

Communications

P.O. Box, CH-8022 Zurich
Telephone +41 44 631 31 11
Fax +41 44 631 39 10

Zurich, 18 November 2008

Household financial wealth in 2007

Slower rise in household net financial assets

In 2007, net financial assets of households in Switzerland increased by CHF 24 billion to CHF 1,300 billion. At year-end, net financial assets per capita thus amounted to roughly CHF 171,000. The increase was considerably smaller than in the previous year (2006: CHF +106 billion).

The weaker rise in net financial assets can be attributed to market price and exchange rate developments. While households posted high capital gains in 2006, they sustained slight capital losses amounting to CHF 9 billion in 2007 (cf. chart 3). These losses resulted from falling prices of domestic shares and Swiss franc bonds, as well as the weakening of the US dollar against the Swiss franc. The increase in net financial assets was thus solely due to household savings, an area in which Swiss households are traditionally very active (cf. chart 2).

Households' insurance technical reserves recorded the steepest rise, growing by CHF 20 billion to CHF 813 billion (cf. chart 1). This was largely attributable to contributions made to occupational pension schemes. Households continued to purchase both units in collective investment schemes and structured products. Collective investment schemes climbed by CHF 15 billion to CHF 225 billion, while the stock of structured products rose by CHF 8 billion to CHF 51 billion. Investment in debt securities also increased by CHF 8 billion, reaching a level of CHF 121 billion. The stock of shares, meanwhile, slipped by CHF 9 billion to CHF 253 billion; a result of the fact that households once again sold more shares than they purchased. Deposits with banks and PostFinance remained stable (CHF 458 billion). Overall, total financial assets held by households rose by CHF 42 billion to CHF 1,921 billion.

As in previous years, insurance technical reserves made up the largest share – 42% – of household financial assets, with occupational pension schemes accounting for 80% of this figure. The second-largest asset category was deposits with banks and PostFinance, at 24%. This was followed by shares, at 13%, and units in collective investment schemes, at 12%. Debt securities accounted for 6% and structured products for 3% (cf. chart 4).

18 November 2008

2

About 90% of household financial liabilities took the form of mortgages. In 2007, these rose by CHF 17 billion to CHF 565 billion. Other types of loans rose by CHF 1 billion to CHF 48 billion. Overall, net liabilities rose by CHF 19 billion to CHF 620 billion.

Household financial wealth forms part of the Swiss financial accounts, which present the volume and breakdown of the financial assets and liabilities held by the different sectors of the economy as well as the financial transactions. The Swiss financial accounts are published in two parts: this press release and the report itself. Figures for 2007 are already available for the households sector; these are being released and discussed in advance as part of this communication. The report on the financial accounts for all sectors, which contains data up to 2006, will be made available online at www.snb.ch, *Publications*, on 18 November 2008 at 9.00 a.m. The printed version may be obtained from the Swiss National Bank from 25 November 2008. (Subscribers to the SNB's *Monthly Statistical Bulletin* will receive the report automatically.)

Further information: Jürg Bärlocher, Swiss National Bank, tel. +41 44 631 39 59

Press release

18 November 2008

3

Appendix: Charts and tables

Chart 1: Stocks of household financial assets

Chart 2: Household transactions

Chart 3: Capital gains and losses for households

Chart 4: Breakdown of stocks of household financial assets

Table 1: Stocks of household financial assets and liabilities

Table 2: Household transactions

Table 3: Capital gains and losses for households

Table 4: Statistical changes and reclassifications

Note on the charts and tables:

Chart 1 and table 1 show the stocks of financial assets and liabilities. Changes to these stocks correspond to the sum of the transactions (chart 2 and table 2), the capital gains and losses (chart 3 and table 3) and the statistical changes and reclassifications (table 4). Net financial assets comprise total financial assets less liabilities. Per capita net financial assets are net financial assets divided by the average population of Switzerland as per the Swiss Federal Statistical Office.

Chart 1

Stocks of household financial assets

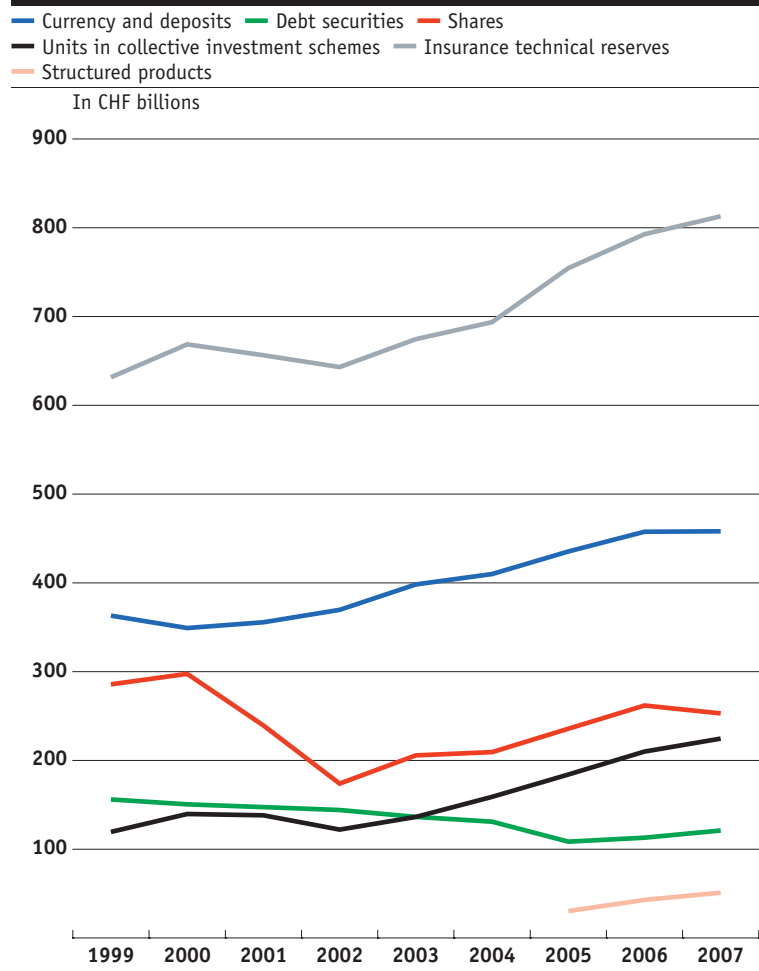


Chart 2

Household transactions

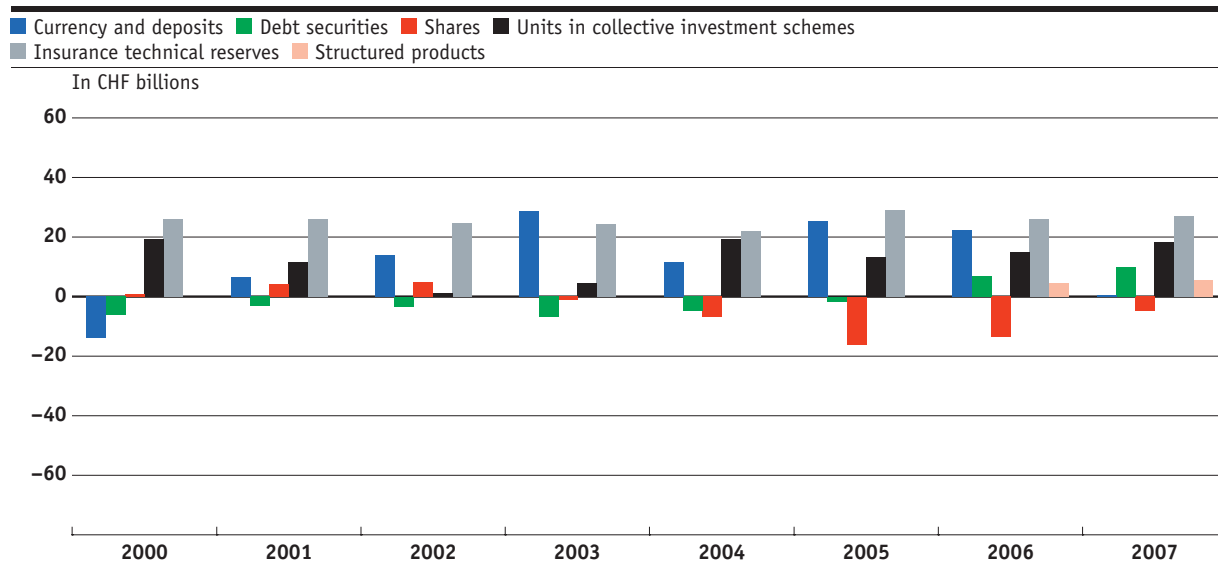


Chart 3

Capital gains and losses for households

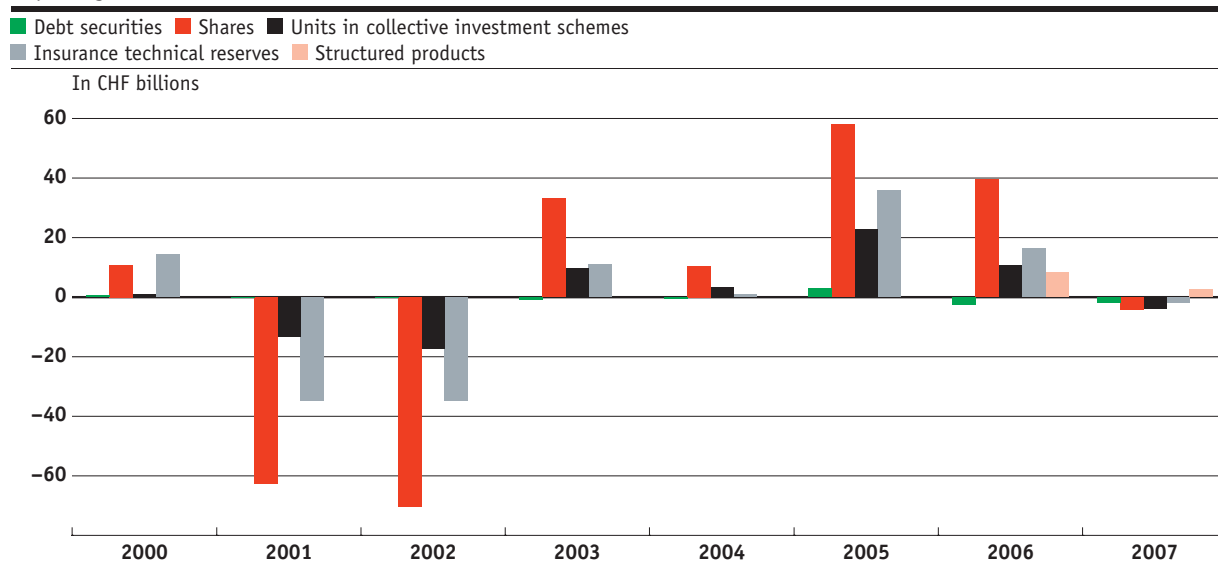
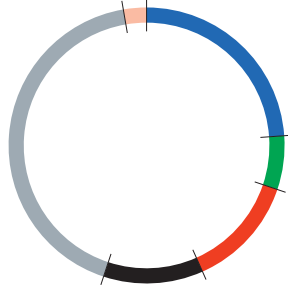


Chart 4



Breakdown of stocks of household financial assets
At year-end 2007, in %

Currency and deposits, 23.9

Debt securities, 6.3

Shares, 13.2

Units in collective investment schemes, 11.7

Insurance technical reserves, 42.3

Structured products, 2.7

Stocks of household financial assets and liabilities

in CHF millions

Table 1

Item	2003	2004	2005	2006	2007
1. Financial assets					
Currency and deposits	398 241	409 949	435 371	457 595	458 077
Debt securities	136 436	131 030	108 511	112 999	121 092
Shares	205 709	209 372	235 728	261 895	252 967
Units in collective investment schemes	136 366	158 995	184 141	210 000	224 603
Insurance technical reserves	674 517	693 679	754 536	792 735	812 872
Structured products	..	..	30 343	42 931	51 030
Total	1 551 269	1 603 026	1 748 629	1 878 156	1 920 641
2. Liabilities					
Loans	531 138	547 963	569 621	595 139	613 717
Mortgages	484 754	500 927	524 239	547 899	565 285
Other loans	46 385	47 036	45 382	47 240	48 432
Other accounts payable	8 784	5 894	7 960	6 364	6 641
Total	539 923	553 857	577 580	601 503	620 358
3. Net financial assets	1 011 346	1 049 169	1 171 048	1 276 652	1 300 283
<i>Net financial assets per capita (in CHF)</i>	136 575	140 750	156 114	168 923	171 111

.. No data available

Household transactions

in CHF millions

Table 2

Item	2003	2004	2005	2006	2007
1. Financial assets					
Currency and deposits	28 608	11 708	25 422	22 224	481
Debt securities	- 6 836	- 4 962	- 1 658	6 863	9 829
Shares	- 1 256	- 6 843	- 16 102	- 13 440	- 4 886
Units in collective investment schemes	4 687	19 460	13 165	15 091	18 323
Insurance technical reserves	24 186	22 121	29 209	26 015	27 070
Structured products	..	..	..	4 368	5 588
Total	49 389	41 485	50 036	61 122	56 406
2. Liabilities					
Loans	28 184	16 824	21 658	25 518	18 578
Mortgages	27 454	16 173	23 312	23 660	17 386
Other loans	730	651	- 1 654	1 858	1 192
Other accounts payable	2 583	- 2 891	2 066	- 1 595	276
Total	30 767	13 934	23 724	23 923	18 854
3. Net lending	18 622	27 551	26 312	37 199	37 552

.. No data available

Capital gains and losses for households

in CHF millions

Table 3

Item	2003	2004	2005	2006	2007
1. Financial assets					
Currency and deposits	0	0	0	0	0
Debt securities	- 884	- 444	2 849	- 2 375	- 1 736
Shares	33 053	10 506	57 904	39 607	- 4 042
Units in collective investment schemes	9 563	3 170	22 826	10 768	- 3 721
Insurance technical reserves	10 875	923	35 718	16 326	- 1 868
Structured products	..	..	..	8 220	2 511
Total	52 606	14 155	119 296	72 546	- 8 856
2. Liabilities					
Loans	0	0	0	0	0
Mortgages	0	0	0	0	0
Other loans	0	0	0	0	0
Other accounts payable	0	0	0	0	0
Total	0	0	0	0	0
3. Net financial assets	52 606	14 155	119 296	72 546	- 8 856

.. No data available

Statistical changes and reclassifications

in CHF millions

Table 4

Item	2003	2004	2005	2006	2007
1. Financial assets					
Currency and deposits	0	0	0	0	0
Debt securities ¹	0	0	- 23 711	0	0
Shares ¹	0	0	- 15 446	0	0
Units in collective investment schemes ¹	0	0	- 10 845	0	0
Insurance technical reserves ²	- 3 634	- 3 883	- 4 070	- 4 141	- 5 065
Structured products ¹	..	..	..	0	0
Total	- 3 634	- 3 883	- 23 729	- 4 141	- 5 065
2. Liabilities					
Loans	0	0	0	0	0
Mortgages	0	0	0	0	0
Other loans	0	0	0	0	0
Other accounts payable	0	0	0	0	0
Total	0	0	0	0	0
3. Net financial assets	- 3 634	- 3 883	- 23 729	- 4 141	- 5 065

.. No data available

1 2005: Revisions to securities survey statistics

2 Reclassification of claims against occupational pension schemes from the domestic households sector to the rest of the world due to employees and pensioners whose domicile has transferred to the rest of the world.