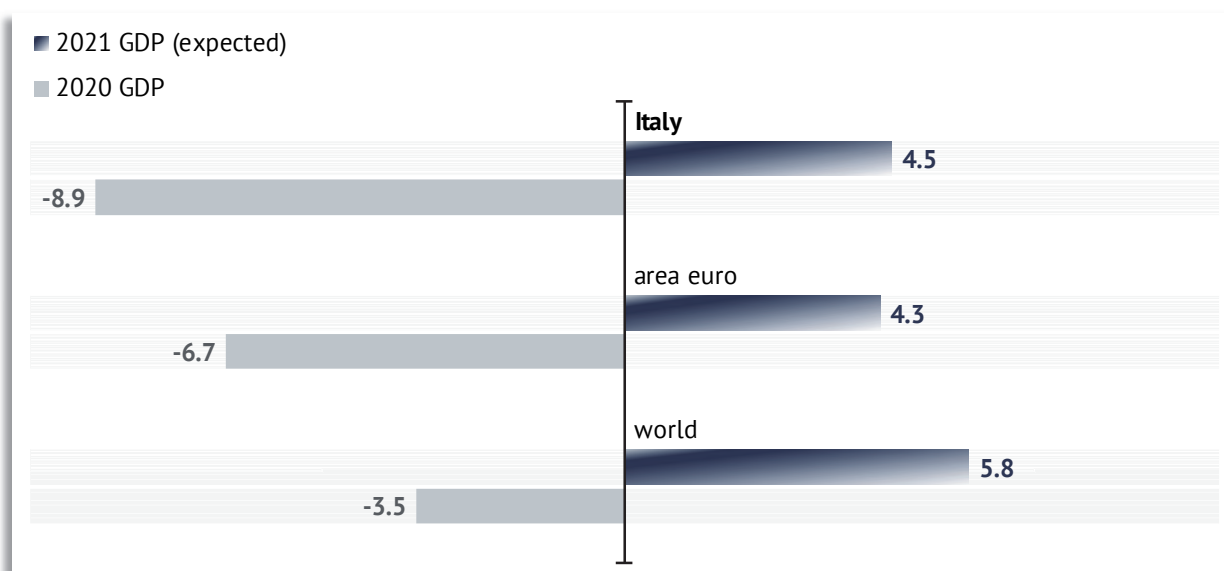
Economic sentiment

● Nel primo semestre del 2021, nei paesi avanzati l'avvio delle campagne di vaccinazione e il contestuale e progressivo calo dei contagi hanno contribuito a ridurre l'incertezza circa la durata dell'emergenza sanitaria, anche se la diffusione della variante Delta a partire dal mese di giugno ha alimentato una rinnovata attenzione alle misure utili per contenere la diffusione dell'infezione (Fig. 1.1 - Fig. 1.4).

● Nell'area euro, in cui l'attività economica ha risentito di misure di contenimento del contagio stringenti e prolungate nel tempo, si registra un miglioramento sia degli indici PMI sia degli indici di fiducia dei consumatori (Fig. 1.5 - Fig. 1.7).

○ During the first semester of 2021, in advanced countries progresses in the vaccination campaigns along with the gradual decline in infections contributed to reducing uncertainty about the duration of the pandemic, although the spread of the Delta variant has fuelled renewed attention to the containment of the infection (Fig. 1.1 - Fig. 1.4).

○ In the euro area, where the measures adopted to contain infections have been stringent and prolonged over time, both PMI and consumer sentiment indicator are improving (Fig. 1.5 - Fig. 1.7).



● Le previsioni OCSE per il 2021 indicano una ripresa dell'attività economica nell'area euro pari al 4,3%, che dovrebbe segnare un recupero parziale del calo registrato alla fine del 2020 e inferiore al dato atteso a livello globale. In Italia, a fronte di un tasso di crescita stimato per l'anno in corso pari a 4,5%, il PIL dovrebbe riportarsi ai livelli pre-crisi nel terzo trimestre del 2022. La dinamica di attività quali il traffico aereo globale, i cui volumi rimangono di gran lunga inferiori ai valori nel 2019, segnala che il ritorno alle condizioni pre-pandemia è ancora lontano (Fig. 1.8 - Fig. 1.9).

● Per quanto riguarda il mercato del lavoro, a maggio 2021 l'area euro ha mostrato una lieve crescita dell'occupazione, anche se il dato rimane inferiore ai valori a fine 2019. In Italia il tasso di disoccupazione ha toccato un massimo dalla fine del 2020 nel mese di aprile, seguito da un lieve calo nel mese successivo (Fig. 1.10).

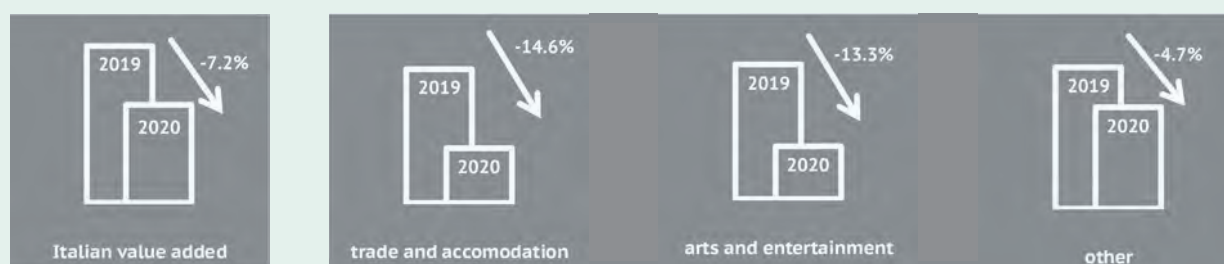
○ According to OECD forecast for 2021, the euro area is expected to grow by 4.3%, thus marking a partial recovery of the drop recorded at the end of 2020. The Italian GDP, which should record a growth rate equal to 4.5%, is expected to gain its pre-crisis level in the third quarter of 2022. The pace of recovery should remain slow, as confirmed by indicators such as the volume of global air traffic, which is now firmly below its 2019 levels (Fig. 1.8 - Fig. 1.9).

○ As for labour market, in May 2021 the euro area showed a slight increase in the employment, although the number of employed persons remained lower compared to the end of 2019. In Italy, the unemployment rate hit its maximum in April compared to the end of 2020, while slightly declining in the following month (Fig. 1.10).

IMPACT OF THE PANDEMIC IN ITALY

● In Italia, l'impatto della crisi è stato profondo sotto molteplici punti di vista. Sul piano della mobilità e dell'organizzazione del lavoro, il ricorso allo *smart working* nel settore pubblico e privato ha ridotto le presenze nelle stazioni di trasporto pubblico e nei luoghi lavorativi e incrementato quelle nelle zone residenziali. Con riferimento alle attività ricreative, sono fortemente calate le presenze nei luoghi dedicati allo svago (quali parchi e giardini pubblici, ristoranti, bar, centri commerciali, parchi a tema, musei, biblioteche e cinema), anche per effetto delle misure di contenimento del contagio adottate nel corso dell'emergenza sanitaria. Parallelamente è aumentato il traffico telefonico che da marzo 2020 ha fatto registrare volumi stabilmente superiori a quelli antecedenti alla crisi sanitaria, con l'unica eccezione del periodo estivo (Fig. 1.11 - Fig. 1.12).

○ In Italy, the impact of the crisis has been severe from many points of view. The recourse to smart working both in the public and in the private sectors has reduced visits to workplaces and to public transport stations while increasing people permanence in residential areas. There has also been a sharp drop in visits to places such as public parks and gardens, restaurants, bars, shopping centres, theme parks, museums, libraries and cinemas, partly as a result of the restrictions to many leisure activities during the crisis. At the same time, telephone traffic has risen, with volumes remaining steadily higher than their pre-crisis levels since March 2020, apart from the summer period (Fig. 1.11 - Fig. 1.12).



● Sul piano economico, i riflessi dell'emergenza sanitaria sono stati eterogenei tra settori, come emerge da alcuni indicatori. A maggio 2021, la produzione industriale è tornata a livelli prossimi a quelli di inizio 2019 per tutti i settori ad eccezione di quelli dell'energia

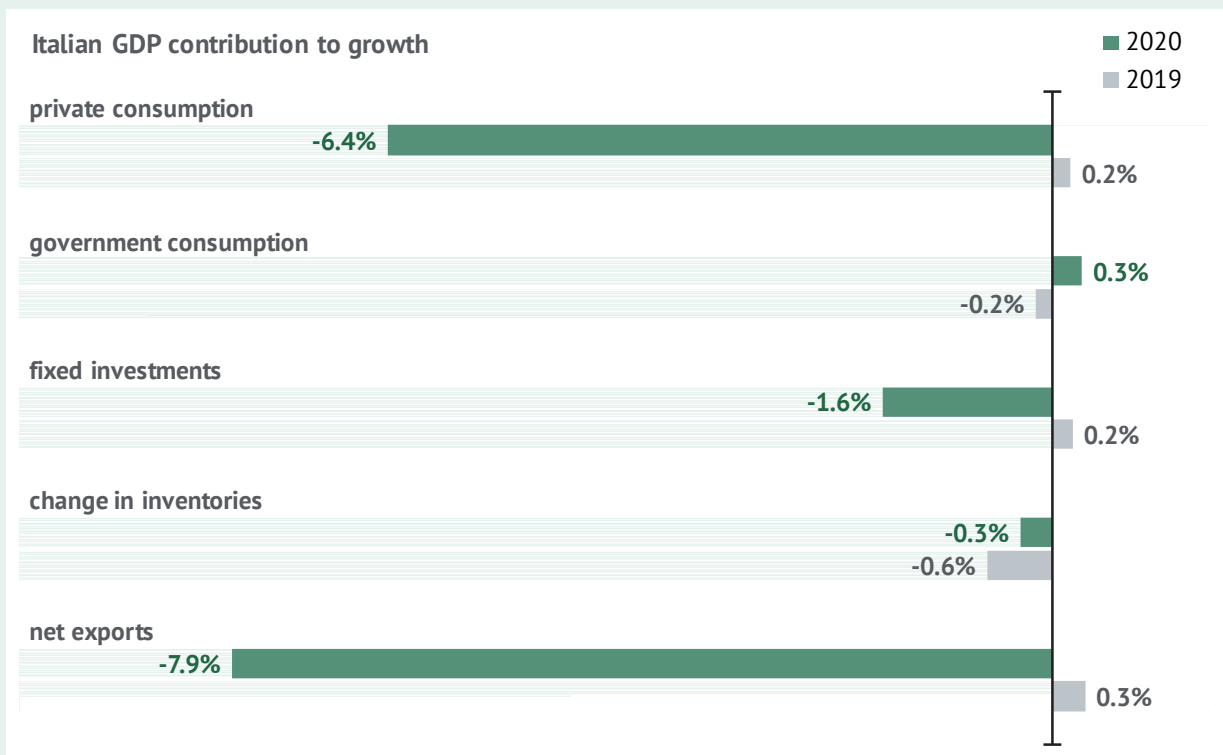
○ On the economic ground, the impact of the crisis was heterogeneous across sectors. As of May 2021, the industrial production returned close to its 2019 levels in all sectors but the energy and non-durable consumer goods, where it remains below its pre-crisis values. During

e dei beni di consumo non durevoli. Nel corso del 2020, il valore aggiunto ha registrato un calo attorno al 14% per il commercio all'ingrosso e al dettaglio, i servizi di alloggio e ristorazione e le attività artistiche e ricreative, a fronte di una contrazione per gli altri settori pari in media al 5% circa (Fig. 1.13 - Fig. 1.14).

● Nel 2020, il calo del PIL, pari a circa il 9%, è stato determinato in larga parte dalla riduzione dei consumi e delle esportazioni nette, il cui contributo negativo è stato particolarmente marcato nel secondo trimestre dell'anno. Nonostante la contrazione del commercio internazionale, il saldo commerciale con l'estero si è mantenuto positivo nel corso dello scorso anno, con l'unica eccezione del mese di aprile (Fig. 1.15 - Fig. 1.16).

2020, the value added fell by around 14% in sectors such as wholesale and retail trade, accommodation and food services, arts and leisure activities, while the average decline in the remaining sectors was 5% (Fig. 1.13 - Fig. 1.14).

○ In 2020, the sharp fall in GDP was largely driven by the drop in consumption and net exports, whose negative contribution was significantly pronounced in the second quarter of the year. Despite the decline in international trade, Italian external trade balance remained positive over the last year with the only exception of April (Fig. 1.15 - Fig. 1.16).

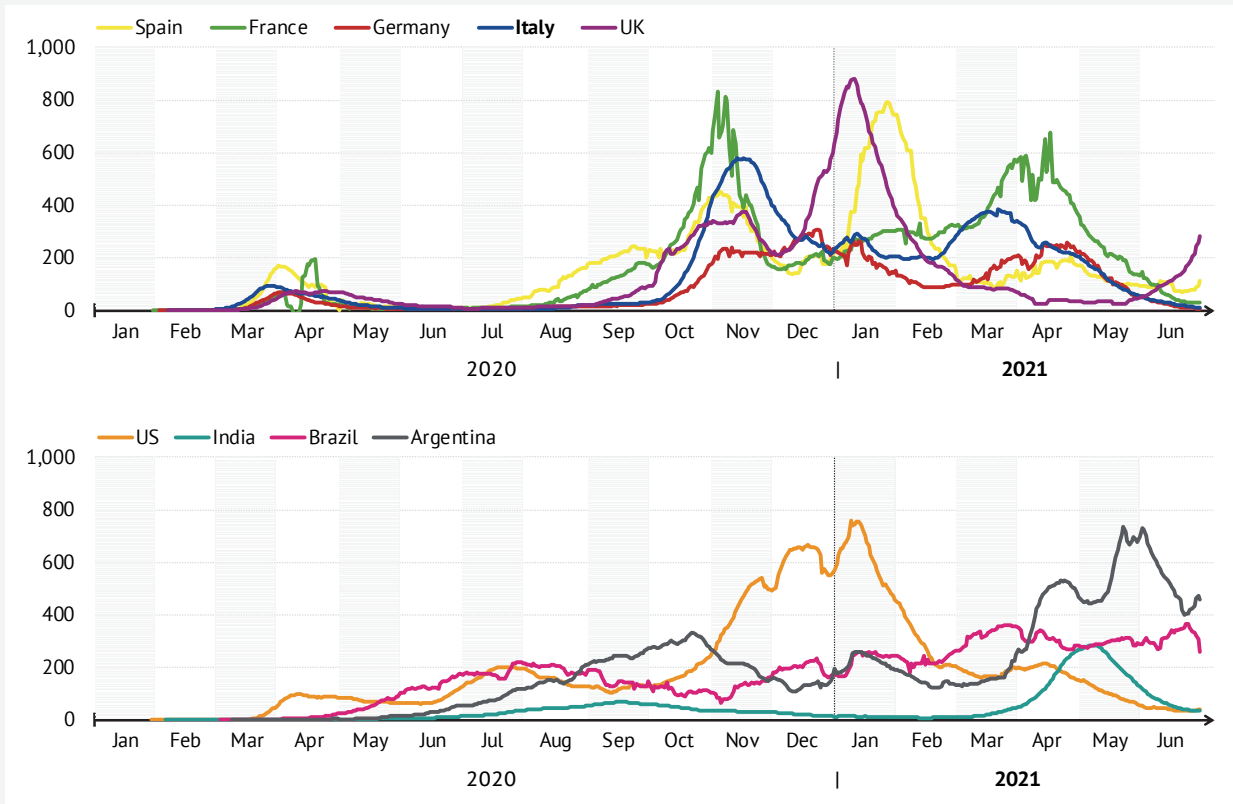


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Fig. 1.1 – Reported Covid-19 cases in selected countries

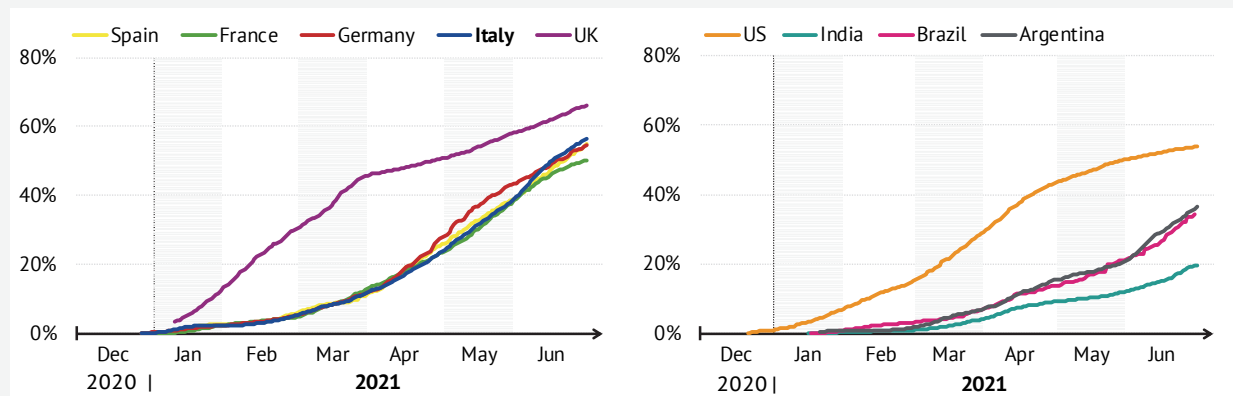
(daily data up to 30 June 2021; 7 days-moving average; confirmed cases per million)



Source: Our World in Data within the Oxford Martin Programme on Global Development at the University of Oxford and in partnership with the Global Change Data Lab. <https://ourworldindata.org/covid-cases>.

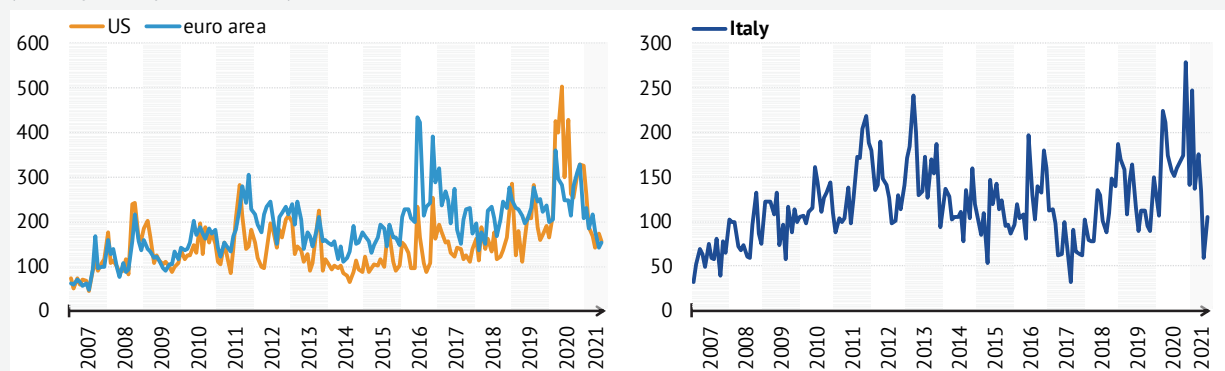
Fig. 1.2 – Vaccination campaign in selected countries

(daily data up to 30 June 2021; share of the total population that received at least one vaccine dose)



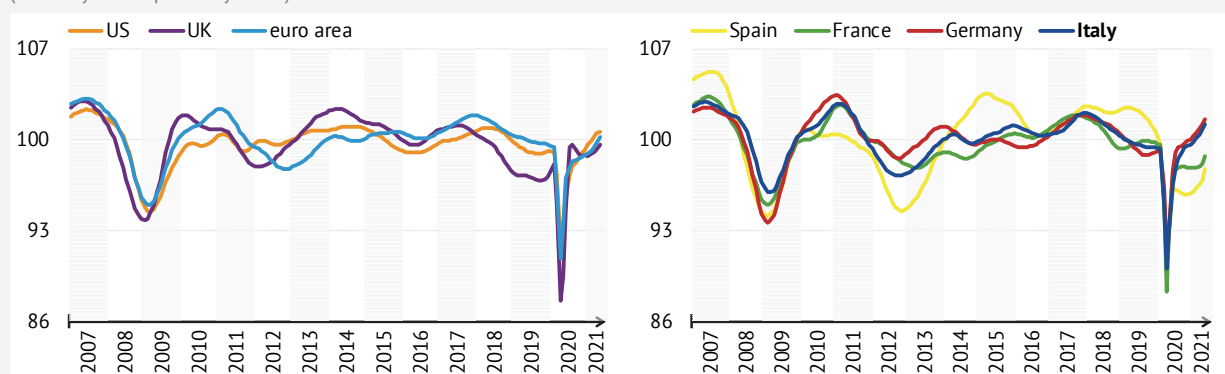
Source: Our World in Data within the Oxford Martin Programme on Global Development at the University of Oxford and in partnership with the Global Change Data Lab. <https://ourworldindata.org/covid-vaccinations>.

Fig. 1.3 – Economic policy uncertainty indicators in the US and in Europe
(monthly data up to June 2021)



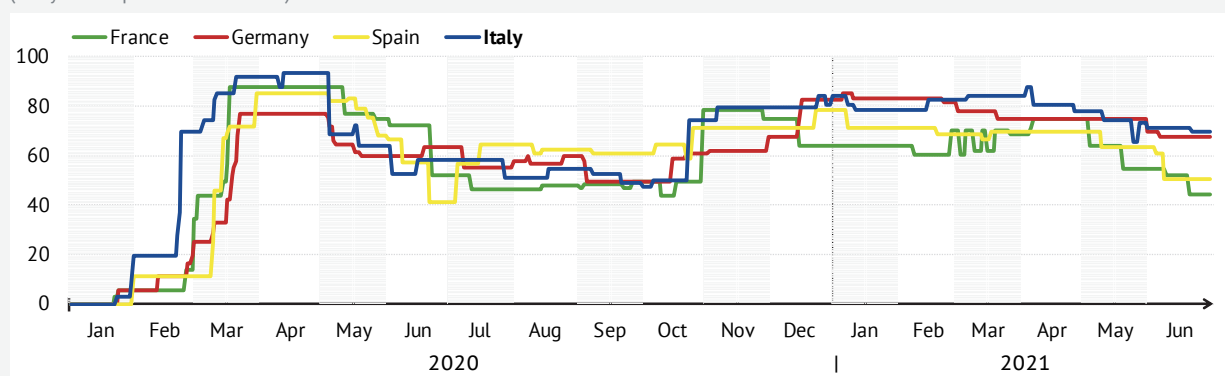
Source: Economic Policy Uncertainty Index. The indicators are computed by counting the number of newspaper articles containing the terms uncertain or uncertainty, economic or economy, and one or more policy-relevant terms. For the US the newspapers considered are USA Today, the Miami Herald, the Chicago Tribune, the Washington Post, the Los Angeles Times, the Boston Globe, the San Francisco Chronicle, the Dallas Morning News, the Houston Chronicle, and the WSJ. For the European index the newspapers considered are Le Monde and Le Figaro for France, Handelsblatt and Frankfurter Allgemeine Zeitung for Germany, Corriere Della Sera and La Stampa for Italy, El Mundo and El Pais for Spain, and The Times of London and Financial Times for the United Kingdom.

Fig. 1.4 – OECD composite leading indicators in the main advanced countries
(monthly data up to May 2021)



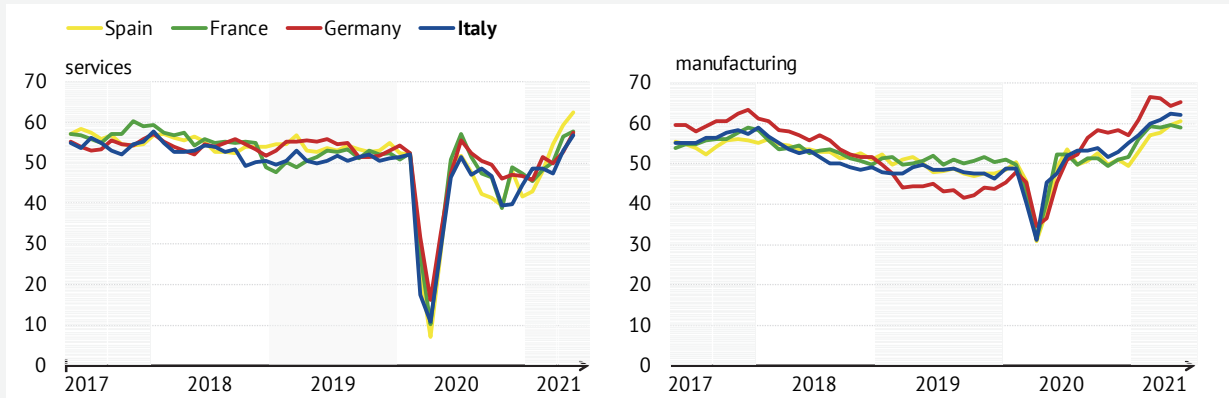
Source: OECD (2020c). The OECD CLIs provide early signals of turning points in business cycles by showing fluctuation of the economic activity around its long term potential level. CLIs show short-term economic movements in qualitative rather than quantitative terms.

Fig. 1.5 – Government Response Stringency Index in the main euro area countries
(daily data up to 30 June 2021)



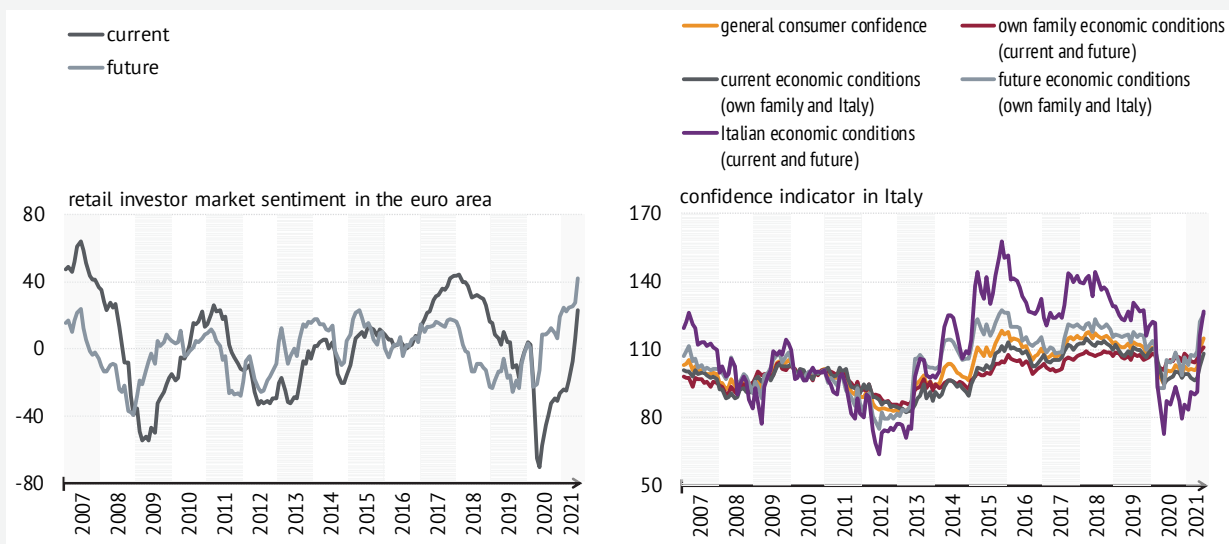
Source: Our World in Data within the Oxford Martin Programme on Global Development at the University of Oxford and in partnership with the Global Change Data Lab. <https://ourworldindata.org/grapher/covid-stringency-index>. The Government Response Stringency Index is a composite measure based on nine response indicators including school closures, workplace closures, and travel bans, rescaled to a value from 0 to 100 (100 = strictest). The value of the Index varies between 0 and 100 where 100 indicates the highest degree of restriction on social and economic activity.

Fig. 1.6 – PMI indexes in the main euro area countries
(monthly data up to June 2021)



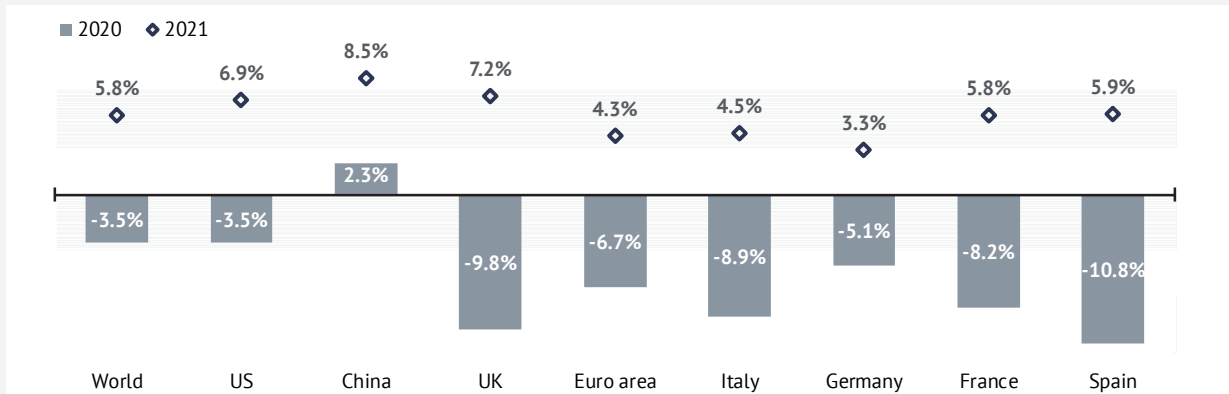
Source: Refinitiv Datastream.

Fig. 1.7 – Sentiment indicators in the euro area
(monthly data up to June 2021)



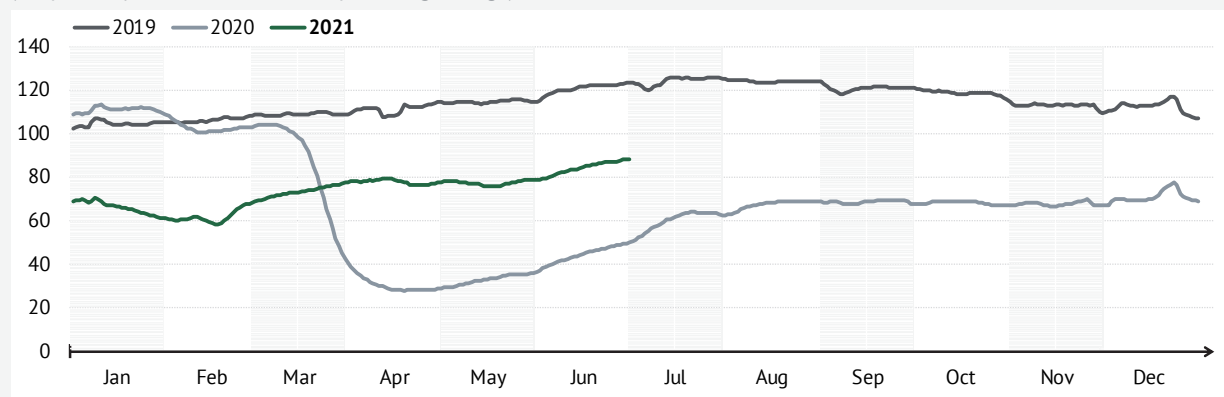
Source: Refinitiv Datastream and Istat. In the left figure retail investor Sentix Sentiment Indicator is reported.

Fig. 1.8 – Actual and estimated GDP growth in the main advanced countries



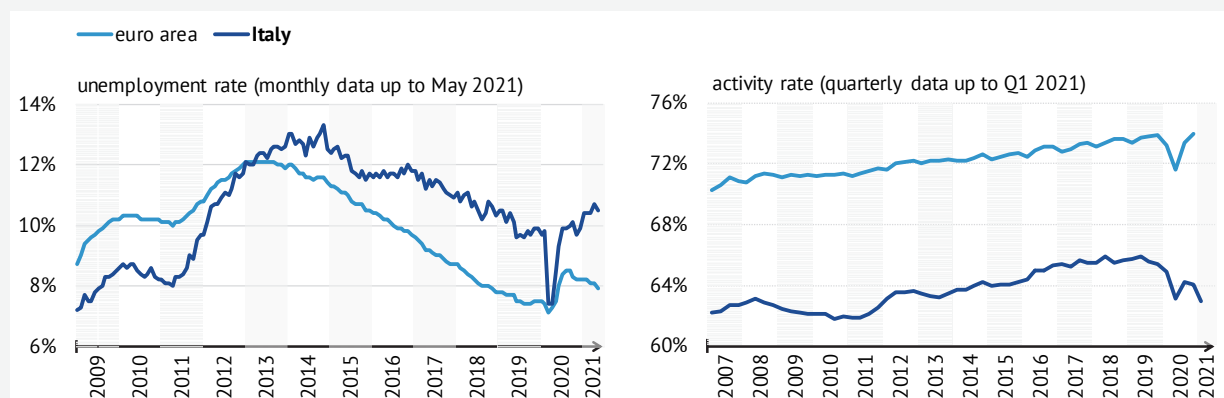
Source: OECD Economic Outlook, May 2021.

Fig. 1.9 – Number of commercial flights over 2019 - 2021
(daily data up to 30 June 2021; 7-days moving average)



Source: Flightradar24, <https://www.flightradar24.com/data/statistics>. Flightradar24 is a flight tracker showing live air traffic from around the world. Flightradar24 combines data from several data sources including automatic dependent surveillance-broadcast (ADS-B), Multilateration (MLAT, used for calculating positions of non-ADS-B equipped aircrafts) and satellite-based data.

Fig. 1.10 – Unemployment and activity rate in the euro area

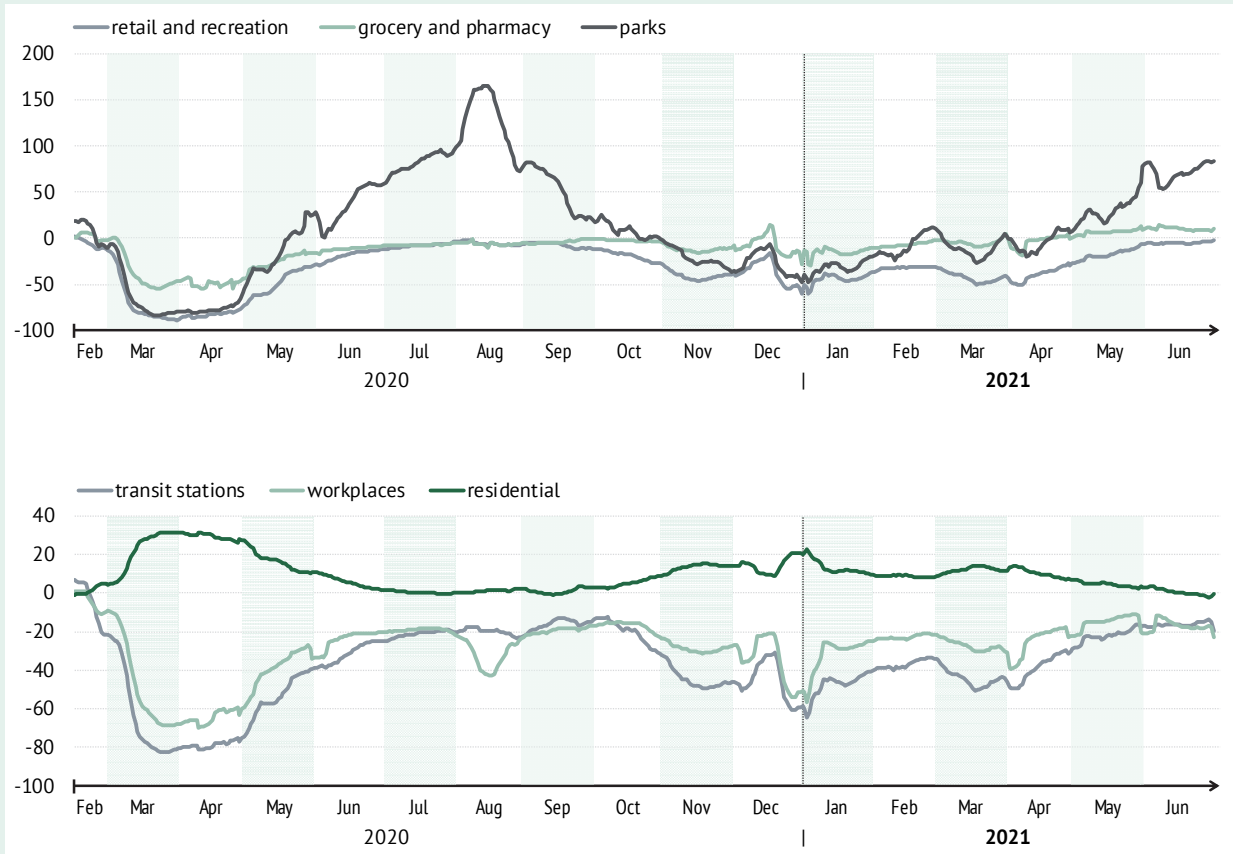


Source: European Commission DG - ECFIN, Eurostat, Istat. Figure on the left reports the unemployment rate as a percentage of active population; time series are seasonally adjusted. Figure on the right reports the activity rate computed as the ratio between the workforce (employed and unemployed) and population aged 15 years or more.

IMPACT OF THE PANDEMIC IN ITALY

Fig. 1.11 – Trends in visits to selected places in Italy

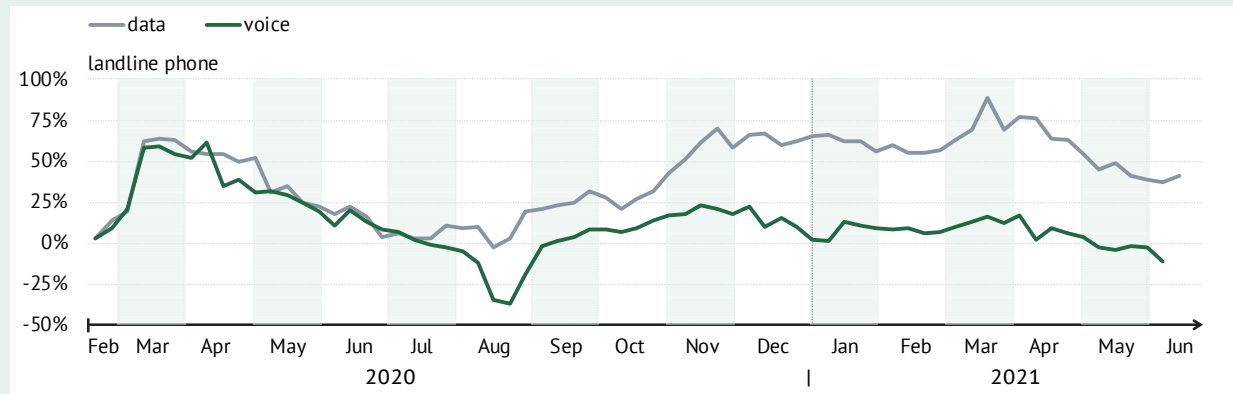
(daily data up to 30 June 2021; percentage change compared to a baseline value; 7-days moving average)



Source: Google Community Mobility Report. Changes for each day are compared to a baseline value for that day of the week. The baseline is the median value, for the corresponding day of the week, during the 5-week period from 3 January 2020 to 6 February 2020.

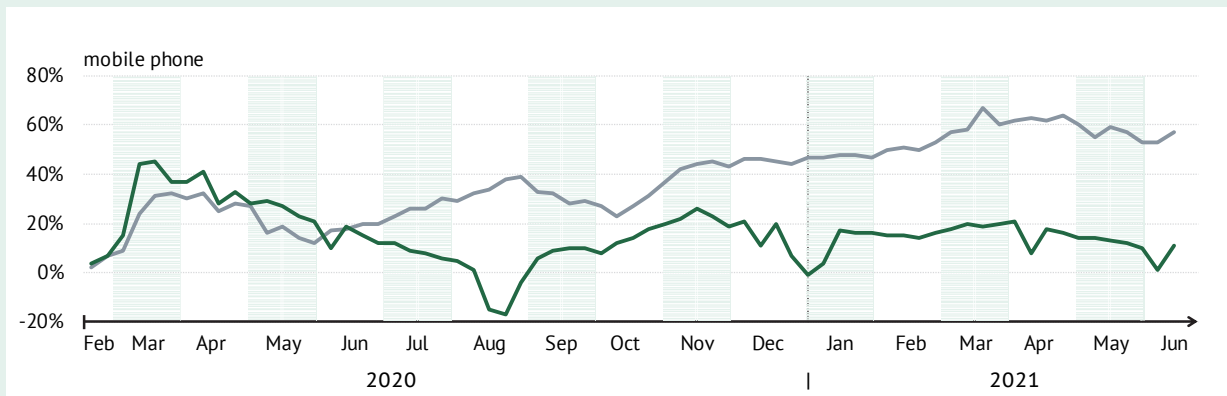
Fig. 1.12 – Trends in data volume and voice traffic through mobile and landline phone in Italy

(weekly data up to 13 June 2021; percentage values)



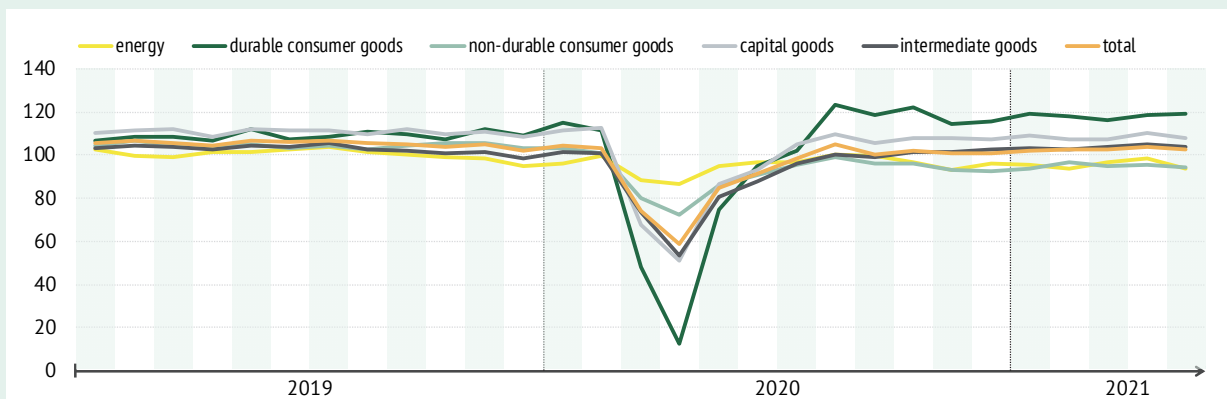
- Cont. -

Cont. Fig. 1.12 – Trends in data volume and voice traffic through mobile and landline phone in Italy



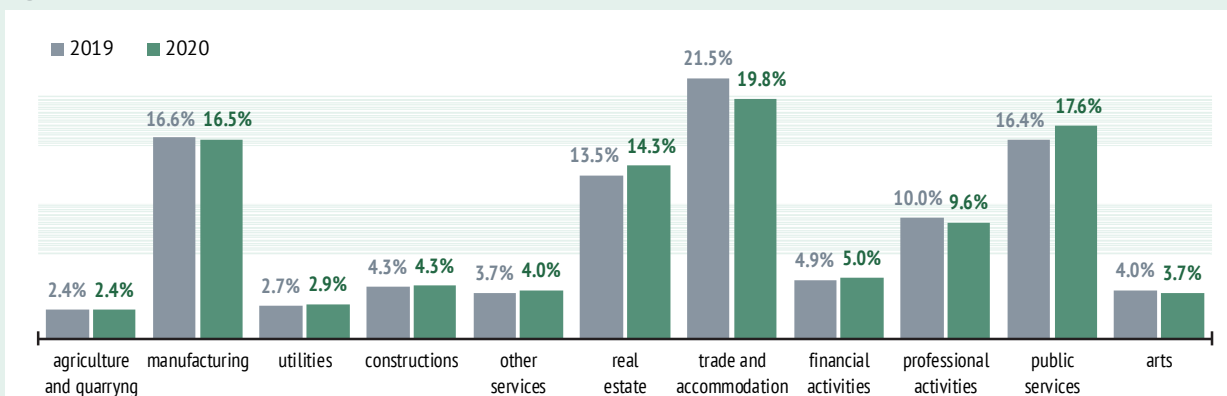
Source: AGCOM, Weekly communications on data and voice traffic monitoring. Changes in volume are calculated with respect to volumes recorded in the week from 10 February 2020 to 16 February 2020.

Fig. 1.13 – Trends in the Italian industrial production (monthly data seasonally adjusted up to May 2021; January 2015 = 100)



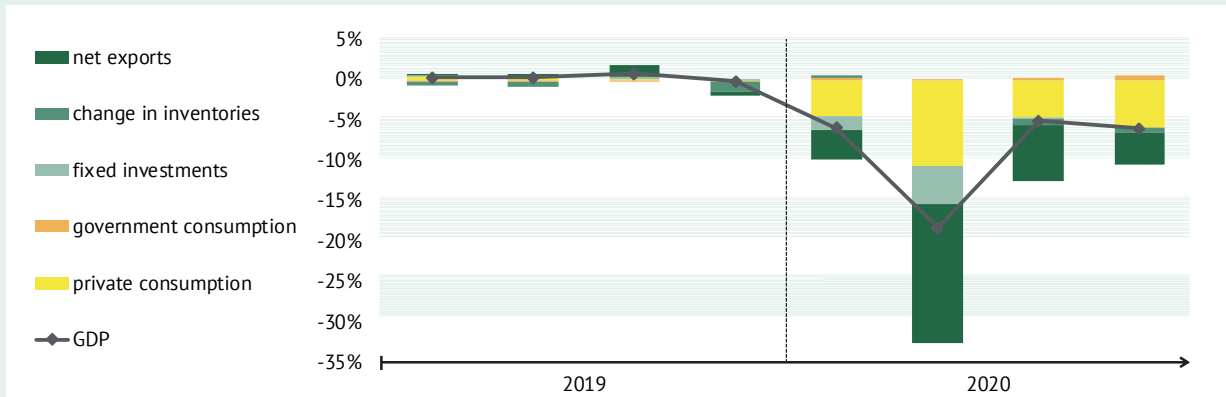
Source: Istat.

Fig. 1.14 – Contribution of the economic sectors to the total Italian value added in 2019 and 2020



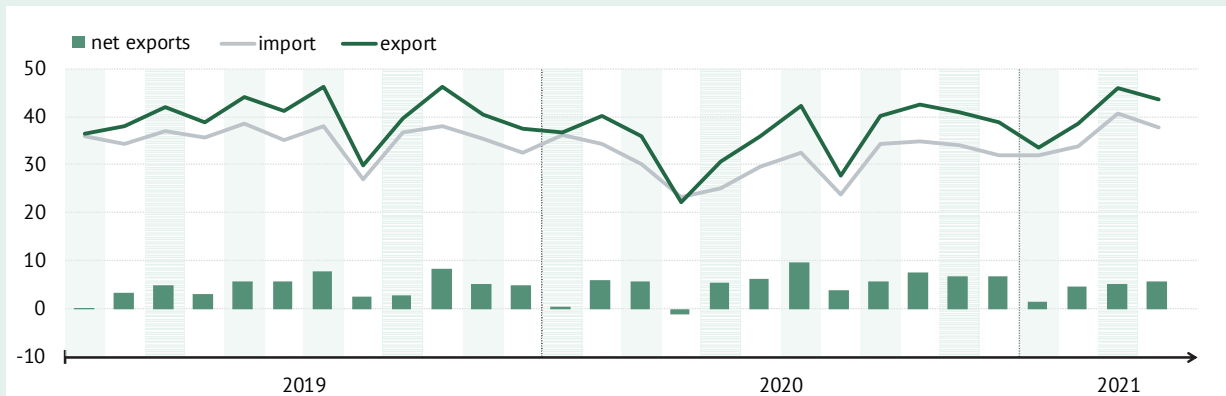
Source: Istat. The item 'agriculture and quarrying' includes also forestry, fishing, mining; 'trade and accommodation' includes repair, transportation, storage and food service activities; 'arts' includes entertainment and recreation.

Fig. 1.15 – Italian GDP in 2019 and 2020: contribution to growth of the different components
(quarterly data up to Q4 2020)



Source: Istat.

Fig. 1.16 – Trends in the Italian international trade
(monthly data up to April 2021; values in billions of euro)



Source: Istat.



Risposte alla crisi pandemica

Policy responses to pandemic



Politica monetaria

Next Generation EU e PNRR

Misure a livello nazionale

Parametri di finanza pubblica

Monetary policy

Next Generation EU and NRRP

Domestic policy responses

Public finance indicators

● Le misure di politica monetaria e fiscale messe in campo nell'area euro al fine di contrastare la crisi sono state da subito molto decise.

● La BCE ha ripreso gli acquisti di titoli pubblici e privati nell'ambito dell'APP (*Asset Purchase Programme*) e ha avviato un nuovo programma di acquisto di titoli pubblici e privati denominato PEPP (*Pandemic Emergency Purchase Programme*) per un ammontare complessivo di 1.350 miliardi di euro. Da marzo 2020 a maggio 2021 gli acquisti effettuati tramite il PEPP sono stati superiori ai 1.000 miliardi di euro e hanno riguardato prevalentemente titoli pubblici dell'area euro (di cui 183 miliardi riferiti all'Italia). A fine giugno 2021, lo stock cumulato di strumenti finanziari acquistati dalla BCE nell'ambito dei vari programmi in essere ammonta a oltre 4 mila miliardi di euro (di cui circa 3.500 miliardi rappresentati da titoli pubblici e, nell'ambito di questi, 605 miliardi di titoli italiani; Fig. 2.1 - Fig. 2.2). L'assetto della politica monetaria nell'area euro dovrebbe mantenersi espansivo a lungo, nonostante il rialzo del tasso di inflazione registrato nel primo semestre del 2021, guidato principalmente dalla dinamica dei prezzi dei beni energetici. La BCE ha inoltre adottato una nuova strategia di politica monetaria che prevede una rimodulazione del target di inflazione a un simmetrico 2% sul medio termine, così indicando che sono da considerarsi ugualmente indesiderabili deviazioni dal target sia positive sia negative (Fig. 2.3).

○ Monetary and fiscal policies adopted in the Eurozone to counter the crisis had been right away substantial.

○ The ECB resumed its Asset Purchase Programme (APP), while launching the Pandemic Emergency Purchase Programme (PEPP) sized at €1,350 billion. Over March 2020 - May 2021, securities purchases made under the PEPP were higher than €1,000 billion, and referred predominantly to public sector bonds (of which €183 billion were Italian bonds). At the end of June 2021, cumulative net purchases made under all the asset purchase programmes currently in place amount to more than €4 trillion (about €3.5 trillion represented by public bonds of which €605 Italian bonds; Fig. 2.1 - Fig. 2.2). The monetary policy stance should remain expansionary, in spite of the increase in the inflation rate recorded over the first quarter 2021, mainly driven by the rise in energy prices. In July, the ECB adopted a new monetary policy strategy, which involves a reformulation of the inflation target to a symmetric 2% over the medium term, meaning that negative and positive deviations of inflation from the target are equally undesirable (Fig. 2.3).

● L'Unione europea ha lanciato il programma Next Generation EU (NGEU), stanziando risorse pari complessivamente a 750 miliardi di euro a prezzi costanti del 2018 (806,9 miliardi a prezzi correnti). La Commissione europea reperirà i fondi necessari a finanziare NGEU sul mercato dei capitali tramite una strategia di finanziamento diversificata, che include l'emissione di obbligazioni (anche *green*, nella misura pari almeno al 30% del totale). La Commissione europea ha emesso a metà giugno 2021 la prima tranche di obbligazioni per un importo pari a 20 miliardi di euro, con scadenza il 4 luglio 2031, incontrando un forte interesse da parte degli investitori.

● Lo strumento principale del NGEU è il Recovery and Resilience Facility (RRF)¹, che fornirà fino a 672,5 miliardi di euro, di cui 312,5 miliardi in sovvenzioni (337 a prezzi correnti) e 360 miliardi in prestiti (390 a prezzi correnti). L'RRF si articola in sei pilastri: transizione verde; trasformazione digitale; crescita e occupazione sostenibili e inclusive; coesione sociale e territoriale; salute e resilienza; politiche per la generazione futura, anche in materia di istruzione e competenze. La Commissione europea raccomanda inoltre che gli investimenti e le riforme si concentrino in sette aree strategiche riconducibili principalmente alla transizione ecologica (per la quale si richiede

○ The European Union launched the Next Generation EU (NGEU) recovery package in order to support member States hit by the pandemic, worth €750 billion at 2018 prices (806.9 at current prices). The European Commission will fund NGEU through a diversified borrowing programme on the capital markets, including bonds (and in particular a green bond issuance programme accounting for at least 30% of the total). In June 2021, the European Commission raised the first tranche of funds under the NGEU amounting to €20 billion, through a 10-year bond due on 4 July 2031, arousing a very strong interest by investors.

○ The main pillar of the NGEU is the Recovery and Resilience Facility (RRF), totalling €672.5 billion and composed of grants amounting to €312.5 (337 at current prices) and loans amounting to €360 billion (€390 at current prices). The RRF is based on six pillars: green transition; digital transformation; smart, sustainable and inclusive growth and jobs; social and territorial cohesion; health and resilience; policies for the next generation, including education and skills. In addition, the Commission recommends investments and reforms in seven strategic areas mainly referred to the green transition (at least 37% of expenditure has to be related to climate

1 Le altre componenti del NGEU sono: REACT-EU (pari a 50,6 miliardi di euro), Orizzonte Europa (5,4 miliardi), Fondo InvestEU (6,1 miliardi), Sviluppo Rurale (8,1 miliardi), Fondo per una transizione giusta (10,9 miliardi), RescEU (2 miliardi).

una allocazione minima delle spese pari al 37% del totale) e alla transizione digitale (minimo 20%). Le risorse a fondo perduto e i prestiti dell'RRF sono assegnati agli Stati membri in base a molteplici criteri che tengono conto di condizioni di fragilità strutturale del paese (quali tasso di disoccupazione e reciproco del reddito pro capite), quota della popolazione e impatto economico della crisi innescata dalla pandemia (calo del PIL).

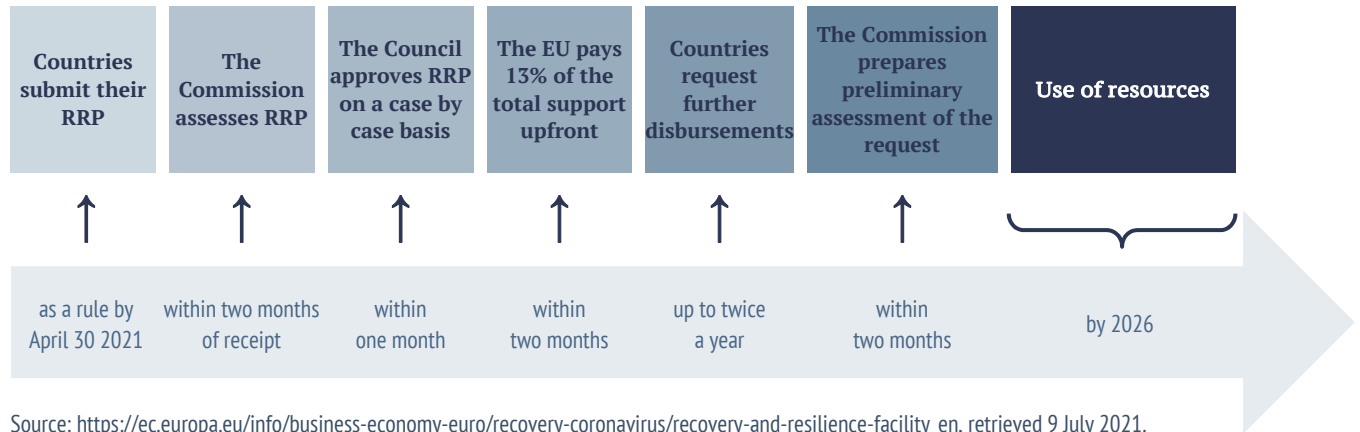
and other environmental objectives) and the digital transition (with a 20% expenditure required). Grants and loans of the RRF will be disbursed to member States based on several criteria accounting for domestic structural fragilities (unemployment rate and inverse GDP per capita), population share and the economic impact of the coronavirus pandemic (drop in GDP).

EU Reforms and investments



Source: https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility_en, retrieved 9 July 2021.

RRP: timeline

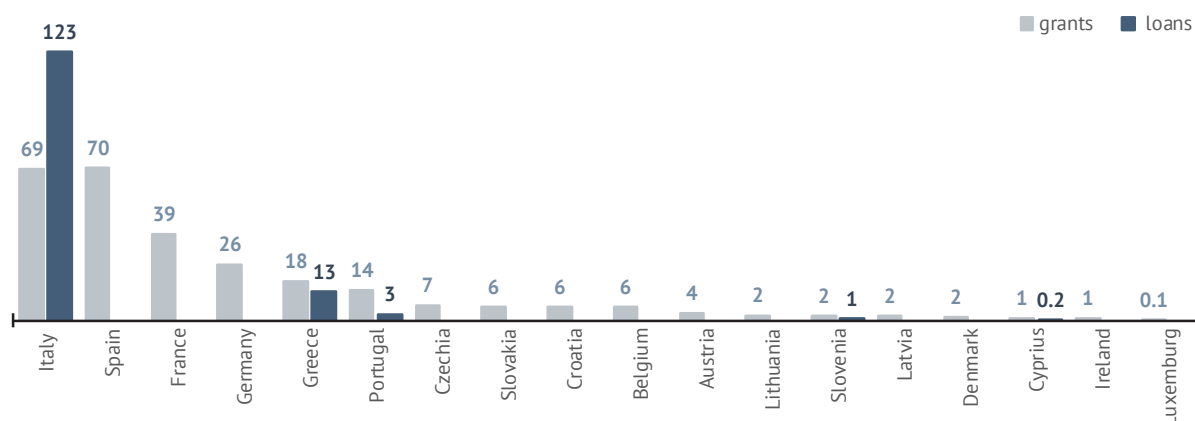


● I Paesi membri devono dettagliare il programma di riforme e investimenti fino al 2026 nei piani nazionali di ripresa e resilienza (PNRR). Tra i principali paesi europei, l'Italia è l'unico ad aver richiesto un prestito nell'ambito dell'RRF, sebbene la Spagna non escluda di poterlo fare in futuro; inoltre Spagna e Italia si connotano per il più elevato livello di sovvenzioni, seguite a distanza da Francia e Germania. Il processo di valutazione dei PNRR da parte della Commissione europea si è già concluso per 18 Paesi, inclusa l'Italia (dato al 19 luglio 2021). Le risorse necessarie per la loro attuazione verranno erogate a partire dal 2022, secondo tempistica e tappe predefinite, sebbene sia prevista la possibilità di un anticipo (pari al 13% del totale) entro settembre 2021.

○ Member States were required to set national recovery and resilience plans (NRRP) detailing their reform and investment agenda up to 2026. Among the main European countries, only Italy plans to borrow under the RRF, although Spain might do so in the future. In addition, Spain and Italy are characterised by the highest amount of grants, followed by France and Germany. The assessment of the NRRPs by the European Commission has been completed for 18 countries, including Italy (as of 19 July 2021). The payment requests will be fulfilled from 2022 onwards, according to a predefined, phased timeline. However, up to 13% of the resources might be disbursed as a pre-financing within September 2021.

RRF grants and loans allocations

(2021-2022 commitment in 2018 prices; billions of euro)



Source: https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/recovery-and-resilience-plans-assessments_en, retrieved 19 July 2021.

● È possibile individuare alcune importanti differenze tra i PNRR dei principali Paesi membri, nonostante la comparazione non sia sempre agevole per l'utilizzo di classificazioni e categorie di spesa disomogenee (ad esempio, non è sempre chiaro se obiettivi di transizione ecologica e digitale siano ricompresi anche in altre aree di spesa). La Francia alloca una quota significativamente più elevata rispetto a Spagna e Italia agli obiettivi ambientali, seguita dalla Germania che si concentra soprattutto sulla digitalizzazione². L'Italia, seguita dalla Spagna, prevede di destinare una quota maggiore di risorse all'obiettivo della resilienza economica e sociale (attinente tra l'altro a educazione e formazione, soprattutto di giovani e donne,

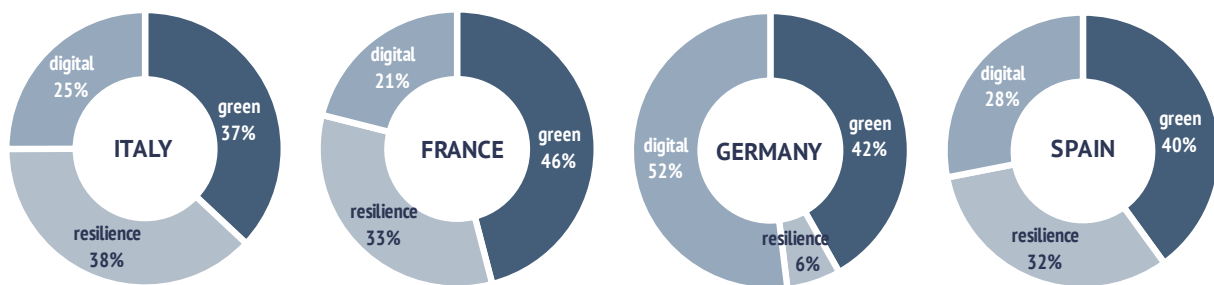
○ Important differences can be detected among the NRRPs submitted by the largest member States, although they cannot be easily compared due to dissimilarities in the categorisation of expenditures (e.g., some of them do not indicate whether areas other than the green and digital ones include any green/digital component). France plans to spend a significantly higher share of its RRF funds on green objectives, followed by Germany that is much more focused on digitalisation. Italy and Spain plan to spend a higher share of the European funds in the area of economic and social resilience (concerning among others education and training, especially of youth and women, productivity, competitiveness

² In particolare, con riferimento alle transizioni ecologica e digitale, il piano italiano, nel rispetto dei vincoli minimi di destinazione delle risorse previsti dalla Commissione europea, si discosta sia dai maggiori paesi europei sia dalla media degli Stati membri che hanno presentato il proprio piano e ricevuto una valutazione positiva (-6% per la transizione *green* e -2% per la transizione digitale; dato al 19 luglio 2021).

produttività, competitività e resilienza sanitaria), in ragione delle preesistenti fragilità e del maggiore impatto della pandemia³.

and healthcare resilience), due to pre-existing fragilities and the impact of pandemic.

NRRPs: green, digital and resilience in total planned spending



Source: https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility_en, retrieved 9 July 2021. Resilience (economic and social) includes, for example, investment in social and territorial cohesion, labour market policies, healthcare sector, public administration, productivity and competitiveness, policies for the next generation, education and skills.

● Il PNRR dell'Italia è articolato in sei missioni principali e dispone di risorse complessive pari a 235 miliardi di euro (di cui 191,5 miliardi finanziati dal RRF, 13 miliardi dal fondo ReactEU e 30,6 miliardi derivanti da uno specifico fondo integrativo).

○ The Italian RRP is developed in six main missions and amounts to €235 billion (of which €191.5 billion financed by the RRF, €13 billion by the REACT EU and €30.6 billion by a complementary Italian fund).

3 Con riguardo alla transizione verde dal confronto delle sotto-componenti dei piani dei principali paesi europei emergono alcune differenze nell'ammontare di risorse allocate e negli obiettivi perseguiti. Ad esempio nella componente 'mobilità sostenibile' Italia e Francia hanno allocato ingenti risorse nel sistema ferroviario (la Francia per la modernizzazione della rete ferroviaria e lo sviluppo del trasporto merci, l'Italia per lo sviluppo della rete dei treni ad alta velocità), mentre Germania e Spagna hanno concentrato gli investimenti sullo sviluppo della mobilità elettrica. Con riguardo alla componente 'energia verde e rinnovabile' Germania e Francia indirizzano gli investimenti prevalentemente nello sviluppo di un'economia dell'idrogeno (a tal fine i due paesi hanno anche stipulato un accordo; si veda: <https://www.bundesregierung.de/breg-en/news/wiederaufbauprogramm-europa-1755800>), mentre Italia e Spagna pur sostenendo anch'esse alcuni progetti sull'idrogeno hanno destinato maggiori investimenti nelle energie rinnovabili. Gli investimenti in 'efficienza energetica' degli edifici sia privati sia pubblici sono invece considerati importanti in tutti i principali paesi europei. Con riguardo alla trasformazione digitale i principali paesi europei risultano abbastanza allineati nell'allocazione delle risorse nelle sotto-componenti digitalizzazione della pubblica amministrazione, digitalizzazione del sistema sanitario e supporto alla digitalizzazione delle imprese mentre l'innalzamento delle competenze digitali della popolazione, pur presente in tutti i piani, riveste maggior rilievo e può contare su specifiche risorse dedicate nei piani di Spagna (3,6 miliardi di euro pari al 18,5% degli investimenti in digitale) e Germania (1,4 miliardi pari a circa il 10,8% degli investimenti in digitale).

The Italian RRP: the six missions



Source: <https://www.mef.gov.it/focus/Il-Piano-Nazionale-di-Ripresa-e-Resilienza-PNRR/> and http://documenti.camera.it/leg18/dossier/pdf/DFP28.pdf?_1626162970983

● Accanto alle misure dell’Unione europea, significative sono state anche le politiche fiscali adottate in ambito domestico a sostegno di famiglie e imprese. Per i maggiori paesi dell’Eurozona, gli interventi di spesa si sono attestati, in particolare, tra l’8% del PIL in Italia, Francia e Spagna e l’11% in Germania. Nei paesi con maggiori squilibri preesistenti nelle finanze pubbliche una parte consistente degli interventi di sostegno ha assunto la forma di garanzia statale sui crediti erogati dalle banche al settore privato (Fig. 2.4).

● Le risposte fiscali alla crisi hanno determinato un significativo peggioramento delle finanze pubbliche. In base alle ultime stime della Commissione europea, nel 2021 il debito pubblico dell’area dovrebbe superare complessivamente i 12 mila miliardi di euro (2.700 miliardi circa per l’Italia), collocandosi oltre il 100% del PIL in diversi paesi (159% in Italia; Fig. 2.5 - Fig. 2.6).

○ Along with the EU measures, domestic fiscal policies supporting households and firms had been significant too. Among the largest euro area countries, spending interventions ranged from 8% of GDP in Italy, France and Spain to 11% in Germany. In countries with larger pre-existing imbalances in public finances, a sizable part of the measures took the form of public guarantees on bank loans granted to the private sector (Fig. 2.4).

○ Fiscal responses to the crisis have substantially worsened public accounts. According to the latest projections by the European Commission, in 2021 the Eurozone public debt should exceed €12 trillion (about €2.7 trillion in Italy) while rising above 100% of GDP in many countries (159% in Italy; Fig. 2.5 - Fig. 2.6).

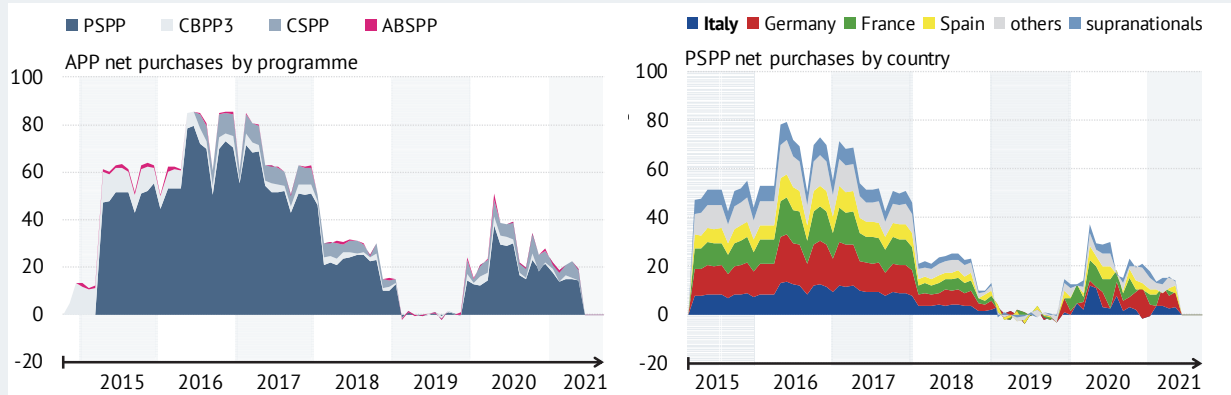
● Con riguardo al debito privato, l'Italia continua a connotarsi per un livello di indebitamento significativamente più contenuto rispetto agli altri maggiori paesi dell'area euro, in particolare con riferimento alle famiglie (Fig. 2.7).

○ As for private debt, Italy keeps recording a level of private indebtedness significantly lower than that of other large European countries, especially with respect to household debt (Fig. 2.7).

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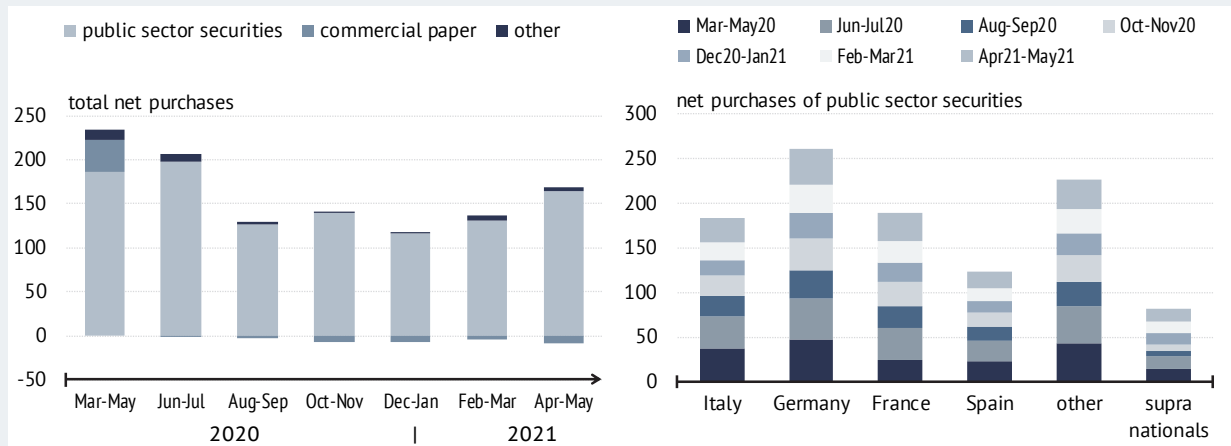
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Fig. 2.1 – Net purchases of securities by the ECB through the APP programme
(monthly data up to June 2021; amounts in billions of euro)



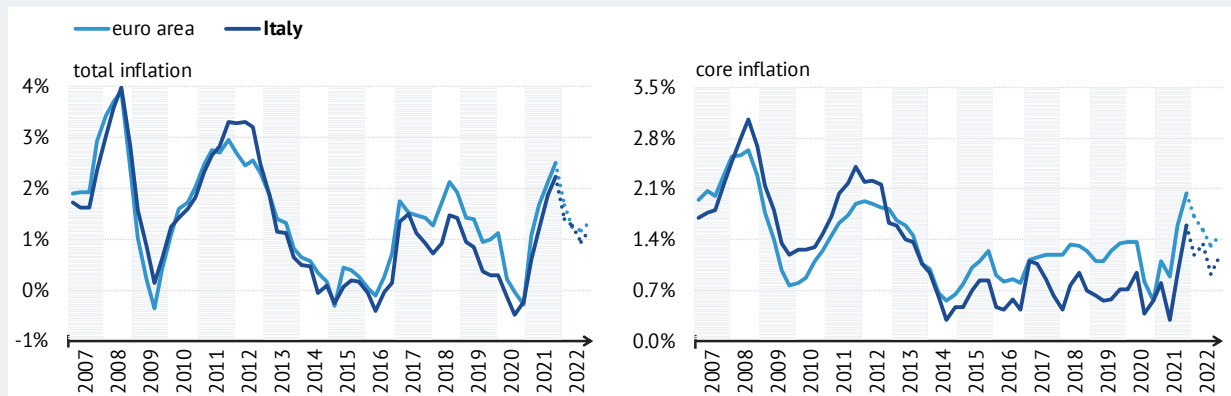
Source: ECB. Figures do not include the operations carried out under the PEPP.

Fig. 2.2 – Net purchases of securities by the ECB through the PEPP programme
(monthly data up to May 2021; amounts in billions of euro)



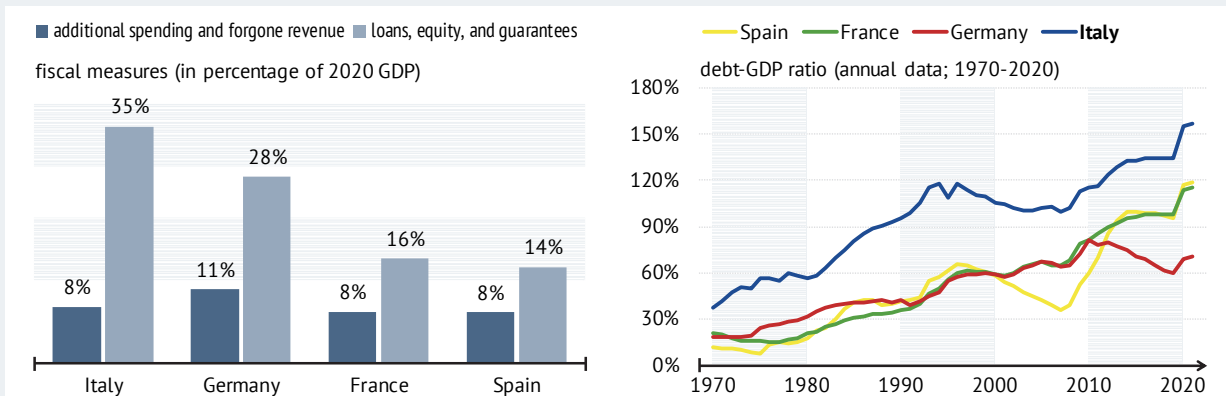
Source: ECB. Asset categories eligible under the existing asset purchase programme (APP) are also eligible under the PEPP, which additionally includes securities issued by the Greek Government.

Fig. 2.3 – Inflation rate in the euro area
(growth rate in percentage values; quarterly data)



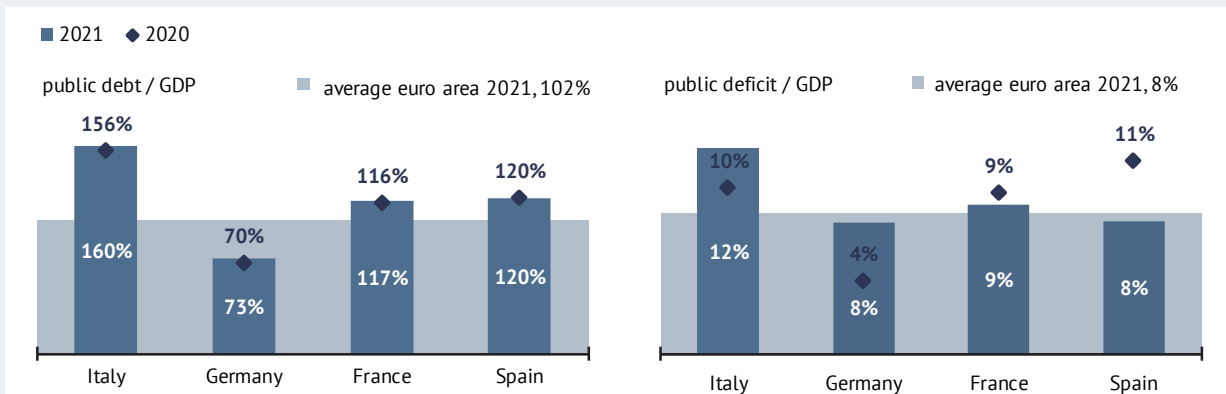
Source: Oxford Economics. Dot lines represent forecasts. Core inflation does not include food and energy sectors.

Fig. 2.4 – Fiscal measures and public debt to GDP ratio in the main euro area countries



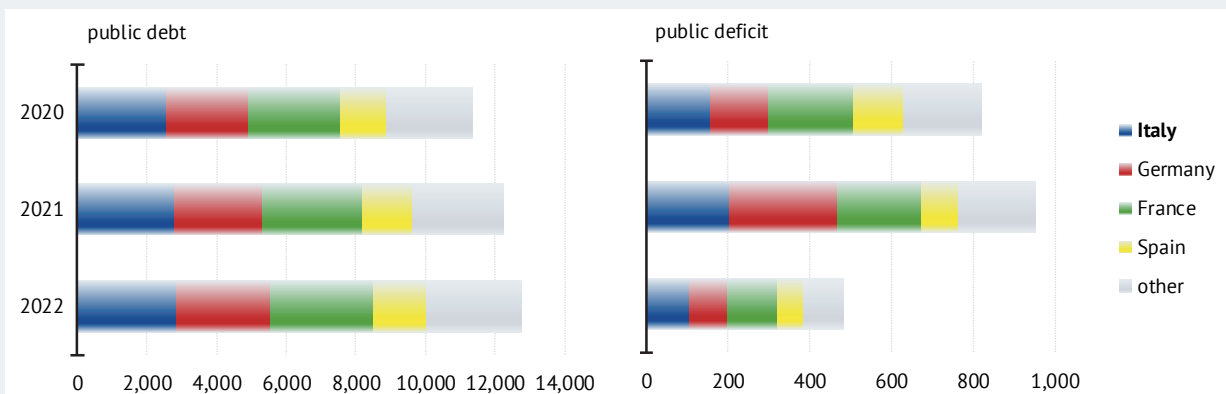
Source: IMF Fiscal Monitor April 2021, Historical Public Debt Database and World Economic Outlook Database.

Fig. 2.5 – Public debt and public deficit to GDP ratio in the main euro area countries



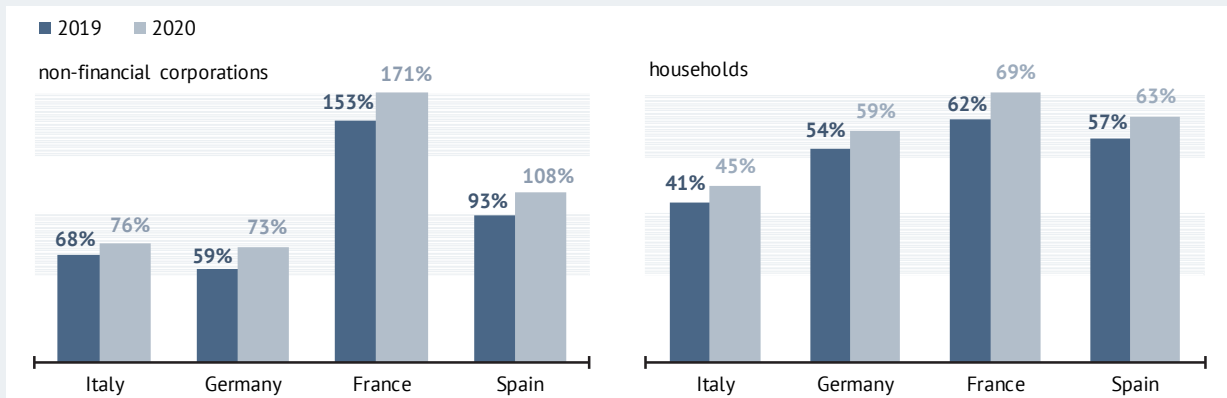
Source: European Commission Economic Forecasts Spring 2021, May 2021.

Fig. 2.6 – Expected increase in public debt and deficit in the euro area (amounts in billions of euro)



Source: European Commission Ameco Database.

Fig. 2.7 – Private debt to GDP ratio in the main euro area countries



Source: Bank for the International Settlements.



Mercati azionari

Equity markets



Andamento dei corsi azionari

Volatilità e liquidità

Multipli di borsa

Indicatori di interconnessione dei mercati

Andamento degli indici azionari ESG

Equity markets trends

Volatility and liquidity

Multiples

Stock markets interconnection indicators

ESG and equity markets trends

● Nel primo semestre 2021, i corsi azionari delle principali economie avanzate hanno registrato una dinamica positiva, sebbene eterogenea tra aree. Lo EuroStoxx50 nell'area euro e lo S&P500 negli USA hanno recuperato le perdite subite per effetto delle turbolenze innescate dalla pandemia (registrando entrambi un incremento del 14%), mentre il FTSE100 nel Regno Unito (+9%) rimane ancora su livelli inferiori a quelli pre-crisi. Tra i mercati emergenti, quello russo e quello indiano mostrano buone performance, con un aumento dei rispettivi indici Moex e Nifty500 superiore a 16 punti percentuali, mentre l'indice Shanghai SE registra una crescita sensibilmente più contenuta (+3,4%). In tutti i mercati considerati, la volatilità è diminuita in maniera significativa dopo il picco registrato a marzo 2020, quando aveva raggiunto valori comparabili a quelli registrati durante la crisi finanziaria nel 2008 (Fig. 3.1 - Fig. 3.2).

● Per quanto riguarda il mercato azionario italiano, nella prima parte dell'anno il FTSEMib ha sperimentato un incremento di circa 14 punti percentuali, in linea con il Dax30 e subito dopo il CAC40 (+18%). Analoghi sviluppi sono stati registrati per gli indici *small cap*, che nello stesso periodo hanno mostrato un aumento oscillante tra l'11% in Francia e poco più del 29% in Italia. La ripresa è stata fortemente eterogenea tra settori, con una crescita più pronunciata nei comparti bancario (+24%), manifatturiero (+19%) ed energetico (+17%). Al contempo è aumentata la liquidità delle maggiori società quotate italiane, in linea con il dato per l'area euro (Fig. 3.3 - Fig. 3.6).

○ In the first half of 2021, stock markets in main developed countries recorded a positive trend, although heterogeneous across areas. Both the EuroStoxx50 in the Eurozone and the S&P500 in the US recovered the losses incurred during the market turmoil due to pandemic (+14%), while the FTSE100 in the UK (+9%) remains below its pre-crisis levels. Among emerging economies, both the Russian Moex and the Indian Nifty500 experienced performances higher than 16 percentage points, while the Shanghai SE recorded a more moderate increase (+3.4%). In all considered markets, volatility significantly declined, after the peak hit in March 2020, close to the values seen during the 2008 financial crisis (Fig. 3.1 - Fig. 3.2).

○ In Italy, over the first semester of the year the FTSEMib rose by 14 percentage points, similarly to the Dax30 and lower than the increase in Cac40 (+18%). Similar trends were experienced by small cap indexes, whose growth in the same period ranged between 11% in France and slightly more than 29% in Italy. The recovery was heterogeneous across industries, with banking, manufacturing and oil&gas sectors experiencing the most robust growth (respectively, +24%, +19% and +17%). Over the same period, the liquidity of the major Italian listed companies rose, in line with the trend observed in the euro area (Fig. 3.3 - Fig. 3.6).

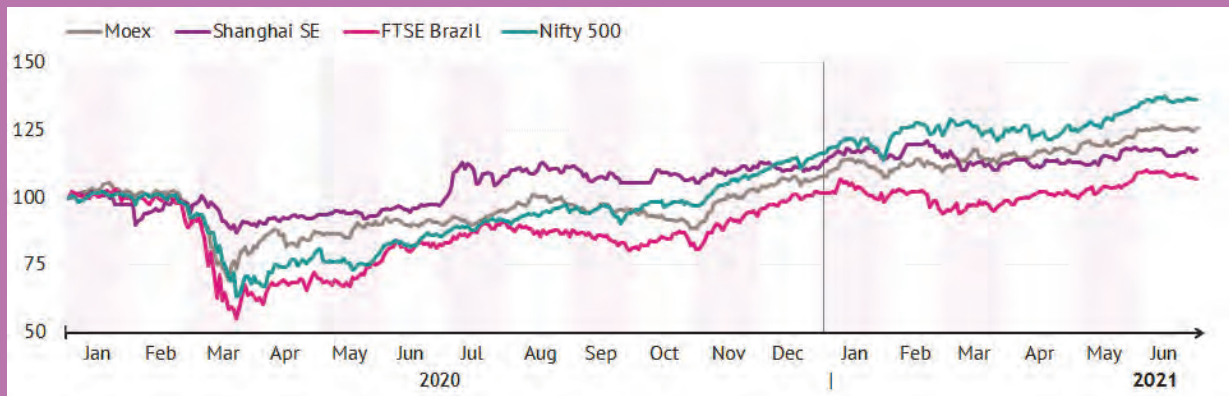
STOCK INDEX PRICES

(daily data up to 30 June 2021; 1st January 2020=100)

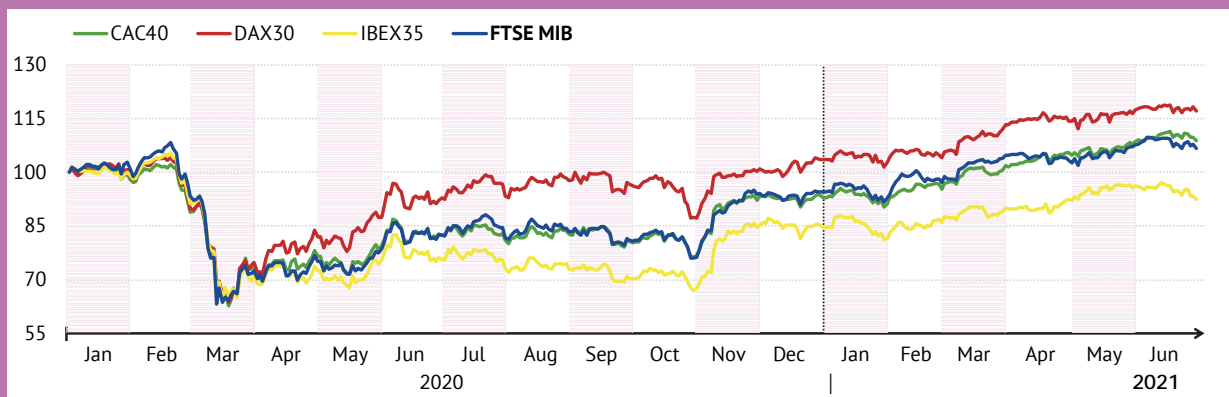
Main advanced economies



Main emerging countries



Main euro area countries



Source: Refinitiv Datastream.

● A fronte della ripresa dei corsi azionari e di aspettative positive sull'andamento degli utili societari su un orizzonte di 12 mesi, nell'area euro emergono segnali di un possibile disallineamento tra le valutazioni di mercato e i valori fondamentali delle società quotate. Tali segnali si colgono, a partire dal secondo semestre 2020, sia dalla dinamica nettamente crescente del *price-earning ratio* aggiustato per il ciclo economico sia da indicatori elaborati sulla base del *dividend discount model* (ossia di stime del valore fondamentale di un'impresa in funzione di utili attesi, premio per il rischio e struttura a termine dei tassi di interesse). Nel confronto con l'area euro, la divergenza fra prezzi osservati e valori fondamentali stimati sembra meno pronunciata in Italia, pur essendosi ampliata soprattutto nel corso del 2021 (Fig. 3.7 - Fig. 3.11).

● Il prevalere di condizioni più distese sui mercati azionari nell'area euro si è accompagnato, nel corso del primo semestre del 2021, a un'attenuazione del rischio di una reazione simultanea e sistemica dei corsi azionari dei mercati domestici a eventuali shocks esogeni comuni⁴ (Fig. 3.12).

○ Along with the rebound in stock prices and positive expectation of 12-month forward earnings per share, since the second half of 2020 a potential misalignment between market valuations and fundamental values of listed companies may be developing in the euro area, as shown by the upward trend of the cyclically adjusted price/earnings ratio as well as by indicators based on the dividend discount model (i.e., estimates of the firm fundamental value as a function of expected earnings, risk premium and term structure of forward interest rates). In comparison with the euro area, the divergence between market prices and estimated fundamentals looks less pronounced in Italy, although it widened during 2021 (Fig. 3.7 - Fig. 3.11).

○ With more tranquil conditions, during the first half of 2021 equity markets in the euro area experienced a decline in the contagion risk, as measured by the risk of simultaneous and systemic price reactions to common exogenous shocks (Fig. 3.12).

4 Il grado di interconnessione tra i mercati azionari europei è stato stimato distinguendo i paesi denominati *core* dai paesi cosiddetti periferici, dove il primo gruppo comprende le economie caratterizzate da condizioni di crescita e di finanza pubblica relativamente migliori rispetto a quelle del secondo gruppo. In condizioni normali, i paesi periferici sono esposti soprattutto a fattori idiosincratici e presentano, dunque, un livello di interconnessione più basso di quello stimabile per il gruppo *core*. In condizioni di crisi, tuttavia, la presenza di uno shock comune tende a ridurre il divario nel grado di interconnessione registrato per entrambi i gruppi di paesi.

● Il rischio di contagio si è ridotto anche a livello globale, come evidenziato dall'andamento di due indicatori che stimano, rispettivamente, il grado di interconnessione di lungo periodo fra le quotazioni azionarie di diversi mercati e la propagazione di volatilità da un mercato a un altro (*volatility spillover index*)⁵. Entrambi gli indicatori, tuttavia, continuano a crescere nel settore bancario e, in particolare, in quello italiano, che sembra contribuire ad alimentare il rischio di contagio trasmettendo volatilità agli altri mercati (Fig. 3.13 - Fig. 3.14).

○ The contagion risk lessened also at a global level, as shown by two indicators estimating, respectively, the long-term interconnections among equity markets and the volatility spillovers across markets. However, both the indicators keep increasing in the banking sector, with Italy being one of the leading markets in the transmission of shocks (Fig. 3.13 - Fig. 3.14).

5 Tale indicatore consente di misurare il contagio sulla base dei contributi apportati da ogni singolo mercato alla volatilità complessiva, al netto di fattori idiosincratici riferibili agli altri mercati considerati. Sulla base di tale metodologia è possibile individuare sia la trasmissione di shock da un mercato a un altro sia la direzione del contagio.

ESG AND EQUITY MARKETS TRENDS

● Nel dibattito istituzionale e accademico, è crescente l'interesse verso la relazione tra la considerazione dei fattori ESG (*environmental, social, governance*) da parte delle imprese e le valutazioni di mercato delle stesse. Evidenze preliminari mostrano che a livello globale l'andamento dei corsi azionari delle società sensibili alla sostenibilità non si differenzia in modo significativo da quello dell'indice generale. Il dato tuttavia può sottendere a differenze tra aree geografiche che è possibile cogliere solo considerando gli indici regionali. Con riguardo all'area euro, ad esempio, l'indice ESG si colloca su livelli stabilmente superiori a quelli dell'indice generale dal 2016, pur mostrando il medesimo andamento (Fig. 3.15 - Fig. 3.16).

● Nel corso del tempo è aumentata la numerosità delle società dell'Eurozona per le quali è disponibile una valutazione delle performance di sostenibilità, in conseguenza anche della rendicontazione non finanziaria diffusasi su impulso della legislazione europea e del crescente interesse dell'industria verso gli investimenti sostenibili (Fig. 3.17 - Fig. 3.18).

● In tema di correlazione tra corsi azionari e valutazioni delle performance ESG, evidenze preliminari relative alle società incluse nell'indice EuroStoxx50 indicano una associazione nulla fra valutazione ESG e rendimenti e una debole associazione negativa tra valutazione ESG e volatilità⁶ (Fig. 3.19).

○ In the institutional and academic debate, there is growing interest in the relationship between the consideration of ESG (*environmental, social, governance*) factors by firms and their market valuation. Preliminary evidence shows that, at global level, the performance of ESG index (including companies that are leaders in sustainability) does not differ significantly from the overall index. However, this may involve differences across geographical areas that can be identified only through regional indexes. In the euro area, for example, the ESG index has been at levels steadily higher than those of the general index since 2016, while showing the same trend (Fig. 3.15 - Fig. 3.16).

○ Over time, the number of companies in the Eurozone for which a sustainability performance assessment is available has increased, partly as a result of the increasing dissemination of non-financial information, driven by the European legislation and the growing interest in sustainable investment (Fig. 3.17 - Fig. 3.18).

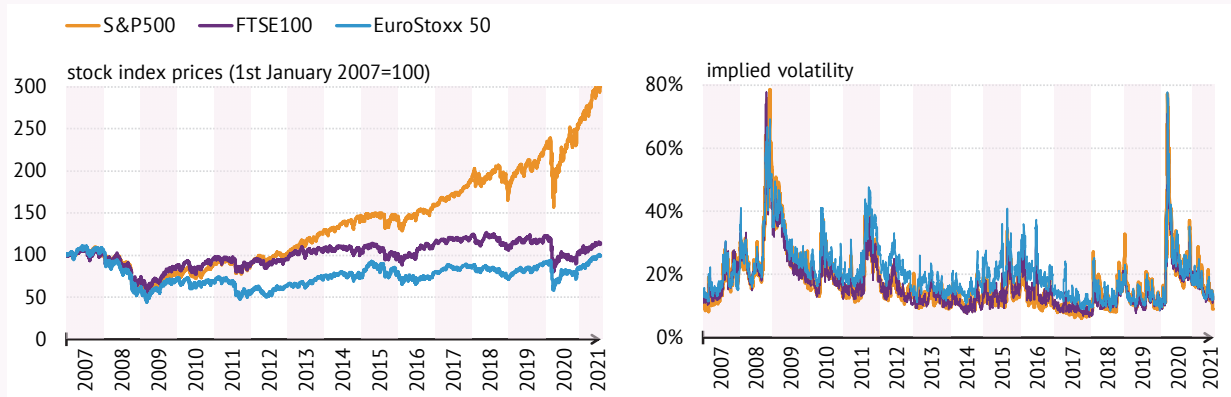
○ As for the correlation between market and ESG performance valuations, preliminary evidence referring to companies included in the EuroStoxx50 index indicates a weak negative association between ESG scores and volatility, while no association between ESG score and returns is detected (Fig. 3.19).

⁶ In particolare, la correlazione tra rating di sostenibilità Refinitiv e rendimenti dell'indice EuroStoxx50 è pari a 0,16 e non è statisticamente significativa; quella fra rating di sostenibilità Refinitiv e volatilità dell'indice EuroStoxx50 è uguale a -0,24 con un livello di significatività pari al 10%.

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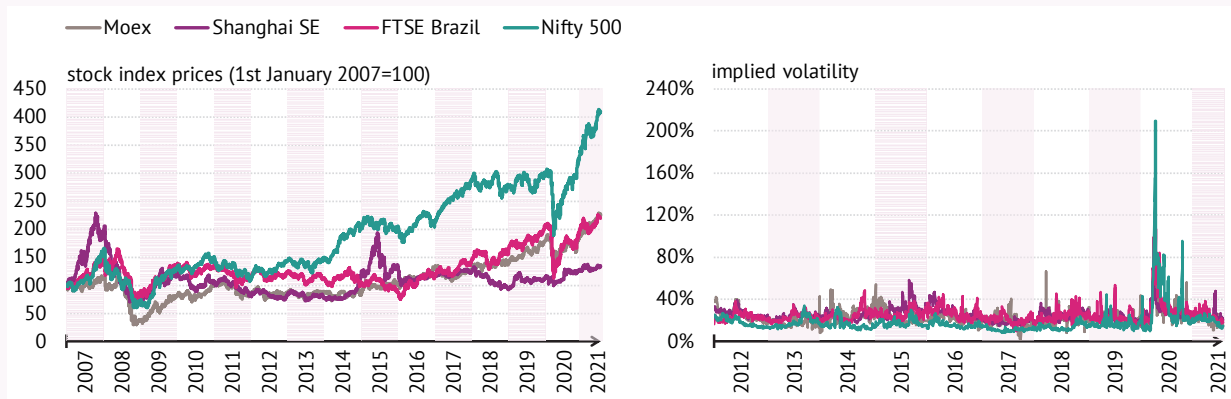
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Fig. 3.1 – Equity markets trends in the main advanced economies
(daily data up to 30 June 2021)



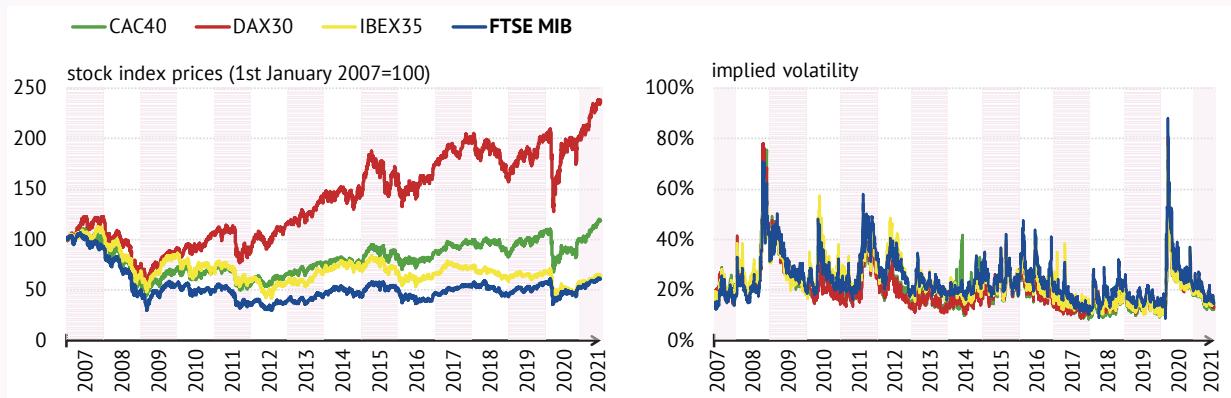
Source: Refinitiv Datastream.

Fig. 3.2 – Equity markets trends in the main emerging countries
(daily data up to 30 June 2021)



Source: Refinitiv Datastream. Figure on the right reports the Cboe stock volatility index as for China.

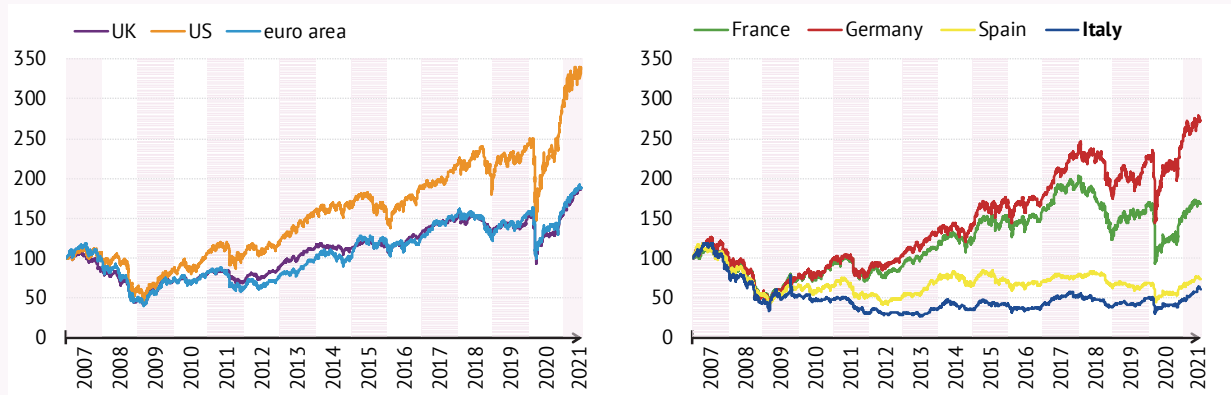
Fig. 3.3 – Equity markets trends in the main euro area countries
(daily data up to 30 June 2021)



Source: Refinitiv Datastream.

Fig. 3.4 – Small cap equity markets trends in the main advanced countries

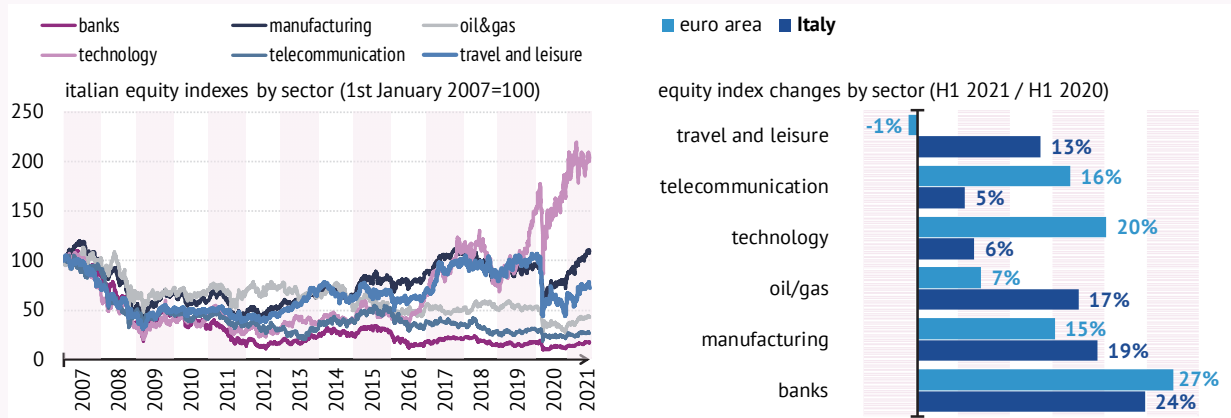
(daily data up to 30 June 2021; 1st January 2007=100)



Source: Refinitiv Datastream.

Fig. 3.5 – Equity markets trends in the euro area by sector

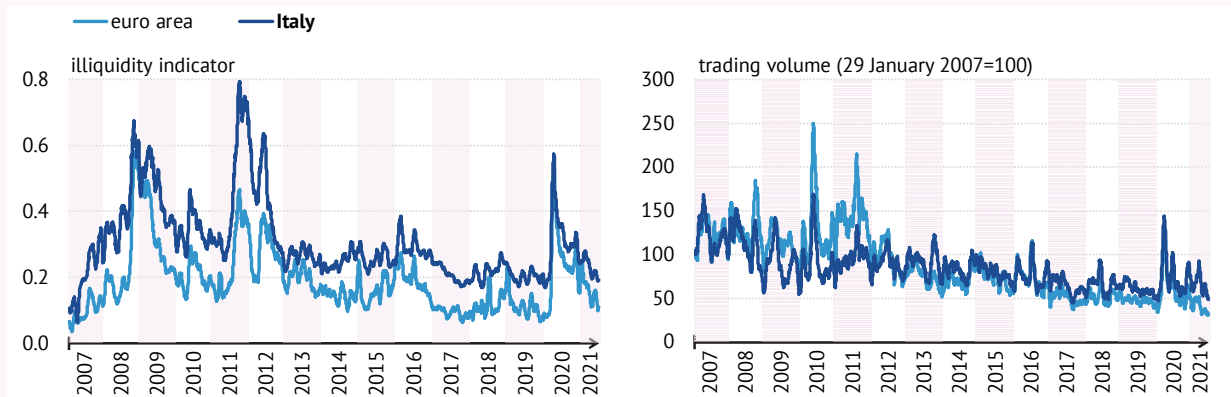
(daily data up to 30 June 2021)



Source: calculations on Refinitiv Datastream data (FTSE Italy All Shares and EuroStoxx indexes).

Fig. 3.6 – Equity market illiquidity indicator and turnover in the euro area

(daily data up to 30 June 2021; 20-days moving average)



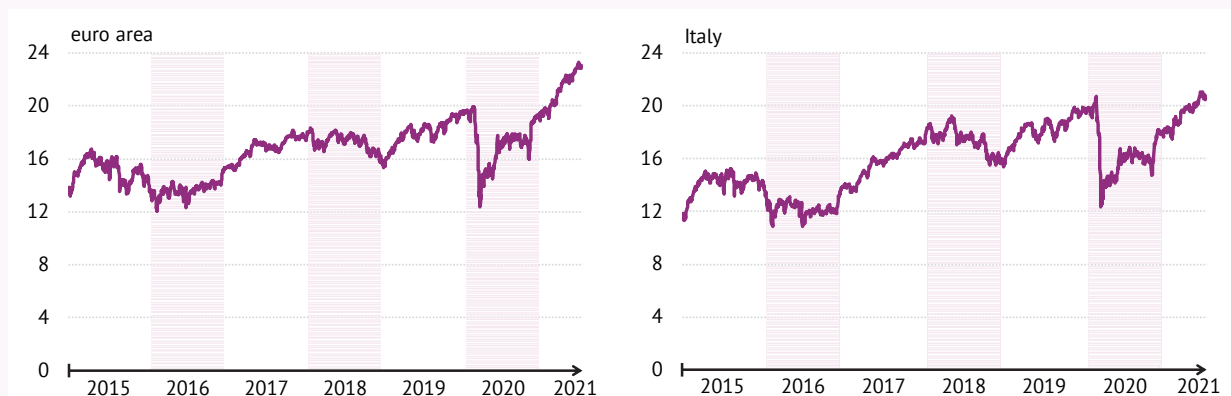
Source: calculations on Refinitiv Datastream data. In the figure on the left-hand side an increase (decrease) of the indicator signals a deterioration (improvement) in liquidity conditions. The illiquidity index is computed as the first principal component of 4 sub-indicators: 1) range-based volatility index, that is the difference between maximum and minimum price during the trading day; 2) bid-ask spread; 3) Amihud indicator, that is the ratio of absolute value of the return to turnover; 4) implied volatility. The illiquidity indicator is normalized between 0 (= minimum) and 1 (=maximum) and is computed on EuroStoxx50 (euro area) and FTSEMIB (Italy) constituent lists.

Fig. 3.7 – Expected 12-month forward earnings per share in the euro area
(monthly data; January 2007=100)



Source: Refinitiv Datastream. Analyses refer to EuroStoxx50, Ftse Italy and Refinitiv Datastream banks and non-financial stock indexes.

Fig. 3.8 – Cyclically-adjusted price-earning ratios in the euro area
(daily data up to 30 June 2021)



Source: calculations on Refinitiv Datastream data. The cyclically-adjusted price-earning ratio is computed as rolling 10-years average of inflation adjusted earnings.

Fig. 3.9 – Over/undervaluation misalignment index in the euro area

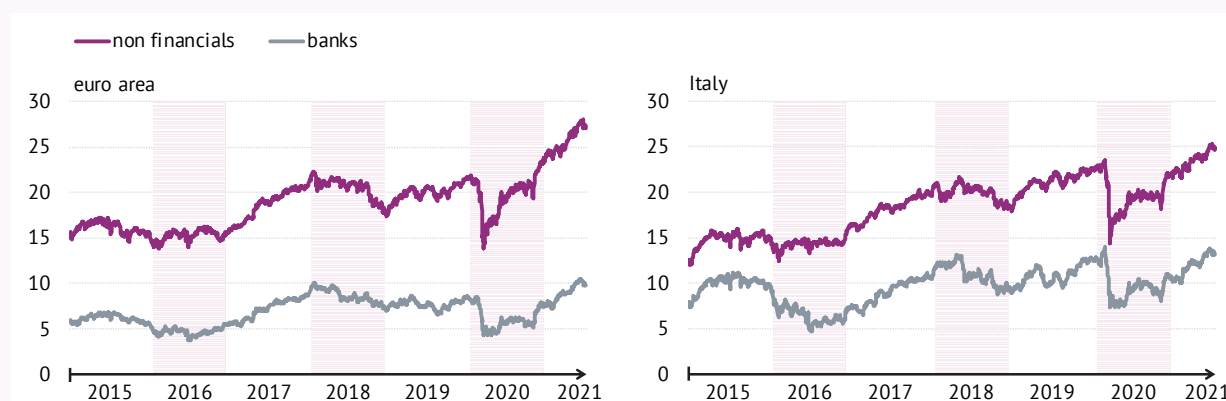
(monthly data up to 30 June 2021)



Source: calculations on Refinitiv Datastream data. Fundamental value estimation is based on Dividend Discount Model. For methodological details see the technical note on asset valuation models in Global Financial Stability Report (GFSR; IMF, 2019). The model illustrated in the GFSR aims to provide a direct measure of misalignment based on economic and corporate fundamentals. In the applied dividend discount model, expected earnings are proxied by the average (across analysts) forecasts of earnings over the next 18 months (IBES Refinitiv). The equity risk premium is proxied by the standard deviation (across analysts) of earnings forecasts over the next 18 months (IBES Refinitiv). The term spread is calculated as the difference between long-term (30-year) and short-term (3-month) government bond yields (see SUERF Policy Note Issue No 209, November 2020). The applied model is recursively estimated with a 4-year rolling window by using monthly data starting from January 2000. In the right figure, misalignment index is estimated as the percentage difference between log observed price and log fundamental value; percentiles are recursively calculated on misalignment index time series with a 6-year rolling windows. The analysis refers to EuroStoxx50 and MSCI Italy index.

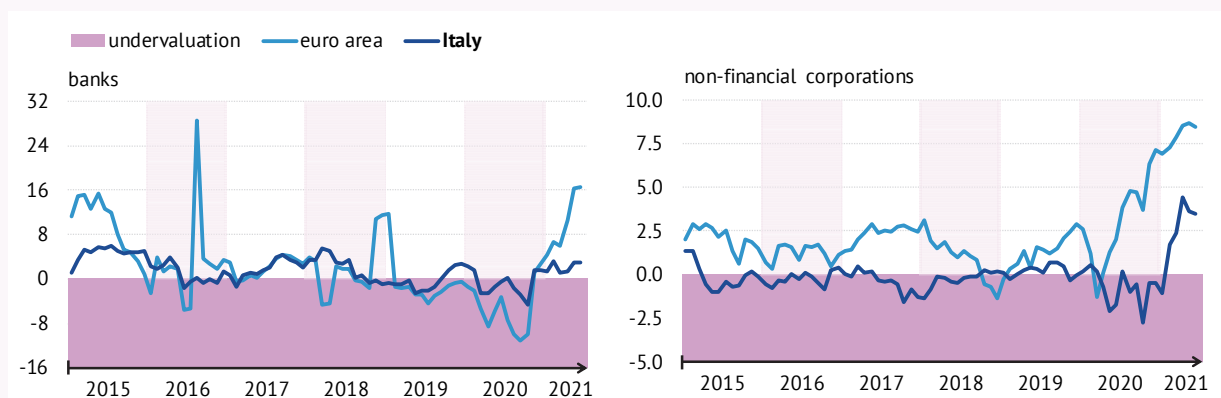
Fig. 3.10 – Cyclically-adjusted price-earning ratios in the euro area by sector

(daily data up to 30 June 2021)



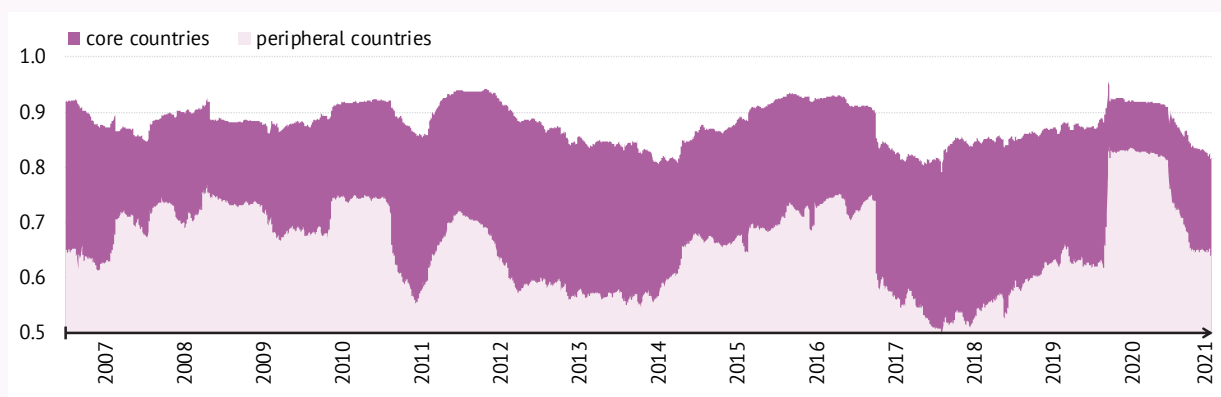
Source: calculations on Refinitiv Datastream data. The cyclically-adjusted price-earning ratio is computed as rolling 10-years average of inflation adjusted earnings.

Fig. 3.11 – Price misalignment with respect to fundamental values in the euro area by sector
(daily data up to 30 June 2021; percentage values)



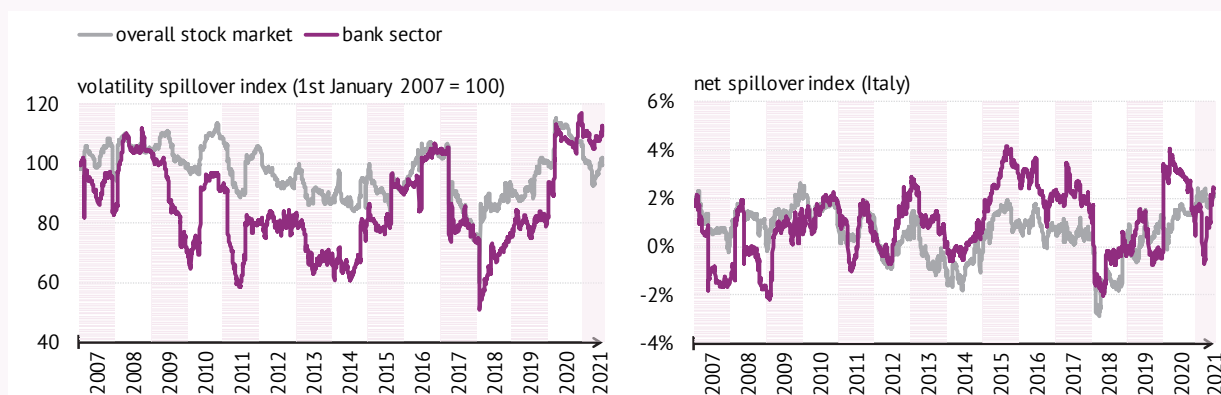
Source: calculations on Refinitiv Datastream data. The *over/undervaluation* index is the percentage difference between stock price and fundamental value, estimated, on the basis of the dividend discount model, by applying a VECM cointegration model on stock prices, earning per share adjusted for the business cycle and risk-premium (Campbell and Shiller, 1988; Nelson, 1999; De Bondt et al., 2010). Positive (negative) values signal overvaluation (undervaluation) respect to fundamental values. Price indexes taken into consideration are respectively EMU and Italy banks/ non-financial corporations stock indexes.

Fig. 3.12 – Stock market sensitivity to common shocks in the euro area
(daily data up to 31 May 2021; percentage values)



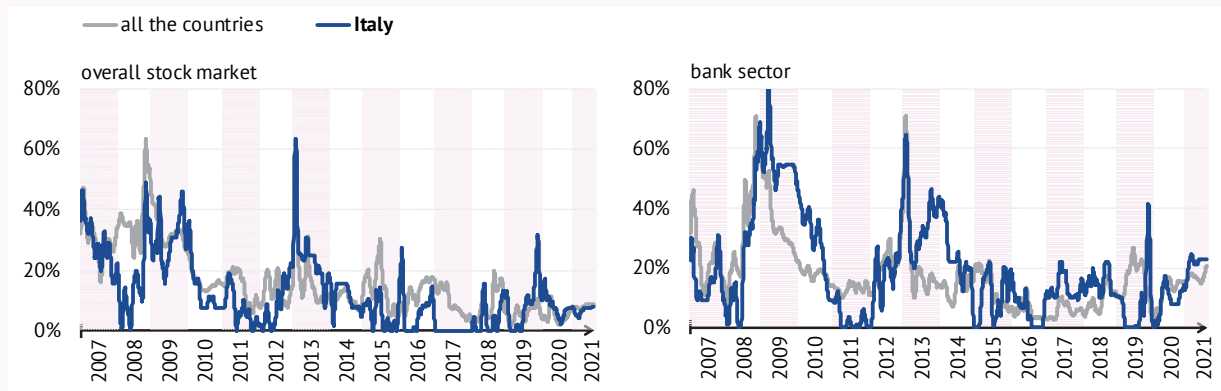
Source: calculations on Refinitiv Datastream data. We measure the degree of exposure to common shocks as the average R^2 referring to the following regression $return_index_{i,t} = \alpha_{i,t} + \beta_{i,t}\theta_t + \varepsilon_{i,t}$, where $\beta_{i,t}$ is the regression coefficient on the first principal component θ_t for the stock market i in the day t . Regressions are applied recursively with a 200 observation *rolling window* (ECB - Financial integration in Europe, 2014). We represent the average R^2 respectively in the group of core countries (Dax30, Cac40, Aex Index, Bel20 Index) and in the group of the so-called peripheral countries (FTSEMIB, Ibox35, Iseq 20 Index, Portugal PSI20 index, FTSE Athex Index). In the computation of the principal component analysis S&P500 and FTSE100 indexes are taken into consideration as well.

Fig. 3.13 – Global volatility spillover index
(daily data up to 30 June 2021)



Source: calculations on Refinitiv Datastream data. In the left figure overall stock market analysis is carried on S&P500, FTSE100, FTSEMIB, Dax30, Cac40, Ibx35, Aex Index, Bel20 Index, Iseq 20 Index, Portugal PSI20 index, FTSE Athex Index, Shanghai SE, Moex and Swiss Market Index; bank sector analysis is carried on Ftse UK banks, Ftse Germany banks, FTSE France banks, FTSE Italy banks, FTSE Spain banks, FTSE Greece banks, FTSE Ireland banks, FTSE Netherlands banks, FTSE Belgium banks, FTSE Switzerland banks, FTSE S&P500 banks, Portugal Datastream index banks, China Datastream bank index, Russia Datastream bank index. In the right figure net spillover index (reported only for Italy) positive (negative) values signal that Italian stock market tend to transmit (receive) volatility shocks to (from) other markets. For methodological details see Diebold and Yilmaz (2009, 2012 and 2014).

Fig. 3.14 – Global degree of interconnection among stock markets
(daily data up to 30 June 2021; 2-months moving average)

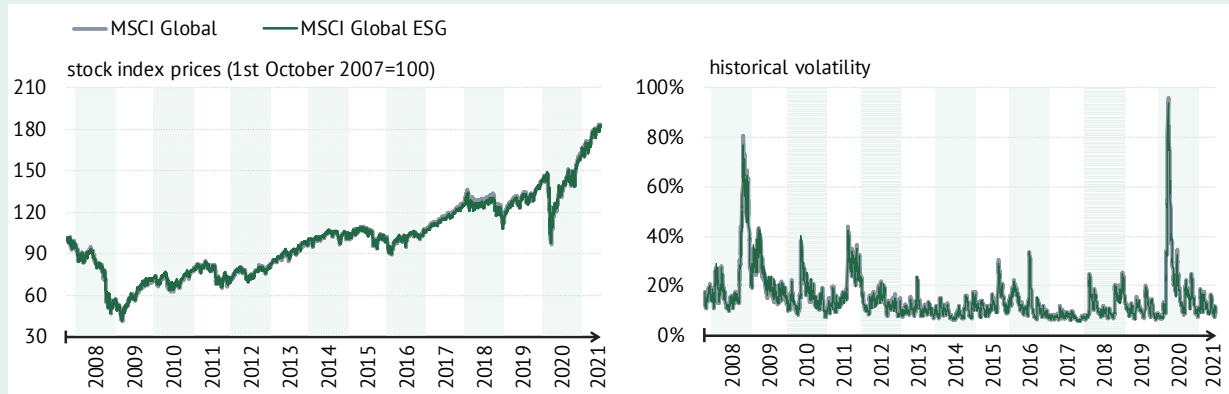


Source: calculations on Refinitiv Datastream data. The contagion indicator measures the degree of interconnectedness among stock markets estimated by applying VECM models on return time series. See note on Fig. 3.14 for reference to country stock indexes. For methodological details see CONSOB Working paper no. 72, 2012.

ESG AND EQUITY MARKETS TRENDS

Fig. 3.15 – ESG global markets trends

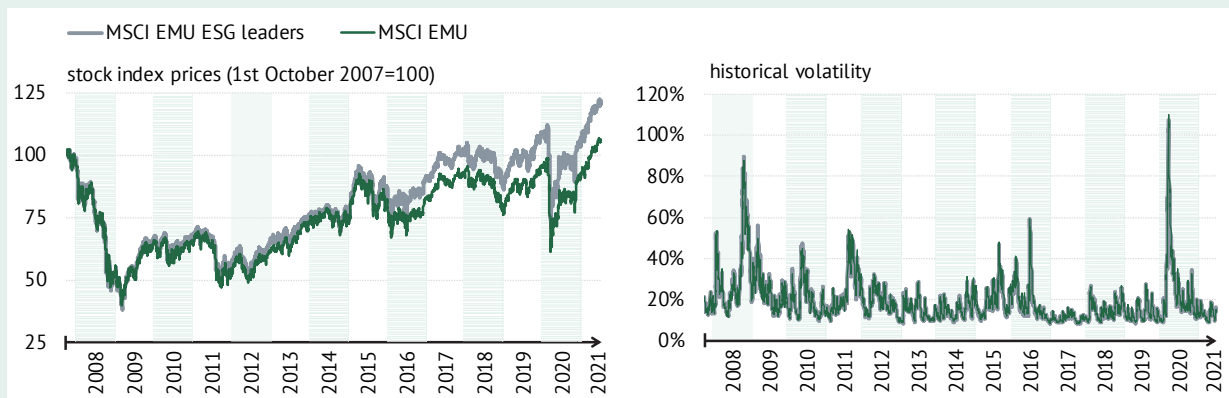
(daily data up to 30 June 2021; 1st October 2010=100)



Source: Refinitiv Datastream. The MSCI Global ESG index includes leading global companies in terms of environmental, social and governance criteria.

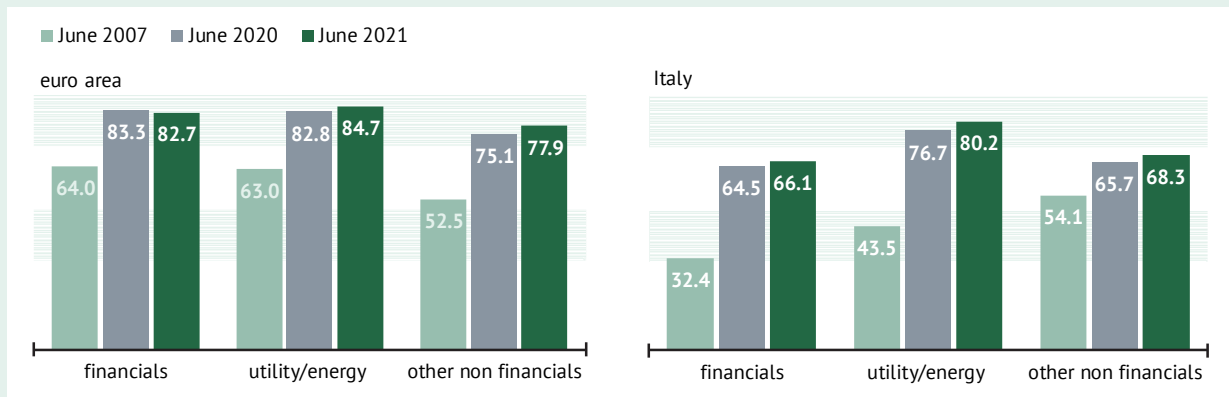
Fig. 3.16 – ESG market trends in the euro area

(daily data up to 30 June 2021)



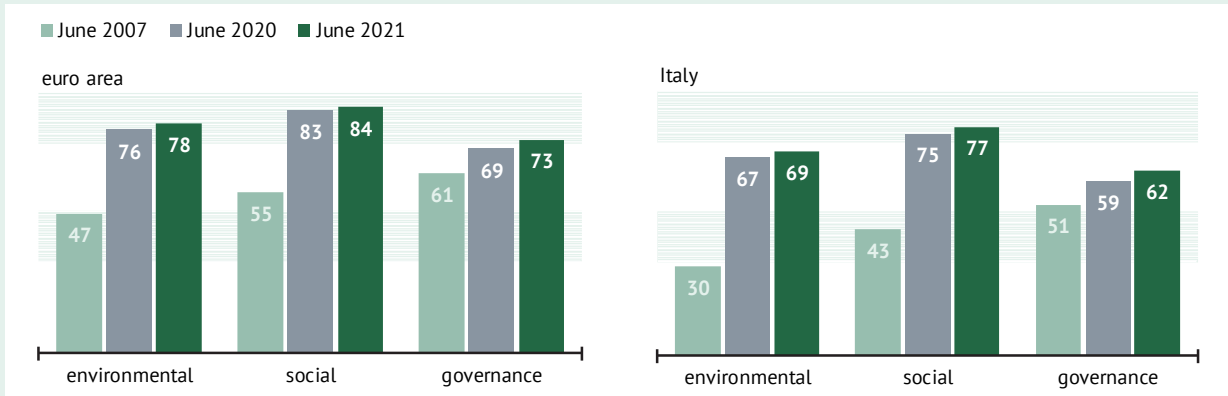
Source: calculations on Refinitiv Datastream data. Historical Volatility is estimated by applying asymmetric GARCH(1,1) model.

Fig. 3.17 – ESG score trends



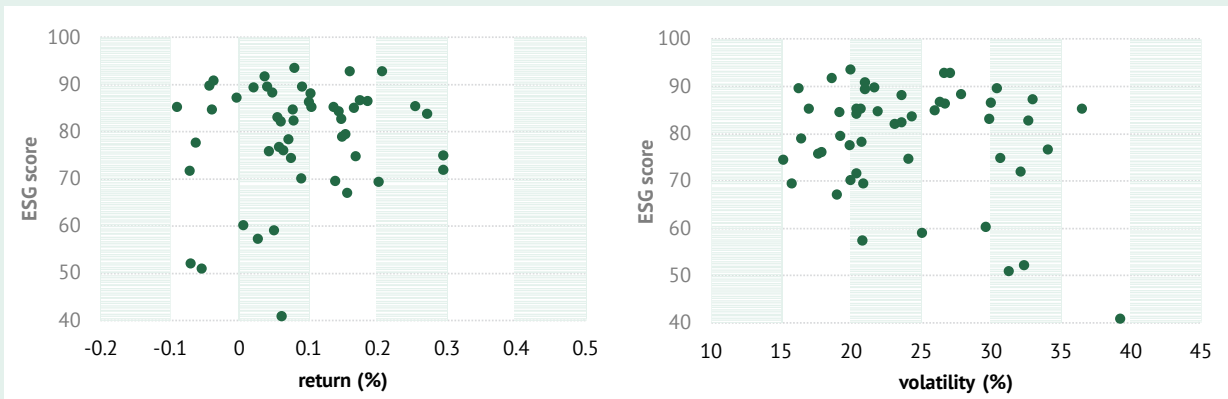
Source: calculations on Refinitiv Datastream data. Refinitiv ESG scores range between a maximum value=100 and a minimum value=0 and refer to EuroStoxx50 and FTSE MIB constituent lists. In 2007 firms with an ESG score were 46 out of 50 for EuroStoxx50 and 21 out of 40 for FTSEMib.

Fig. 3.18 – ESG pillar trends

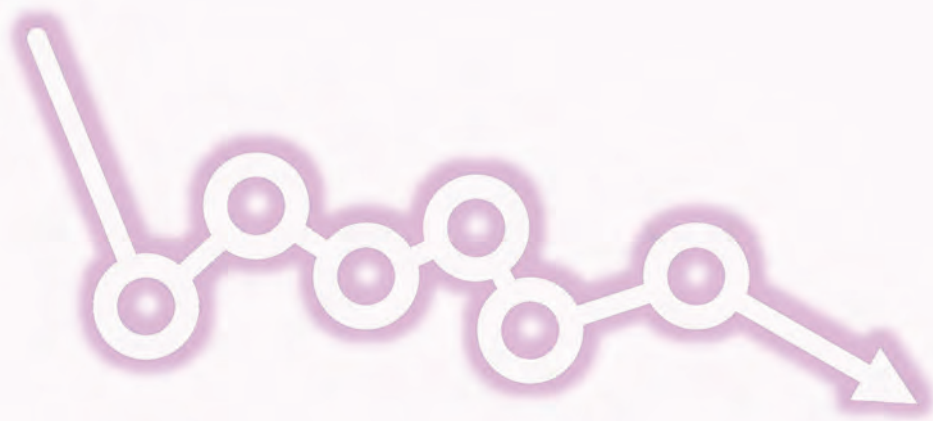


Source: calculations on Refinitiv Datastream data. Refinitiv ESG scores range between a maximum value=100 and a minimum value=0 and refer to EuroStoxx50 and FTSE MIB constituent lists. In 2007 firms with an ESG score were 46 out of 50 for EuroStoxx50 and 21 out of 40 for FTSEMib.

Fig. 3.19 – ESG scores and stocks returns and volatility



Source: calculations on Refinitiv Datastream data. Computations refer to stocks included in EuroStoxx50 constituent list. For each stock average return and annualized return standard deviation over 1st January 2021 - 30th June 2021 are reported.



Mercati obbligazionari

Bond markets



Titoli di Stato

Obbligazioni di banche e società non finanziarie

Emissioni di obbligazioni *green*

Sovereign bonds

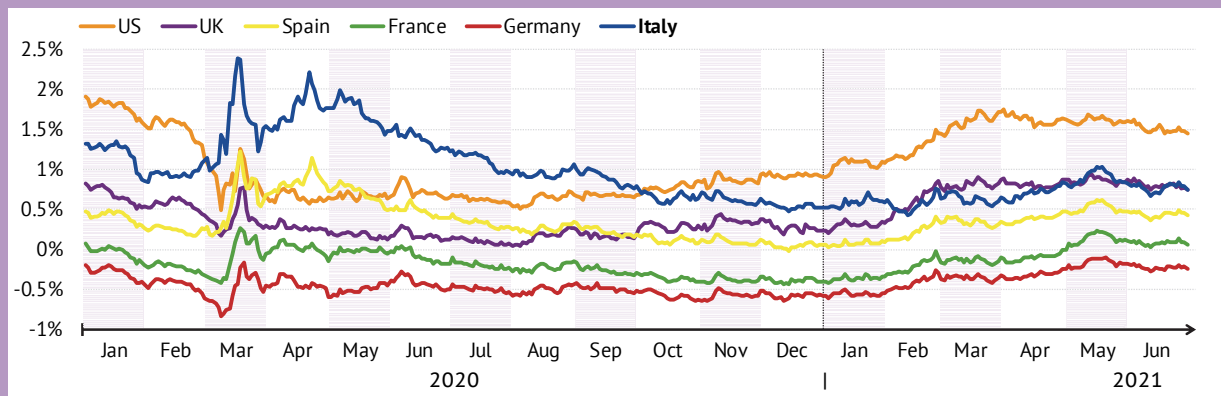
Bank and non-financial bonds

Green bond issues

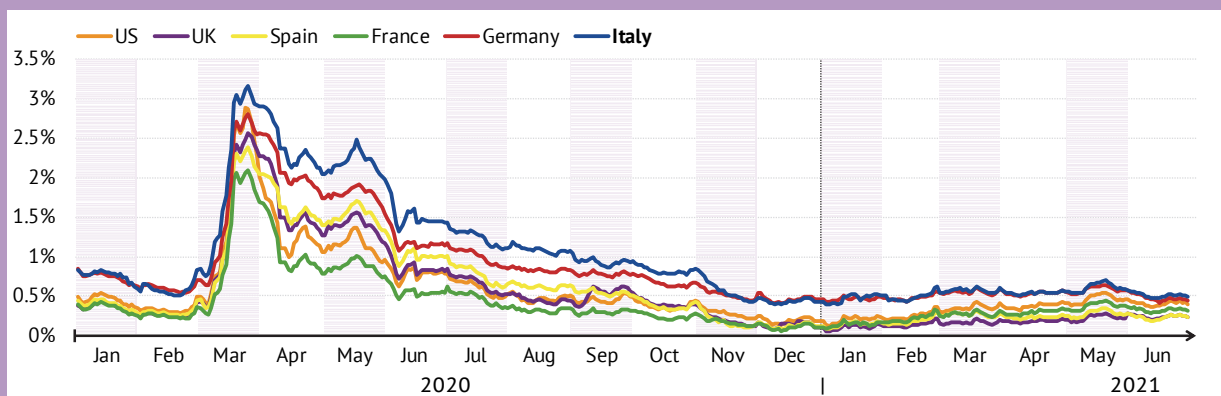
TRENDS IN BOND YIELDS

(daily data up to 30 June 2021)

Sovereign 10-years bonds

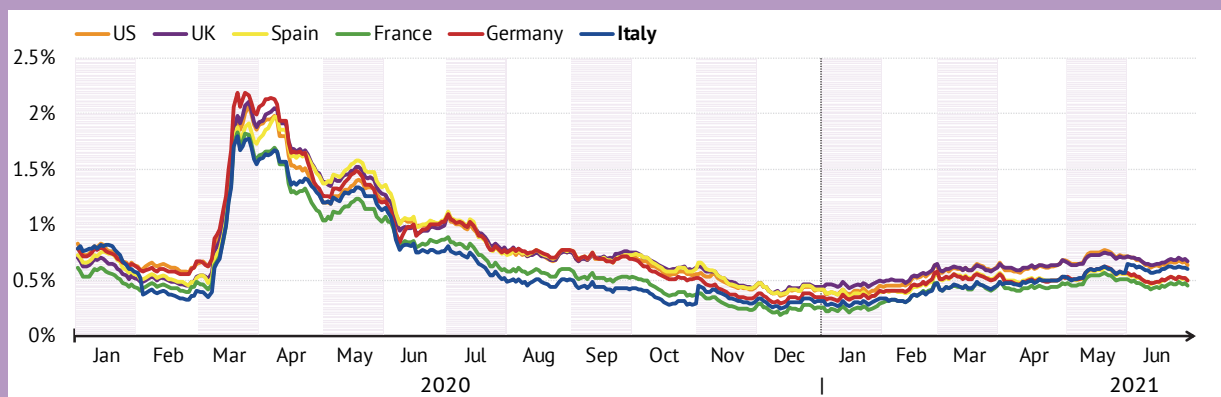


Bank bonds



Non-financial corporation bonds

(daily data up to 30 June 2021)



Source: Refinitiv Datastream. Figure refers to Markit Iboxx Indexes.

● Nel primo semestre 2021, i mercati secondari dei titoli pubblici hanno registrato condizioni distese nelle maggiori economie avanzate. In Italia, il rendimento del BTP a 10 anni si è mantenuto su valori prossimi o inferiori all'1% da settembre 2020. I rendimenti rimangono a livelli piuttosto contenuti anche sul mercato secondario delle obbligazioni private, sebbene in crescita rispetto ai minimi registrati alla fine del 2020 (Fig. 4.1 - Fig. 4.2).

● Nel primo semestre dell'anno le emissioni di titoli pubblici dei maggiori paesi dell'area euro sono state prossime o superiori al 10% del debito totale. La quota di emissioni di titoli a breve scadenza oscilla tra il 36% per l'Italia e il 56% per la Francia, in calo rispetto allo stesso periodo del 2020⁷. Con riferimento all'Italia, nel primo semestre 2021 il mercato primario ha continuato a caratterizzarsi per una domanda di titoli in sede di asta significativamente superiore all'offerta (Fig. 4.3 - Fig. 4.4).

● Sul mercato primario delle obbligazioni private, nel 2020 le emissioni nette delle banche europee si sono pressoché azzerate, dopo due anni in cui si erano mantenute su livelli positivi, toccando così il minimo del decennio. Tale dinamica è riconducibile sia alla scelta degli istituti di credito di ridurre progressivamente la raccolta obbligazionaria a favore dei depositi sia al maggior ricorso al rifinanziamento presso l'Eurosistema, reso ancor più conveniente dalle misure di politica

○ In the first half of 2021, secondary markets of government bonds showed good conditions in the major advanced economies. In Italy, the yield of the 10-year BTP bond remained close to or below 1% since September 2020. In the secondary market for private bonds yields stayed at rather low levels, although on the rise with respect to the minimum recorded at the end of 2020 (Fig. 4.1 - Fig. 4.2).

○ In the first half of the year, the issuance of government bonds by the largest euro area countries was close to or above 10% of total debt. The share of short-term government bonds ranged from 36% in Italy to 56% in France, showing a decline against the same period of 2020. On the Italian primary market, in the first half of 2021 applications for government bonds at auctions kept being significantly higher than the amount of newly issued debt (Fig. 4.3 - Fig. 4.4).

○ In 2020 net bond issuances by European banks almost declined to zero, reaching its ten-year low after two years recording positive values. This trend results from a bond to deposit substitution in bank funding as well as from the higher recourse to the Eurosystem refinancing, now more convenient than ever thanks to the monetary policy measures adopted by the ECB in response to the crisis (see Section 2 and Section 6). In Italy, the decline in bank bond issues mainly

7 Si veda il Rapporto CONSOB La crisi Covid-19. Impatti e rischi per il sistema finanziario italiano in una prospettiva comparata, <https://www.consob.it/documents/46180/46181/Rep-covid-19.pdf/02fa9e7c-c7f1-4348-be40-1d39b0c3e545>.

monetaria adottate dalla BCE in risposta alla crisi (vedi le Sezioni 2 e 6). In Italia il calo delle emissioni di obbligazioni bancarie ha riguardato soprattutto i collocamenti destinati a investitori *retail*. Le emissioni obbligazionarie da parte delle imprese non finanziarie hanno registrato, invece, un andamento positivo sia in Europa sia in Italia, favorite anche dai tassi di interesse piuttosto contenuti (Fig. 4.5 - Fig. 4.6).

regarded placements addressed to retail investors. Non-financial companies bond net issues, indeed, remained positive both in Europe and in Italy, also thanks to the persistent low interest rate environment (Fig. 4.5 - Fig. 4.6).

GREEN BOND ISSUES

- Uno dei fenomeni di maggior rilievo a livello globale è rappresentato dalla crescita delle emissioni di titoli di debito cosiddetti *green*, ossia finalizzati a sostenere progetti a impatto ambientale positivo (Fig. 4.7 - Fig. 4.8).

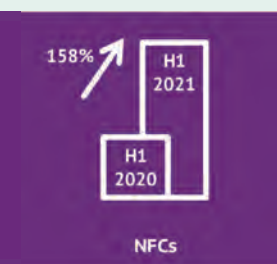
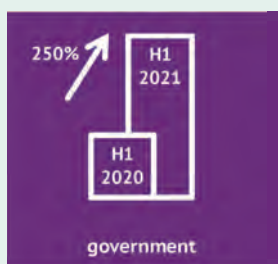
- One of the most important phenomena at global level is the growth in the issuances of green bonds, i.e. bonds financing projects with a positive environmental impact (Fig. 4.7 - Fig. 4.8).

- Nel primo semestre del 2021 le emissioni di *green bond* sono infatti più che raddoppiate rispetto allo stesso periodo dell'anno precedente, in particolare grazie all'ingresso nel mercato degli emittenti sovrani.

- In the first half of 2021, green bond issuance more than doubled compared to the first semester of the previous year, mainly due to the increase in sovereign issuances.

- L'Europa domina il mercato dei *green bond* con emissioni pari al 60% circa dell'aggregato globale.

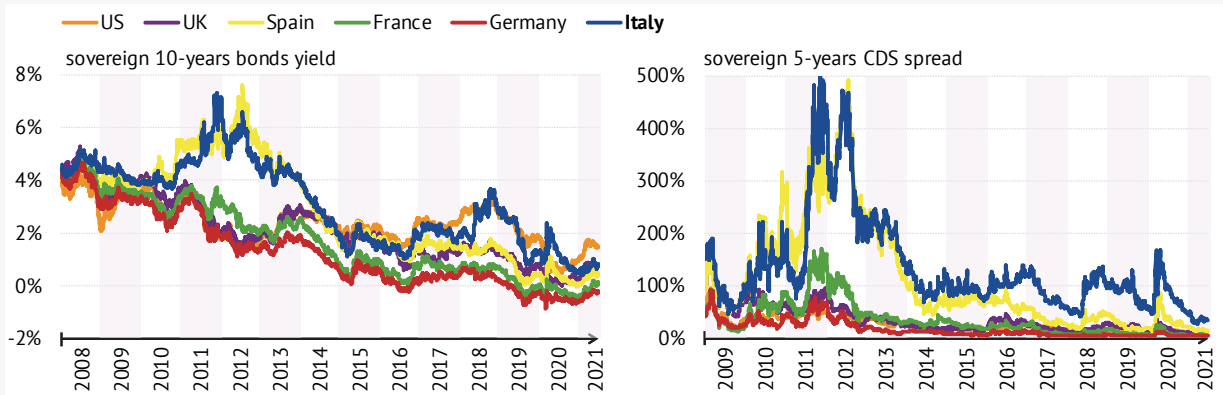
- Europe dominates the green bond market with issuances accounting for around 60% of the global aggregate.



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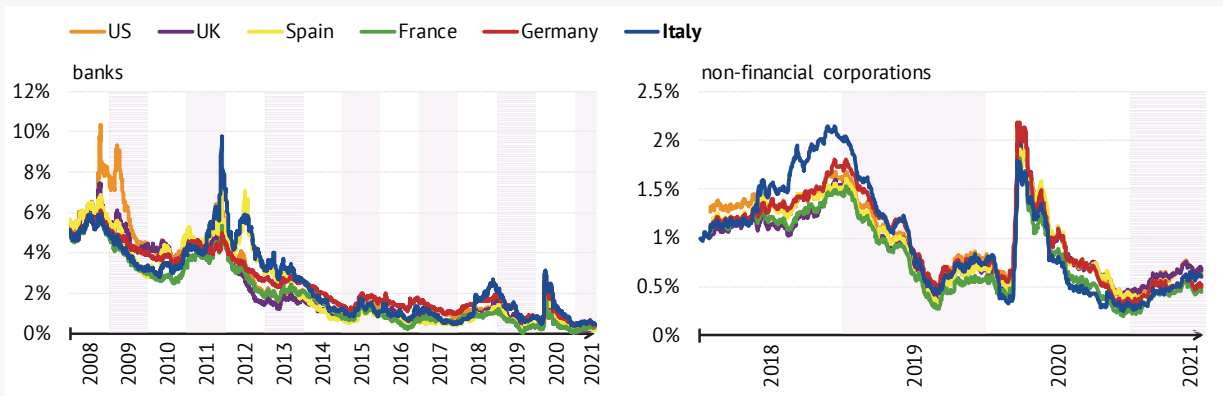
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Fig. 4.1 – Sovereign bond yields and CDS spreads in the main advanced countries
(daily data up to 30 June 2021)



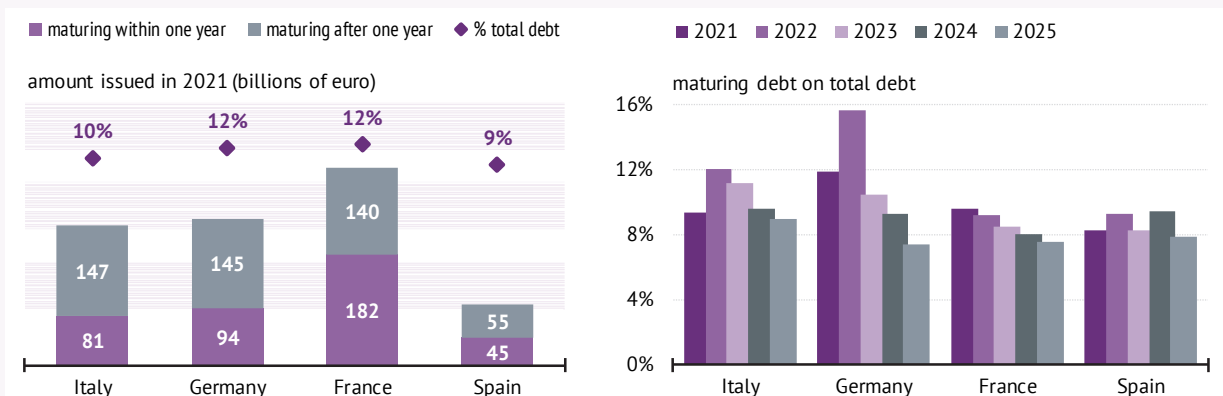
Source: Refinitiv Datastream.

Fig. 4.2 – Bank and NFCs bond yields in the main advanced countries
(daily data up to 30 June 2021)



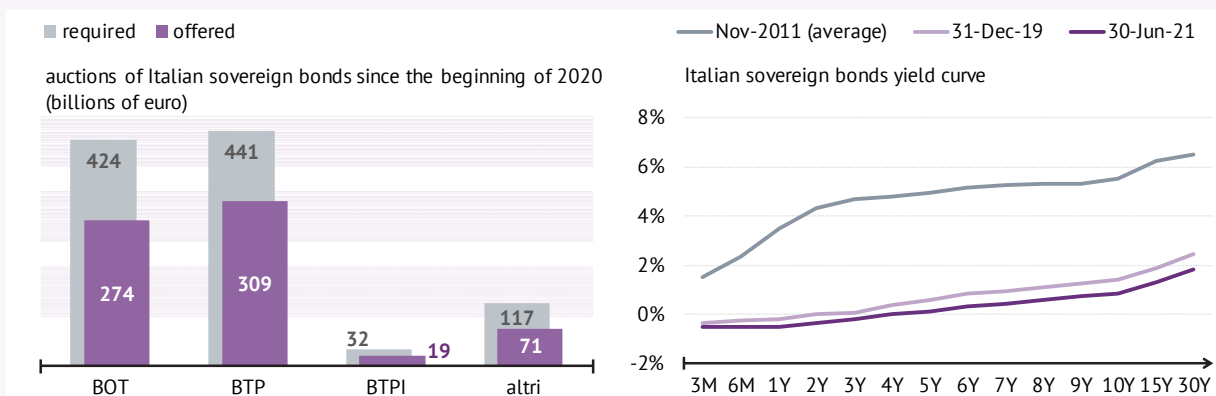
Source: Refinitiv Datastream. Data refers to Markit Iboxx indexes.

Fig. 4.3 – Sovereign bond issues and public debt maturity structure in the main euro area countries



Source: calculations on Eikon data. The amount issued in 2020 refers to bonds issued in 2020 and still outstanding as of 18 June 2020.

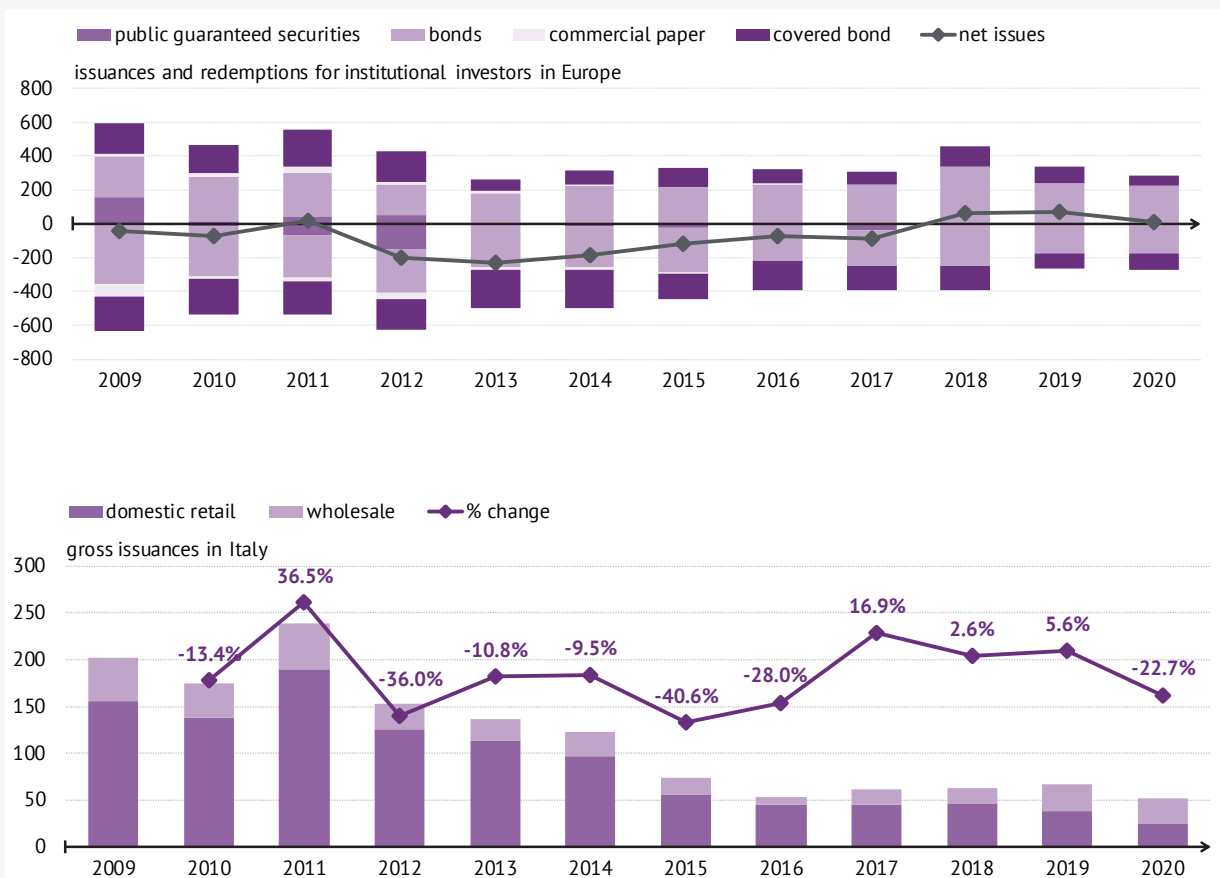
Fig. 4.4 – Italian sovereign bond auctions in the first half of 2020 and sovereign bond yield curve



Source: calculation on Bank of Italy and Refinitiv Datastream data.

Fig. 4.5 – Bank bond issues in the main European countries

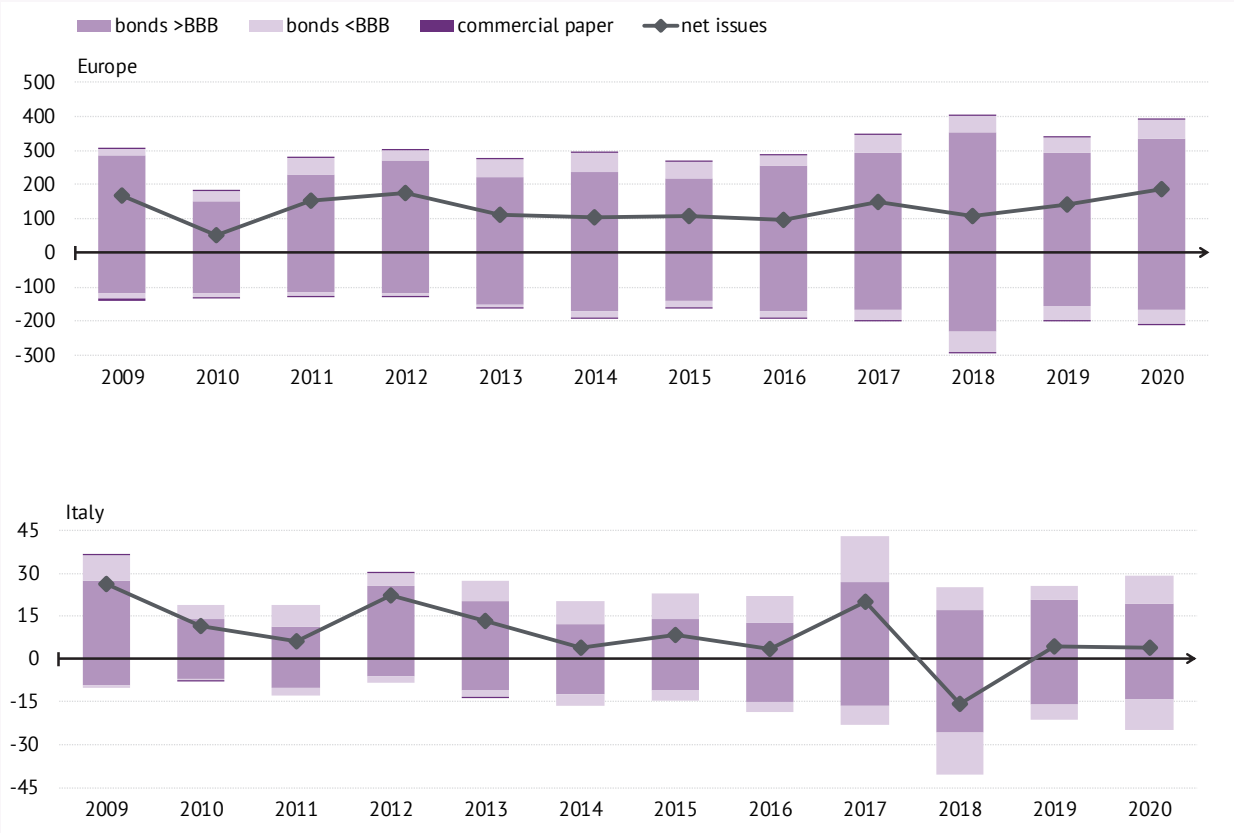
(yearly data; billions of euro)



Source: Dealogic. European countries include France, Germany, Spain and the UK.

Fig. 4.6 – NFCs bond issues in the main European countries

(issuances and redemptions for institutional investors; yearly data; billions of euro)

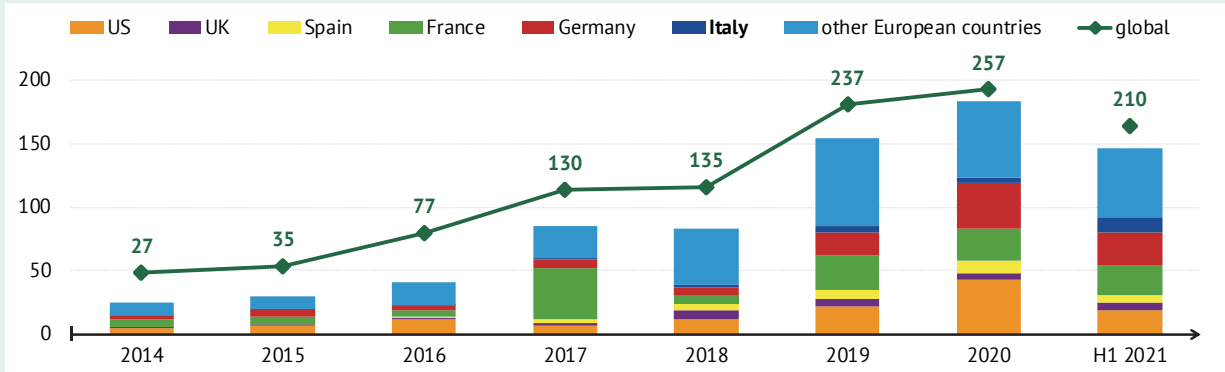


Source: Dealogic. European countries include France, Germany, Spain and the UK.

GREEN BOND ISSUES

Fig. 4.7 – Global green bond issues

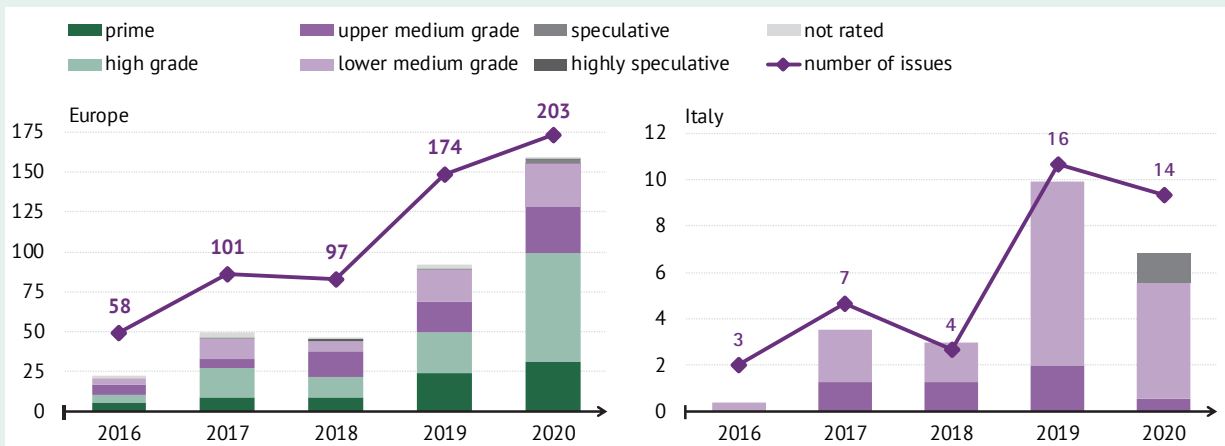
(yearly data; for 2021, data up to June; billions of euro)



Source: Refinitiv Eikon.

Fig. 4.8 – NFCs ESG bonds issues in Europe

(yearly data; billions of euro)



Source: Dealogic. Rating of issues: 'prime' = AAA; 'high grade' = AA- / AA / AA+; 'upper medium grade' = A- / A / A+; 'lower medium grade' = BBB- / BBB / BBB+; 'speculative' = BB- / BB / BB+ (non-investment grade); 'highly speculative' = B- / B / B+.



Società non finanziarie

Non-financial corporations



Ricavi e costi operativi

Redditività e leverage

Flussi di cassa e liquidità

Vulnerabilità

PMI

Revenues and operating expenses

Profitability and leverage

Cash flow and liquidity

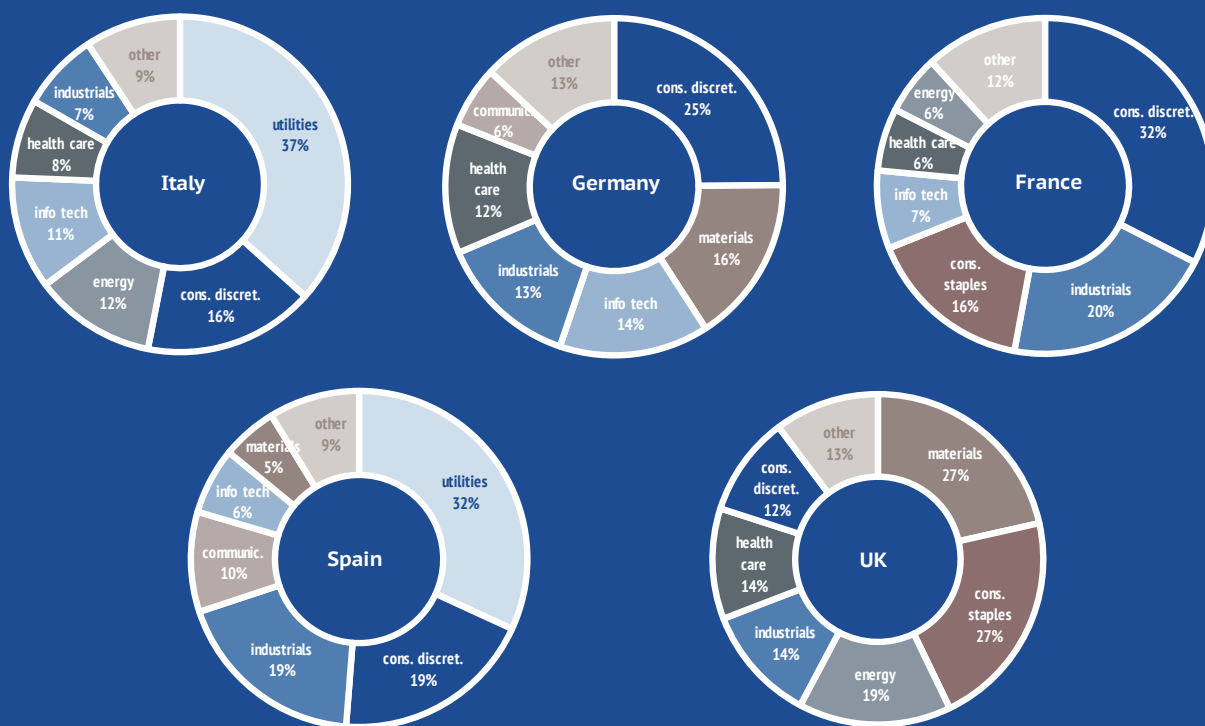
Vulnerabilities

SMEs

● A seguito della crisi innescata dall'emergenza sanitaria, nel 2020 le grandi società quotate non finanziarie hanno registrato significative contrazioni dei ricavi in tutti i principali Paesi europei (oscillanti tra -26% nel Regno Unito e -15% in Francia), ad eccezione della Germania dove il calo è stato più contenuto (-2%). Le spese di gestione sono risultate in aumento per tutte le grandi imprese, tranne che per quelle francesi e spagnole. Reddito operativo e utile netto sono dunque diminuiti per l'intero campione, mentre la redditività misurata in termini di rendimento del capitale e dell'attivo, sebbene in forte calo rispetto al 2019, è rimasta lievemente positiva a livello aggregato, tranne che per le imprese spagnole (Fig. 5.1 - Fig. 5.3).

○ As a consequence of the outburst of the health emergency, in 2020 large non-financial listed companies (henceforth large NFCs) reported significant decline in their revenues in all the main European countries (ranging between -15% in France to -26% in the UK), with the exception of Germany where the phenomenon was less severe (-2%). Operating expenses were on the rise for the whole sample, excepted for French and Spanish large NFCs. Operating and net income of large NFCs worsened accordingly, while the profitability measured as the return on equity and on assets, remained slightly positive in most countries, although sharply declining compared to 2019 (Fig. 5.1 - Fig. 5.3).

Market capitalisation of non-financial listed companies
(breakdown by sector at the end of 2020)



- Con riguardo al contributo dei settori di attività a ricavi e redditività, nel 2020 i ricavi delle grandi imprese italiane sono riferibili soprattutto ai comparti dei beni durevoli (*discretionary*), *utilities* ed energia, mentre per le aziende tedesche predomina il contributo dei beni durevoli (che include il comparto automobilistico). Il settore energetico ha riportato perdite nette in tutti i paesi; in Spagna ha registrato risultati negativi anche il settore industriale (Fig. 5.4).
- Con riguardo alla struttura finanziaria, nel 2020 le imprese inglesi e francesi risultano le più patrimonializzate. In Italia, i settori a maggiore intensità di capitale sono quelli dell'energia e delle *utilities* (Fig. 5.5 - Fig. 5.6).
- Il peso del debito totale sul capitale proprio (*leverage*) è aumentato per tutte le società considerate, soprattutto per quelle spagnole e italiane che tuttavia si connotano per una più contenuta incidenza del debito a breve. In Italia, i settori a maggior leva finanziaria sono quello industriale e delle *utilities*. Alle dinamiche sfavorevoli dei ricavi si è associata una riduzione della copertura del servizio del debito, particolarmente marcata nel Regno Unito e in Spagna (Fig. 5.7 - Fig. 5.10).
- La crisi innescata dalla pandemia ha accentuato le vulnerabilità delle grandi imprese quotate italiane ed europee. La quota di società con indicatori reddituali e finanziari in peggioramento rispetto alla propria media decennale è infatti cresciuta in tutti i paesi considerati, in particolare con riferimento alla redditività.
- As for sector breakdown of revenues and net income, in 2020 revenues of Italian large NFCs refer predominantly to consumer discretionary, utilities and energy sectors, while revenues of German companies look particularly concentrated in the discretionary sector (as it includes the automotive sub-sector). In terms of net income, the energy sector recorded losses in all countries, while in Spain negative results were experienced also by the industrial sector (Fig. 5.4).
- As for financial structure, in 2020 English and French firms are the most capitalised. In Italy, the sectors displaying a more solid equity base are the energy and utilities ones (Fig. 5.5 - Fig. 5.6).
- The weight of total debt on equity (*leverage*) increased for all considered companies, especially Spanish and Italian firms, which however are characterised by a lower incidence of short-term debt. In Italy, the most leveraged sectors are the industrial and utilities ones. The negative trend in revenues was associated with a reduction in debt service coverage, particularly marked in the UK and Spain (Fig. 5.7 - Fig. 5.10).
- In 2020, the vulnerabilities of large Italian and European listed companies increased with respect to the previous year. The share of companies with worsened profitability and financial indicators compared to their 10-year average rose in all considered countries, particularly as for profitability. These

Tale peggioramento non ha cambiato la posizione relativa delle imprese italiane, che nel periodo 2011-2020 hanno registrato in media un reddito operativo stabilmente inferiore ai competitors inglesi, francesi e tedeschi e una leva finanziaria in media superiore a quella delle società inglesi e francesi. Nel complesso, l'incidenza delle grandi imprese con il maggior numero di vulnerabilità congiunte si è attestata a fine 2020 al 10% per le società europee all'11% circa per le italiane (Fig. 5.11 - Fig. 5.15).

developments did not change the relative ranking of Italian firms, which over 2011-2020 recorded on average an operating income steadily lower compared to their peers in the UK, France and Germany and a leverage higher on average than English and French companies. Overall, at the end of 2020 the incidence of large companies with the highest number of joint vulnerabilities is equal to 10% for European firms and to around 11% for Italian companies (Fig. 5.11 - Fig. 5.15).

NON-FINANCIAL LISTED SMEs

- Con riferimento alle piccole e medie imprese (PMI) quotate, nel 2020 le società italiane e britanniche hanno riportato a livello aggregato un calo dei ricavi rispetto all'anno precedente, mentre quelle tedesche, francesi e soprattutto spagnole evidenziano variazioni positive. La redditività delle PMI in generale appare comunque debole, risultando negativa per la maggior parte del campione (Fig. 5.17 - Fig. 5.19).

- Nella composizione delle attività e delle passività, il patrimonio netto aggregato delle PMI quotate risulta pari o superiore al 40% delle attività totali in tutti i paesi, mentre la leva finanziaria appare leggermente inferiore ai livelli del 2019. Inoltre, a fine 2020 l'incidenza dell'indebitamento a breve termine appare pressoché invariata per le imprese italiane, spagnole e britanniche, mentre è diminuita per quelle tedesche e aumentata per quelle francesi (Fig. 5.20 - Fig. 5.21).

- Focusing on listed small and medium enterprises (SMEs), in 2020 Italian and UK companies reported on aggregate declining revenues compared to 2019, while German, French and especially Spanish firms exhibited positive variations. Overall, SMEs profitability was weak and even negative for most of the sample (Fig. 5.17 - Fig. 5.19).

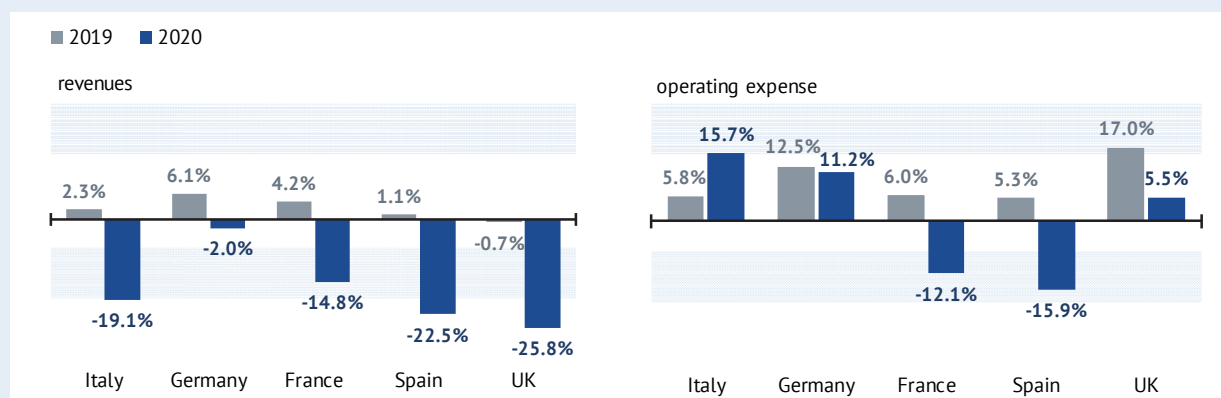
- As for the composition of assets and liabilities, listed SMEs equity stood on aggregate at or above 40% of total assets for all countries, while leverage was slightly lower than 2019 levels. At the end of 2020, the incidence of short-term debt was almost unchanged with respect to the previous year for Italian, Spanish and UK companies, while declining in Germany and rising in France (Fig. 5.20 - Fig. 5.21).

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Fig. 5.1 – Revenues and operating expenses of large European non-financial listed companies

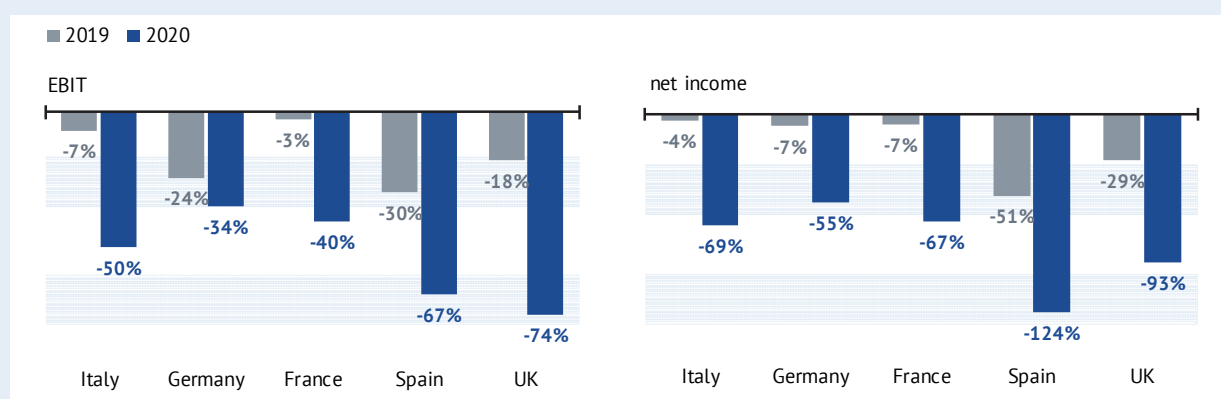
(yearly data; year-on-year percentage change)



Source: calculations on Bloomberg data. Figures report the sample data averages. The country name refers to the large non-financial listed companies included in the Ftse Mib equity index for Italy, in the Dax 30 equity index for Germany, in the CAC 40 equity index for France, in the IBEX 35 equity index for Spain, and in the Ftse 100 equity index for the United Kingdom.

Fig. 5.2 – Operating and net income of large European non-financial listed companies

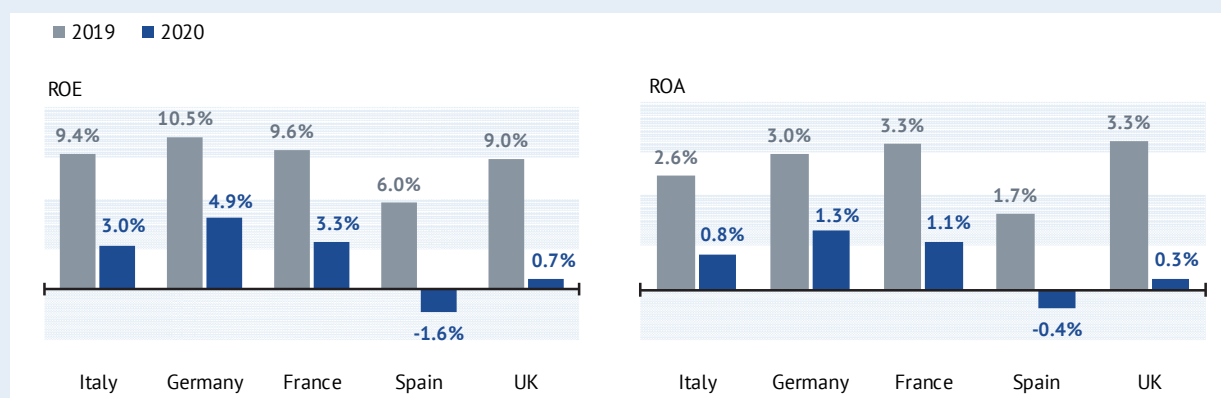
(yearly data; year-on-year percentage change)



Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample.

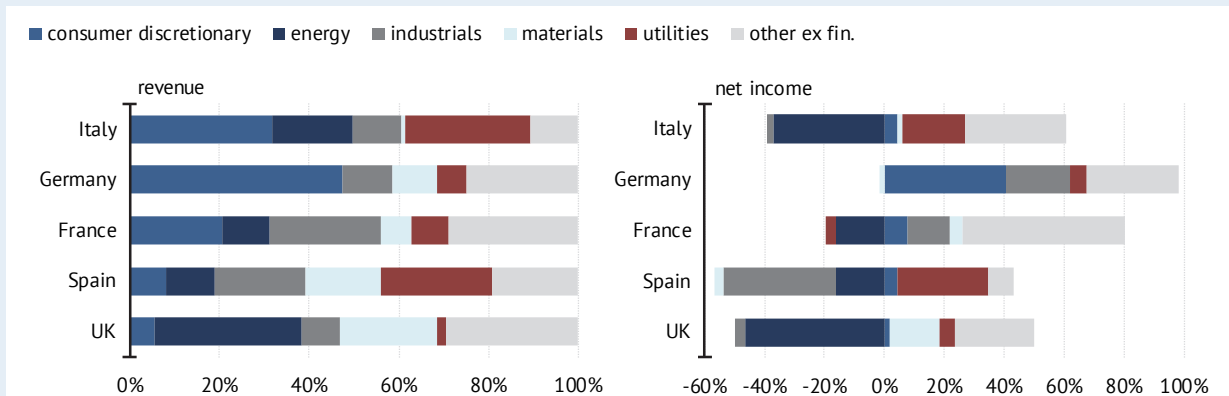
Fig. 5.3 – Profitability indicators of large European non-financial listed companies

(yearly data; year-on-year percentage change)



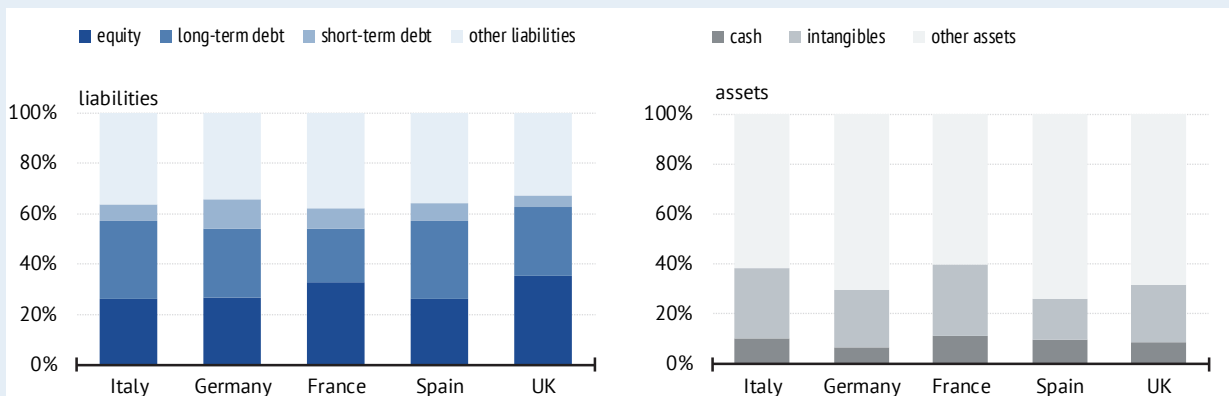
Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample.

Fig. 5.4 – Revenue and net income breakdown by sector of large European non-financial listed companies in 2020



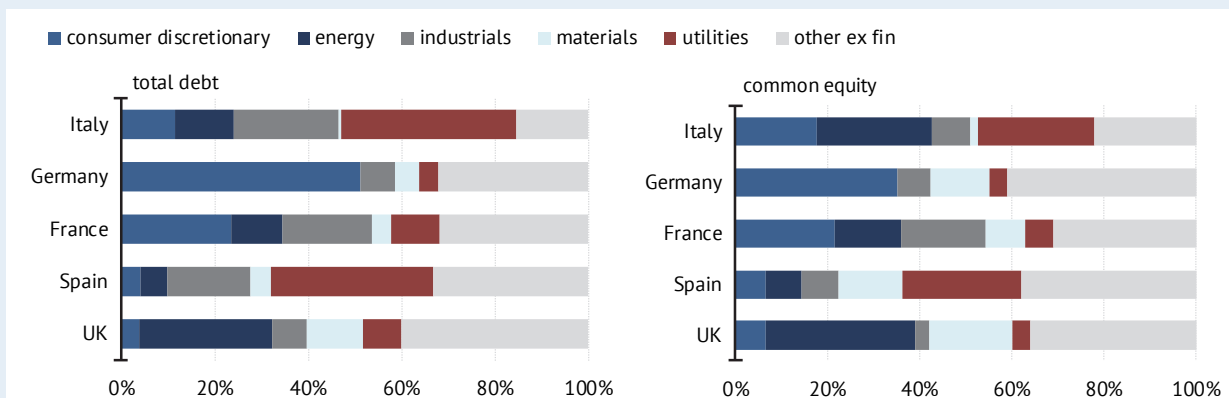
Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample.

Fig. 5.5 – Liabilities and assets composition of large European non-financial listed companies in 2020



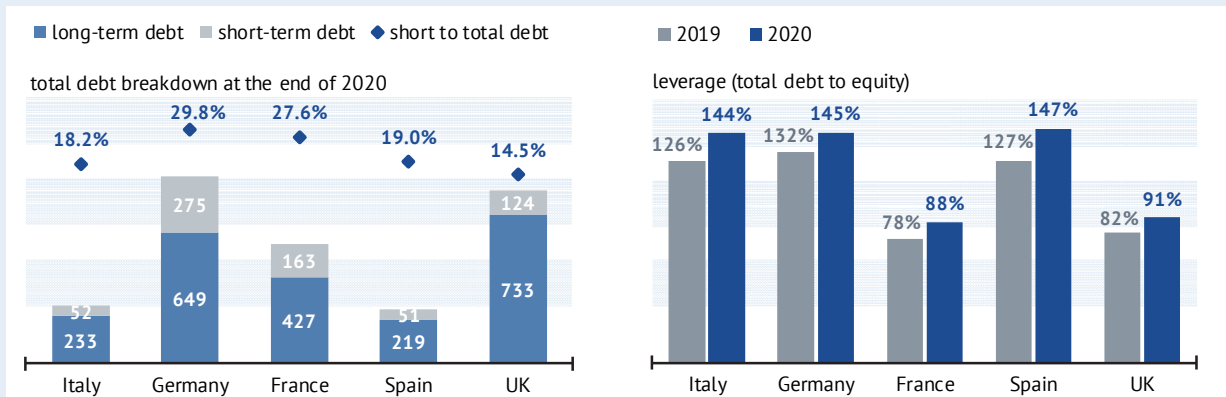
Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample.

Fig. 5.6 – Total debt and equity breakdown by sector of large European non-financial listed companies in 2020



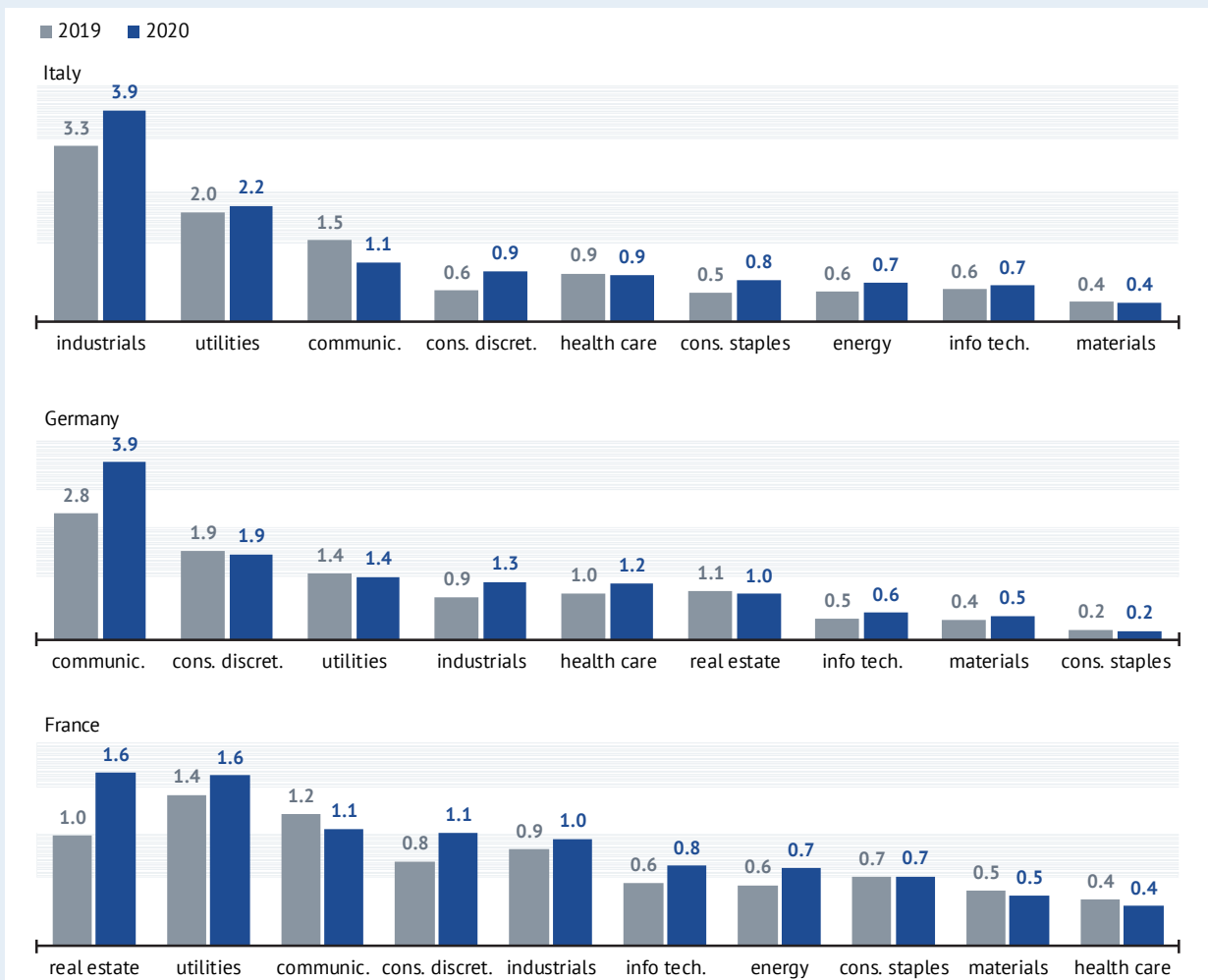
Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample.

Fig. 5.7 – Debt breakdown and leverage of large European non-financial listed companies
(percentage ratios and billions of euro)



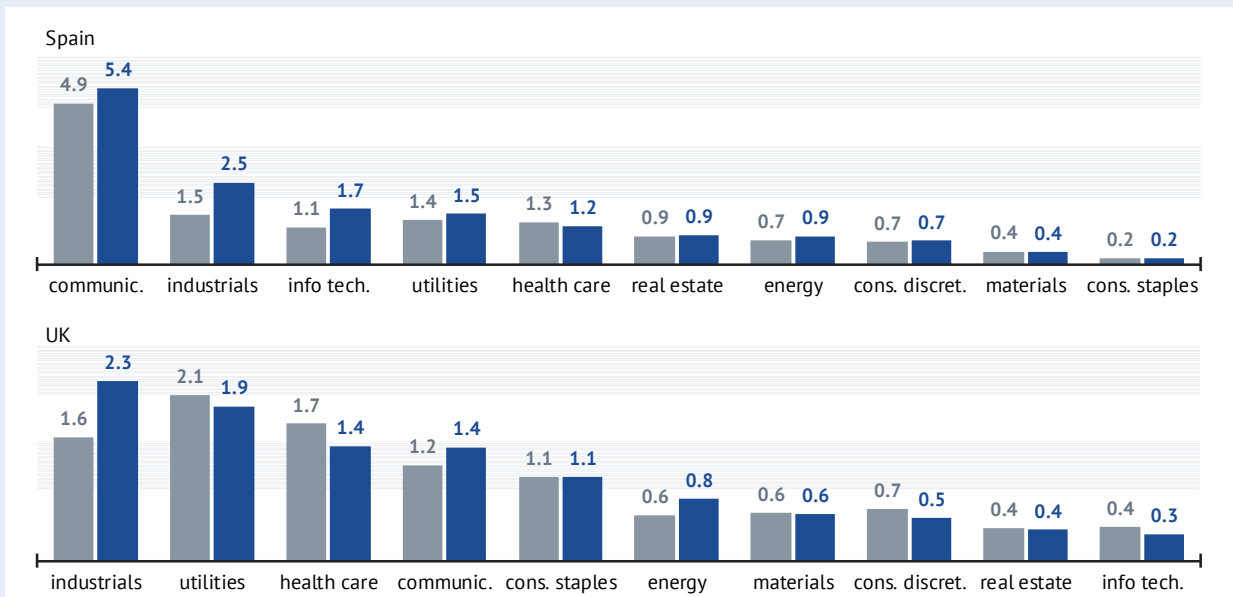
Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample.

Fig. 5.8 – Sectoral leverage of large European non-financial listed companies



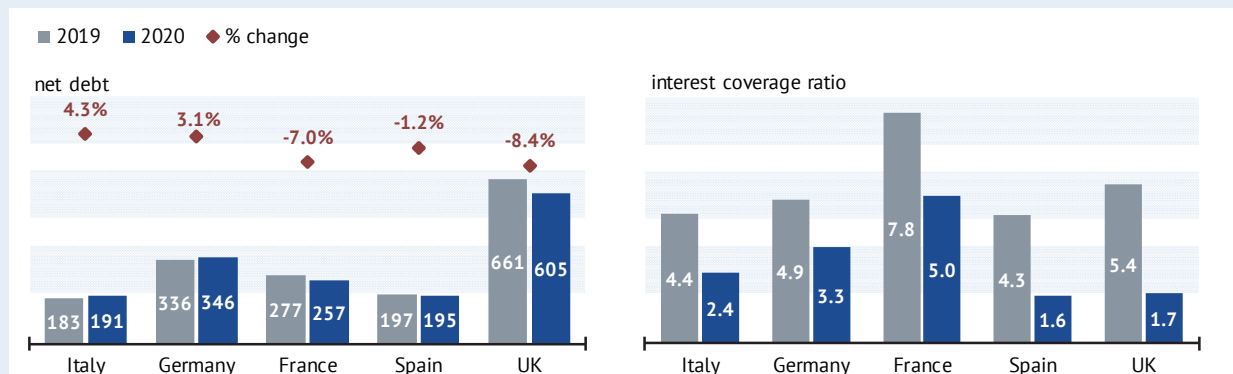
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Cont. Fig. 5.8 – Sectoral leverage of large European non-financial listed companies



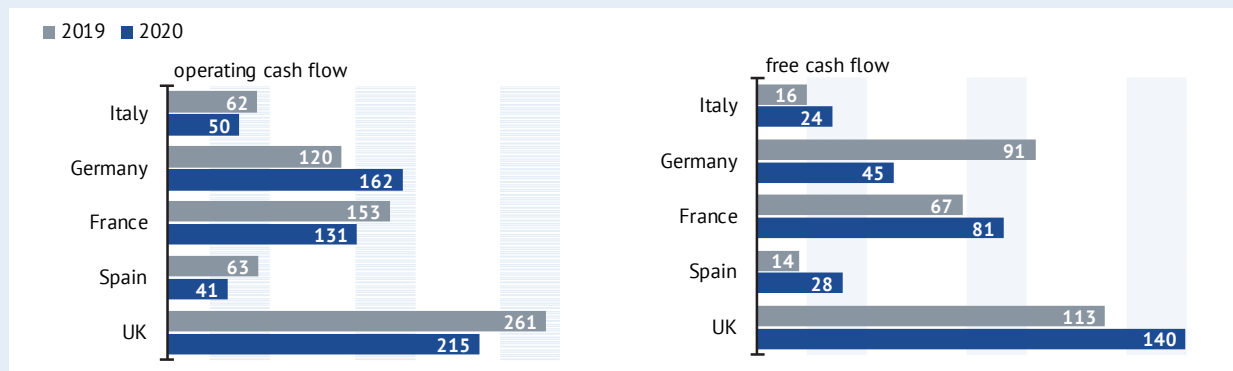
Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample.

Fig. 5.9 – Net debt and interest coverage ratio of large European non-financial listed companies
(yearly data; percentages and billions of euro)



Source: calculations on Bloomberg data. The interest coverage ratio is computed as EBIT divided by interest expenses. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample.

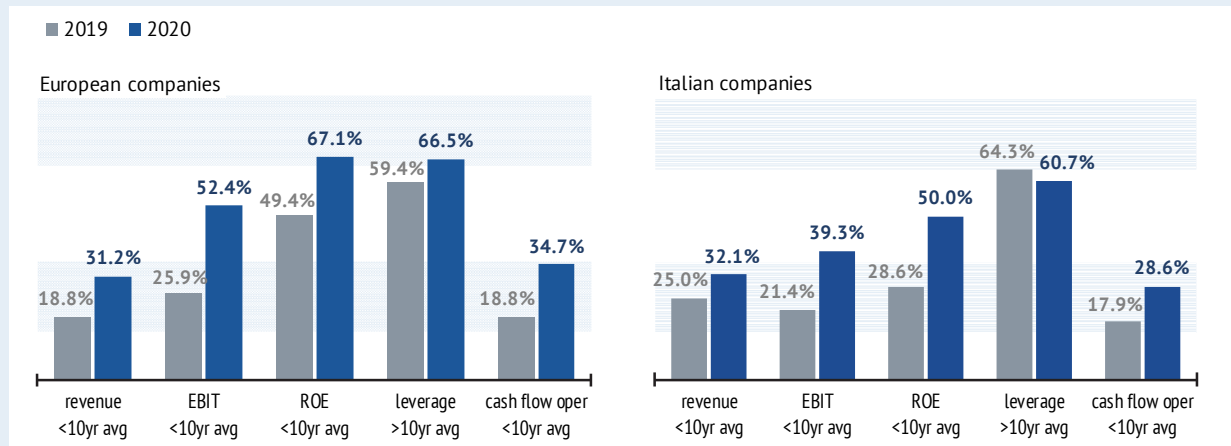
Fig. 5.10 – Cash flows generated by large European non-financial listed companies
(yearly data; billions of euro)



Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample.

Fig. 5.11 – Vulnerability of large non-financial listed companies in Europe

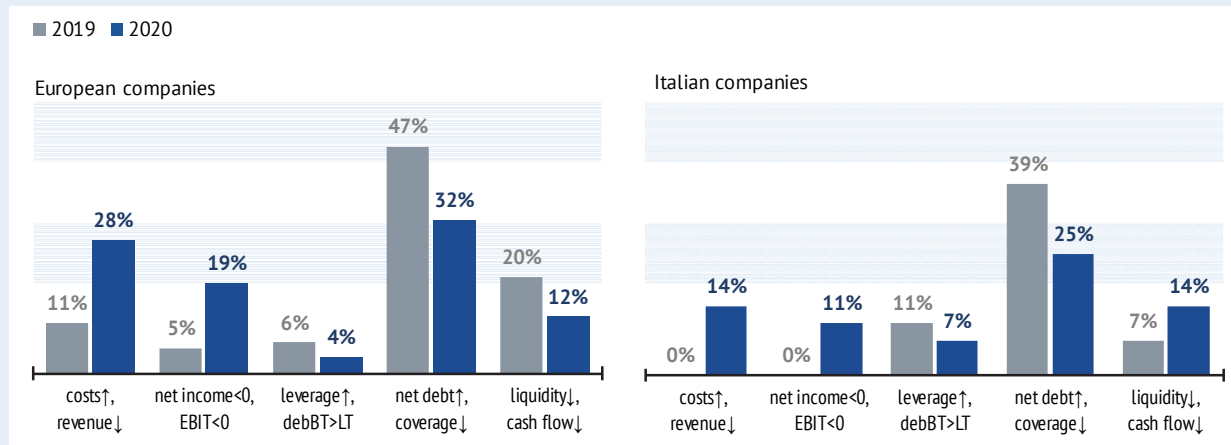
(share of sample companies with indicators worse than their 10-year average)



Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample.

Fig. 5.12 – Joint vulnerabilities of large non-financial listed companies in Europe

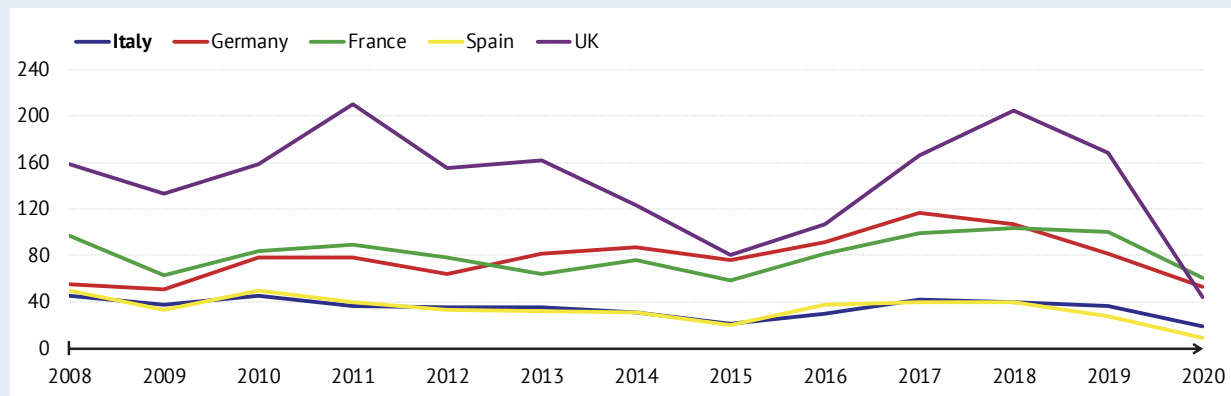
(share of sample companies with jointly deteriorating indicators)



Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample.

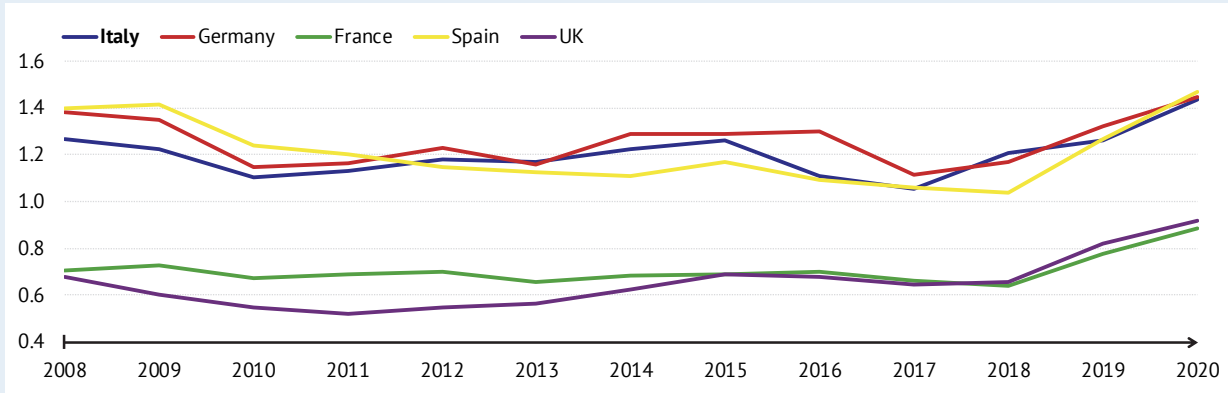
Fig. 5.13 – Historical trend of EBIT of large European non-financial listed companies

(billions of euro)



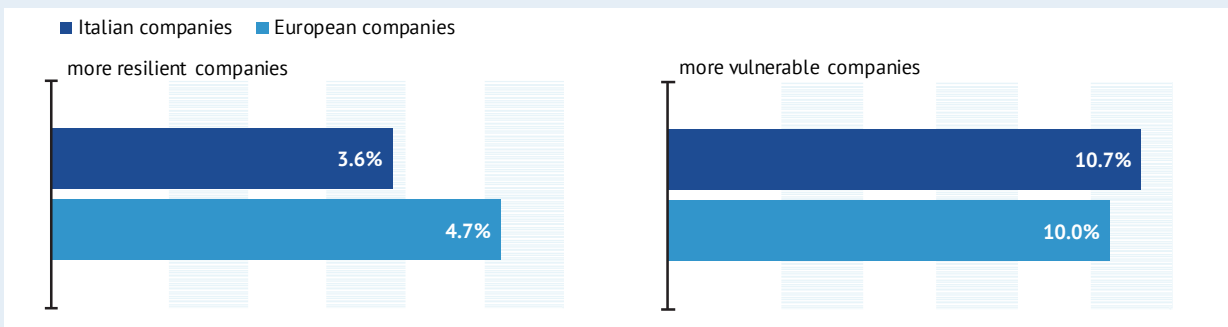
Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample. Sample constituents as of the end of 2020 are *pro-forma* kept constant over years, with possible loss of 'large company' status for some companies in early years.

Fig. 5.14 – Historical trend of leverage of large European non-financial listed companies
(simple ratios)



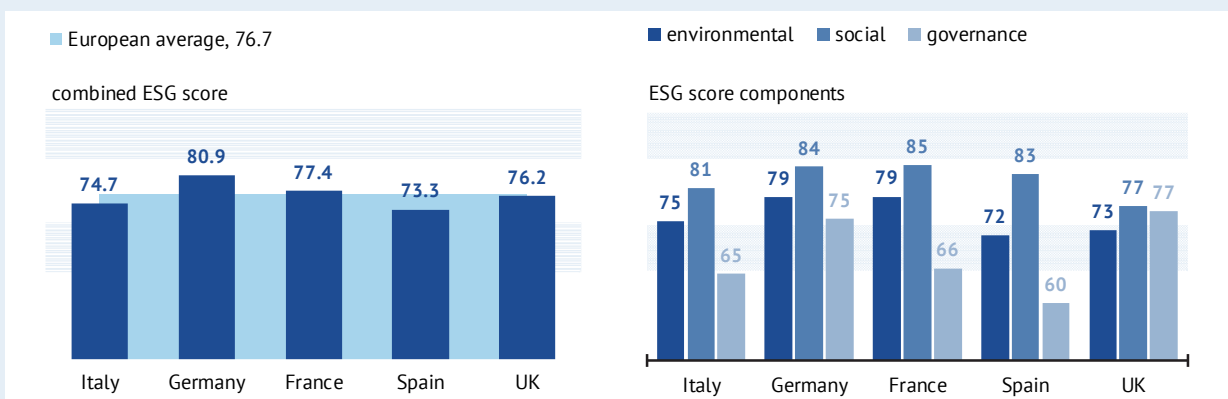
Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample. Sample constituents as of the end of 2020 are *pro-forma* kept constant over years, with possible loss of 'large company' status for some companies in early years.

Fig. 5.15 – Overall vulnerability of large non-financial listed companies in Europe at the end of 2020



Source: calculations on Bloomberg data. Figures report the sample data averages. See note to Fig. 5.1 for details on the NFCs included in the sample. Companies are ranked according to a score calculated according to three factors: profitability, financial structure and liquidity generation. As for profitability, changes in revenues and sign of EBIT and net income are considered; for the financial structure, the long-term debt to total assets ratio and the current ratio (current liabilities to current assets) are taken into account; liquidity generation is considered through operating cash flows. By construction, the score is ≥ 7 if a company satisfies all the robustness criteria, whereas a score ≤ 2 signals strong vulnerabilities.

Fig. 5.16 – ESG scores of large European non-financial listed companies in the first half of 2021

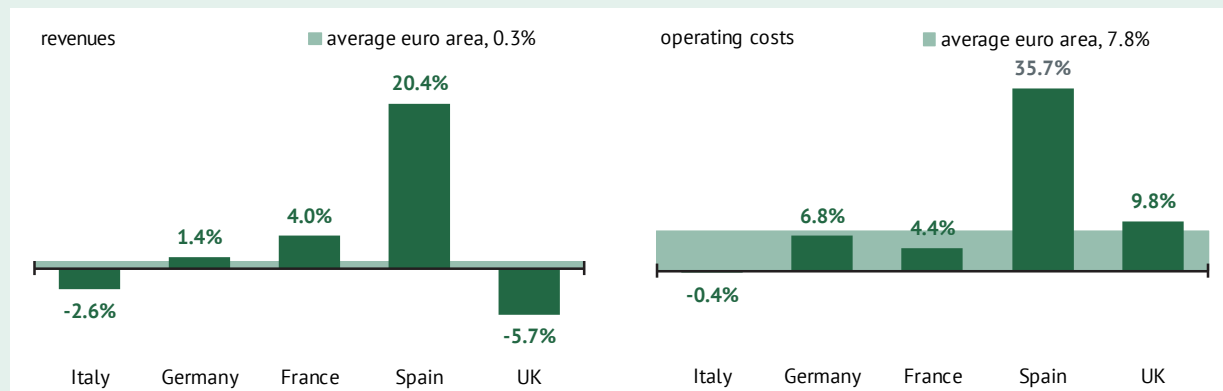


Source: calculations on Refinitiv data and S&P country indexes for main listed companies sample.

NON-FINANCIAL LISTED SMEs

Fig. 5.17 – Revenues and operating costs of listed SMEs in the main European countries in 2020

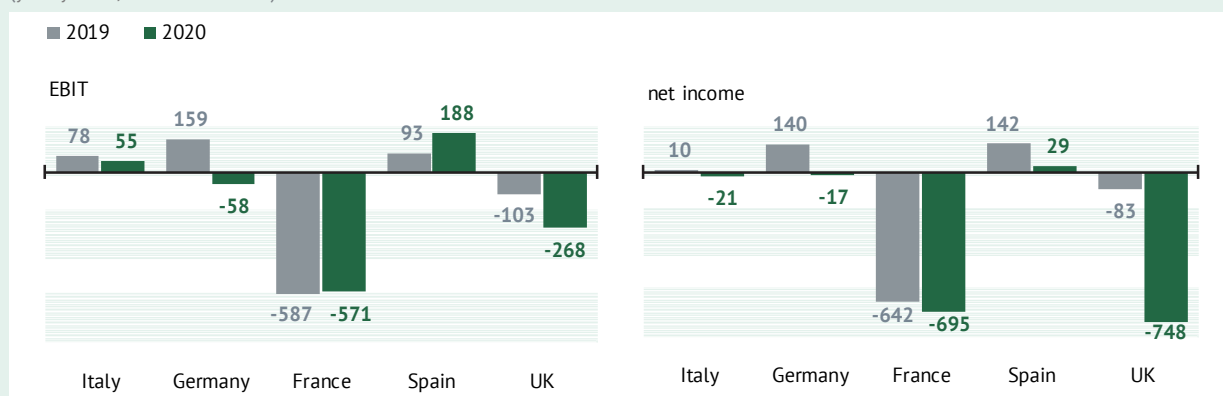
(yearly data; year-on-year percentage change)



Source: elaborations on Refinitiv data. Figures report the sample data averages. The country name refers to the non-financial companies that satisfy the European Union definition of Small and Medium Enterprise (SME) and are listed in the reference country.

Fig. 5.18 – EBIT and net income of listed SMEs in the main European countries in 2020

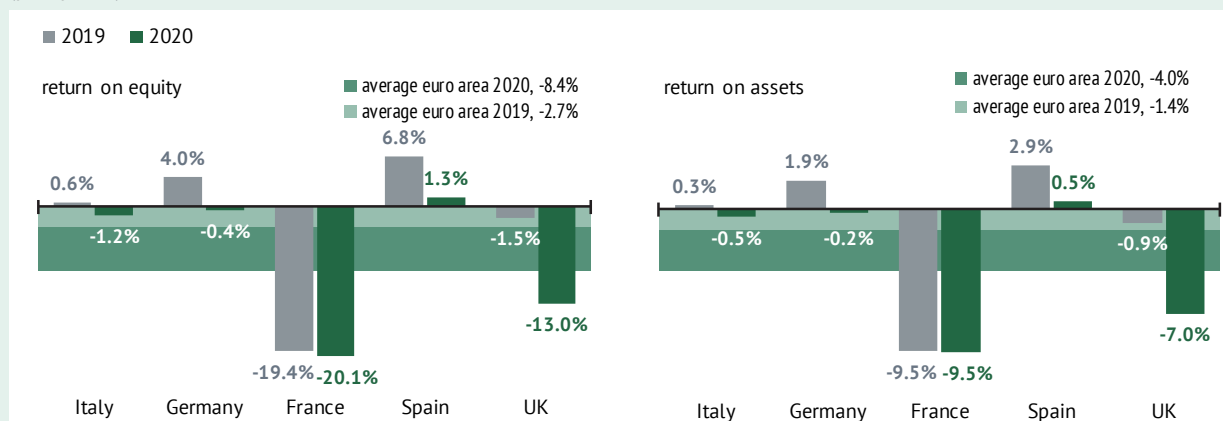
(yearly data; millions of euro)



Source: elaborations on Refinitiv data. Figures report the sample data averages. See note on Fig. 5.17 for reference to the companies sample.

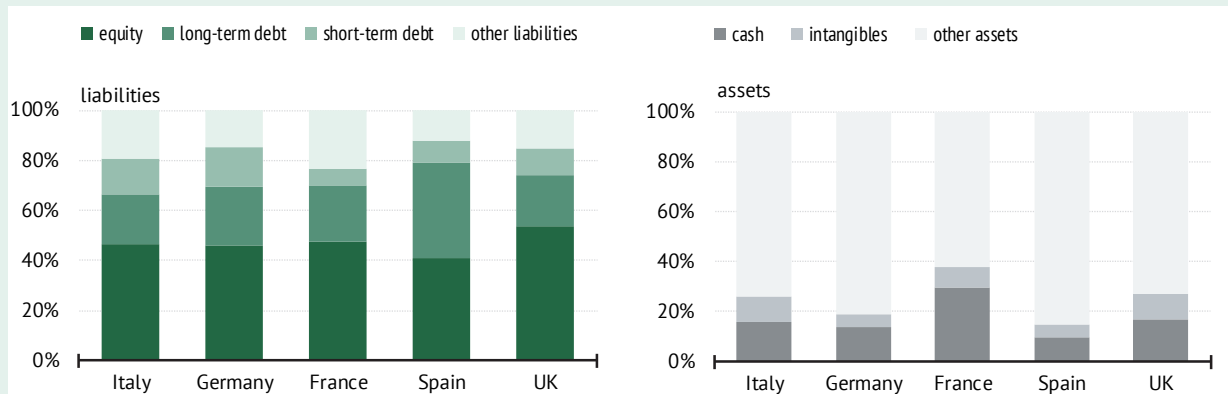
Fig. 5.19 – ROE and ROA of listed SMEs in the main European countries in 2020

(yearly data)



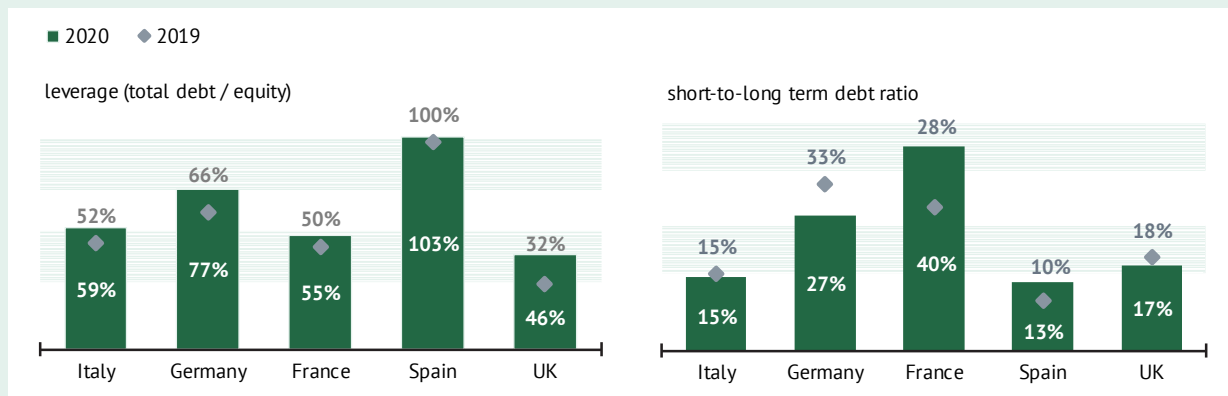
Source: elaborations on Refinitiv data. Figures report the sample data averages. See note on Fig. 5.17 for reference to the companies sample.

Fig. 5.20 – Liabilities and assets composition of listed SMEs in the main European countries in 2020



Source: elaborations on Refinitiv data. Figures report the sample data averages. See note on Fig. 5.17 for reference to the companies sample.

Fig. 5.21 – Leverage and short-term debt incidence of non-financial listed SMEs in the main European countries (yearly data)



Source: elaborations on Refinitiv data. Figures report the sample data averages. See note on Fig. 5.17 for reference to the companies sample.



Banche

Banks



Redditività e adeguatezza patrimoniale

Qualità del credito

Esposizione a rischi climatici

Raccolta

Profitability and capital adequacy

Credit quality

Exposure to climate risks

Funding

● Nel 2020 la redditività delle maggiori banche italiane è risultata in calo per l'impatto combinato dell'andamento sfavorevole dei tassi di interesse e della riduzione dell'efficienza operativa (che ha riflesso il maggior peso dei costi fissi su ricavi più contenuti). Dinamiche simili si osservano in tutti i maggiori paesi europei: la crisi attuale infatti rappresenta uno shock esogeno comune, le cui ripercussioni dipenderanno in buona parte dalla tempistica e dalla solidità della ripresa delle economie di riferimento (Fig. 6.1 - Fig. 6.2).

Dati preliminari relativi al primo trimestre dell'anno mostrano un recupero della redditività delle maggiori banche italiane, generalmente associato a un miglior risultato dell'attività di negoziazione che ha beneficiato del buon andamento dei mercati e che ha parzialmente compensato il calo del margine di interesse.

● Nel 2020 è proseguito il rafforzamento patrimoniale dei maggiori enti creditizi dei principali paesi europei. Il fenomeno è stato marcato in particolare per gli istituti italiani, che hanno visto un innalzamento di circa due punti percentuali del *core tier 1 ratio* rispetto all'anno precedente e un miglioramento della qualità degli attivi. Tale miglioramento è in buona parte riconducibile al calo pari a circa il 30% delle consistenze dei crediti *non-performing* (dovuto principalmente ad operazioni di cessione di crediti), la cui incidenza sul totale dei crediti lordi è così passata dal 7% al 4% (Fig. 6.3 - Fig. 6.5).

○ In 2020, the profitability of the major Italian banks fell due to the impact of both the negative trend in interest rates and the drop in operating efficiency (due to the rise in the incidence of fixed costs on declining revenues). Similar trends can be observed in all major European countries, as the current crisis is an exogenous, common shock, whose impact will largely depend on the timing and the strength of the recovery in the reference country (Fig. 6.1 - Fig. 6.2). Preliminary data for the first quarter of the year show a recovery in profitability of the major Italian banks. This result is mainly associated with an increase in the trading income, that benefited from the good performance of the markets and partially offset the decline in net interest income.

○ In 2020 capital strengthening continued for the largest credit institutions in the main European countries. This trend was most marked for Italian banks, which experienced a rise in the core tier 1 ratio of around two percentage points compared to the previous year and an improvement in their assets quality. This latter was largely due to a fall in the stock of non-performing loans (by around 30%), whose incidence on total gross loans declined from 7% to 4%, mainly due to operations of loan disposal (Fig. 6.3 - Fig. 6.5).

● La crisi innescata dalla pandemia potrà tuttavia incidere sulla qualità del credito, che al momento beneficia delle misure di moratoria sui pagamenti periodici. I crediti oggetto di moratorie, infatti, sono verosimilmente quelli più soggetti a un deterioramento, riferendosi ai settori maggiormente colpiti dalla crisi. Con riguardo alle banche italiane, poco più del 50% dei crediti concessi al settore privato attiene ai comparti relativamente più esposti agli effetti economici della pandemia quali commercio e trasporti, attività artistiche e ricreative, servizi di alloggio e ristorazione (Fig. 6.6 - Fig. 6.7).

● Un altro dato rilevante per la dinamica della qualità degli attivi bancari è quello relativo all'esposizione delle banche ai rischi legati alla transizione climatica⁸ e al rischio fisico legato ai cambiamenti climatici. Con riguardo al primo profilo di rischio, alla fine del 2020, l'esposizione delle banche dell'euro area ai settori caratterizzati da elevati livelli di emissione di CO₂ (ossia, minerario ed estrattivo, manifatturiero, del commercio, del trasporto e delle *utilities*) sfiora il 47% del totale dei crediti alle società non finanziarie. Con riguardo al secondo profilo di rischio, tra i principali paesi dell'Eurozona, le banche italiane e quelle spagnole sono le più esposte verso le imprese maggiormente vulnerabili a possibili eventi climatici e meteorologici estremi (Fig. 6.8).

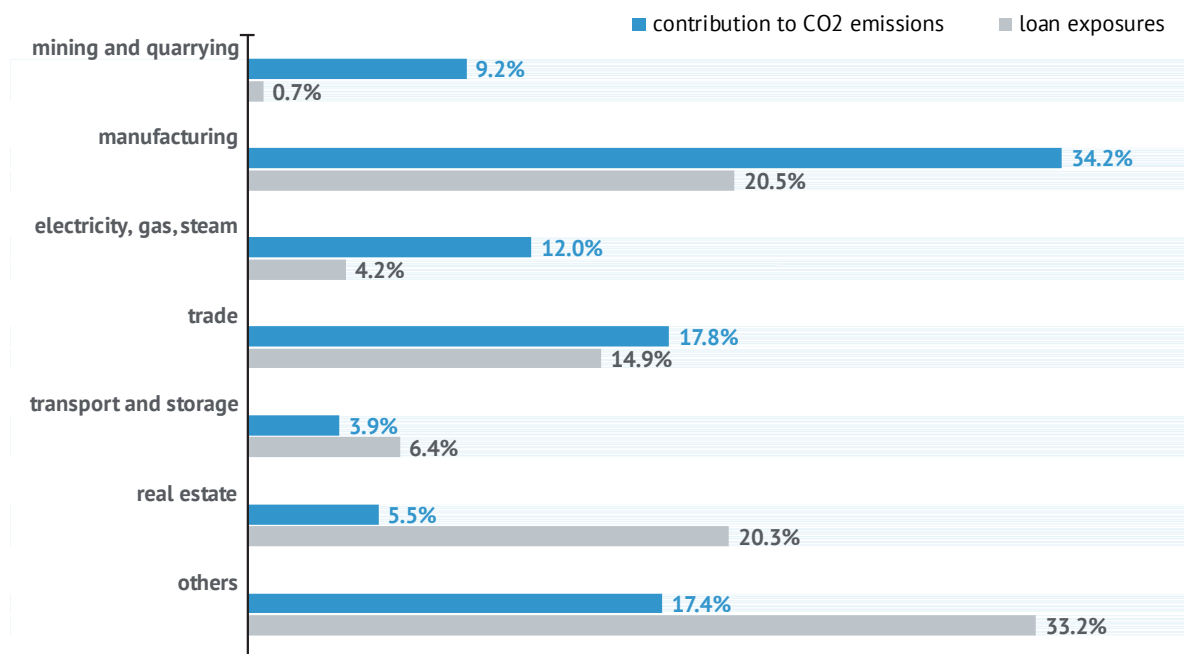
○ The crisis triggered by the pandemic, however, might affect the credit quality in the future, given that a sizeable stock of bank loans is currently benefitting from moratoria on repayments. Loans subject to moratoria are likely to be the most exposed to a deterioration as they refer to sectors most affected by the crisis. As for the Italian banks, slightly more than 50% of loans granted to the private sector relate to industries suffering the most from the economic consequences of the pandemic, such as commerce and transport, arts and entertainment, accommodation and food services (Fig. 6.6 - Fig. 6.7).

○ Exposures to transition and physical risks are relevant to the future dynamics of bank asset quality. As for transition risk, at the end of 2020 European banks' exposures to firms with high carbon emissions throughout their value chains (i.e., companies operating in the mining and quarrying, manufacturing, trade, transport and utilities sectors) account for 47% of total loans to non-financial companies. As for physical risk, among the main euro area countries, Italian and Spanish banks are the most exposed to companies highly vulnerable to the risk of extreme weather and climate events (Fig. 6.8).

8 Il rischio di transizione (*transition risk*) discende dall'impatto sull'equilibrio economico-finanziario dei settori *carbon-intensive* di politiche di decarbonizzazione, innovazioni tecnologiche o cambiamenti nell'opinione pubblica. In particolare, il rischio tecnologico è legato alle innovazioni che permettono la transizione verso un'economia a basse emissioni e che determinano l'obsolescenza delle tecnologie meno efficienti. Il rischio di mercato, invece, è legato agli effetti potenziali su domanda e offerta di determinate materie prime, prodotti e servizi in funzione del relativo impatto ambientale.

Bank exposures to transition risk via loans to NFCs in the euro area

(breakdown by sector)



● Nei primi mesi del 2021, il tasso di crescita dei finanziamenti bancari al settore privato permane su valori positivi nell'area euro e in Italia, pur mostrando una decelerazione con riferimento alle imprese e un incremento più sostenuto nel settore delle famiglie (Fig. 6.8 - Fig. 6.10).

● Per le maggiori banche dell'area euro risulta inoltre in aumento l'esposizione in titoli pubblici. Le banche italiane, in particolare, continuano a caratterizzarsi per un maggior peso dei titoli pubblici domestici sul totale dell'attivo (Fig. 6.11).

● Sul lato della raccolta, è proseguito il calo delle obbligazioni bancarie e il concomitante incremento dei depositi della clientela. Il rifinanziamento presso l'Euro-sistema ha raggiunto livelli significativi anche a fronte dei tassi molto convenienti applicati alle operazioni di lungo termine (PELTRO; Fig. 6.13 - Fig. 6.14).

○ In the first quarter 2021, the growth rate of bank loans to the private sector remained positive in the euro area and in Italy, although it was slowing down in the corporate non-financial sector and increasing more sharply in the household sector (Fig. 6.8 - Fig. 6.10).

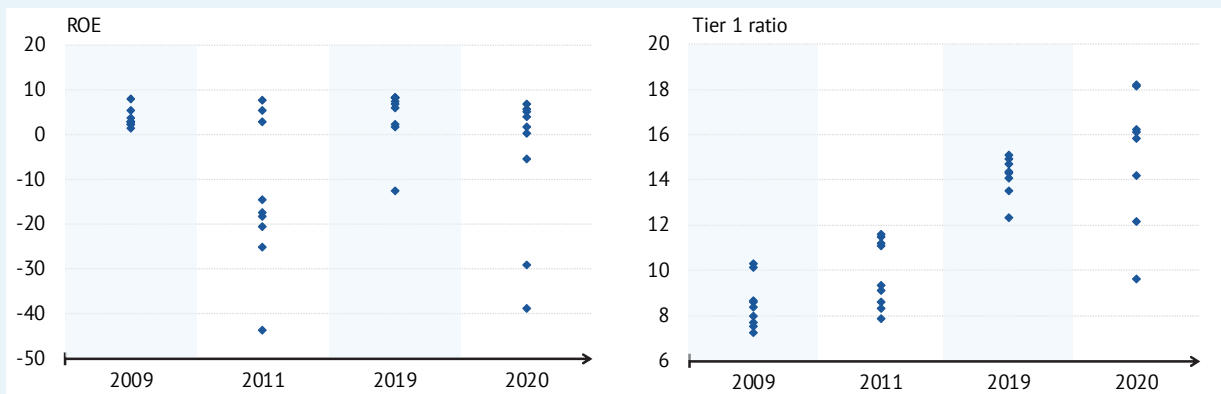
○ For the major banks in the euro area, exposure to sovereign bonds was also increasing. The largest Italian banks continue to be characterised by a greater weight of domestic government bonds on total assets (Fig. 6.11).

○ As for funding, the decline in bank bonds and the concomitant increase in customer deposits continued. Refinancing with the Eurosystem was significant, due also to the favourable rates applied to the longer term operations (PELTRO; Fig. 6.13 - Fig. 6.14).

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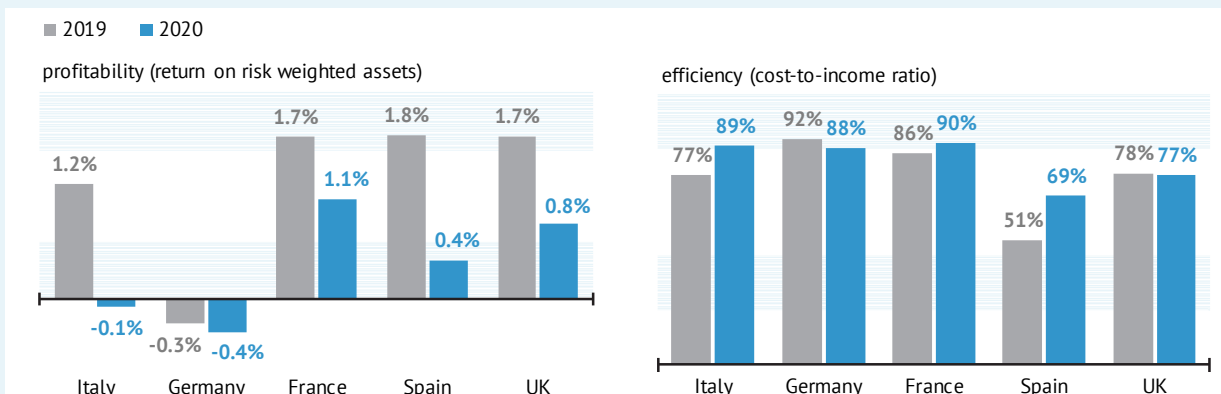
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Fig. 6.1 – Profitability and capital adequacy of the major Italian banking groups



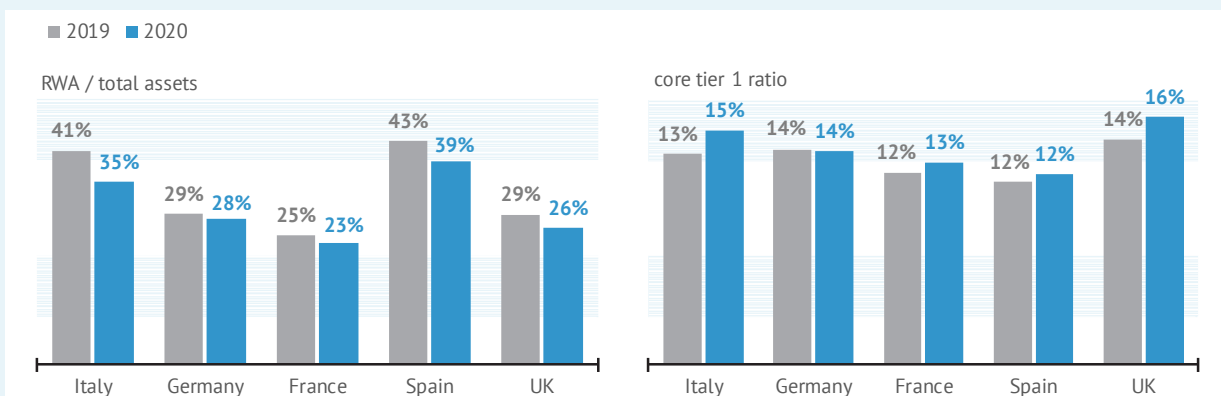
Source: calculations on data from consolidated annual and interim reports of the 8 largest groups.

Fig. 6.2 – Profitability and efficiency of the major banks in the main European countries



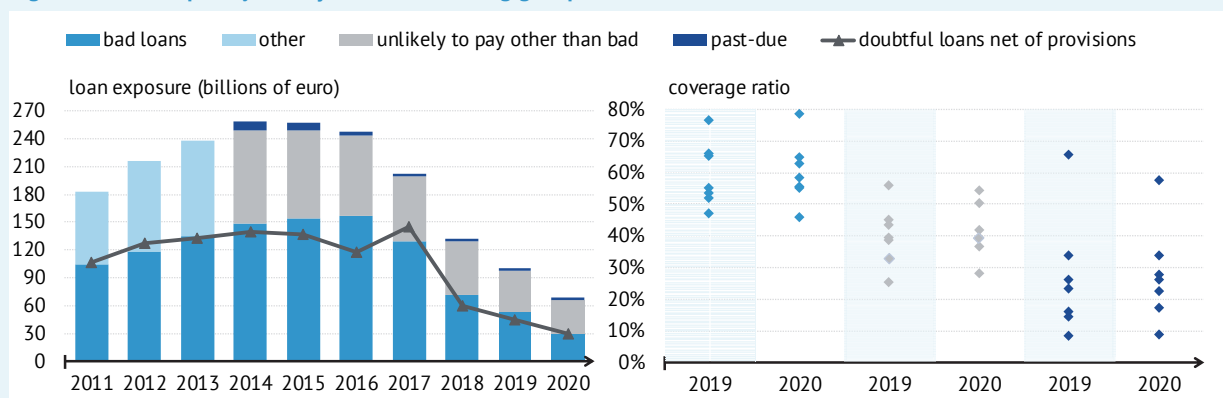
Source: calculations on Refinitiv data. Figures refer to a sample of 31 major European banks located in Italy (10 banks), Germany (4), France (5), Spain (6) and UK (6).

Fig. 6.3 – Capital adequacy and leverage of the major banks in the main European countries



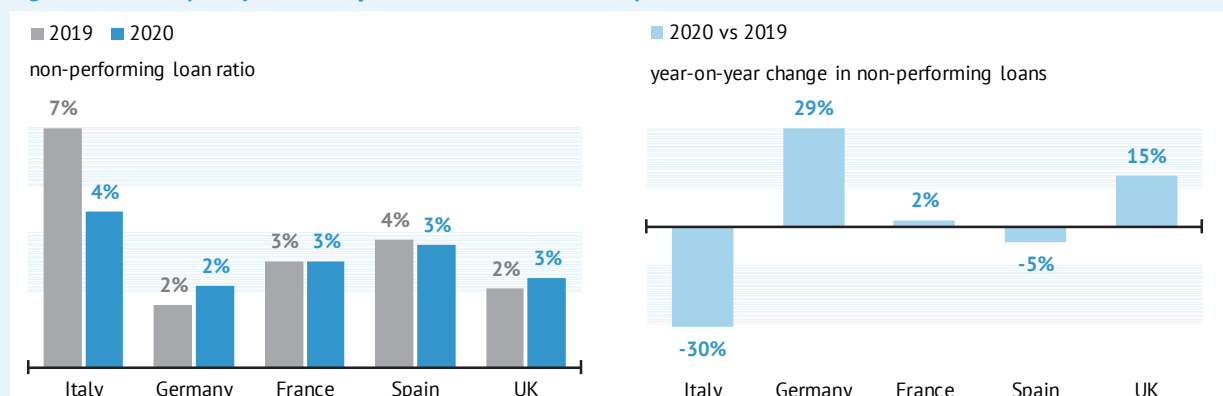
Source: calculations on Refinitiv data. See note to Fig. 6.2 for details on the banks included in the sample.

Fig. 6.4 – Credit quality of major Italian banking groups



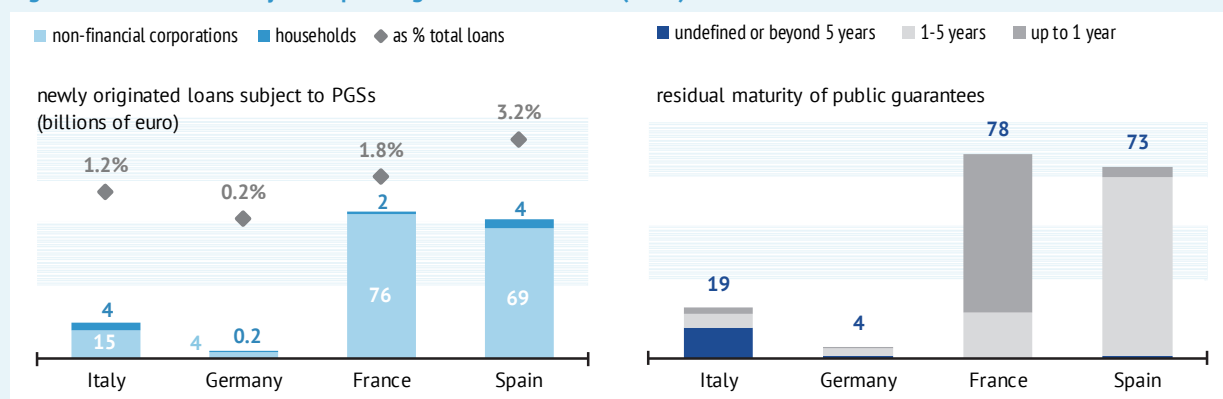
Source: calculations on data from consolidated annual and interim reports of the 8 largest groups. Since the first quarter of 2015 the classification of loans into risk classes has been updated pursuant to Bank of Italy Circular 272 (see also section A.2 Accounting Policies of Explanatory Notes); this update adjusts the previous classification instructions to the definition of "Non-Performing Exposure" (NPE) introduced by the European banking authority (EBA) through the issue of EBA/ITS /2013/03/rev124/7/2014. Loans classified in the previous categories that made up the perimeter of impaired loans as of December 31, 2014 (Bad Loans, Doubtful, Restructured, Past-due) were reallocated to new risk classes (Bad Loans, Unlikely to pay other than bad, Past-due).

Fig. 6.5 – Credit quality of the major banks in the main European countries



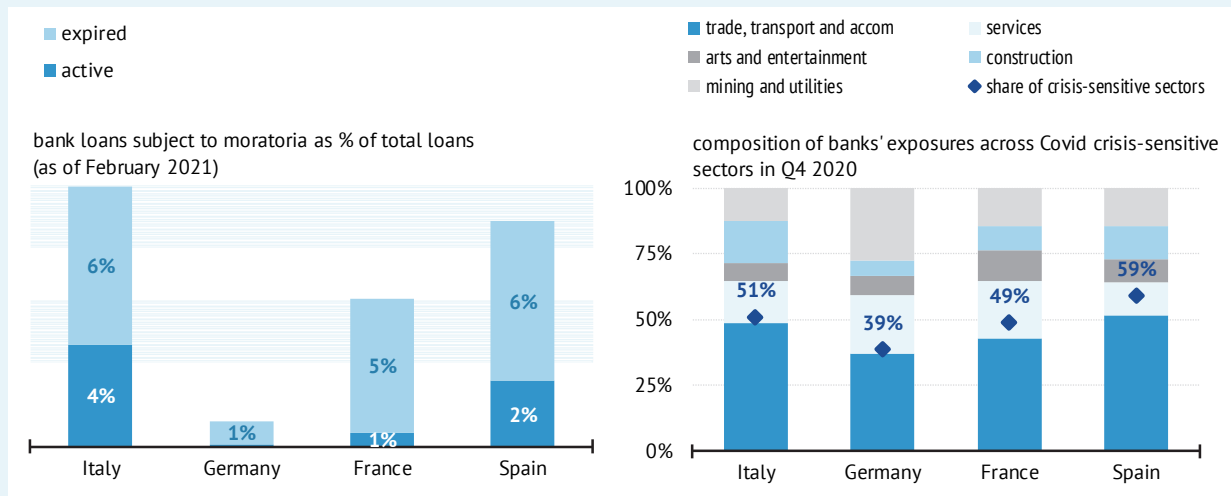
Source: calculations on Refinitiv data. See note to Fig. 6.2 for details on the banks included in the sample.

Fig. 6.6 – Bank loans subject to public guarantee schemes (PGSs) in the first half of 2020



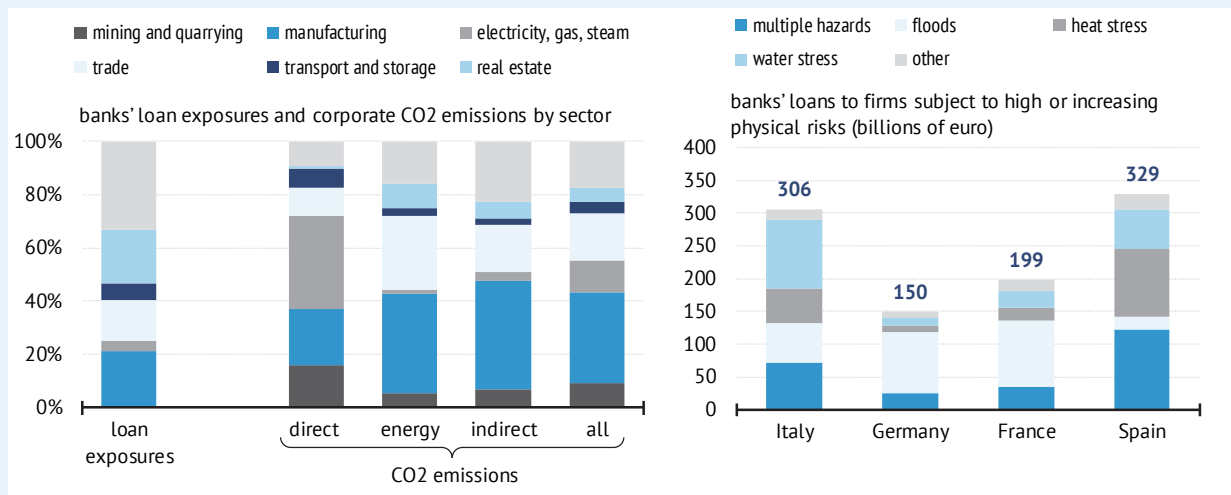
Source: EBA Thematic note on moratoria and public guarantees in the EU banking sector, November 2020.

Fig. 6.7 – Bank loans under moratoria on repayment and banks' exposure to sectors hit by the crisis



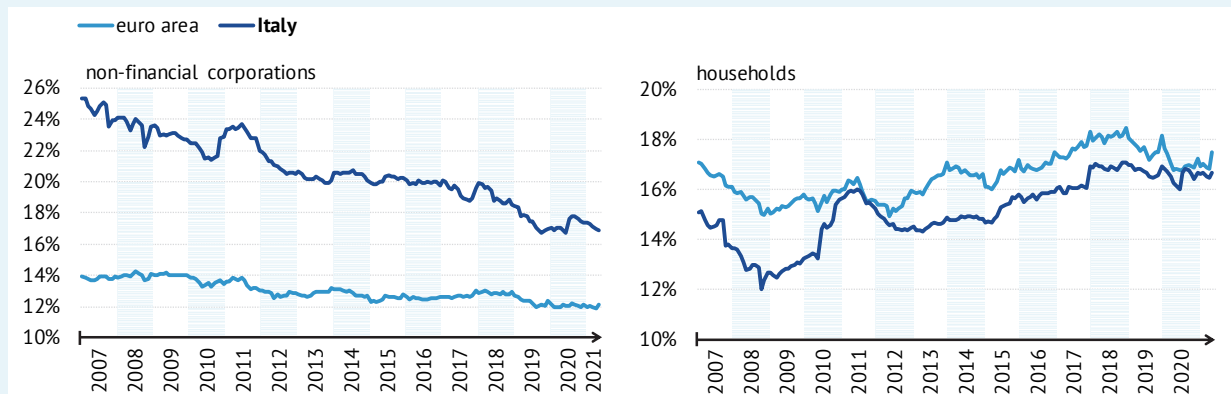
Source: ECB Financial Stability Review, May 2021.

Fig. 6.8 – Banks' exposure to transition and physical risks arising from loans to firms in the euro area at the end of 2020



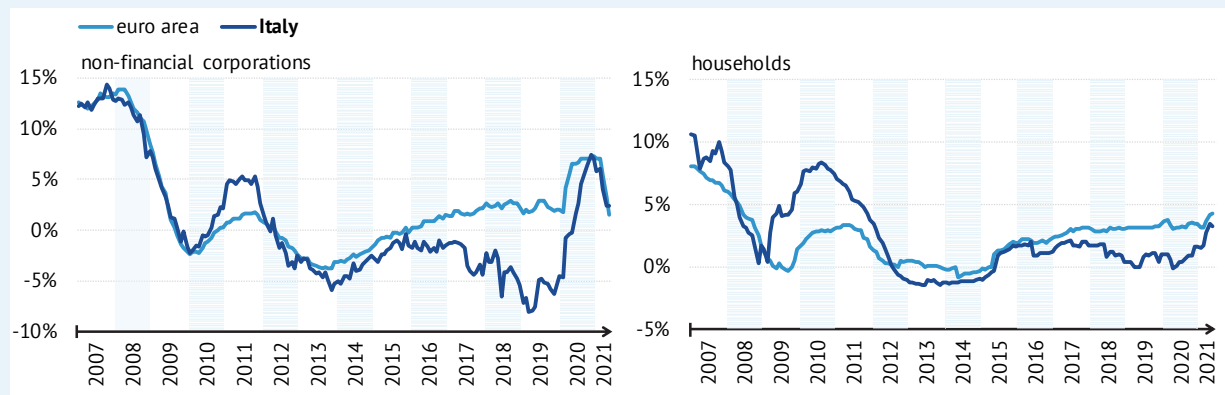
Source: ECB Financial Stability Review, May 2021.

Fig. 6.9 – Loans to non-financial corporations and households as percentage of total assets (monthly data up to May 2021)



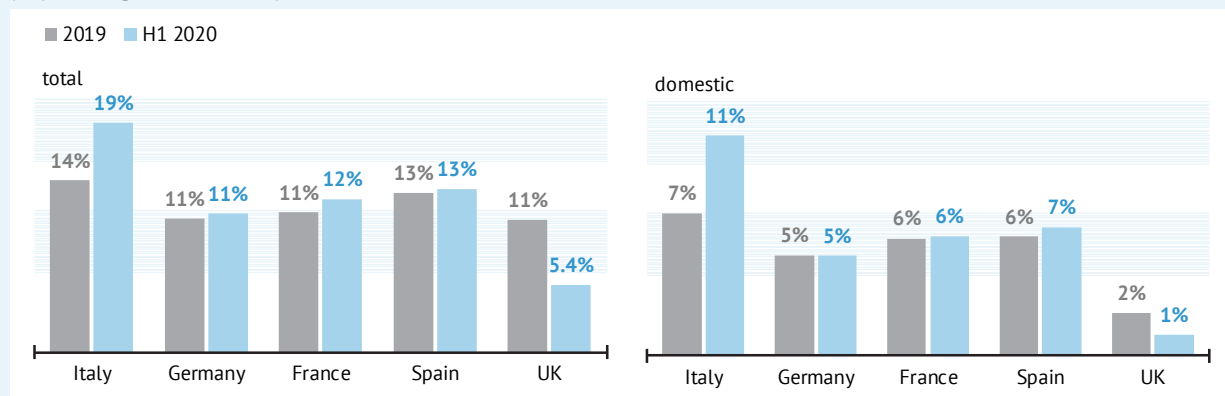
Source: calculations on ECB data.

Fig. 6.10 – Annual growth rate of loans to non-financial corporations and households
(monthly data up to May 2021)



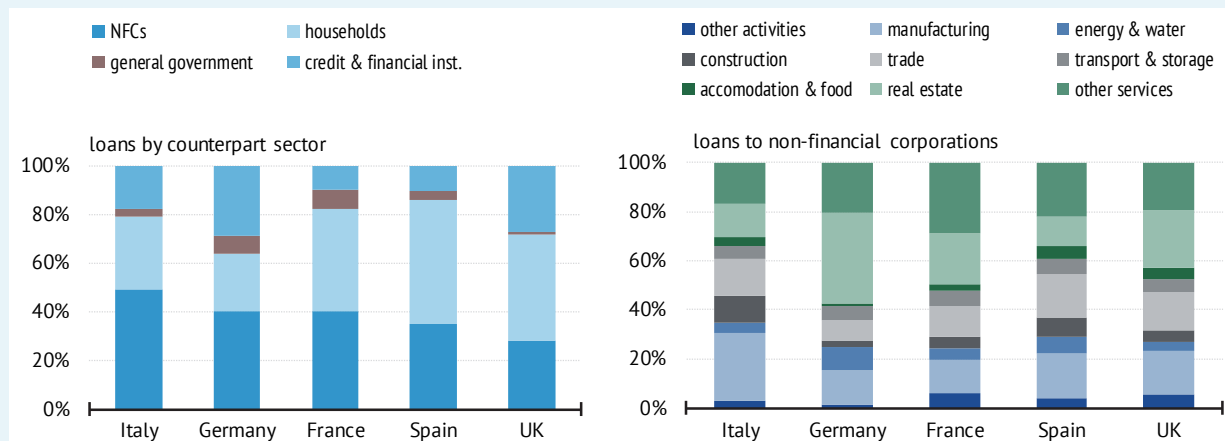
Source: ECB.

Fig. 6.11 – Sovereign bonds holdings of the major banks in the main European countries
(as percentage of total assets)



Source: calculations on EBA EU-wide Transparency Exercise data, Autumn 2020.

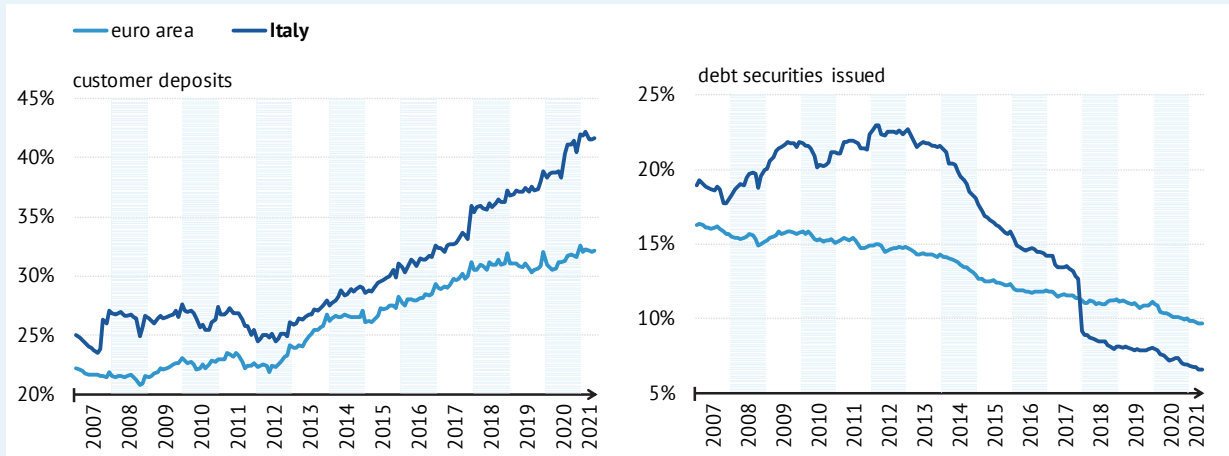
Fig. 6.12 – Composition of loans of the major banks in the main European countries in the first half of 2020



Source: calculations on EBA EU-wide Transparency Exercise data, Autumn 2020.

Fig. 6.13 – Trends in banks' funding in the euro area

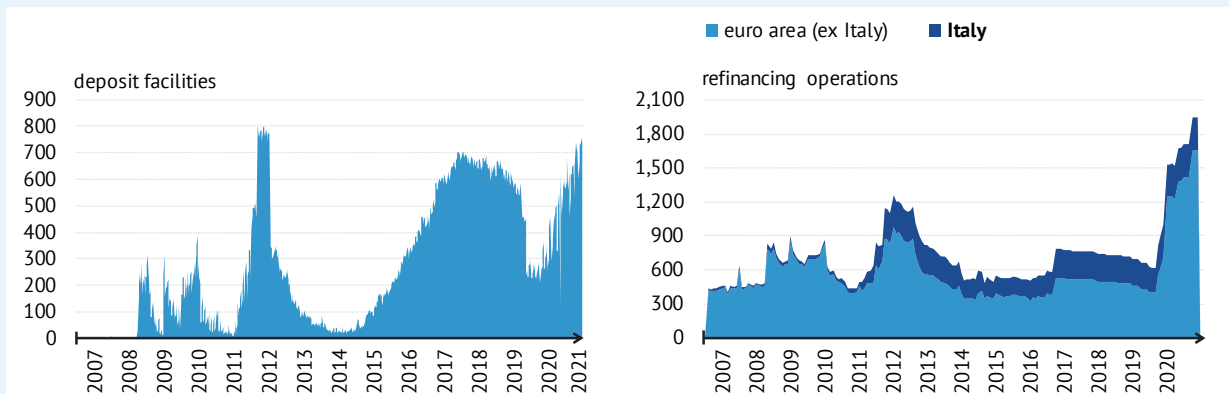
(monthly data up to May 2021; values as percentage of total liabilities)



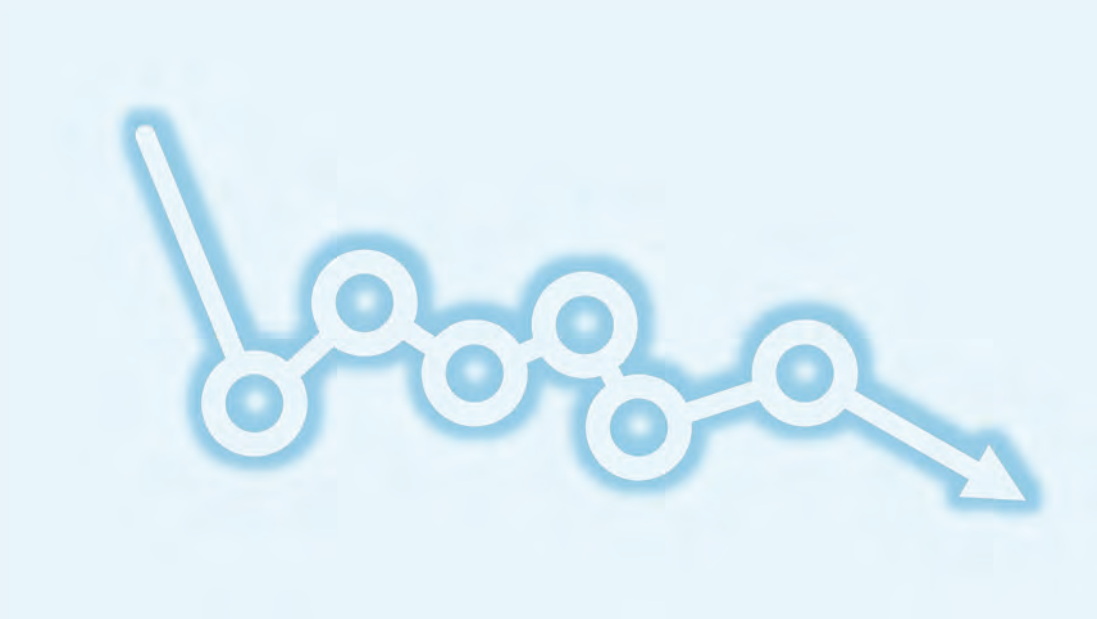
Source: calculations on ECB data.

Fig. 6.14 – Deposit liabilities and refinancing operations of the European banks with the Eurosystem

(monthly data up to June 2021; amounts in billions of euro)



Source: Refinitiv Datastream.



Famiglie

Households



Reddito disponibile e consumi

Risparmio

Ricchezza finanziaria

Partecipazione ai mercati finanziari

Negoziazioni degli investitori *retail* italiani

Cripto attività

Disposable income and consumption

Savings

Household net wealth

Financial market participation

Trading activity of Italian retail investors

Crypto assets

● Nel primo trimestre 2021, il reddito disponibile pro capite ha continuato a calare sia nell'area euro sia in Italia, sebbene le misure pubbliche di sostegno alle famiglie ne abbiano attenuato la brusca contrazione registrata dopo lo scoppio della pandemia. Nello stesso periodo, pur mostrando segnali di recupero, è proseguita la contrazione dei consumi per effetto delle restrizioni alla mobilità individuale e all'attività di vari esercizi commerciali applicate per il contenimento della pandemia, dei comportamenti prudenti assunti in via volontaria per evitare il contagio e dell'incremento del risparmio a fini precauzionali (Fig. 7.1).

● Nel 2020 il tasso di risparmio lordo delle famiglie ha sperimentato un forte incremento sia nell'area euro (dal 13% nell'anno precedente al 20%) sia in Italia (dove è cresciuto di 8 punti percentuali dal 10% nel 2019). Sebbene le proiezioni disponibili indichino una riduzione, nel 2021 il tasso di risparmio dovrebbe rimanere su livelli superiori a quelli pre-crisi. Gli investimenti fissi lordi delle famiglie consumatrici (acquisto di abitazioni e spese di manutenzione straordinaria), dopo la forte flessione subita nel secondo trimestre 2020, sono cresciuti nuovamente nella seconda metà dell'anno ritornando sui valori registrati a fine 2019 (Fig. 7.2).

○ During the first quarter 2021, personal per capita disposable income kept declining both in the euro area and in Italy, although public subsidies to households slowed down the pace recorded after the outburst of the pandemic. Over the same period, consumption showed signs of recovery, although still exhibiting a negative growth rate due, among other things, to restrictions to social and economic activities adopted to contain the pandemic and the increase in precautionary savings (Fig. 7.1).

○ Over 2020 the gross saving rate sharply increased both in the euro area (from 13% in 2019 to 20%) and in Italy (by 8 percentage points up from 10% in 2019). Although expected to decline, in 2021 the gross saving rate should remain higher than its pre-crisis level. In Italy household gross fixed investment rates (referring to house purchase and extraordinary maintenance expenses) recovered in the second quarter 2020, after the sharp drop recorded in the previous months (Fig. 7.2).

● La ricchezza netta (ossia la somma delle attività reali e finanziarie al netto delle passività finanziarie) delle famiglie nell'Eurozona è cresciuta nel corso del 2020, grazie alla dinamica dei corsi azionari e obbligazionari sui mercati finanziari registrata nel secondo e nel terzo trimestre dell'anno (vedi le Sezioni 3 e 4). Ciò si è riflesso in un lieve calo del rapporto tra indebitamento e attività finanziarie, che per le famiglie italiane continua ad attestarsi su livelli stabilmente inferiori a quelli dell'area euro (Fig. 7.3 - Fig. 7.5).

● Quanto alla composizione delle attività finanziarie delle famiglie e come confermato anche dall'andamento dei flussi finanziari nell'area euro, nel 2020 si è ridotto il peso delle obbligazioni e delle azioni, mentre è cresciuta l'incidenza di fondi comuni di investimento, prodotti assicurativi e previdenziali e liquidità. Quest'ultima, in particolare, ha registrato un tasso di variazione tendenziale al massimo storico dal 2015, alimentato da una dinamica crescente e significativa anche nell'ultima parte dell'anno. In Italia, alla fine del 2020 le disponibilità liquide nel portafoglio delle famiglie ammontavano a oltre 1.500 miliardi di euro, pari al 91% circa del PIL e a 2,5 volte la capitalizzazione complessiva di MTA e AIM Italia (rispettivamente 600 e 6 miliardi di euro; Fig. 7.6 - Fig. 7.8).

○ Household net wealth (i.e., the sum of real and financial assets net of financial liabilities) rose over 2020, due to the performance of stock and bond markets in the second and in the third quarters of the year (see Sections 3 and 4). This drove a reduction in the liability to asset ratio, which for Italian households remains steadily lower compared to the euro area (Fig. 7.3 - Fig. 7.5).

○ As for the composition of household portfolio and as confirmed also by financial flows in the euro area, in 2020 the weight of stocks and bonds slightly declined, while that of mutual funds, insurance and pension products, and liquidity slightly increased. This latter has risen by a year-on-year long term growth rate at its historical maximum since 2015. In Italy, at the end of 2020, household liquidity holdings amounted to more than €1,500 billion, equivalent to about 91% of the GDP and to 2.5 times total capitalisation of the main Italian equity venues, MTA and AIM Italia (respectively, about €600 billion and €6 billion; Fig. 7.6 - Fig. 7.8).

● L'innalzamento della partecipazione dei risparmiatori ai mercati finanziari è un obiettivo esplicitamente perseguito dall'Unione europea fin dal 2015 con il Piano d'azione per l'Unione dei mercati dei capitali (progetto CMU), rilanciato nel 2020⁹. Nell'ultimo quinquennio la partecipazione ai mercati finanziari, misurata dal rapporto tra gli strumenti finanziari detenuti in portafoglio e le disponibilità liquide, è rimasta sostanzialmente stabile sia nell'area euro sia in Italia (Fig. 7.9).

● Dall'esame combinato della propensione al risparmio e dell'allocazione della ricchezza finanziaria tra liquidità e strumenti dei mercati dei capitali nel periodo 2015-2020, si evince che, rispetto alla media dell'Eurozona, Italia e Spagna si collocano in una posizione sub-ottimale, caratterizzata da una minore propensione al risparmio e una maggiore incidenza delle disponibilità liquide (Fig. 7.10).

● Detenere eccessiva liquidità comporta un costo a livello sia collettivo sia individuale, quest'ultimo in termini di erosione del valore reale della liquidità legata all'inflazione e di costo opportunità connesso al mancato impiego in strumenti e prodotti finanziari potenzialmente più remunerativi. In tal senso e a titolo esemplificativo, è utile il confronto tra la remunerazione dei depositi in conto corrente, prossima a zero per effetto dell'assetto espansivo della politica

○ Raising individuals' financial market participation has been a top issue in the EU policy agenda since 2015, when the Action Plan for capital markets union (CMU) was launched, followed by the new CMU Action Plan adopted in 2020. Over the last five years, financial market participation, as measured by the ratio between financial instruments and cash in household portfolio, has remained substantially stable both in the euro area and in Italy (Fig. 7.9).

○ The analysis of both the gross saving rate and the liquidity to financial assets ratio over 2015-2020 shows that Italy and Spain lag behind other countries, as they show a lower saving rate and a higher weight of liquidity than the Eurozone average (Fig. 7.10).

○ Excessive holdings of liquidity are inefficient for the economy as a whole and for individuals. Individual savers, in particular, bear the erosion of the real value of liquidity due to inflation as well as the opportunity cost due to forgoing of more remunerative investments. An example of such costs is given by the comparison between the interest rates on overnight deposits, close to zero due to the expansionary monetary policy stance of the ECB, and the performance of the

9 Si veda la Comunicazione della Commissione europea recante il nuovo Piano d'azione A Capital Markets Union for people and businesses, pubblicata il 24 settembre 2020; https://ec.europa.eu/info/business-economy-euro/growth-and-investment/capital-markets-union/capital-markets-union-2020-action-plan_en.

monetaria della BCE, e l'evoluzione dei principali indici *total return* rispettivamente per l'Eurozona e l'Italia, i quali dal 2015 al 30 giugno 2021 hanno fatto registrare nel complesso performance superiori al 40% in Italia e pari al 50% nell'area euro (Fig. 7.11).

total return indexes over 2015 - 2020 period in the Eurozone and Italy, which recorded an increase higher than 40% in Italy and equal to 50% in the euro area (Fig. 7.11).

TRADING ACTIVITY OF ITALIAN RETAIL INVESTORS

- Le negoziazioni degli investitori *retail* italiani su strumenti finanziari hanno registrato a partire dai primi mesi del 2020 un'attività più intensa rispetto all'anno precedente, in particolare su azioni e fondi comuni. Nel solo mese di marzo 2020, mentre i mercati azionari sperimentavano forti turbolenze per effetto dell'emergenza sanitaria, gli acquisti netti di azioni raggiungevano i 3 miliardi di euro circa, a fronte di una media mensile di vendite nette pari per il 2019 a circa 470 milioni di euro (Fig. 7.12).
- Gli scambi hanno riguardato soprattutto le azioni, il cui peso sui volumi complessivi oscilla, nel periodo considerato, da un minimo del 70% (agosto 2019) a un massimo dell'86% (giugno 2020; Fig. 7.13).
- La distribuzione degli scambi in azioni per genere degli investitori *retail* mostra una netta prevalenza dell'attività riferibile agli uomini, che hanno reagito in misura più intensa alle turbolenze legate alla diffusione della pandemia nel marzo 2020 e che, nel corso del tempo, si sono portati su livelli di attività più elevati. Con riferimento alla distribuzione per classi di età, gli investitori più attivi hanno tra i 55 e i 69 anni, seguiti dagli individui appartenenti alla fascia 40-54 anni (Fig. 7.14).
- Since the first months of 2020, trading activity of Italian retail investors has risen compared to the previous year, in particular with respect to equity and mutual funds. In March 2020 alone, while equity markets were experiencing severe turbulence due to the health emergency, the amount of net stock purchases hit about €3 billion, compared to the 2019 monthly average of net sales amounting to €470 million (Fig. 7.12).
- Trading mainly referred to equity instruments, weighing between 70% (August 2019) and 86% (June 2020) of the total over the time period considered (Fig. 7.13).
- The distribution of trading in equity by gender shows the predominance of male investors, who are also those reacting the most during the high volatility weeks corresponding to the outburst of the Covid-19 crisis and whose activity has risen over time. As for the distribution by age, the investors aged between 55 and 69 are the most active, followed by those aged between 40-54 years (Fig. 7.14).

CRYPTO ASSETS

● Negli ultimi anni, è cresciuto in maniera significativa l'interesse verso le cripto attività, soprattutto tra i più giovani, come mostrano i dati disponibili su numero e distribuzione per età degli utilizzatori a livello globale (Fig. 7.15).

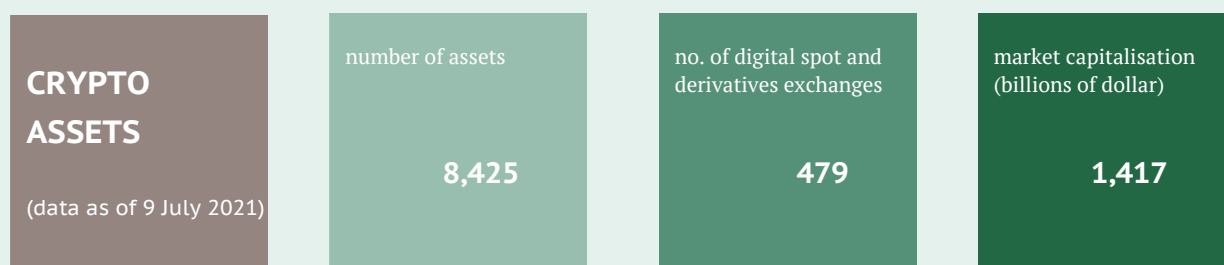
● Nel 2021 hanno registrato un rilevante rialzo delle quotazioni soprattutto le cripto valute. Tra queste, la maggiore quota di mercato in termini di capitalizzazione complessiva è riferibile al Bitcoin, rispetto al quale cresce anche l'attività su strumenti collegati (come i *futures*). Al pari di tutte le cripto valute, il Bitcoin si caratterizza per una volatilità delle quotazioni significativamente più elevata rispetto alle attività non digitalizzate. Un'ulteriore criticità è legata alla modalità di scambio delle cripto valute e alle tecnologie sottostanti. Alcune stime per il 2019 quantificano l'impatto economico di frodi e attacchi informatici concernenti cripto attività in 4,5 miliardi di dollari, in netta crescita rispetto al biennio precedente. Le statistiche disponibili per 479 piattaforme digitali dedicate a cripto attività evidenziano inoltre che meno di 30 possono ritenersi molto affidabili per la qualità delle informazioni pubblicate e solo 7 ottengono una valutazione molto positiva in termini di sicurezza cibernetica (Fig. 7.16 - Fig. 7.18).

○ In recent years, interest in crypto assets has grown significantly, especially among younger people, as shown by the data available on the number and age distribution of users (Fig. 7.15).

○ In 2021, cryptocurrencies experienced a significant upswing in prices. Among these, Bitcoin records the highest market capitalisation, along with an activity on linked instruments (such as futures) on the rise. Like all cryptocurrencies, it is characterised by considerably higher volatility than other types of non-digital assets. A further critical issue is related to the way cryptocurrencies are traded and the underlying technologies. Some estimates for 2019 quantify the economic impact of fraud and cyber attacks involving crypto assets at \$4.5 billion, up sharply from the previous two years. In addition, available statistics on 479 digital exchanges show that less than 30 can be considered very reliable in terms of quality of the information published and only seven obtain a very positive assessment in terms of cybersecurity (Fig. 7.16 - Fig. 7.18).

● A partire dalla seconda metà del 2020 ha cominciato a registrare un significativo sviluppo la cosiddetta finanza decentralizzata (*Decentralised Finance* o DeFi), basata su infrastrutture che utilizzano la tecnologia *blockchain* e gli *smart contracts* per la creazione e lo scambio di prodotti e servizi finanziari legati a cripto attività, disintermediando gli operatori tradizionali. In particolare, secondo le evidenze disponibili, l'ammontare del capitale depositato a garanzia (cosiddetto *value locked*, utilizzato come una proxy dimensionale) è passato da 16,5 miliardi di dollari a fine 2020 a più di 59 miliardi a fine giugno 2021. Come mostrano i dati riferiti alle prime dieci infrastrutture di DeFi, rappresentative al 21 luglio del 95% del *value locked* totale, predominano le attività di *lending* (Fig. 7.23).

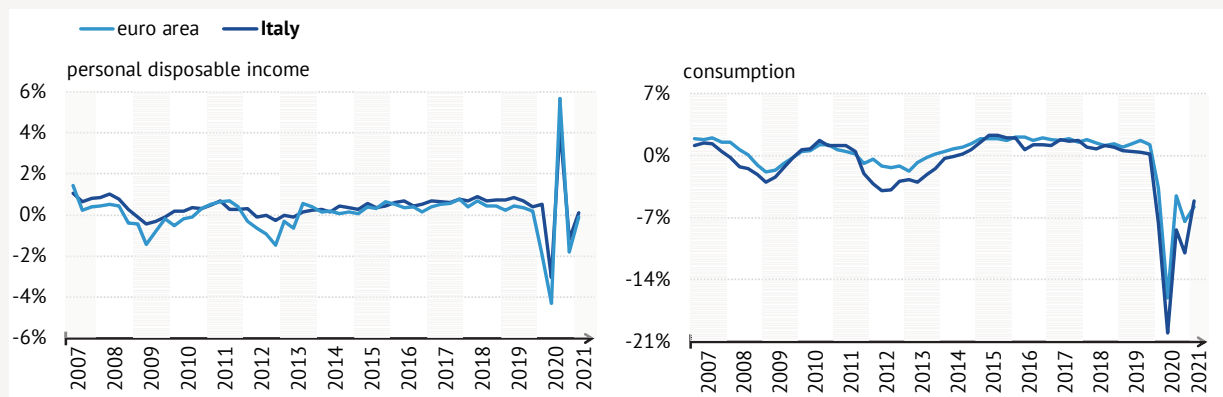
○ Since mid-2020, a new area has been developing known as Decentralised Finance (DeFi), based on infrastructures that use blockchain technology and smart contracts to create and exchange financial products and services linked to crypto assets, without involving traditional intermediaries. As shown by available data, the total value of assets locked (used as a growth indicator) jumped from \$16.5 billion at the end of 2020 to more than \$59 billion at the end of June 2021. Evidence on the top 10 DeFi infrastructures (accounting for 95% of the total value locked as of 21 July 2021) shows that lending activities are predominant (Fig. 7.23).



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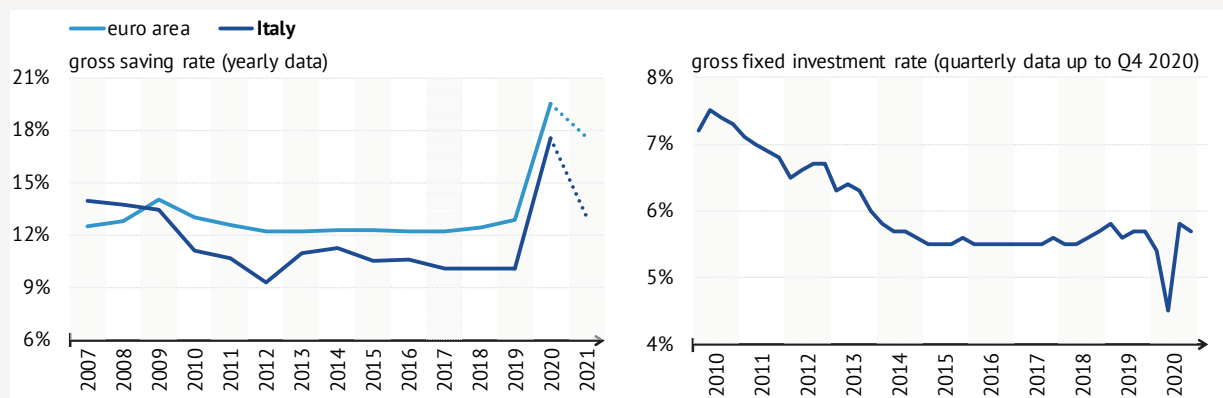
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Fig. 7.1 – Personal disposable income and consumption growth rate in the euro area
(quarterly data up to Q1 2021)



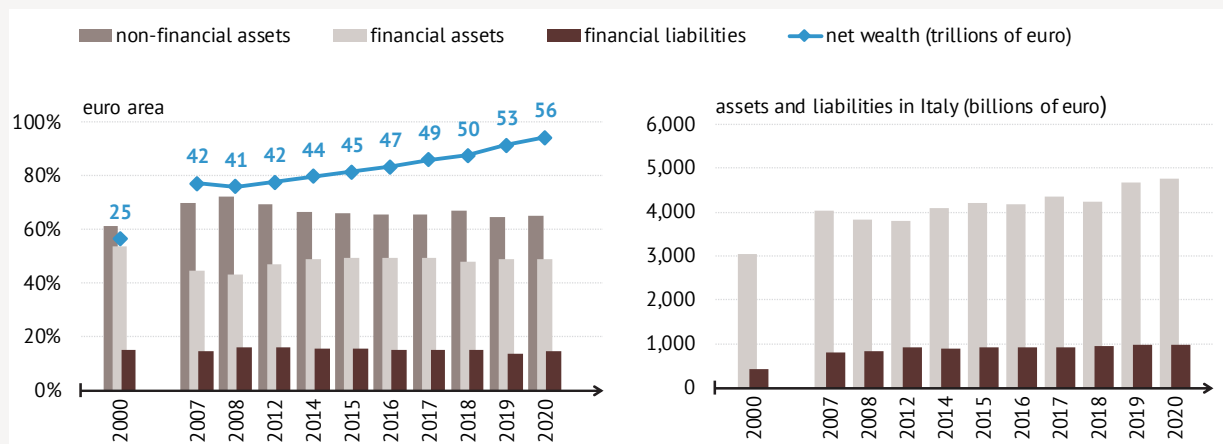
Source: Eurostat, Oxford Economics. Figure on the left reports quarter on quarter growth rates of personal disposable income. Figure on the right reports quarter on quarter growth rate of consumption.

Fig. 7.2 – Household gross saving and gross fixed investment rates in the euro area



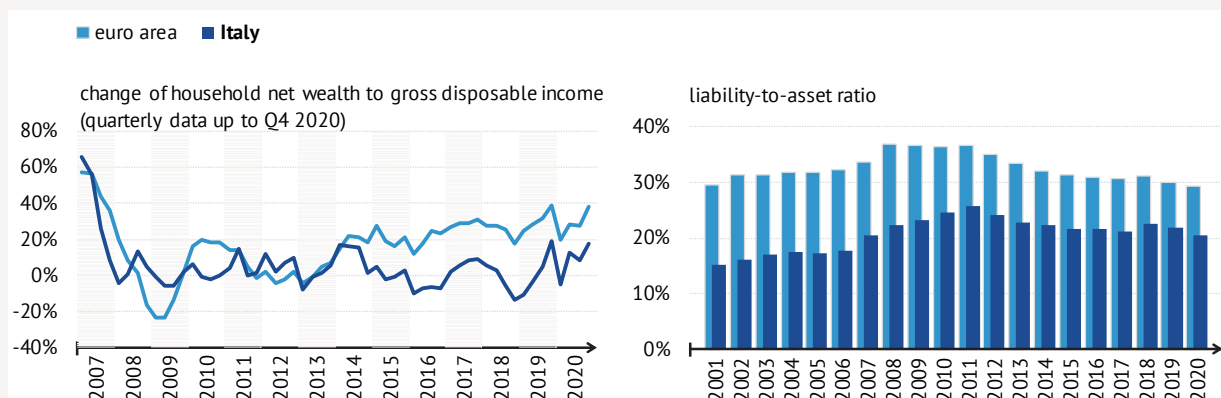
Source: European Commission DG ECFIN, Istat. Figure on the left reports gross saving rate computed as the share of gross disposable income not used for consumption (dot lines stand for provisional data). Figure on the right reports the percentage ratio of gross fixed investments (house purchases and house maintenance extraordinary expense) to gross disposable income.

Fig. 7.3 – Household net wealth in the euro area: trends and components



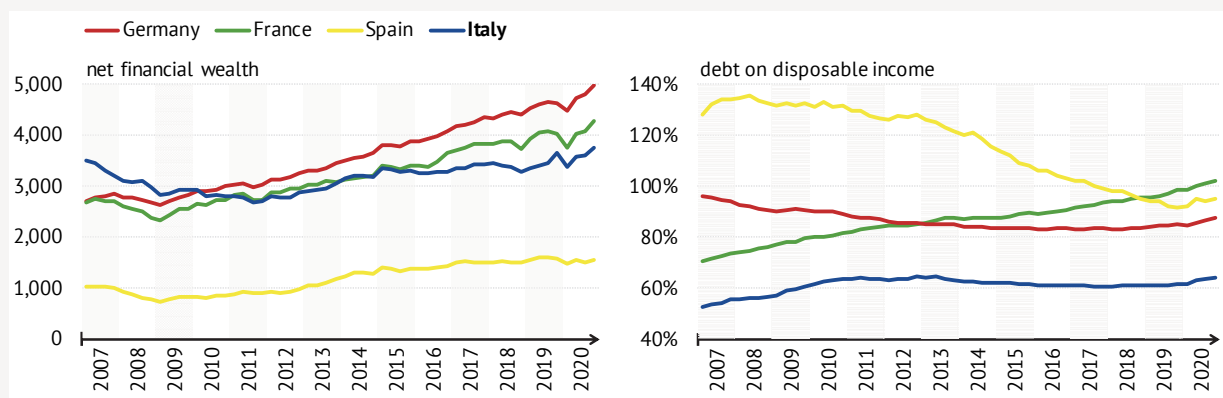
Source: BCE, Eurostat. Financial net wealth is the sum of real and financial assets less financial liabilities. Figure on the left reports the breakdown of household wealth by non-financial assets, financial assets and financial liabilities (percentage values).

Fig. 7.4 – Household net wealth and indebtedness



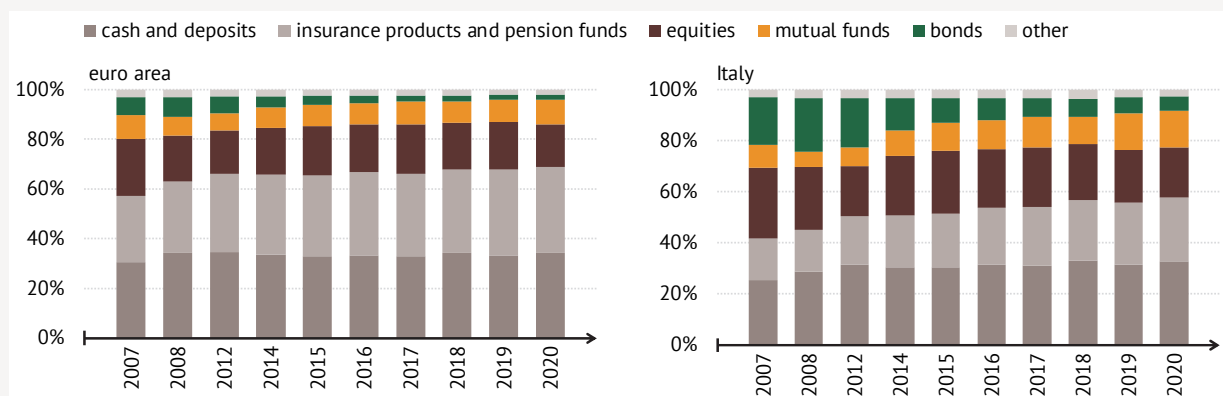
Source: Eurostat, Quarterly sectoral accounts.

Fig. 7.5 – Household financial wealth and debt in the main euro area countries (quarterly data up to Q4 2020; amounts in billions of euro)



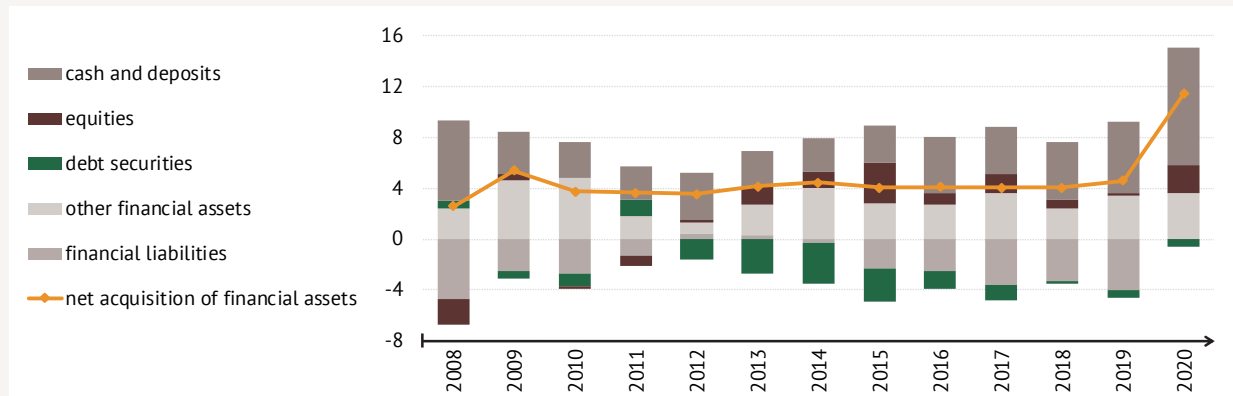
Source: ECB, Eurostat. Source: ECB, Eurostat. Net financial wealth is the difference between financial assets and financial liabilities.

Fig. 7.6 – Household financial asset portfolio in the euro area



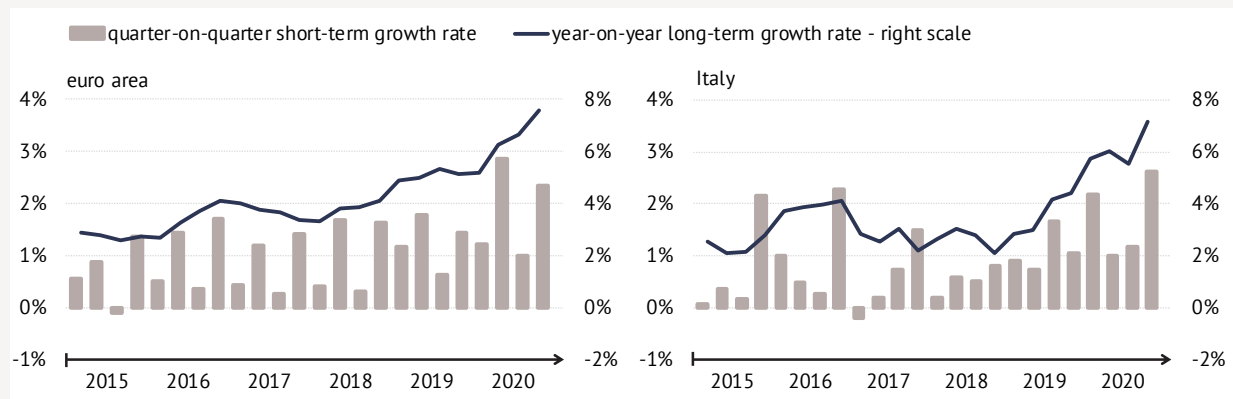
Source: Eurostat.

Fig. 7.7 – Financial flows in the euro area in percentage of gross disposable income



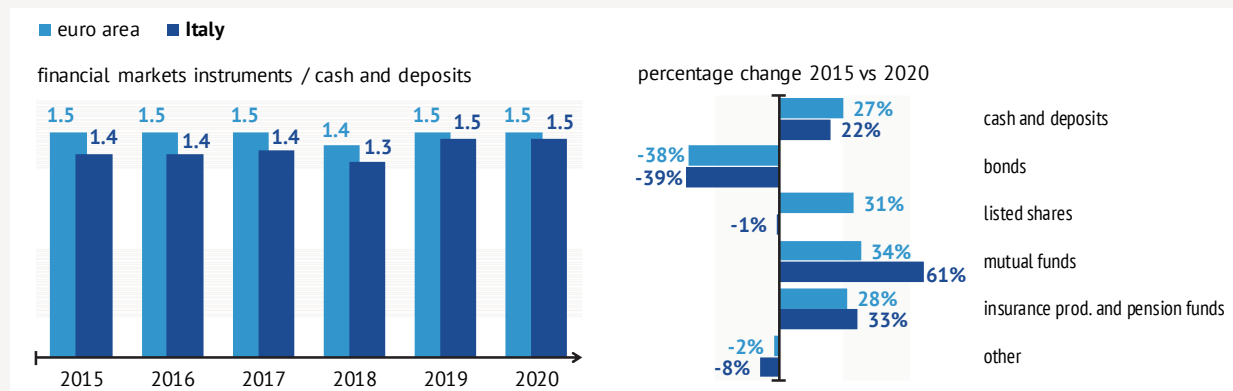
Source: ECB. 'Other financial assets' include financial derivatives and loans.

Fig. 7.8 – Liquidity trends in household portfolios in the euro area (quarterly data up to Q4 2020)



Source: Eurostat.

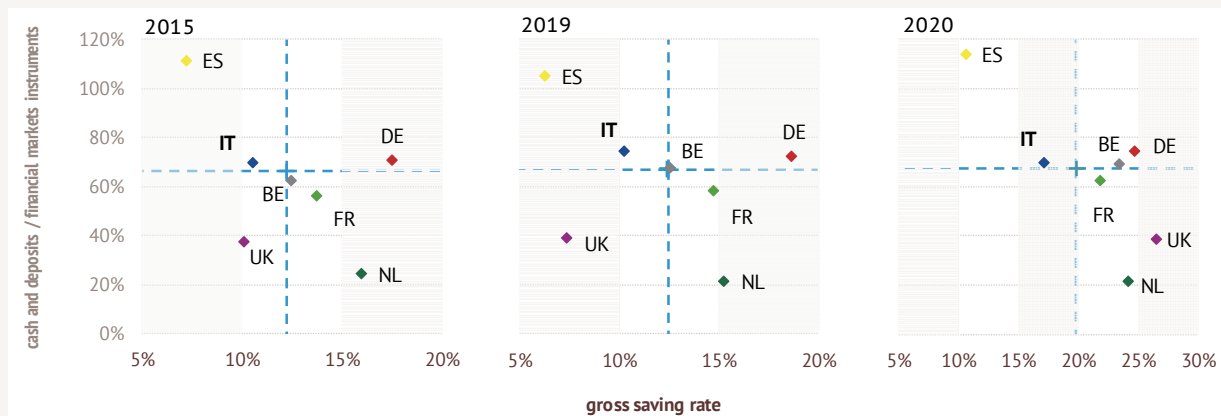
Fig. 7.9 – Household financial market participation in the euro area



Source: Eurostat. 'Other' includes derivatives and loans.

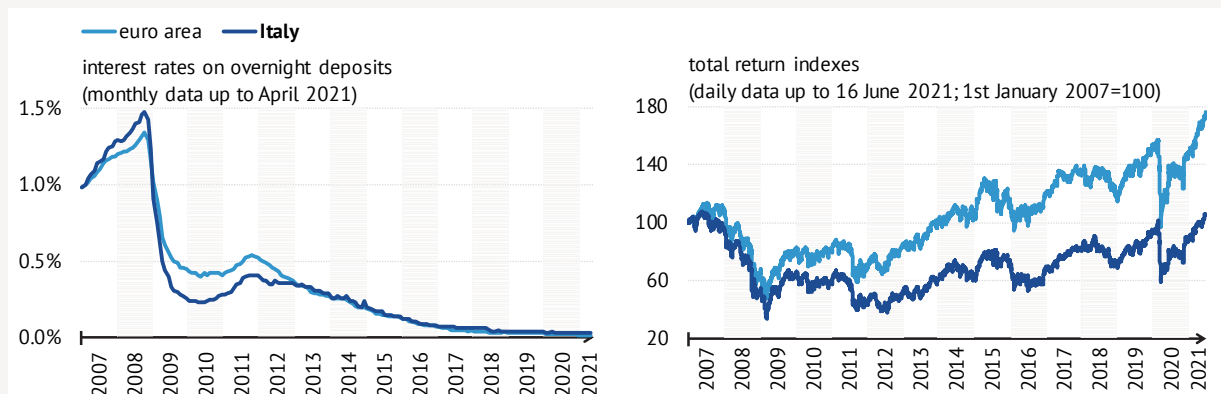
Fig. 7.10 – Household financial market participation and gross saving rate in the main European countries over 2015-2020

(blue dashed line stands for euro area average)



Source: Eurostat. Figures for UK refer to data as of the end of June 2020. 'Financial markets instruments' does not include loans, unlisted shares and participations. The gross saving rate is the share of the gross disposable income not used for consumption.

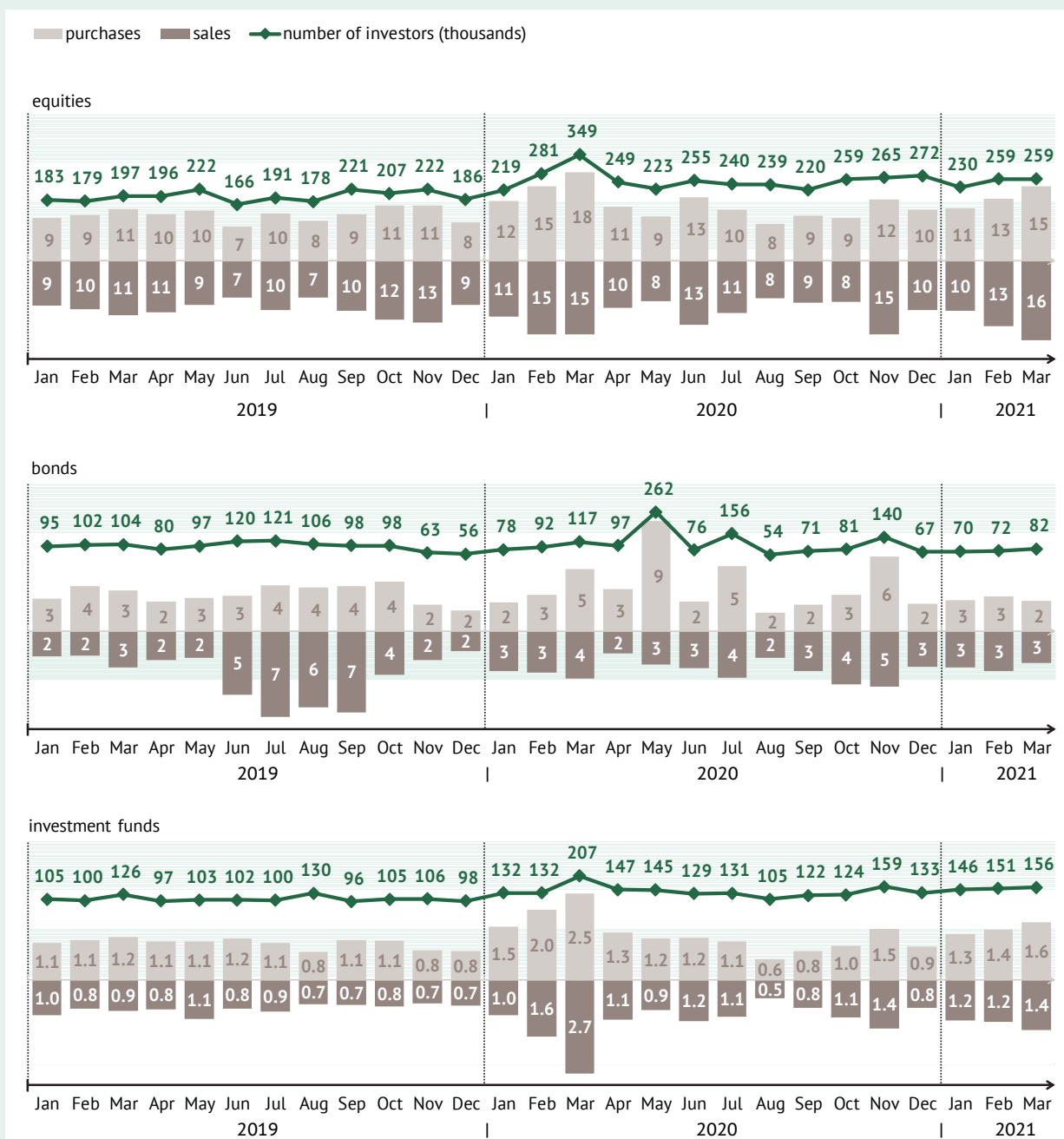
Fig. 7.11 – Interest rates on overnight deposits and total return indexes in the euro area



Source: ECB and Refinitiv Datastream. Total return indexes refer to Euro Stoxx50 and FTSE Mib.

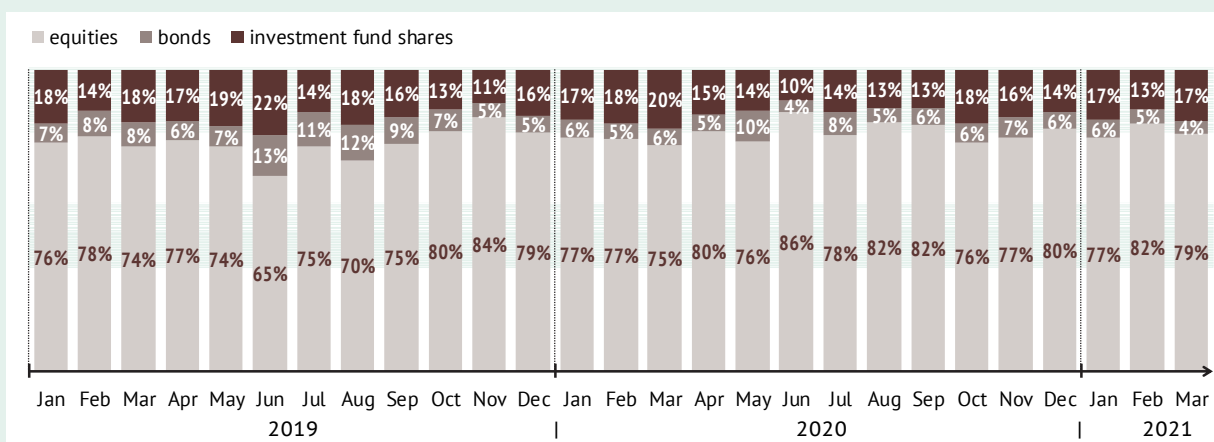
TRADING ACTIVITY OF ITALIAN RETAIL INVESTORS

Fig. 7.12 – Trading activity of Italian retail investors
(January 2019 - March 2021; amount in billions of euro)



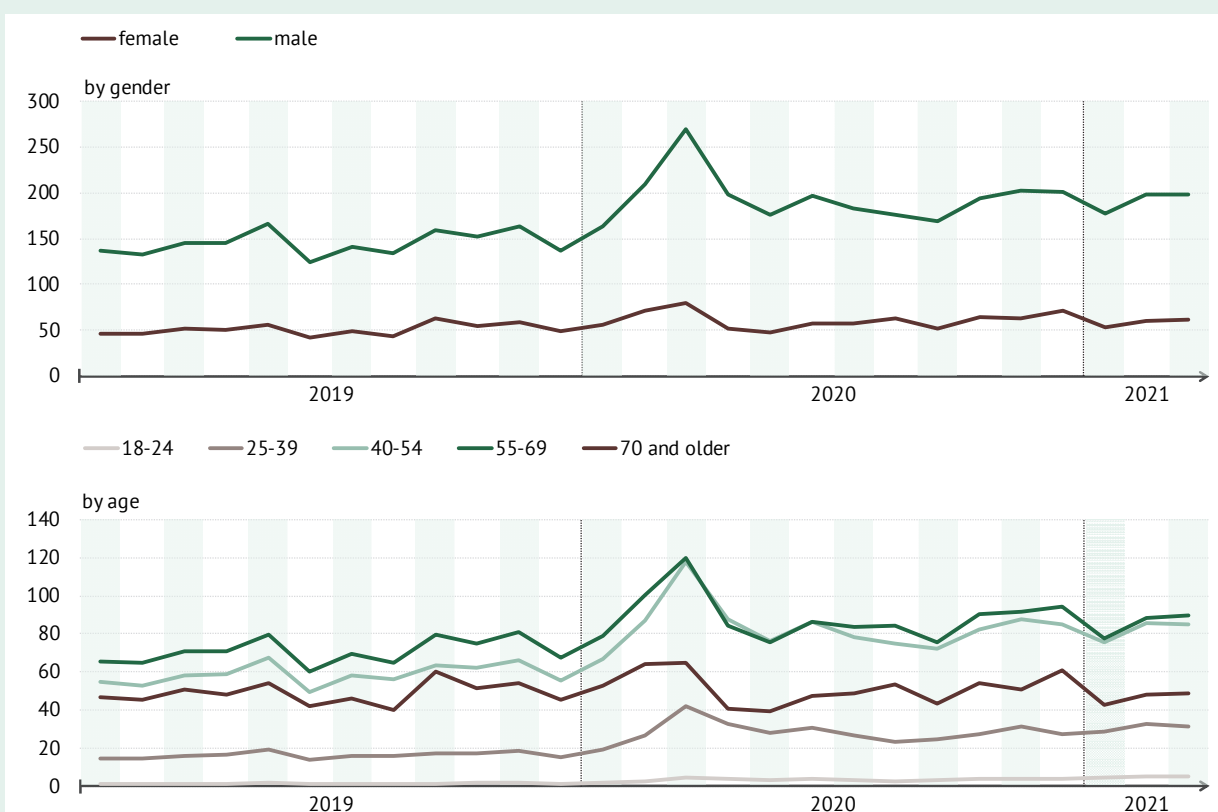
Source: supervisory data. Figures refer to the trading activity of Italian retail investors on instruments for which CONSOB is the competent authority, carried out on all venues.

Fig. 7.13 – Cross-instruments trading activity of Italian retail investors
(January 2019 - March 2021)



Source: supervisory data. Figures refer to the trading activity of Italian retail investors on instruments for which CONSOB is the competent authority, carried out on all venues.

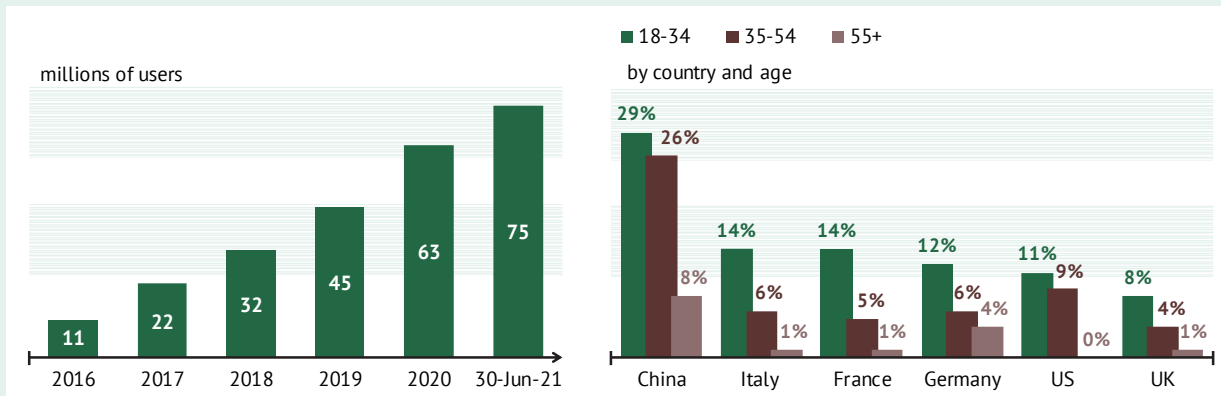
Fig. 7.14 – Equity trading activity of Italian retail investors by gender and age
(thousands of investors)



Source: supervisory data. Figures refer to the trading activity of Italian retail investors on equities for which CONSOB is the competent authority, carried out on all venues.

CRYPTO ASSETS

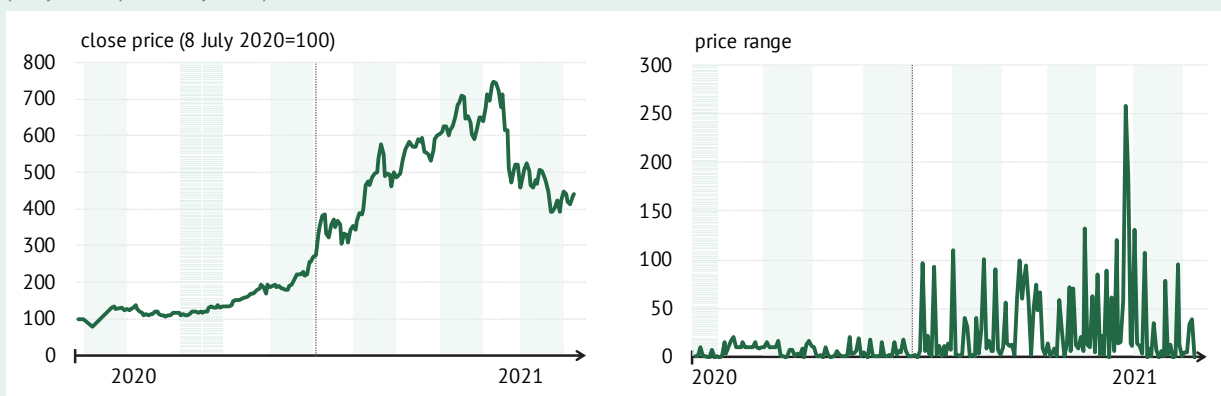
Fig. 7.15 – Users of crypto assets: trends and distribution by country and age



Source: Deutsche Bank dbDIG and Deutsche Bank Research report 'The Future of Payments Series 2 – Part II: When digital currencies become mainstream', February 2021.

Fig. 7.16 – Crypto currencies market trends (portfolio index)

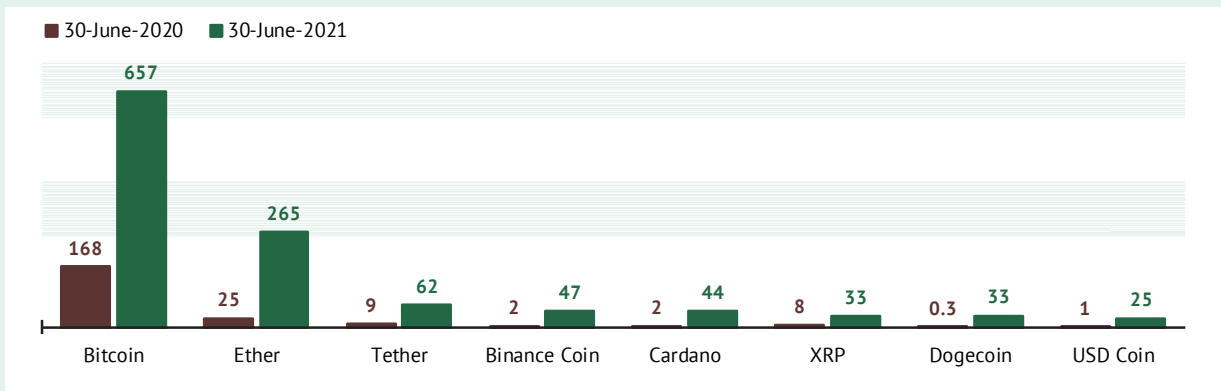
(daily data up to 7 July 2021)



Source: CoinMarketCap. The CMC Crypto 200 Index is an Index by CoinMarketCap OpCo LLC, tracking price movements of a portfolio of the top 200 cryptocurrencies by market capitalisation. Figure on the right reports the daily high-low price difference.

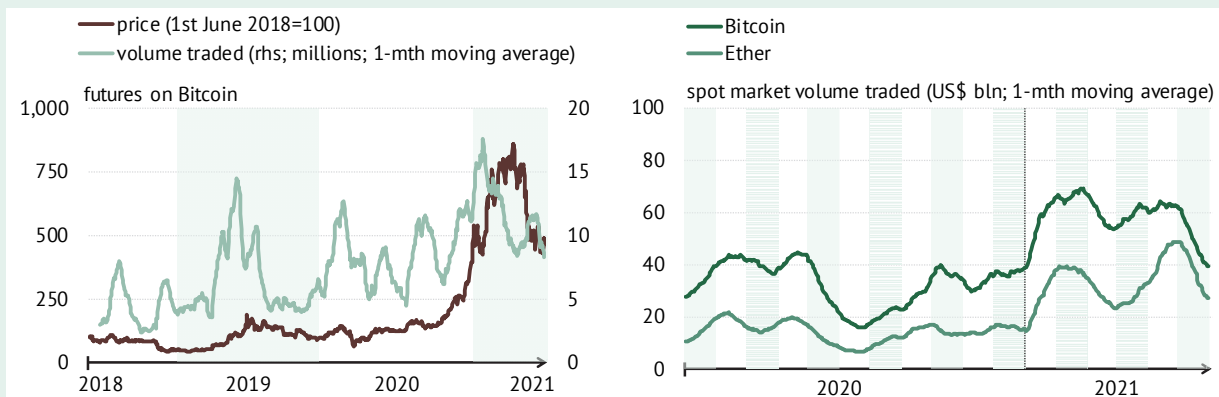
Fig. 7.17 – Main crypto currencies by market capitalisation

(billions of dollars)



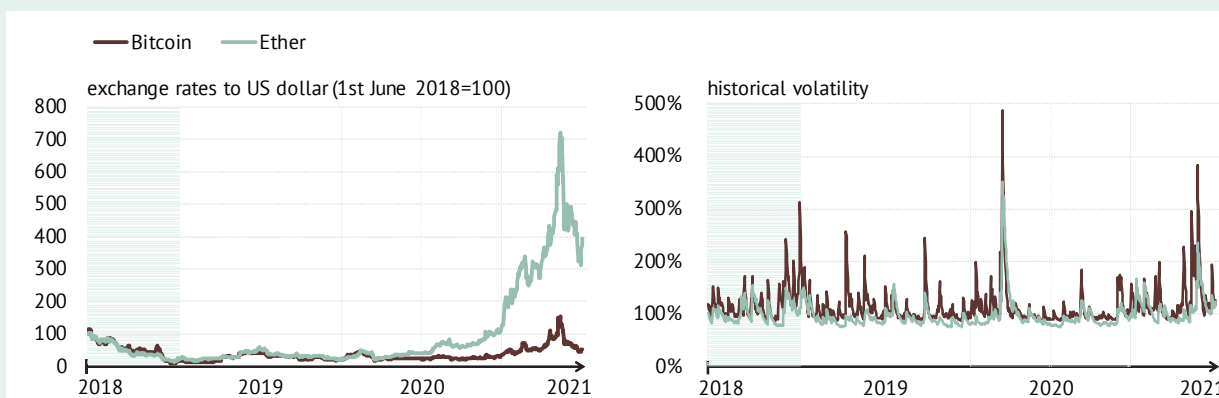
Source: CoinMarketCap.

Fig. 7.18 – Futures on Bitcoin and Ether
(daily data up to 30 June 2021)



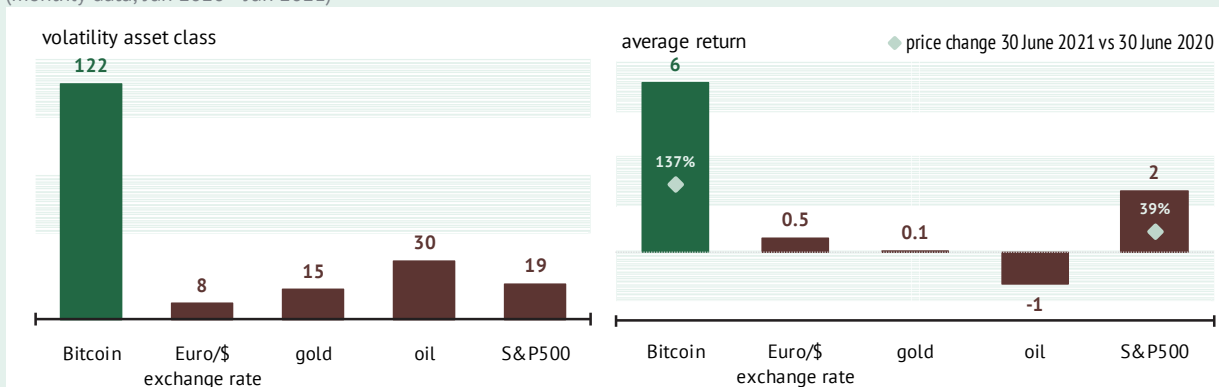
Source: calculations on Refinitiv Datastream and CoinmarketCap data. In the left figure the volume is measured as total number of contracts. In the right figure, the volume traded is, instead, an amount.

Fig. 7.19 – Bitcoin and Ether market price and volatility
(daily data up to 30 June 2021)



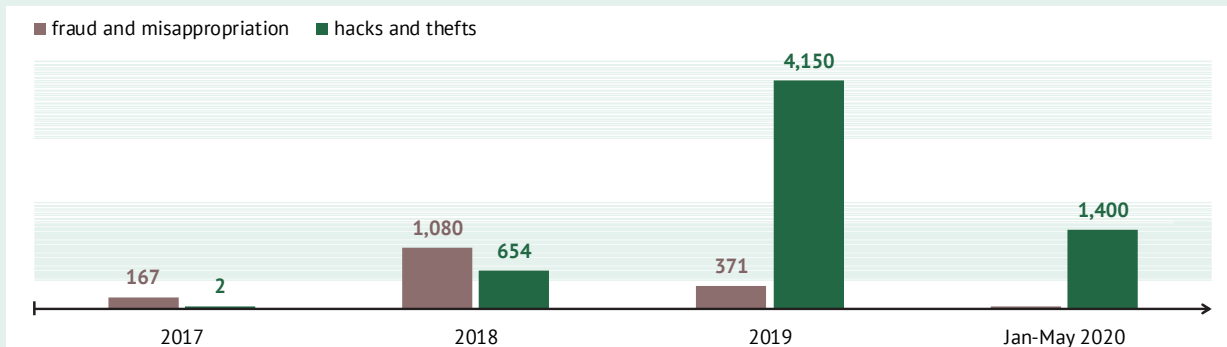
Source: calculations on Refinitiv Datastream data. Historical volatility is estimated by applying asymmetric GARCH (1,1) model on exchange rate return time series.

Fig. 7.20 – Bitcoin returns and volatility compared to non-digital assets
(monthly data; Jun 2020 - Jun 2021)



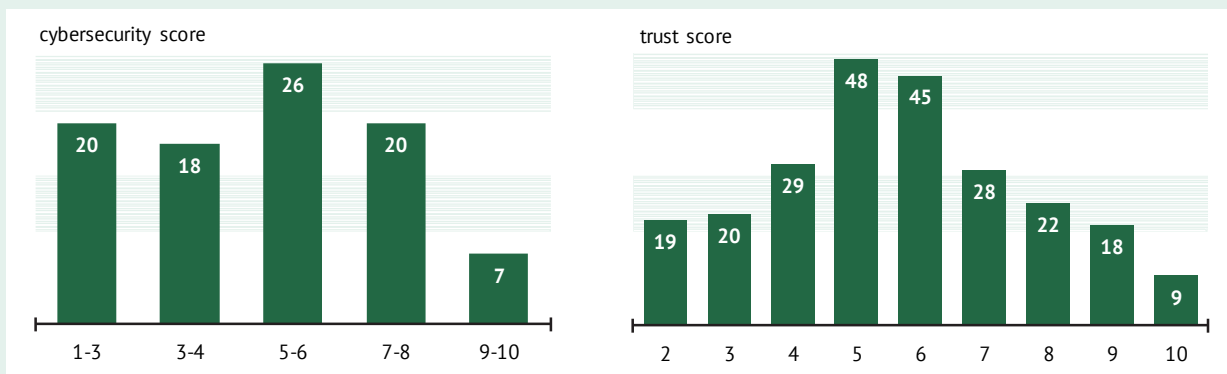
Source: calculations on Refinitiv Datastream data. Figure on the left reports volatility estimated as the annualized standard deviation computed on monthly return from 30 June 2020 to 30 June 2021. Figure on the right reports monthly average return.

Fig. 7.21 – Theft, hacking and scams related to crypto-assets
(millions of euro)



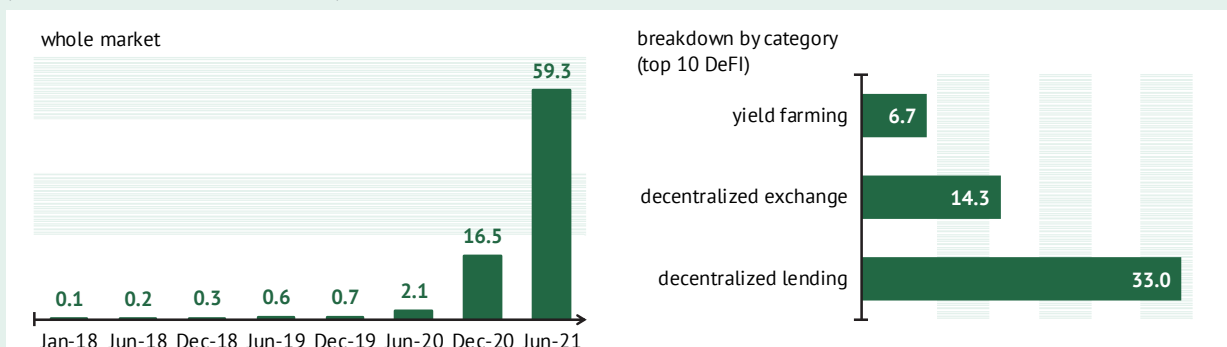
Source: Cipher Trace Cryptocurrency Intelligence.

Fig. 7.22 – Crypto asset exchanges by cyber score and trust score
(number of exchanges as of 14 July 2021)



Source: Coingecko. Figure on the left reports data referring to 91 exchange platforms that are currently assigned a cyber score. The cyberscore evaluates how well prepared an exchange is against external facing threats towards its platform (servers, web services, front-end), users (account safety features) etc. Figure on the right reports data referring to 238 platforms that are currently assigned a trust score. The trust score is an indicator of the availability and the reliability of statistics (such as volume traded, historical trading data, bid-ask spreads, tickers data, order book data) provided by the platform; the higher the values of the trust score the higher is rated the information made available by the platform. For methodological details on trust and cyber score see <https://blog.coingecko.com/trust-score-explained/>.

Fig. 7.23 – Development of the Decentralised Finance (DeFi)
(total value locked; billions of dollar)



Source: <https://defipulse.com> (USD prices for token data provided by CoinGecko). Total value locked is the total value of crypto-assets locked in DeFi applications and is calculated as total number of tokens held by a protocol multiplied by token price expressed in USD. Figure on the right reports data as of 20 July 2021. 'Decentralized lending' means lending from decentralized providers. 'Decentralized exchange' is an exchange that does not require users to deposit funds to start trading and does not hold the funds on behalf of the users as they trade directly from their own wallets. 'Yield farming' or liquidity mining allows DeFi market participants to lock up their crypto-asset holdings in applications and receive rewards in exchange of the provision of liquidity to the system.



Risparmio gestito

Mutual funds



Patrimonio gestito e raccolta netta dei fondi

Fondi comuni negli USA e in Europa

UCITs e AIFs

Fondi ESG

Net assets and net sales of funds

Mutual funds in the US and in Europe

UCITs and AIFs

ESG funds

● Nel primo trimestre del 2021 i fondi comuni di investimento sono cresciuti sia negli USA sia in Europa, in termini di numerosità e patrimonio gestito (quest'ultimo è aumentato rispettivamente del 9,4% e del 4,5% rispetto alla fine del 2020). Tale incremento è riferibile anche alla dinamica della raccolta, che negli Stati Uniti ha registrato una netta ripresa dopo i livelli estremamente bassi osservati nell'ultimo trimestre del 2020. In entrambe le aree considerate i comparti che hanno registrato i flussi netti maggiori sono quelli azionario e obbligazionario (Fig. 8.1 - Fig. 8.3).

● Tra i principali paesi europei, a marzo 2021 Germania e Francia si connotano per il numero e il patrimonio di fondi più elevati. Rispetto alla fine del 2020 il patrimonio dei fondi comuni è cresciuto sensibilmente nel Regno Unito (+7,8%), seguito a distanza dalla Spagna (+4,6%): gli altri maggiori paesi dell'area euro hanno mostrato incrementi più contenuti (+1% in Italia e Francia e +2,2% in Germania), che hanno fatto seguito a una crescita più sostenuta nel corso del 2020 (rispettivamente +2,7%, +5,7% e +6,5%; Fig. 8.4).

● Tale dinamica è ascrivibile principalmente al sottoinsieme dei fondi UCITs, per i quali patrimonio e raccolta sono aumentati ovunque ad eccezione dell'Italia (che ha visto un lieve calo nei comparti azionario e obbligazionario) e della Francia (che ha assistito a una forte riduzione della raccolta nel comparto monetario e in minor misura in quello obbligazionario e misto). I fondi di investimento alternativi (AIFs) invece hanno mostrato un incremento della raccolta solo in Germania (Fig. 8.5 - Fig. 8.6).

○ In the first quarter of 2021, mutual funds grew in the US and Europe with assets under management recording an increase equal to +9.4% and +4.5%, respectively (with respect to the end of 2020). Such an increase is also ascribable to the rise in net sales, which in the US have rebounded after the very low levels observed in the last quarter of 2020. In both the areas considered, the increase in net sales was driven by equity and bond funds (Fig. 8.1 - Fig. 8.3).

○ Among the main European countries, Germany and France show the largest asset management sector (by number and assets of funds). Compared to the end of 2020, mutual fund assets grew significantly in the United Kingdom (+7.8%), followed by Spain (+4.6%): the other main euro area countries recorded lower values (+1% in Italy and France and +2.2% in Germany), following the higher growth over 2020 (respectively +2.7%, +5.7% and +6.5%; Fig. 8.4).

○ This trend is mainly driven by to the UCITs funds, whose net assets and net sales grew everywhere, with the exception of Italy (which showed a slight decline in the equity and bond segments) and France (with a sharp drop in net sales in the money market segment and to a lesser extent in the bond and mixed segments). Alternative investment funds (AIFs) recorded and increase in net sales only in Germany (Fig. 8.5 - Fig. 8.6).

ESG MUTUAL FUNDS

● A livello globale il comparto dei fondi ESG, ossia dei fondi che dichiarano di integrare nella politica di investimento considerazioni relative all'impatto ambientale e sociale, vede il maggior contributo da parte dell'Europa, che a marzo 2021 contava circa 3.500 fondi e un patrimonio complessivo superiore a €1.600 miliardi a fronte di una raccolta, riferita al primo trimestre dell'anno, di circa €147 miliardi. Il fenomeno risulta molto meno rilevante negli Stati Uniti, dove i fondi ESG sono poco più di 400, con un patrimonio pari a €266 miliardi circa e una raccolta pari, nel primo trimestre del 2021, a circa €22 miliardi (Fig. 8.7).

● In Europa i fondi ESG operano principalmente nel comparto azionario e in minor misura in quello obbligazionario e misto (Fig. 8.8).

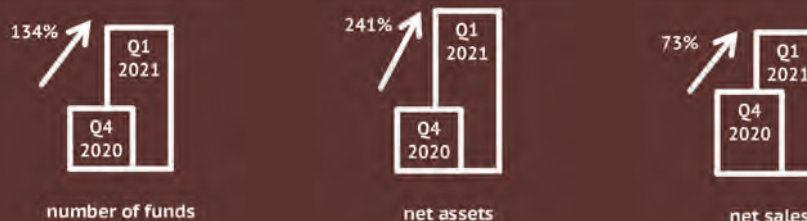
● In Italia, la crescita significativa del risparmio gestito ESG si osserva sia rispetto al numero di fondi (pari a 1.210 a fine marzo 2021, un dato più che raddoppiato rispetto ai 517 di fine 2020) sia rispetto al patrimonio promosso (276 milioni di euro a fronte di 81 milioni a fine 2020; Fig. 8.9).

○ At a global level, within the ESG funds sector, i.e. funds including environmental and social considerations in their investment policy, Europe is the major player, with around 3,500 funds and €1,600 billion of total assets as at March 2021, and net sales of around €147 billion over the first quarter of the year. This sector is much less significant in the US, where there are just over 400 ESG funds, with total assets equal to around €266 billion and net sales of around €22 billion in the first quarter of 2021 (Fig. 8.7).

○ In Europe, ESG funds are mainly equity funds and to a lesser extent bond and mixed funds (Fig. 8.8).

○ In Italy, the ESG funds sector is experiencing a significant growth both in terms of number of funds (1,210 funds at the end of March 2021, more than doubled compared to 517 at the end of the previous year) and in terms of assets promoted (€276 million compared to €81 million at the end of 2020; Fig. 8.9).

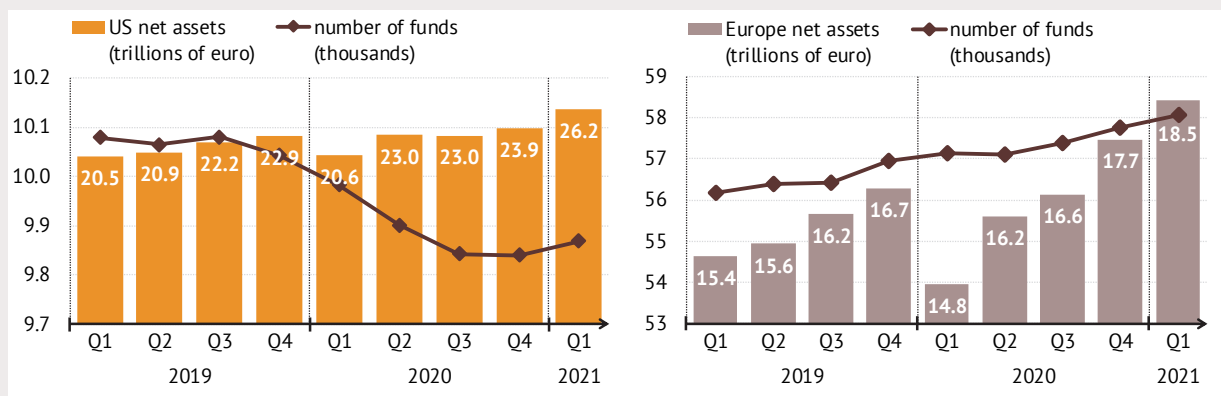
Italian ESG mutual funds



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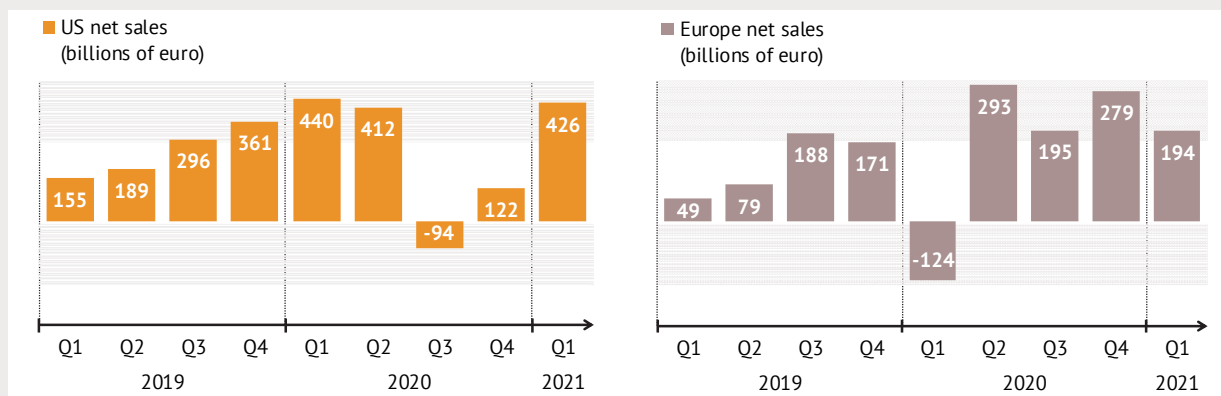
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Fig. 8.1 – Trends in net assets and number of mutual funds in the US and in Europe



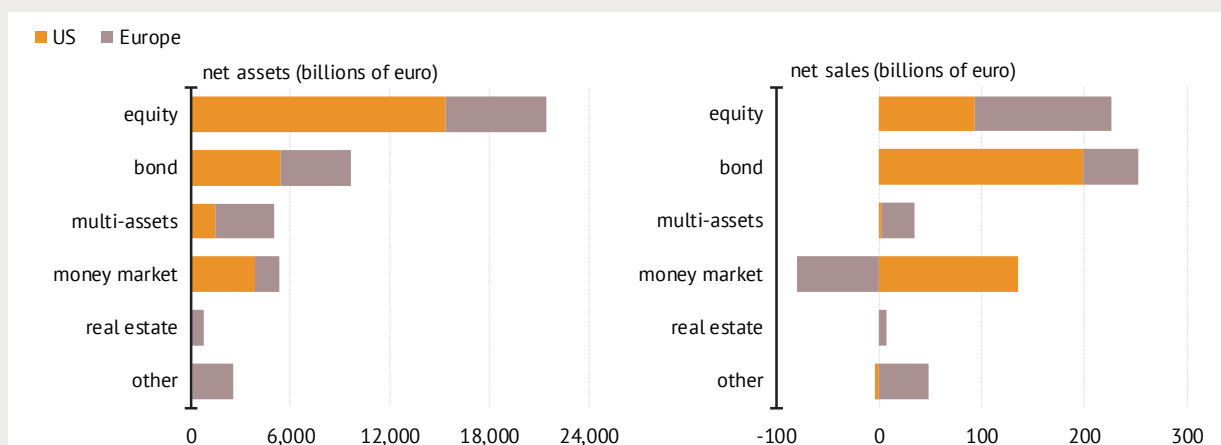
Source: EFAMA International Statistical Release. Figures do not include funds of funds.

Fig. 8.2 – Trends in net sales of mutual funds in the US and in Europe



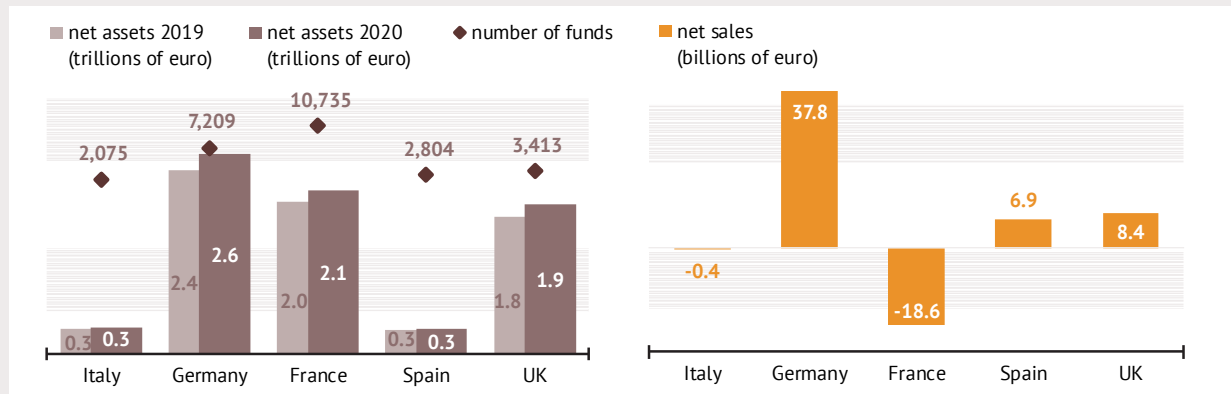
Source: EFAMA International Statistical Release. Figures do not include funds of funds.

Fig. 8.3 – Net assets and net sales of mutual funds in the US and in Europe in the first quarter of 2021 by type of fund



Source: EFAMA International Statistical Release. Figures do not include funds of funds.

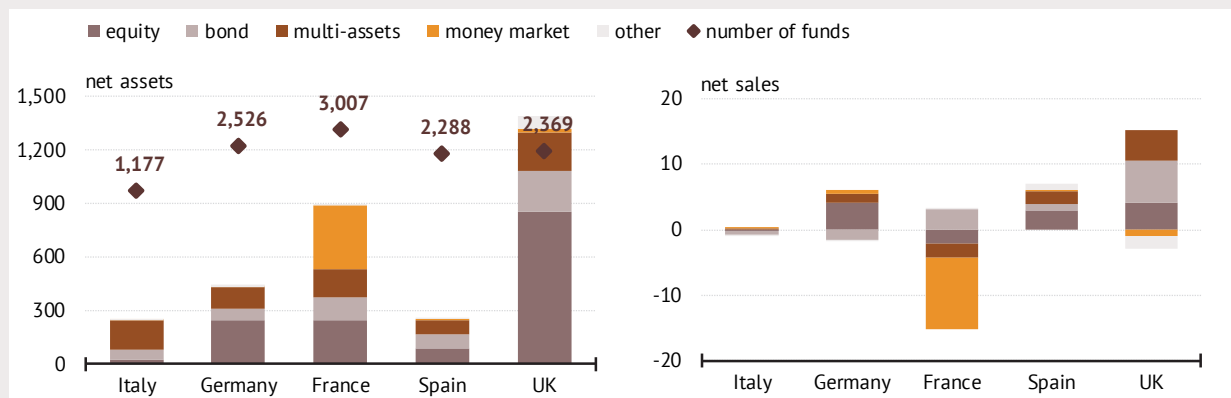
Fig. 8.4 – Net assets and net sales of mutual funds in the main European countries in the first quarter of 2021



Source: EFAMA Quarterly Statistical Release.

Fig. 8.5 – Net assets and net sales of UCITs funds in the main European countries in the first quarter of 2021 by type of fund

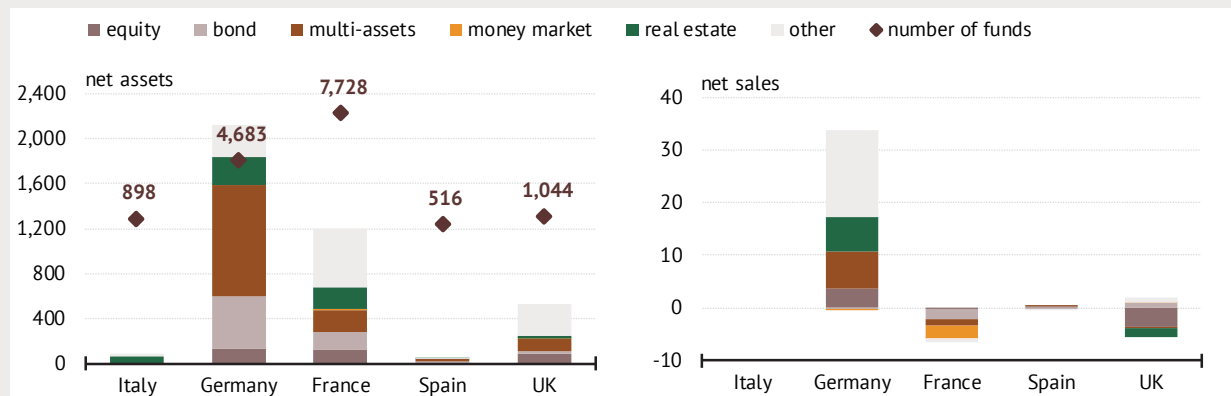
(amounts in billions of euro)



Source: EFAMA Quarterly Statistical Release.

Fig. 8.6 – Net assets and net sales of AIFs funds in the main European countries in the first quarter of 2021 by type of fund

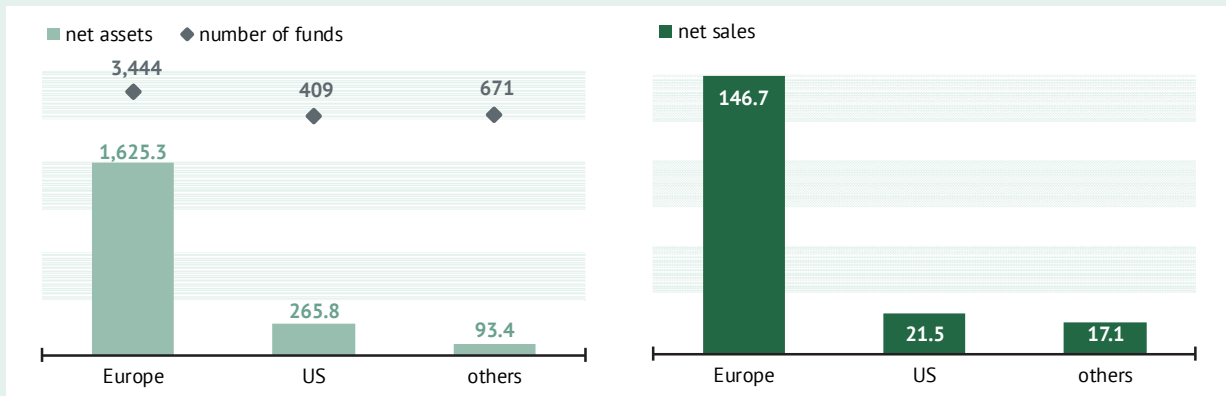
(amounts in billions of euro)



Source: EFAMA Quarterly Statistical Release.

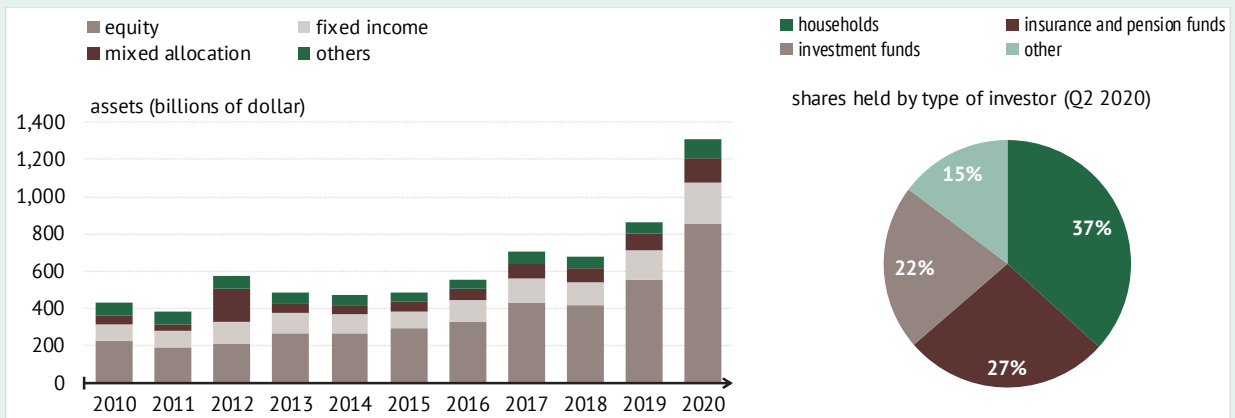
ESG MUTUAL FUNDS

Fig. 8.7 – Net assets and net sales of ESG funds in the first quarter of 2021
(amounts in billions of euro)



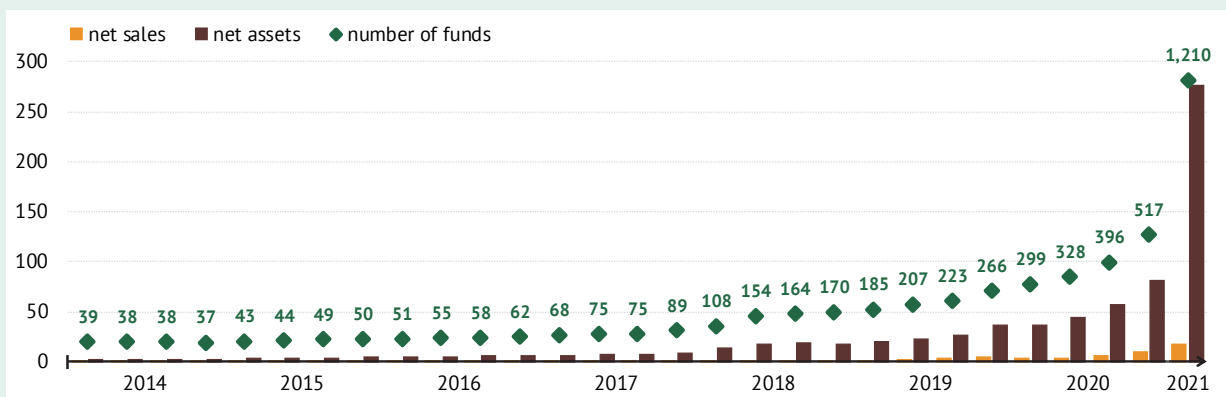
Source: Morningstar, Global Sustainable Fund Flows April 2021.

Fig. 8.8 – ESG funds in the euro area



Source: ECB, Financial Stability Review, November 2020.

Fig. 8.9 – ESG funds in Italy



Source: Assogestioni.

