

Banking Monitor

Trends in the Italian Banking Sector

Interest Rates

In July, the rate on bank deposits recorded a reduction: the average rate on overnight deposits dropped to 0.02% after remaining at 0.03% for 13 months, and the average rate on the stock of deposits slightly down to 0.31%, both of which were deemed stable in August according to the Italian Banking Association (ABI) estimates. The average rate on new time deposits also posted a decline. The rates on new loans to non-financial companies were cropped by a further 12 bps mom to reach a record low of 1.05%, with expectations for a slight recovery to 1.08% in August according to ABI estimates. Rates on disbursements for home mortgage loans remained essentially stable at 1.4%, followed by another increase in August, according to ABI estimates.

Loans

Loans to non-financial companies recorded a rapid slowdown, with the growth rate dropping to 1.7% yoy in July and 1.3% in August according to preliminary data from the ECB. Monthly gross flows show that the slowdown was also particularly marked for smaller loans, after initially affecting larger ones. The slowdown is very evident for loans to the manufacturing industry but less marked for those to trade, while loans to the construction industry started to fall again. Robust growth in household loans is confirmed, with a 3.8% rate of change yoy in July and 3.7% in August, essentially unchanged from the three previous months. Growth is driven by home loans while consumer credit is recovering moderately. According to Italian Banking Association estimates, in August total loans to households and businesses increased by +2.3% yoy, continuing the slowdown from +5.5% at the end of 2020.

Bank Funding

The growth in deposits remains very sustained, at 9.3% in July. There was a moderate slowdown in August, with a 1 percentage point lower rate of change according to ABI estimates. The inclination toward demand deposits persisted. Double-digit growth continued for overnight deposits, up 13% yoy in July and 11.3% in August according to preliminary ECB data. The very substantial inflow of almost EUR 25bn in July, including as much as EUR 18bn of liquidity from non-financial companies, was only partly offset in August (EUR 8bn less due to EUR -9.4bn from non-financial companies). The accumulation of savings on overnight deposits held by households endured uninterrupted, totalling over 41bn from January to August. This dynamic continued to drive growth in total funding from customers, which remained robust, up 7.4% y/y in July as in June, turning more moderate by 1 percentage point in August according to ABI estimates.

Asset Management

In the summer months, the balanced, equity and bond mutual funds reported high overall inflows. From the beginning of the year to August, net inflows exceeded 40bn. Positive results were reported for new life insurance business as well, driven by the significantly sustained growth in policies with a high level of financial focus.

September 2021

Monthly report

Research Department

Banking Research

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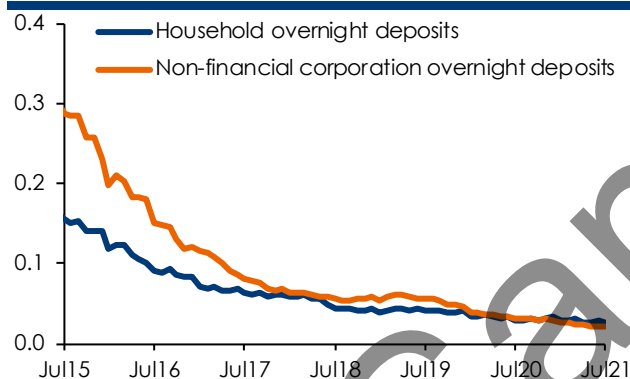
High liquidity pushes deposit rates down slightly

In July, the rate on bank deposits recorded a reduction: the average rate on overnight deposits dropped to 0.02% after remaining at 0.03% for 13 months, and the average rate on the stock of deposits slightly down to 0.31%, both of which were deemed stable in August according to the Italian Banking Association (ABI) estimates. The average rate on new time deposits also posted a decline. The rates on new loans to non-financial companies were cropped by a further 12 bps mom to reach a record low of 1.05%, with expectations for a slight recovery to 1.08% in August according to ABI estimates. Rates on disbursements for home mortgage loans remained essentially stable at 1.4%, followed by another increase in August, according to ABI estimates.

Elisa Coletti

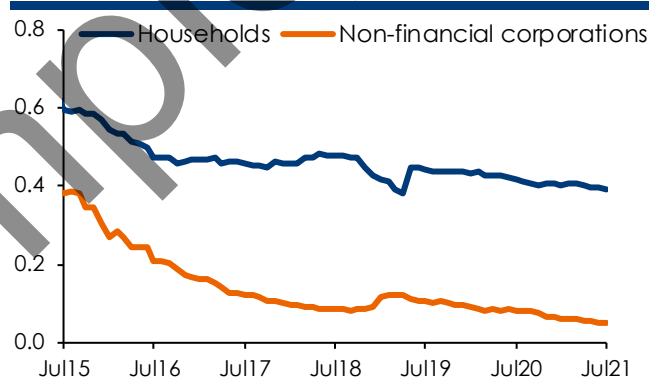
In the summer months, there was an overall **quite moderate reduction in bank deposit rates**, given the low levels already achieved. In particular, in July the average rate on deposits fell to 0.31%, a new all-time low, from 0.32% in the previous three months, and is expected to remain unchanged in August according to ABI estimates. Although the declines are marginal, **the drop in the average rate on overnight deposits to 0.02% is significant, also posting an all-time low** following 15 months at 0.03%. The 0.02% rate on overnight deposits of non-financial companies had already been reached in March, while the rate paid to households remains closer to 0.03% than 0.02% for the moment. The overall rate on outstanding deposits with agreed maturity also fell in July, to 1.00% from 1.01% in the previous three months.

Rates on overnight deposits of households and non-financial companies (%)



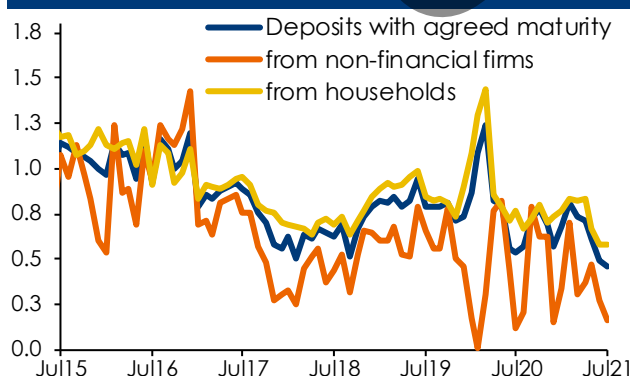
Source: Bank of Italy

Average rates on overall outstanding deposits of households and non-financial companies, excluding repos (%)



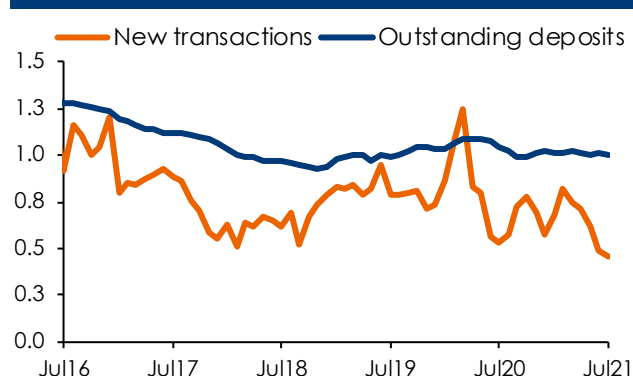
Source: Bank of Italy

Rates on new deposits with agreed maturity of households and non-financial companies (%)



Source: Bank of Italy

Average rates on deposits with agreed maturity: new transactions and outstanding amounts (%)



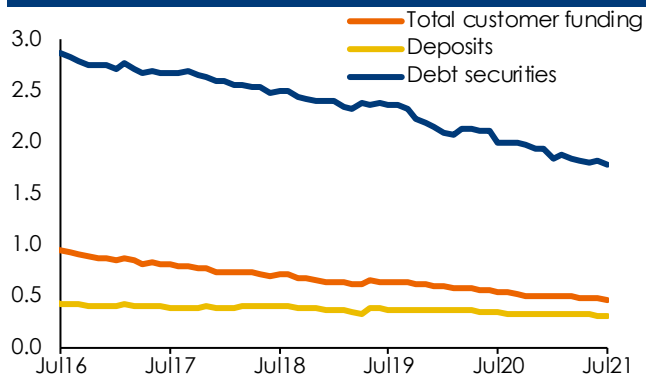
Source: Bank of Italy

A decline was also recorded by the overall average rate on new deposits with agreed maturity, which in July fell by 3bps mom to 0.46% to reach a new record low and a cumulative drop of 36bps in five months. The trend in July was driven by the rate paid to non-financial companies,

which fell by 11bps mom to 0.17%. Conversely, after losing 26bps in the two-month period from May to June, the rate offered to households stabilised at 0.58%.

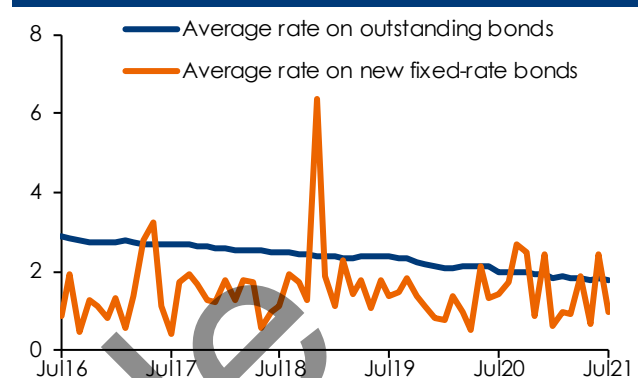
The rate on the stock of bonds fell from 1.81% to 1.79% and is estimated by ABI to remain unchanged in August. The **reduction in the overall cost of the stock of customer funding continues**, down by 1bp mom to 0.46% with stability expected in August based on ABI estimates.

Rates on bank funding - outstanding amounts (%)



Source: Bank of Italy and Intesa Sanpaolo Research Department calculations

Rates on outstanding bank bonds and new issues (%)

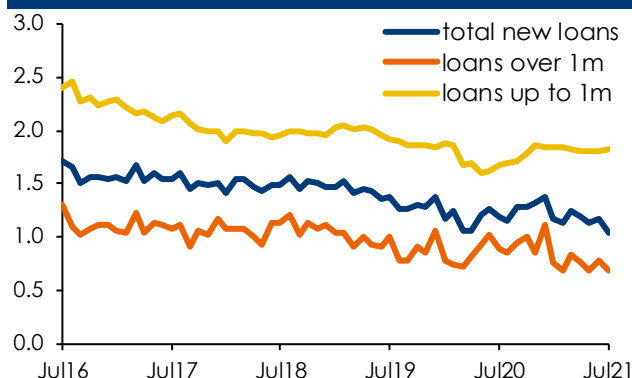


Source: Bank of Italy

In July, there was a significant 12 bps drop mom in the average rate of new loans charged to non-financial companies to 1.05%, marking a new all-time low. **This rate is expected to recover slightly to 1.08% in August**, according to ABI estimates, as often occurs following a significant change. Once again, **the trend in July was determined by the rate applied to transactions over 1M**, which dropped 10bps mom to 0.69%. **Conversely, the rate on lower volume loans recovered somewhat** by about 3bps between May and July, returning to the 1.83% level last seen in February-March and, thereby **showing substantial stability since the beginning of the year**.

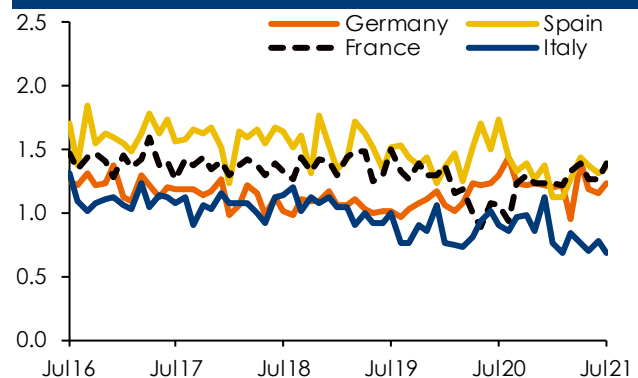
In comparison with the Eurozone, where rates fluctuated counter to Italian rates (-2bps mom for loans up to EUR 1M and +5bps mom for larger loans) **the moderately positive spread for the Italian rate on loan flows up to EUR 1M posted a slight increase to 9bps** (5bps in June). **The negative spread for the rate on new loans over 1M widened to -56bps**, thereby showing conditions that are significantly more beneficial for Italian businesses.

Rates on new loans to non-financial companies in Italy (%)



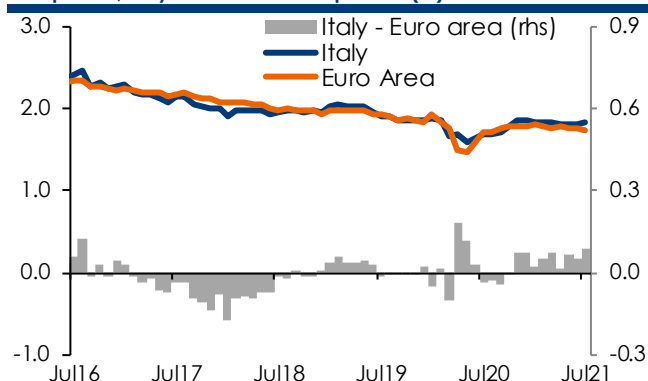
Source: Bank of Italy

Rates on new loans of over 1M to non-financial companies (%)



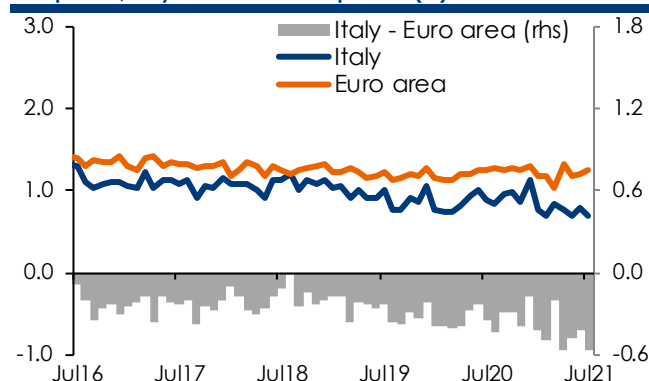
Source: ECB

Average rate on new loans of up to 1M to non-financial companies, Italy – Euro zone comparison (%)



Source: Bank of Italy, ECB and Intesa Sanpaolo calculations

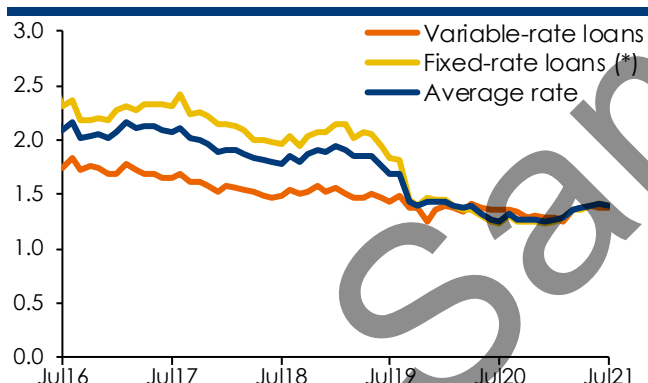
Average rate on new loans of over 1M to non-financial companies, Italy – Euro zone comparison (%)



Source: Bank of Italy, ECB and Intesa Sanpaolo calculations

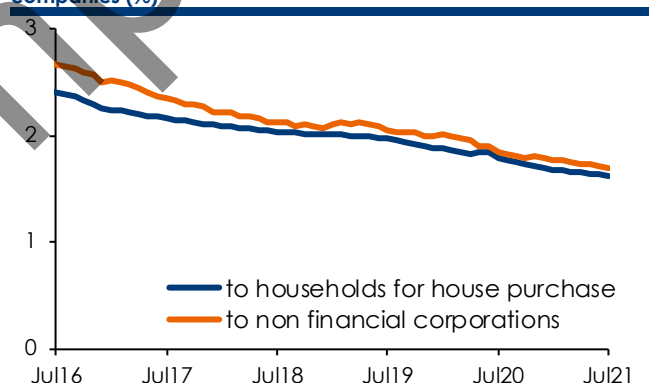
As regards lending rates on disbursements of home mortgage loans, movements were marginal, consolidating the increases seen in previous months. Specifically, the fixed rate was equal to 1.40%, mirroring the May rate, after reaching 1.41% in June. Given the stability of the floating rate at 1.39% for the third month in a row, the performance of the fixed rate influenced the average rate, which also stood at 1.40% as it did in May, after the increase to 1.42% recorded in June. **ABI estimates a further increase in the average rate on disbursements in August to 1.47%.**

Rates on new loans to households for house purchase (%)



Note: (*) Initial rate fixation period over 10 years
Source: Bank of Italy

Rates on outstanding loans to households and non-financial companies (%)

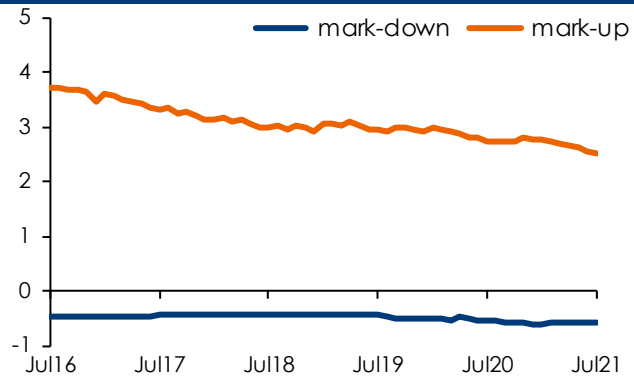


Source: Bank of Italy

Gradual reductions continue for the average rate on the stock of loans by 1bp mom in July to 2.19%, followed by stability in August, as estimated by ABI.

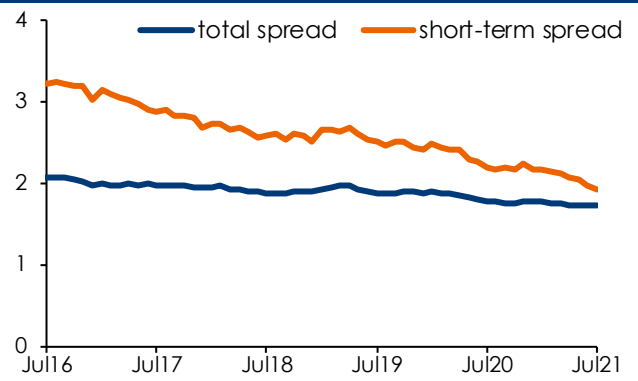
Therefore, **the June spread between lending and borrowing rates remained stable** at 1.73%, but it is experiencing a continuous fall compared to the preceding months (1.77% at the beginning of 2021). **The contribution of demand deposits remained stable** with a -0.58% mark-down for the sixth consecutive month. The mark-up on short-term lending rates continued to fall, by 5bps mom to 2.51% in June, from 2.77% at the beginning of the year.

Short-term contribution (%) (*)



Note (*): mark-down = 1-month Euribor – average rate on overnight deposits of households and businesses; mark-up = lending rate on short-term loans – 1-month Euribor. Source: Bank of Italy, ECB and Intesa Sanpaolo calculations

Short-term spread and total spread (%)



Source: Bank of Italy and Intesa Sanpaolo Research Department calculations

Sample

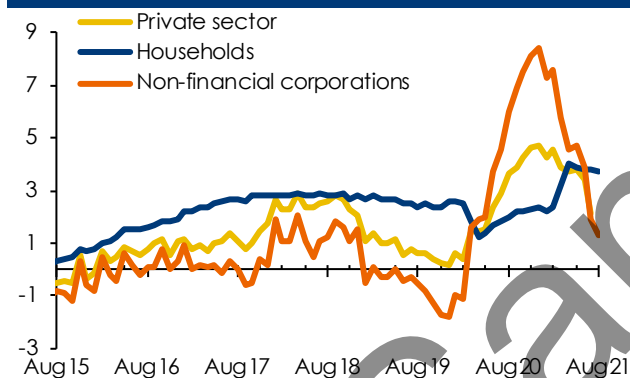
Loans to non-financial companies slacken off

Loans to non-financial companies recorded a rapid slowdown, with the growth rate dropping to 1.7% yoy in July and 1.3% in August according to preliminary data from the ECB. Monthly gross flows show that the slowdown was also particularly marked for smaller loans, after initially affecting larger ones. The slowdown is very evident for loans to the manufacturing industry but less marked for those to trade, while loans to the construction industry started to fall again. Robust growth in household loans is confirmed, with a 3.8% rate of change yoy in July and 3.7% in August, essentially unchanged from the three previous months. Growth is driven by home loans while consumer credit is recovering moderately. According to Italian Banking Association estimates, in August total loans to households and businesses increased by +2.3% yoy, continuing the slowdown from +5.5% at the end of 2020.

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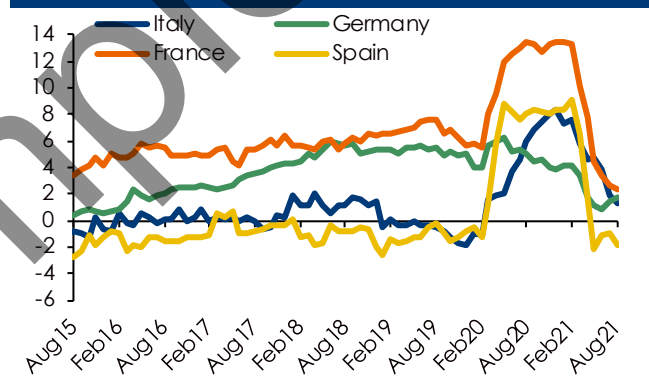
In the summer months, loans to non-financial companies lost speed rapidly, with the growth rate dropping to 1.7% yoy in July and 1.3% in August, according to preliminary data from the ECB, from 3.8% in June and a peak of 8.3% at the end of 2020. The trend is consistent with the particularly marked deceleration observed in France (+2.3% yoy in August from 13.5% at the beginning of the year) and Spain, where the change has turned negative since May (-1.9% in August).

Loans to the private sector resident in Italy, figures adjusted for securitisations and net of central counterparties (yoy % change)



Source: Bank of Italy

Trend in loans to non-financial companies in the main countries of the Euro area, figures adjusted for securitisations (yoy % change)

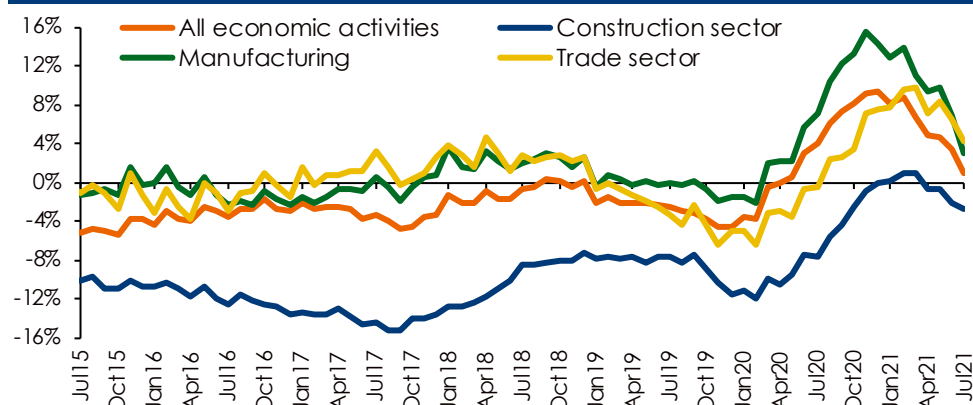


Source: ECB

The slowdown has affected all macro-sectors of economic activity. **The performance of loans to the manufacturing sector dropped to +2.9% yoy in July**, compared to 14.2% at the end of 2020. **The slowdown was less marked for loans to trade and the pace remained good**, at +4.3% yoy in July. Since April, after only four months of slightly above-zero changes, **loans to construction companies have decreased**, by -2.7% yoy in July.

The gross monthly credit flows show a decline that since May **has also had a marked effect on smaller loans, having first concerned larger loans**. In particular, disbursements of over 1M to non-financial businesses, down from March, recorded a -24% yoy drop in July. Disbursements of up to EUR 1 million, whose decline started two months after that of larger loans, recorded a negative change of -41.7% yoy.

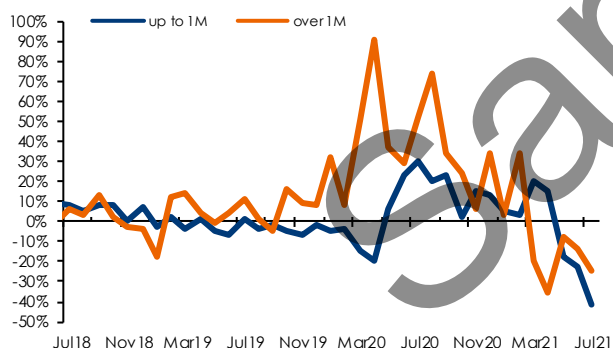
Performing loans in the main economic sectors, non-financial companies and family businesses (yoy % change)



Source: Bank of Italy and Intesa Sanpaolo Research Department calculations

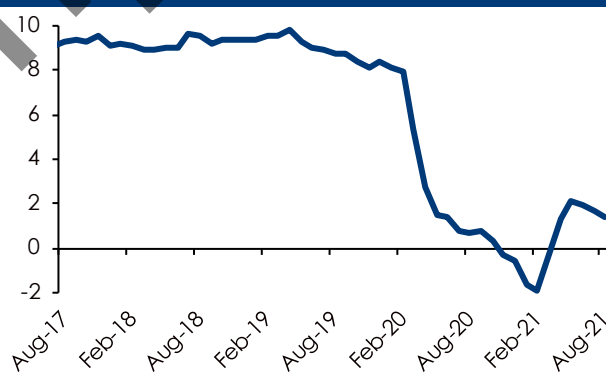
Alongside the slowdown in loans to businesses, **robust growth in household loans is confirmed**, as they recorded **a rate of change of 3.8% yoy in July and 3.7% in August** according to preliminary ECB data, in line with the trend between 4 and 3.9% registered since April (figures adjusted for securitisations). **The trend is driven by loans for house purchase** though **consumer credit is also on the upturn**. In particular, consumer credit disbursed by banks recorded an annual change of 1.7% yoy in July and 1.4% in August, slightly more moderate than in May-June (+2.1 and +1.9% yoy, respectively), after returning to positive territory in April.

Disbursements to non-financial companies - flows net of renegotiations (yoy % change)



Source: Bank of Italy and Intesa Sanpaolo Research Department calculations

Trend in the stock of consumer credit (yoy % changes)



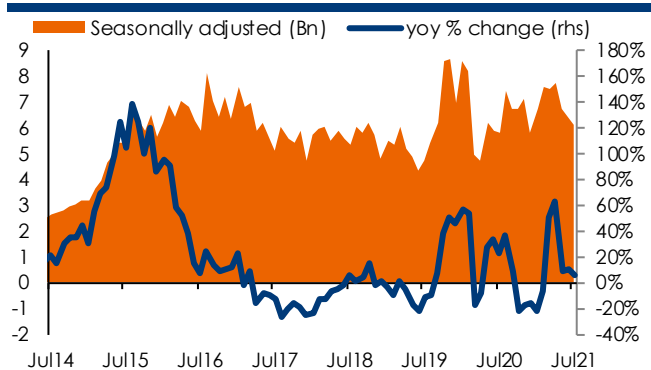
Source: ECB

The dynamics of loans to households for house purchases improved further. In the summer months, the rate of change of the stock rose above 4% yoy, to +4.4% yoy in July and +4.3% in August, double the rate of the end of 2020 (figures not adjusted for securitisations).

The positive results for flows go even further. In July, the performance of the overall gross flow (including renegotiations and new contracts), which returned to positive ground starting in March, was more moderate compared to the previous two months (4.9% yoy from 9.9% in June and an average of 57% in March and April). **This good performance is driven by disbursements for new contracts**, which continue to experience double digit growth at 27.5% yoy in July. The flow in July 2021, equal to EUR 7Bn, is higher than in the same months of the previous years when volumes between 5.3 and 5.7Bn were recorded (32% over July 2019).

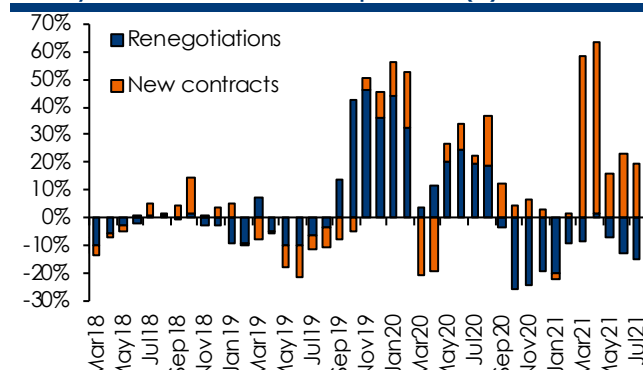
Renegotiations, on the other hand, continued to decline on average (-52.3% yoy in July), as already observed in the preceding months.

Loans to households for house purchase, gross monthly flows



Source: Bank of Italy, and Intesa Sanpaolo calculations

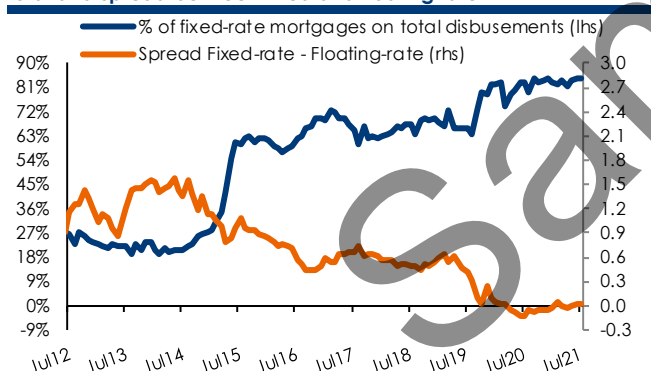
Contribution of renegotiations and new contracts to the growth of monthly loan transactions for house purchases (%)



Source: ECB, and Intesa Sanpaolo calculations

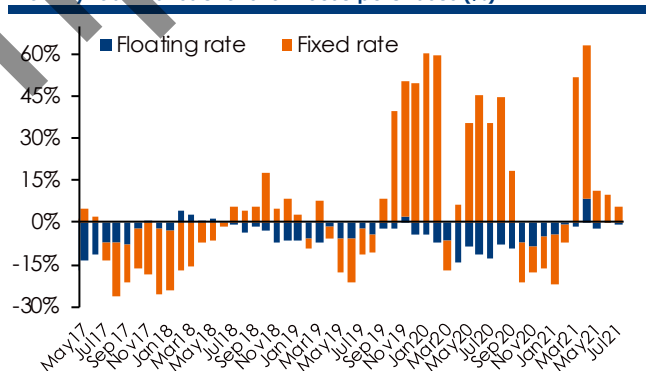
Fixed-rate disbursements continued to gain ground, with a more moderate performance, equal to 7.0% yoy in July, after the surge in March-April (with a change in each of the two months of 70% yoy). Conversely, floating rate lending remained weak and was down 5.6% yoy. As a result, fixed-rate mortgage loans as a percentage of total gross lending was once again high at over 84%.

Disbursements of loans for house purchase: fixed-rate as % of the total and spread between fixed and floating rate



Source: Bank of Italy and Intesa Sanpaolo Research Department calculations

Contribution of fixed-rate and floating-rate flows to the growth of monthly loan transactions for house purchases (%)



Note: (*) Initial rate fixation period over 10 years
Source: Bank of Italy

Overall, **the dynamics of lending to the private sector continues at a much more moderate pace** of 2.1% yoy in July, which is half the pace at the beginning of 2021 (data excluding central counterparties and adjusted for securitisations). On the basis of Italian Banking Association estimates and as reported by preliminary ECB data, **growth slowed further in August**, for total loans to the private sector, but above all for the narrower aggregate of **loans to households and businesses which was forecast at 2.3% yoy from 2.7% in July** and 3.9% in June.

The strength of inflows into household overnight deposits continues

The growth in deposits remains very sustained, at 9.3% in July. There was a moderate slowdown in August, with a 1 percentage point lower rate of change according to ABI estimates. The inclination toward demand deposits persisted. Double-digit growth continued for overnight deposits, up 13% yoy in July and 11.3% in August according to preliminary ECB data. The very substantial inflow of almost EUR 25bn in July, including as much as EUR 18bn of liquidity from non-financial companies, was only partly offset in August (EUR 8bn less due to EUR -9.4bn from non-financial companies). The accumulation of savings on overnight deposits held by households endured uninterrupted, totalling over 41Bn from January to August. This dynamic continued to drive growth in total funding from customers, which remained robust, up 7.4% y/y in July as in June, turning more moderate by 1 percentage point in August according to ABI estimates.

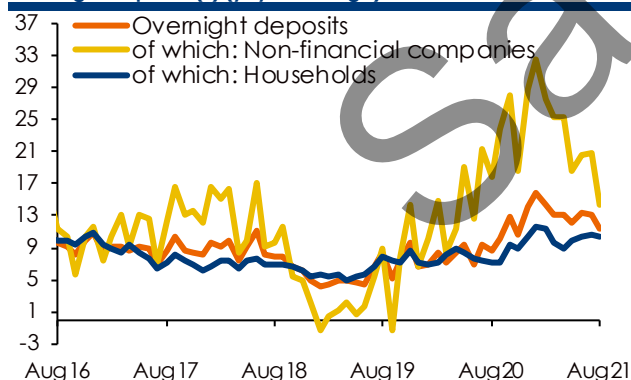
Elisa Coletti

The growth of deposits remained very strong, reaching 9.3% yoy in July, in line with the previous four months. The trend slowed somewhat in August, with a 1 percentage point lower rate of change than the previous month according to ABI estimates.

In the summer months, **overnight deposits continued their double-digit trend**, 13% yoy in July and 11.3% in August, after 13.4% yoy in June. **Overall, the flow into overnight deposits was very positive in July, amounting to almost 25Bn and was only partly offset in August, when a net balance of -8Bn was recorded.** The main contribution to the growth of overnight deposits across the system was due to the **liquidity of non-financial companies, with a net inflow exceeding 18Bn in July but a negative balance of 9.4Bn in August.** The stock growth rate remained at double-digits, at 20.8% yoy in July with a relative tapering in August (+14.4%).

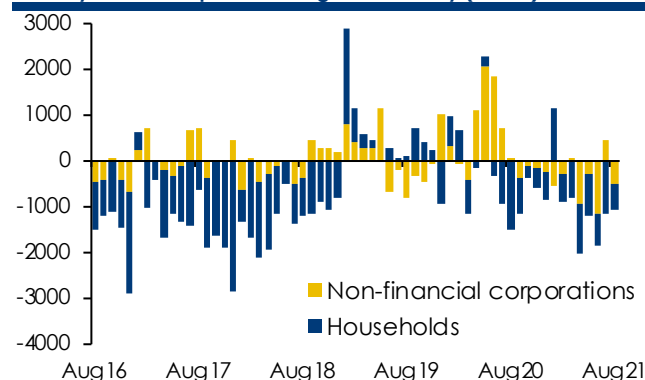
The **positive performance of household overnight deposits continued seamlessly**, with a contribution of 9.3Bn in July and almost 4.5Bn in August, and a stock growth rate of +10.5% yoy. The accumulation of savings on household overnight deposits reached over 41Bn from January to August, surpassing the 36Bn recorded in the same period of 2020.

Overnight deposits (*) (yoy % change)



Note: (*) data referred to the liabilities of Italian MFIs towards Euro zone residents. Source: ECB

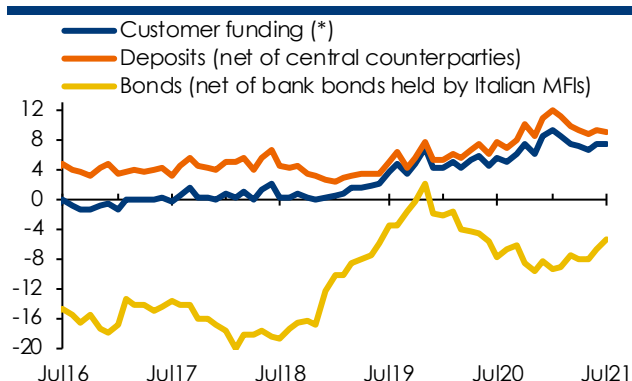
Monthly flows of deposits with agreed maturity (EUR M)



Source: ECB

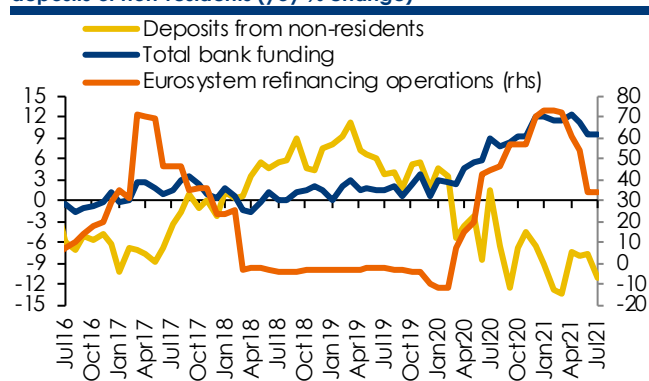
Bonds continued along a negative trend, with a stock decline by 5.3% yoy, followed in August by a similar drop of 6.1%, according to ABI estimates.

Customer funding at Italian banks (yoy % change) (*)



Note: (*) excluding deposits with central counterparties and bonds purchased by Italian MFIs. Total deposits and funding exclude liabilities related to loans sold and not cancelled. Source: Bank of Italy and Intesa Sanpaolo Research Department calculations

Rate of change in total funding, of which ECB refinancing and deposits of non-residents (yoy % change)



Source: Bank of Italy

Growth in total customer funding thus remained robust, at 7.4% yoy in July, mirroring June's performance (from a peak of +9.3% in January 2021). According to ABI estimates, in August the pace slowed by 1 percentage point. The total funding aggregate experienced a rate of change of 9.5% yoy, in line with June and relatively more contained than the average of 11.8% yoy from January to May. This is due to the **progressive deceleration of the strong growth rate of ECB refinancing** (+34% in May, while it was +73% at the beginning of 2021) while **deposits of non-residents, including interbank deposits, continued to decline** (-10.9% yoy).

Asset management: record inflows into mutual funds

In the summer months, the balanced, equity and bond mutual funds reported high overall inflows. From the beginning of the year to August, net inflows exceeded 40Bn. Positive results were reported for new life insurance business as well, driven by the significantly sustained growth in policies with a high level of financial focus.

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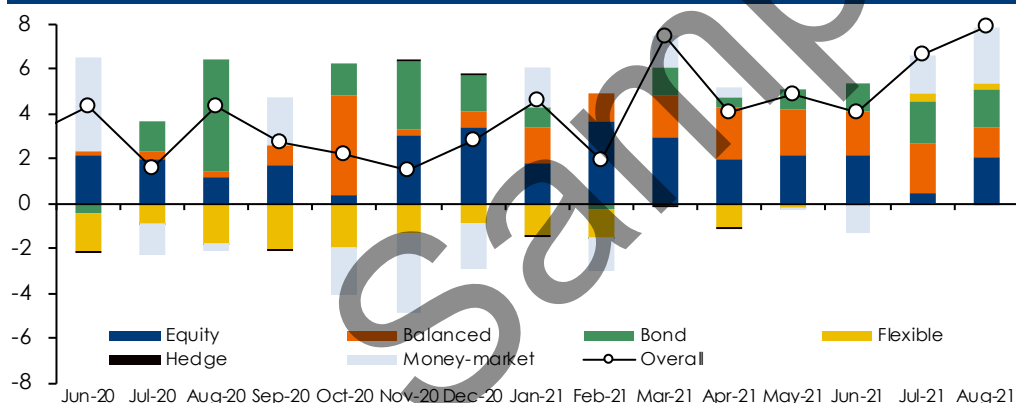
In June, July and August 2021, the data contained in Assogestioni's Monthly Map of Assets Under Management¹ once showed a strongly positive performance with overall net mutual fund inflows of about 18.6Bn, of which 4.1Bn in June, 6.6Bn in July and 7.9Bn in August.

The overall figure is the result of robust inflows in the three months towards the balanced funds (5.5Bn) and the bond sector (4.8Bn). For equity funds, high inflows were recorded in June (€ 2.2Bn) followed by weak inflows (€ 498M) in July and a return of strongly positive net inflows in August (€ 2.1Bn). Monetary funds, on the other hand, after the negative net inflows in June (-1.2Bn) recorded significant inflows both in July (1.7Bn) and in August (2.5Bn). Finally, inflows from flexible funds in the three months were weak (631M) and slightly negative that of hedge funds (-23M).

Since the beginning of the year, net inflows to mutual funds exceeded 40Bn on account of the contribution from equity funds (around 24Bn).

Assets under management in the mutual fund industry **stood at EUR 1,243.4Bn in August, up** compared to December 2020 **(+11.4% yoy)**.

Open-end mutual funds: breakdown of monthly net inflows by category (EUR Bn)



Source: Assogestioni

With regard to fund location, net inflows in June, July and August were robust overall for foreign funds (7.4Bn) and roundtrip funds² (9.2Bn). Net inflows to Italian funds remained modest (+2.0Bn).

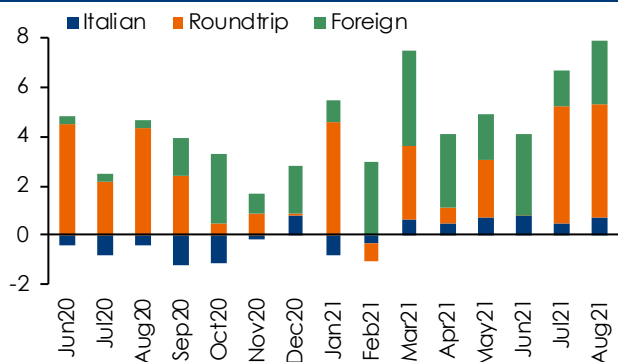
A breakdown of net inflows of funds by type of fund manager shows that net inflows over the three months were high for banking operators (8.0Bn), insurance operators and financial advisors (10.5Bn). In particular, the banking channel recorded inflows of approximately 1.5Bn in June,

¹ This document is issued in the 4th/5th week of the month after the month reported. The data in the Monthly Map are preliminary and anticipate more complete figures published in the corresponding quarterly Map.

² The inflow value relating to roundtrip funds is an estimate because this is not available on a monthly basis, and consequently it is subject to revisions following the publication of the Assogestioni Quarterly Map.

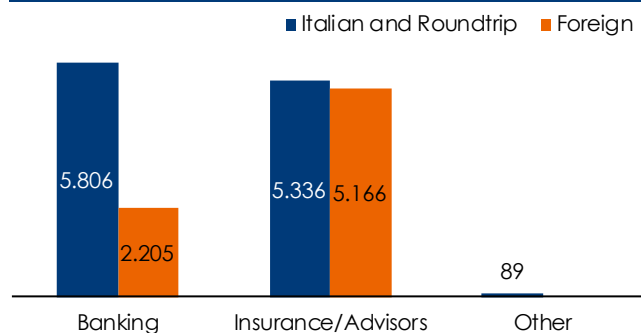
3.3Bn in July and 3.2Bn in August. Financial advisors collected 2.6Bn in June, 3.3Bn in July and 4.6Bn in August.

Open-end mutual funds: breakdown of monthly net inflows by location (EUR Bn)



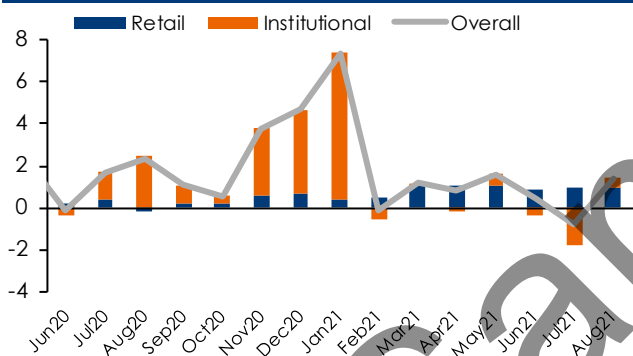
Source: Intesa Sanpaolo Research Department calculations based on Assogestioni data

Open-end mutual funds: breakdown of net inflows for June, July and August 2021 by type of fund manager (EUR M)



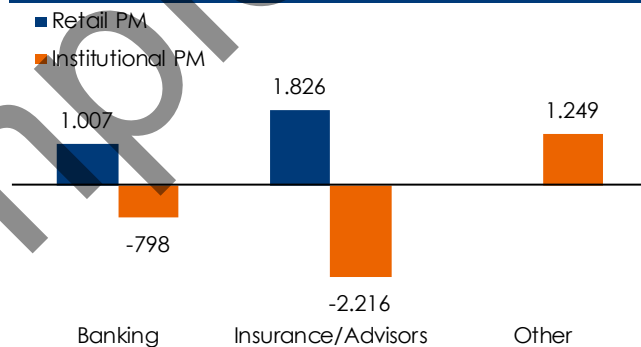
Source: Intesa Sanpaolo Research Department calculations based on Assogestioni data

Portfolio management: breakdown of monthly net inflows by customer type (EUR Bn)



Source: Intesa Sanpaolo Research Department calculations based on Assogestioni data

Portfolio management: net inflows for June, July and August 2021 by type of fund manager (EUR M)



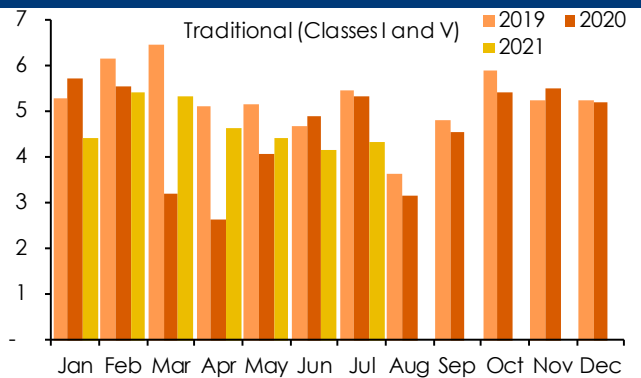
Source: Intesa Sanpaolo Research Department calculations based on Assogestioni data

For **portfolio management**, in June, July and August there were **total inflows of approximately 1.1Bn**, the result of a modest inflow of 481M in June, -811M in July and 1.4Bn in August. In the three months, the overall inflows are attributable to the positive net inflows of retail mandates (+2.8Bn) while outflows of -1.8Bn were recorded for institutional mandates. Looking at the breakdown by type of management group, overall funding was slightly negative for insurance and financial advisors (-390M) while it was modest for banking with approximately +210M. Poste Italiane's inflows stood at 1.3Bn.

In June and July, total new life insurance business stood at 17.2Bn, of which 8.4Bn in June and 8.7Bn in July, slightly below the 9.2Bn average of the first five months of the year. For traditional policies, inflows over the two months were 8.5Bn, while for class III policies this figure was approximately 8.7Bn.

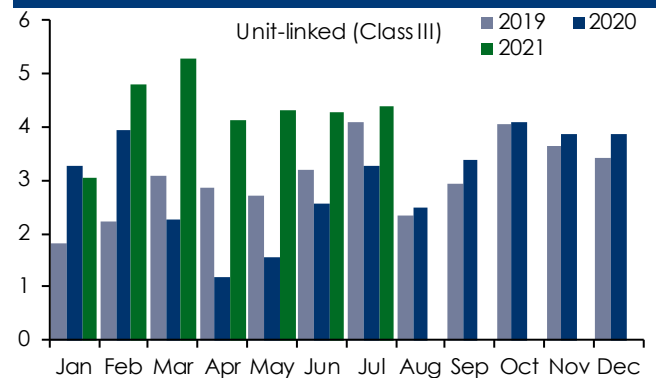
Since the beginning of the year, collected life insurance premiums totalled 63.0Bn, up compared to the same period in the last four years due to the growth of unit linked policies.

Life insurance premiums: new monthly business, class I and V (Italian, non-EU and EU businesses) (EUR Bn)



Source: Intesa Sanpaolo Research Department calculations based on ANIA figures

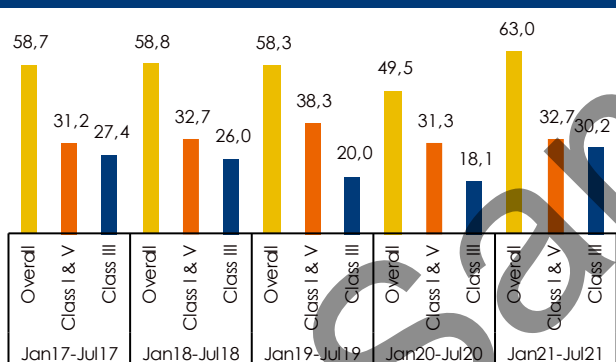
Life insurance premiums: new monthly business, class III (Italian, non-EU and EU businesses) (EUR Bn)



Source: Intesa Sanpaolo Research Department calculations based on ANIA figures

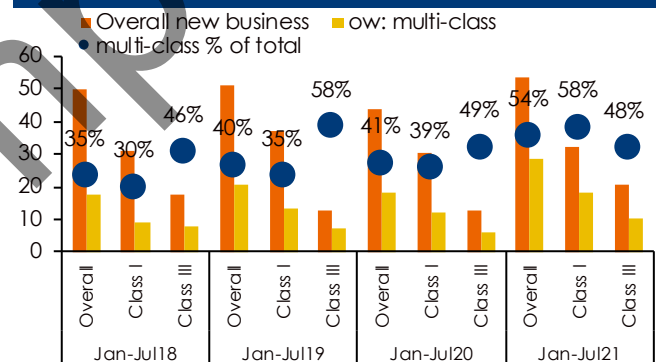
In June, the multi-class policies of a sample of Italian and non-EU businesses provided new business totalling 8.3Bn. Of the overall inflows from hybrid products, approximately 5.3Bn relates to class I policies and approximately 3Bn to class III policies. Since the beginning of the year, new business of hybrid policies stood at 28.6Bn.

Life insurance premiums: new cumulative business, class I and V and class III (Italian, non-EU and EU businesses) (EUR Bn)



Source: Intesa Sanpaolo Research Department calculations based on ANIA figures

Life insurance premiums (Italian and non-EU businesses): multi-class component and total policies purchased by class (EUR Bn)



Source: Intesa Sanpaolo Research Department calculations based on ANIA figures

Statistical appendix

Interest rate to households (new business)

Maturity	Jul'21	- 1 month	- 3 months	-12 months
House purchase				
floating rate and up to 1 year	1.39	1.39	1.38	1.36
over 5 and up to 10 years	1.66	1.81	1.55	1.30
over 10 years	1.40	1.41	1.37	1.23
APRC(*)	1.75	1.77	1.74	1.59
Consumer credit				
over 1 and up to 5 years	5.97	6.14	6.07	6.34
APRC(*)	7.94	8.11	7.95	7.68
Other loans				
over 1 and up to 5 years	2.23	1.98	2.22	1.66

(*) annual percentage rate of change

Source: Bank of Italy, Intesa Sanpaolo calculations

Interest rates to non-financial corporations (new business)

Maturity	Jul'21	- 1 month	- 3 months	-12 months
Loans up to EUR 1million				
floating rate and up to 1 year	1.83	1.81	1.80	1.68
over 1 and up to 5 years	1.77	1.79	1.75	1.71
over 5 years	2.14	2.02	2.21	1.57
Loans over EUR 1million				
floating rate and up to 1 year	2.10	1.90	1.95	1.63
over 1 and up to 5 years	0.69	0.78	0.77	0.90
over 5 years	0.69	0.76	0.73	0.90
over 1 and up to 5 years	0.40	0.82	1.14	0.59
over 5 years	1.44	1.32	1.32	1.22

Source: Bank of Italy, Intesa Sanpaolo calculations

Main balance sheet items of the Italian banking sector: Loans to customers

	Private sector		Non-financial corporations		Households	
	EUR M	yoy % change (adjusted) (^) (*)	EUR M	yoy % change (adjusted) (*)	EUR M	yoy % change (adjusted) (*)
Jul-19	1,437,961	0.8	661,335	-0.3	633,014	2.5
Aug-19	1,421,991	0.6	650,122	-0.6	630,926	2.4
Sep-19	1,426,034	0.6	647,975	-0.8	632,116	2.5
Oct-19	1,419,960	0.4	643,761	-1.3	633,841	2.5
Nov-19	1,417,178	0.2	642,842	-1.8	631,968	2.4
Dec-19	1,410,513	0.2	631,206	-1.9	630,337	2.6
Jan-20	1,412,056	0.6	638,748	-1.0	630,855	2.6
Feb-20	1,405,464	0.4	635,117	-1.2	631,253	2.6
Mar-20	1,422,339	1.5	650,601	1.5	628,946	1.8
Apr-20	1,422,087	1.5	656,372	1.8	626,051	1.2
May-20	1,425,106	1.6	656,886	2.0	629,193	1.4
Jun-20	1,436,301	2.3	661,804	3.7	632,183	1.7
Jul-20	1,445,443	2.9	669,652	4.5	634,429	1.8
Aug-20	1,443,717	3.7	671,166	6.0	633,937	2.0
Sep-20	1,453,436	3.9	677,012	6.8	636,758	2.2
Oct-20	1,454,875	4.3	677,517	7.4	639,043	2.2
Nov-20	1,462,120	4.6	682,282	8.1	641,697	2.3
Dec-20	1,453,048	4.7	667,980	8.3	640,608	2.3
Jan-21	1,448,967	4.3	669,141	7.3	640,359	2.2
Feb-21	1,447,009	4.5	668,293	7.6	642,019	2.4
Mar-21	1,454,865	3.9	671,212	5.7	645,601	3.2
Apr-21	1,448,052	3.7	666,733	4.5	645,641	4.0
May-21	1,451,439	3.8	667,717	4.6	647,680	4.0
Jun-21	1,457,449	3.4	666,135	3.8	650,584	3.9
Jul-21	1,453,094	2.1	662,094	1.7	656,514	3.8

Note: Adjusted changes are calculated by the Bank of Italy to take account of changes not related to transactions.

(^) Excluding central counterparties.

(*) Adjusted for securitisations and net of changes not related to transactions (exchange rate variations, other changes in value or reclassifications).

Source: Bank of Italy.

Main balance sheet items of the Italian banking sector: Funding from customers

	Deposits from the private sector		Of which: Overnight deposits		EUR M (°)	yoy % change (°)	EUR M (#)	yoy % change (#)
	EUR M (§)	yoy % change (adjusted) (§)	EUR M	yoy % change (°)				
Jul-19	1,542,115	5.0	1,147,671	6.6	243,359	-2.8	1,785,473	3.8
Aug-19	1,562,619	6.3	1,167,969	8.2	242,129	-2.6	1,804,748	4.9
Sep-19	1,556,404	4.0	1,163,639	5.2	242,325	-0.8	1,798,729	3.3
Oct-19	1,565,033	5.6	1,171,934	7.2	241,020	0.9	1,806,053	4.8
Nov-19	1,582,660	7.5	1,189,858	9.8	241,353	2.1	1,824,013	6.9
Dec-19	1,574,250	5.2	1,182,391	6.6	238,458	-1.7	1,812,708	4.3
Jan-20	1,562,848	5.3	1,166,757	6.8	237,640	-2.1	1,800,489	4.2
Feb-20	1,584,141	6.2	1,187,514	8.2	236,204	-1.6	1,820,344	5.1
Mar-20	1,601,896	5.7	1,204,102	7.4	232,685	-4.9	1,834,581	4.3
Apr-20	1,620,356	6.8	1,220,255	8.6	230,967	-5.0	1,851,323	5.2
May-20	1,639,441	7.5	1,236,493	9.3	228,255	-5.0	1,867,696	5.8
Jun-20	1,635,365	6.0	1,231,318	7.1	225,751	-3.7	1,861,115	4.4
Jul-20	1,660,896	7.8	1,256,181	9.5	224,409	-5.3	1,885,306	5.6
Aug-20	1,671,829	7.1	1,267,849	8.6	225,873	-4.0	1,897,702	5.2
Sep-20	1,682,223	8.3	1,279,884	10.1	227,150	-3.7	1,909,373	6.2
Oct-20	1,722,332	10.2	1,321,061	12.8	220,318	-6.3	1,942,650	7.6
Nov-20	1,711,129	8.7	1,316,611	10.8	217,930	-6.8	1,929,059	6.2
Dec-20	1,739,818	11.1	1,348,719	14.2	218,563	-5.4	1,958,380	8.4
Jan-21	1,745,018	12.3	1,350,109	15.9	215,557	-6.4	1,960,574	9.3
Feb-21	1,752,423	11.3	1,357,509	14.6	214,898	-6.0	1,967,321	8.5
Mar-21	1,750,624	9.9	1,356,623	12.9	215,371	-4.0	1,965,994	7.6
Apr-21	1,766,128	9.6	1,374,346	12.9	212,333	-4.5	1,978,462	7.3
May-21	1,774,513	8.8	1,384,364	12.2	209,572	-4.9	1,984,085	6.6
Jun-21	1,782,065	9.6	1,394,274	13.4	210,457	-6.2	1,992,522	7.4
Jul-21	1,805,335	9.3	1,417,835	13.0	212,457	-5.2	2,017,791	7.4

Note: yoy % changes are adjusted for statistical discontinuity. Adjusted changes are calculated by the Bank of Italy to take account of changes not related to transactions.

(§) Excluding deposits with central counterparties and liabilities related to loans sold and not cancelled.

(°) Excluding bonds purchased by Italian MFIs.

(#) Excluding deposits with central counterparties, bonds purchased by Italian MFIs, and liabilities related to loans sold and not cancelled.

Source: Bank of Italy and Intesa Sanpaolo Research Department calculations.

Asset management: mutual funds and portfolio management (EUR M)

	Mutual Funds							Portfolio Management				
	Mutual Funds				Assets under management			Net inflows			Assets	
	Italian funds	Roundtrip funds	Foreign funds	Total	EUR M	yoy % change (*)	Retail	Institutional	Total	EUR M	yoy % change (*)	
Jul-19	-887	452	-268	-703	1,035,362	1.9	217	4,407	4,624	1,139,829	8.0	
Aug-19	-628	4,915	-258	4,029	1,036,344	2.8	-226	-78	-304	1,161,574	11.1	
Sep-19	-974	1,205	577	808	1,045,232	3.7	164	709	873	1,176,953	11.2	
Oct-19	-341	49	67	-225	1,046,997	7.3	356	735	1,091	1,166,450	11.6	
Nov-19	-360	1,984	-374	1,250	1,054,755	8.5	307	1,782	2,089	1,163,491	11.0	
Dec-19	-519	2,014	1,731	3,226	1,071,299	12.5	447	6,007	6,454	1,170,987	11.0	
Jan-20	-470	-1,574	-269	-2,313	1,072,823	7.1	267	230	497	1,186,345	10.0	
Feb-20	-361	768	-1,930	-1,523	1,051,881	2.9	650	9	659	1,177,112	9.8	
Mar-20	-1,527	-2,721	-6,546	-10,794	966,297	-7.1	-742	2,585	1,843	1,114,513	1.7	
Apr-20	87	2,990	2,661	5,738	992,502	-4.0	105	-3,989	-3,884	1,122,136	2.7	
May-20	-100	2,533	506	2,939	1,008,227	1.1	348	1,893	2,241	1,137,707	5.0	
Jun-20	-422	4,519	284	4,381	1,032,133	1.7	233	-322	-89	1,167,346	4.8	
Jul-20	-833	2,198	257	1,622	1,042,844	1.5	436	1,261	1,697	1,179,659	3.0	
Aug-20	-375	4,316	362	4,303	1,056,046	3.0	-149	2,487	2,338	1,181,247	1.3	
Sep-20	-1,195	2,441	1,465	2,711	1,074,214	2.7	212	856	1,068	1,197,174	1.1	
Oct-20	-1,116	490	2,818	2,192	1,072,353	0.7	190	363	553	1,197,699	2.7	
Nov-20	-167	842	799	1,474	1,106,574	3.6	555	3,225	3,780	1,222,011	5.1	
Dec-20	789	127	1,913	2,829	1,116,482	2.8	679	3,961	4,640	1,233,434	7.6	
Jan-21	-818	4,598	870	4,649	1,138,127	4.3	353	6,991	7,344	1,241,492	7.1	
Feb-21	-322	-691	2,969	1,956	1,141,896	7.1	483	-572	-89	1,230,307	6.7	
Mar-21	639	2,967	3,871	7,477	1,160,840	20.6	1,044	156	1,200	1,240,222	13.8	
Apr-21	502	626	2,957	4,085	1,183,607	16.9	1,015	-210	805	1,231,573	11.6	
May-21	705	2,299	1,900	4,904	1,190,462	15.6	1,036	549	1,585	1,245,092	11.4	
Jun-21	771	9	3,316	4,096	1,206,370	14.3	869	-388	481	1,228,225	6.6	
Jul-21	502	4,689	1,437	6,628	1,227,896	14.5	973	-1,784	-811	1,243,955	7.8	
Aug-21	708	4,551	2,622	7,881	1,243,375	14.6	990	409	1,399	1,244,303	7.6	
YTD 2020	-4,001	13,029	-4,675	4,353			1,148	4,154	5,302			
YTD 2021	2,687	19,048	19,941	41,676			6,763	5,151	11,914			

(*) yoy % changes adjusted for statistical discontinuities due to the inclusion in the sample of additional companies.

(#) Data for the net inflows of institutional mandates for January 2019 and December 2020 have been corrected due to extraordinary transactions involving primary operators in the sector.

Note: data are brought from the preliminary indications of the Monthly Maps of Assogestioni. For this reason, these values could be subjected to some quarterly reviews.

Source: Assogestioni and Intesa Sanpaolo calculations.

Asset management: life insurance premiums. new monthly business (EUR M)

	Traditional premiums				Unit and Index linked		Total new business (§)				
	Class I		Class V		Class III						
	New business	yoy % change (*)	New business	yoy % change (*)	New business	yoy % change (*)	New business	yoy % change (*)	YTD new business	YTD % change (*)	
Jul-19	5,341	31.0	129	53.6	4,084	20.2	9,566	26.4	58,333	-0.7	
Aug-19	3,562	-4.1	50	43.3	2,329	-15.5	5,950	-8.7	64,283	-1.5	
Sep-19	4,725	-12.1	70	48.6	2,927	20.3	7,733	-1.7	72,016	-1.5	
Oct-19	5,784	31.8	104	84.9	4,066	35.2	9,969	33.5	81,985	1.7	
Nov-19	5,167	7.0	92	-27.1	3,649	42.9	8,930	17.5	90,915	3.2	
Dec-19	5,065	4.0	183	111.8	3,426	39.3	8,717	17.0	99,631	4.2	
Jan-20	5,455	4.7	245	340.1	3,287	81.4	9,001	27.0	9,001	27.0	
Feb-20	5,460	-8.4	65	-67.3	3,933	75.8	9,472	12.7	18,473	19.2	
Mar-20	3,127	-50.8	66	-20.0	2,280	-25.8	5,481	-42.4	23,954	-4.3	
Apr-20	2,587	-48.0	63	-49.8	1,177	-59.0	3,834	-52.0	27,788	-15.8	
May-20	4,027	-19.8	44	-68.9	1,565	-42.2	5,646	-28.4	33,434	-18.2	
Jun-20	4,840	5.5	33	-65.2	2,556	-19.9	7,439	-5.7	40,873	-16.2	
Jul-20	5,261	-1.5	70	-45.7	3,282	-19.6	8,624	-9.8	49,497	-15.1	
Aug-20	3,100	-13.0	55	11.9	2,472	6.1	5,635	-5.3	55,132	-14.2	
Sep-20	4,468	-5.4	69	-1.5	3,376	15.3	7,922	2.5	63,055	-12.4	
Oct-20	5,315	-8.1	94	-9.2	4,079	0.3	9,525	-4.6	72,580	-11.5	
Nov-20	5,433	5.1	76	-17.0	3,851	5.5	9,407	6.1	81,987	-9.8	
Dec-20	5,086	0.4	103	-43.5	3,858	12.6	9,084	4.2	91,071	-8.6	
Jan-21	4,373	-19.8	57	-76.5	3,048	-7.3	7,494	-16.7	7,494	-16.7	
Feb-21	5,312	-2.7	81	24.5	4,799	22.0	10,207	7.8	17,700	-4.2	
Mar-21	5,300	69.5	31	-52.5	5,284	131.8	10,631	94.0	28,332	18.3	
Apr-21	4,581	77.1	37	-41.6	4,128	250.7	8,760	128.5	37,092	33.5	
May-21	4,366	8.4	51	15.7	4,318	176.0	8,752	55.0	45,844	37.1	
Jun-21	4,098	-15.3	51	56.0	4,270	67.1	8,435	13.4	54,278	32.8	
Jul-21	4,280	-18.6	49	-30.1	4,388	33.7	7,212	1.2	61,490	24.2	

(§) The overall figure includes Branches IV and VI premiums too.

(*) Changes on consistent bases. adjusted after the sample of EU companies was extended in 2016 and 2017.

Source: ANIA and Intesa Sanpaolo Research Department calculations.

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