



EUROPEAN CENTRAL BANK

EUROSYSTEM

# The Asset Holdings of Euro Area Households

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Irish Association of Investment  
Managers

Dublin

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## The role of asset markets: a macroeconomic view

- Drivers of asset supply: private capital stock; capitalised value of profits and rents; public debt stock
- Drivers of asset demand: domestic households; foreign investors
- Domestic households: demographics (ageing; longevity; population growth); risk appetite (safety premium); financial literacy; tax-transfer system (including pay-as-you-go pension systems); income inequality
- Foreign investors: institutional quality; liquidity; market scale; trade linkages; covariance risk (co-movement of euro and global risk)
- Auclert et al., Jackson Hole symposium, August 2025
- Rachel, Brookings Panel on Economic Activity, September 2025

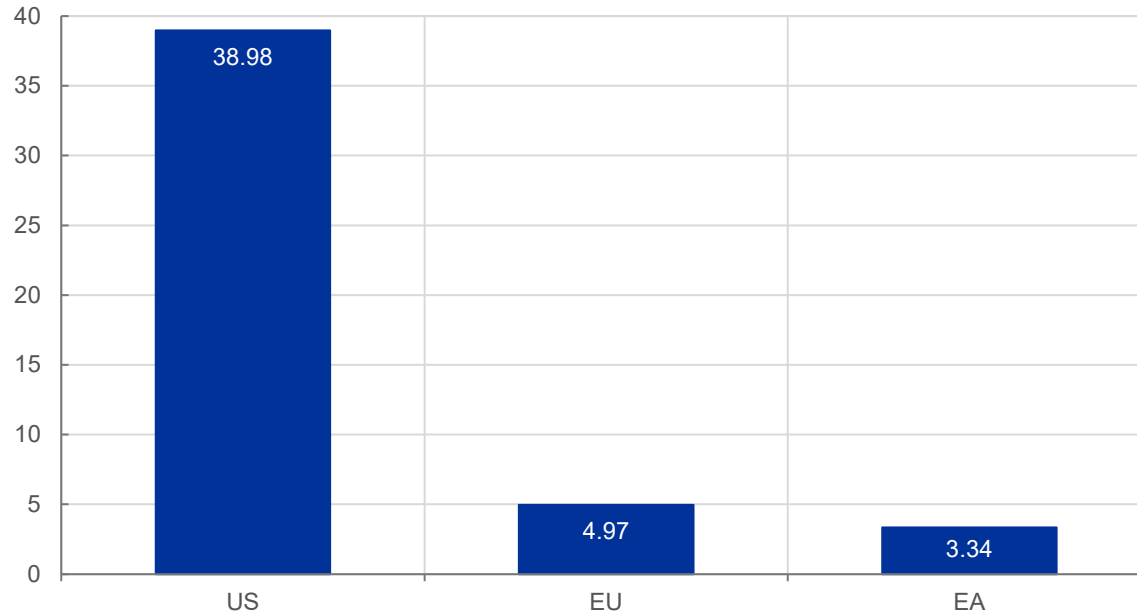
## The role of asset markets: the European context

- Draghi and Letta reports: there is much scope to boost the aggregate growth rate of the European economy, including by deepening the Single Market
- Faster growth implies an increase in asset supply: needs a matching increase in asset demand
- Rising public debt also boosts asset supply: needs an additional increase in asset demand
- Boost household asset demand; boost foreign investor demand for European assets
- Savings and investments union; banking union; EU-level bond supply; international role of the euro: in combination with pro-growth economic reforms

## Potential gains

- Sustainable improvement in economic performance
- Stronger wealth accumulation by European households
- Greater resilience to country-level shocks
- Greater resilience to external shocks

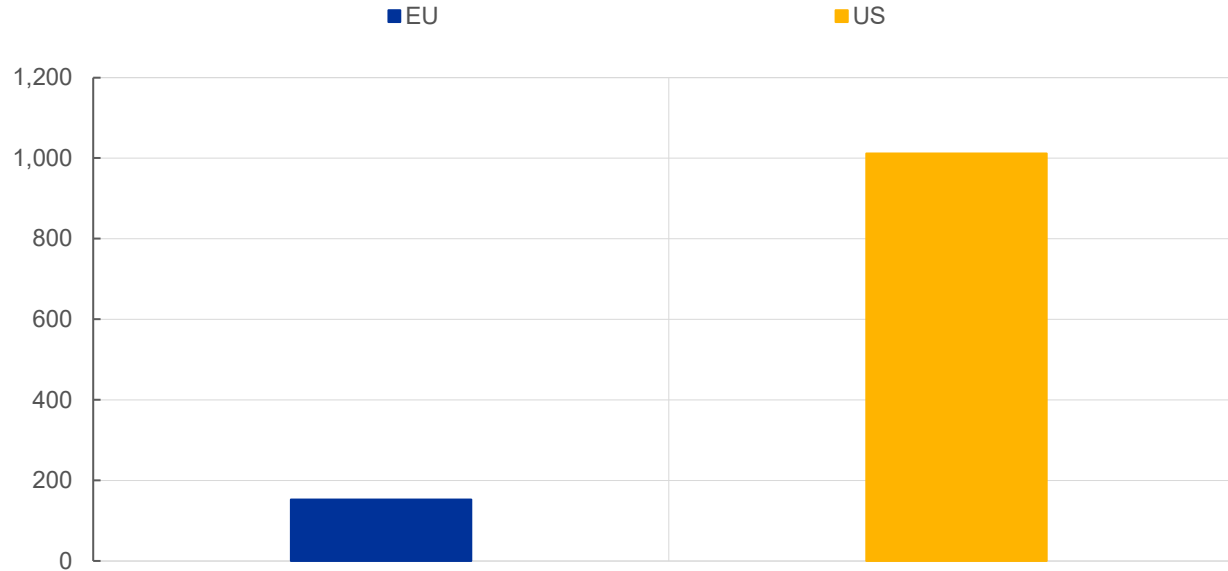
## Private pension assets (USD trillions)



Source: OECD, [Private pension assets](#).

Notes: OECD data are for 2023 and amounts for European Union (EU) and euro area (EA) are based respectively on a subset of 25 and 18 available countries. Data for Belgium and Cyprus are unavailable. Private pension assets are all forms of private investment with a value associated to a pension plan.

## Total funds raised by venture capital (EUR billions)

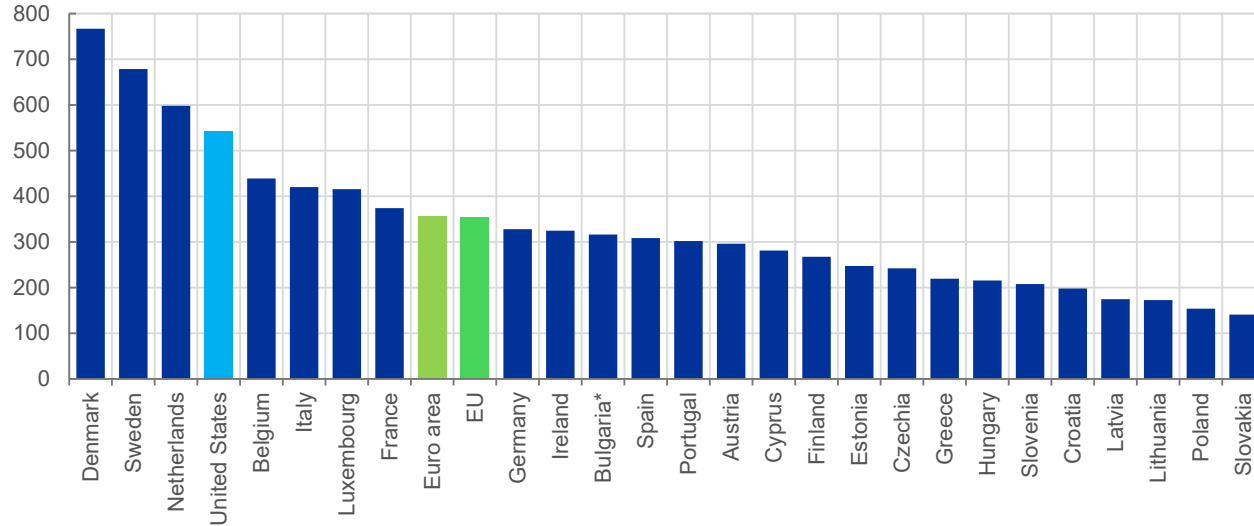


Sources: PitchBook Data Inc., ECB calculations.

Notes: The data include funds classified as venture capital funds and located in either the United States or one of the 27 EU countries. The chart covers the period from 1 January 2013 to 9 September 2025.

## Household holdings of financial assets

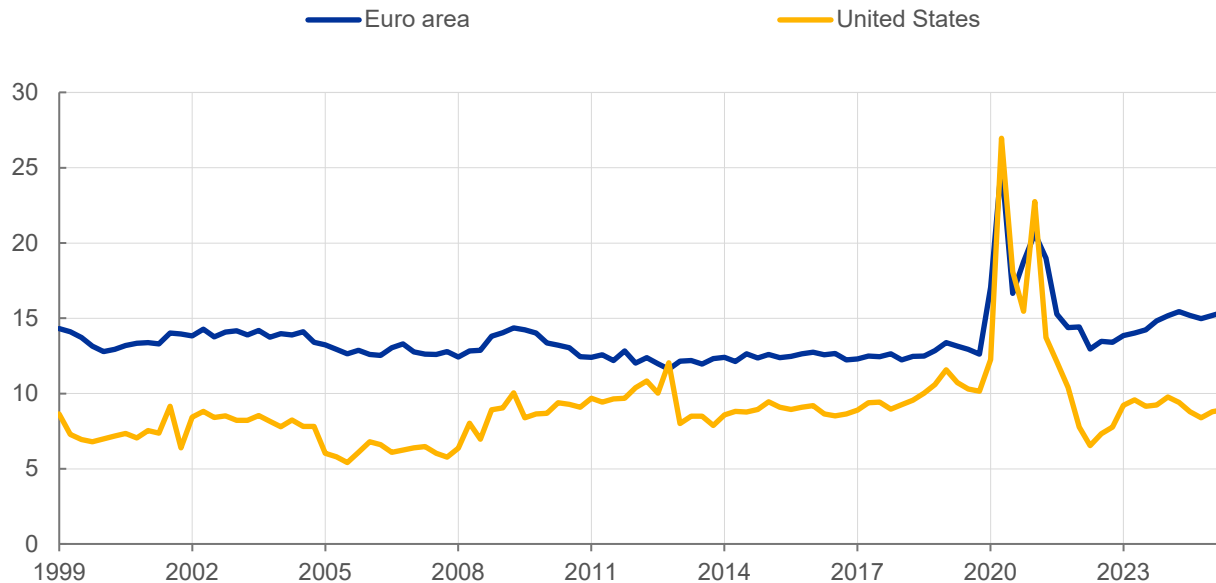
(percentages of household gross disposable income in 2023)



Sources: ECB (quarterly sector accounts, annual sector accounts, exchange rate), Bureau of Economic Analysis and Federal Reserve Board.

Notes: \*Owing to a lack of more recent data, the ratio for Bulgaria is calculated using 2022 data. Data for Malta are unavailable. The latest observations are for December 2023.

## Household savings in the euro area and the United States (percentages)



Sources: Eurostat, Federal Reserve Board and Haver Analytics.

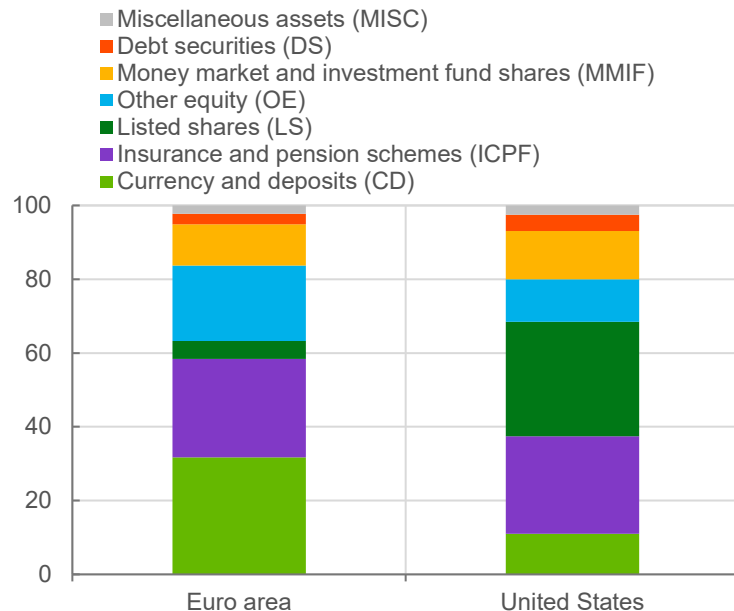
Notes: Defined as household gross savings rate in the euro area and the United States. For the United States, the savings rate is measured by gross savings (net savings plus consumption of fixed capital by households and institutions) divided by gross disposable income, as also computed in this [FEDS note](#). The latest observations are for the second quarter of 2025.



# Asset holdings broken down by instrument

## Household holdings of financial assets

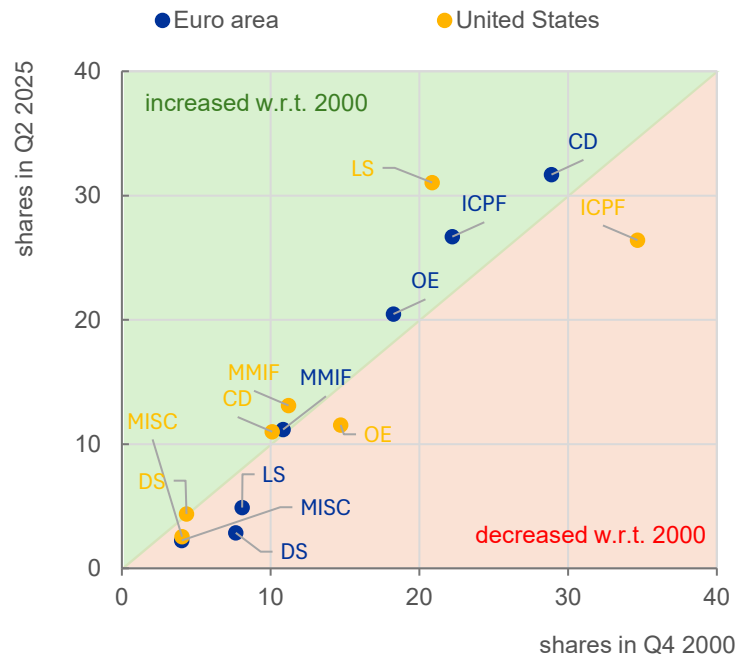
(percentages of total financial assets in Q2 2025)



Sources: ECB (quarterly sector accounts), US financial accounts and ECB calculations.  
Notes: "Miscellaneous assets" is the difference between total financial assets and the instruments shown in the chart. The latest observations are for the second quarter of 2025.

## Household holdings of financial assets

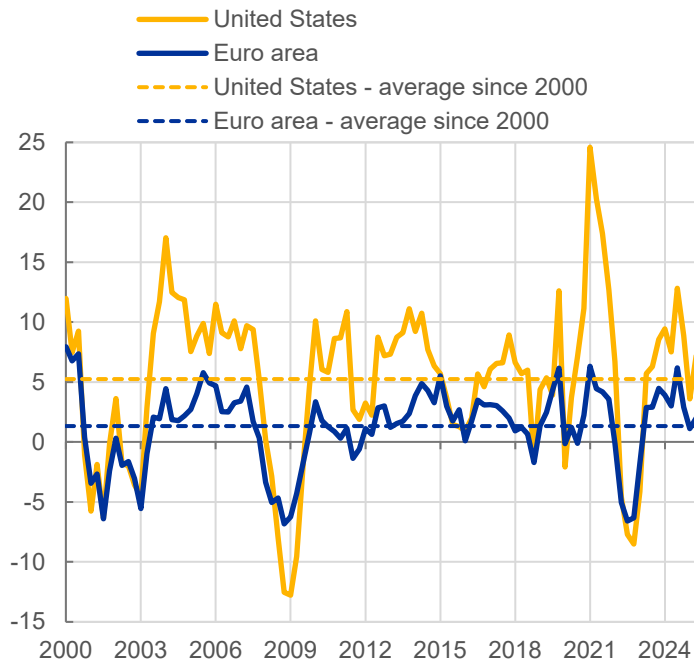
(percentages of total financial assets in Q2 2025 and Q4 2000)



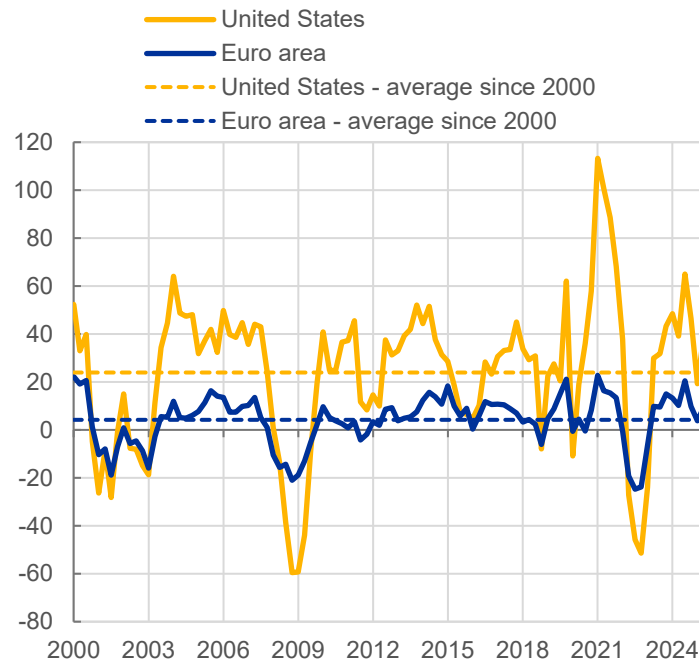
Sources: ECB (quarterly sector accounts), US financial accounts and ECB calculations.  
Notes: "Miscellaneous assets" is the difference between total financial assets and the instruments shown in the chart.

## Capital gains on household financial assets in the euro area and the United States

(annual gains as percentage of the stock of the year before)



(annual gains as percentages of household annual gross disposable income)



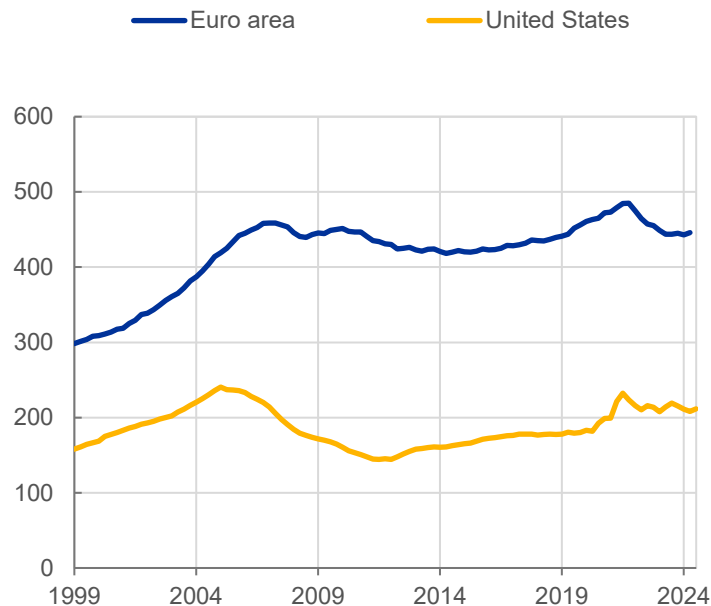
Sources: ECB and Eurostat (quarterly sector accounts), US financial accounts and ECB calculations.

Notes: Capital gains are proxied as the difference between the change in the stocks and the flow of the quarter, which closely matches valuation changes for the period where direct information on these is available. The average since 2000 of the annual gains, expressed as a percentage of the stock from the previous year, is 5.2% for the United States and 1.3% for the euro area. The average since 2000 of the annual gains, expressed as percentage of household annual gross disposable income is 24.0% for the United States and 4.2% for the euro area. The latest observations are for the second quarter of 2025.

# Household holdings of non-financial assets

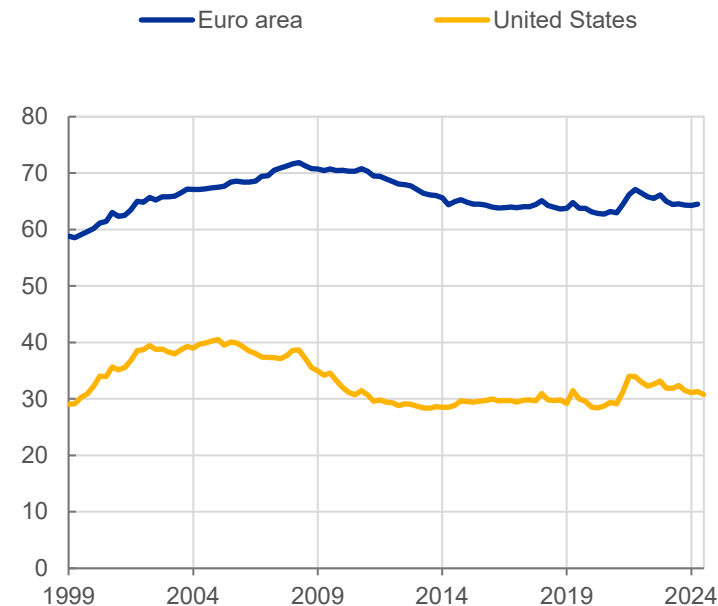
## Euro area and United States housing wealth

(percentages of household gross disposable income)



## Euro area and United States non-financial assets

(percentages of household net worth)



Sources: ECB (Quarterly Sectoral Accounts), Federal Reserve Board, Bureau of Economic Analysis and ECB calculations.

Notes: The chart shows the ratio of household real estate assets to gross annual disposable income. The latest observations are for the first quarter of 2025 for the Euro area and for the second quarter of 2025 for the United States.

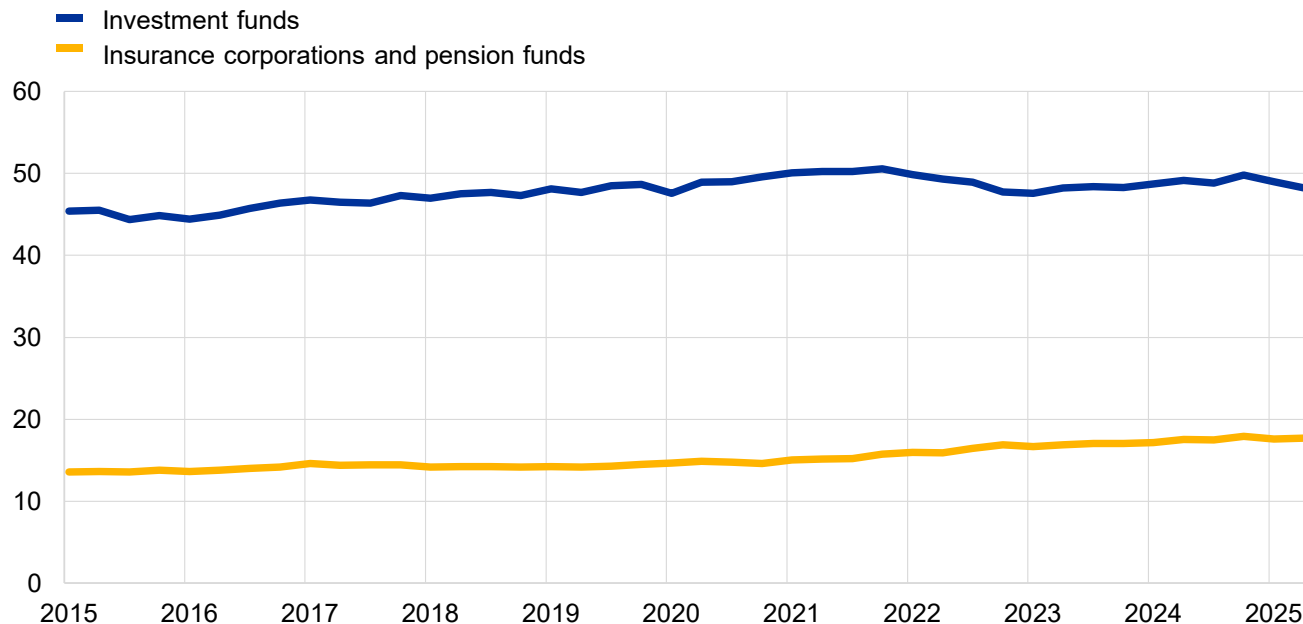
Sources: ECB (Quarterly Sectoral Accounts), Federal Reserve Board, Bureau of Economic Analysis and ECB calculations.

Notes: The chart shows the ratio of household and nonprofit organisations non-financial assets (excluding consumer durables) to their net wealth (United States). The latest observations are for the first quarter of 2025 for the Euro area and for the second quarter of 2025 for the United States.

# Financial assets of investment funds, insurance corporations and pension funds

## Extra-euro area share of financial assets

(percentages of total financial assets)



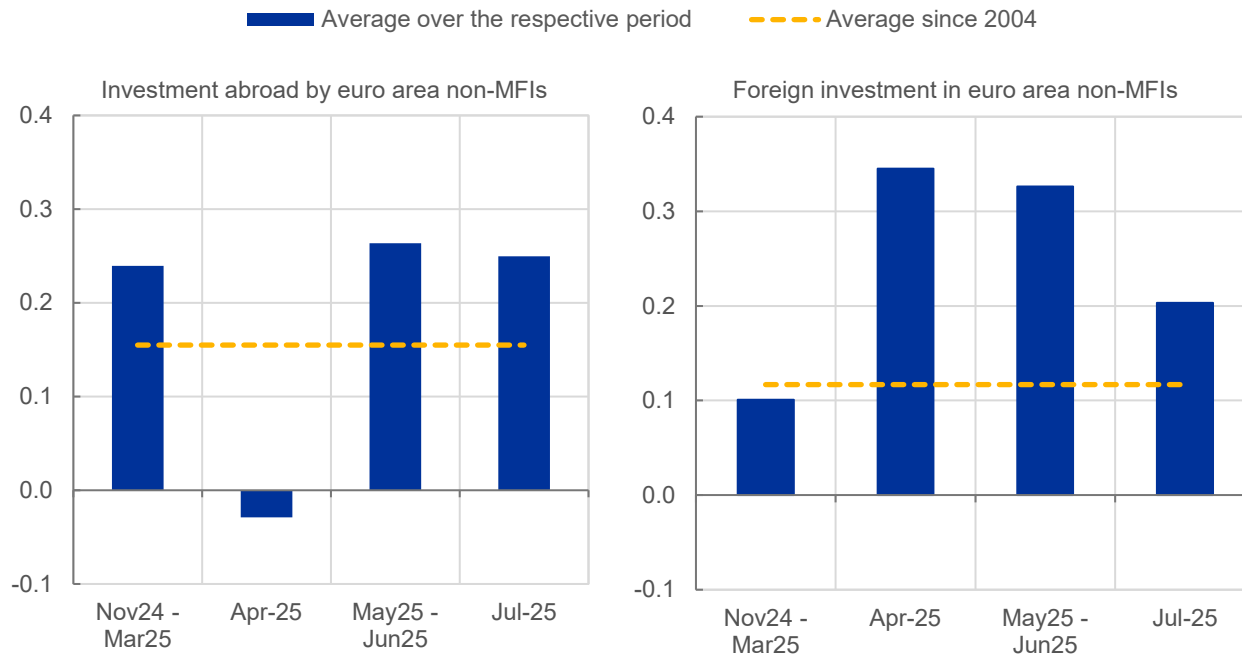
Sources: ECB (balance of payments and international investment position, quarterly sector accounts) and ECB calculations.

Notes: Investment funds excluding money market funds. The latest observations are for the second quarter of 2025.

# Net portfolio investment in debt securities

## Net portfolio investment in debt securities

(flows as percentage of the previous year's annual GDP)



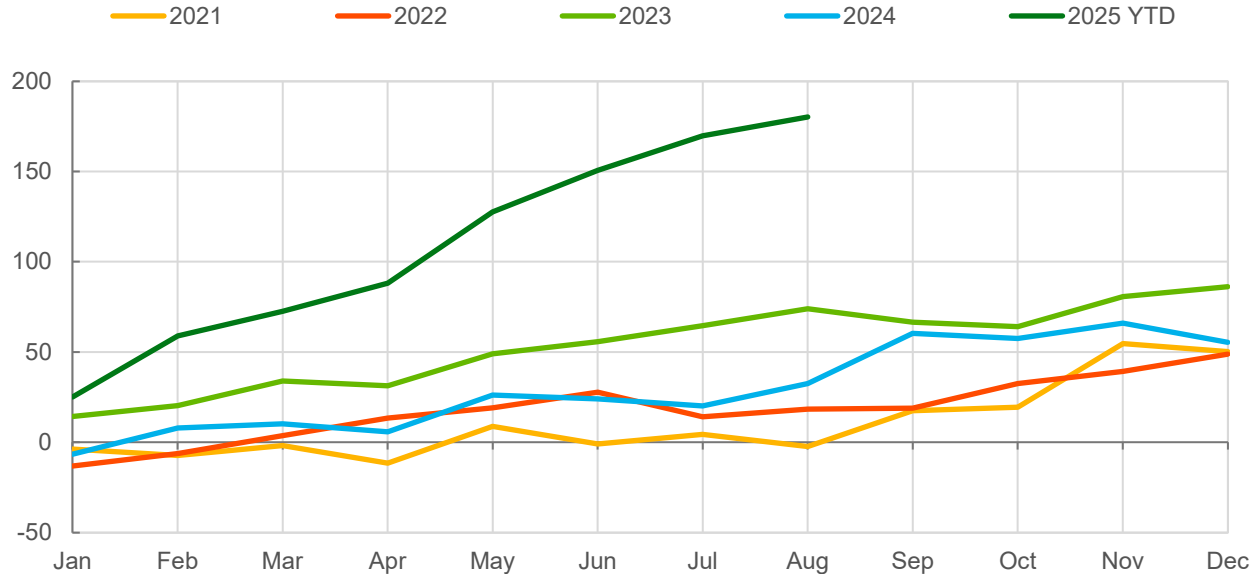
Sources: ECB (balance of payments and international investment positions), Eurostat and ECB calculations.

Notes: "Nov24-Mar25" is the period from the election of President Trump until the April tariff announcement. The latest observations are for July 2025.

# Euro-denominated bonds by non-euro area corporations

## Net issuance of euro-denominated bonds by non-euro area corporations

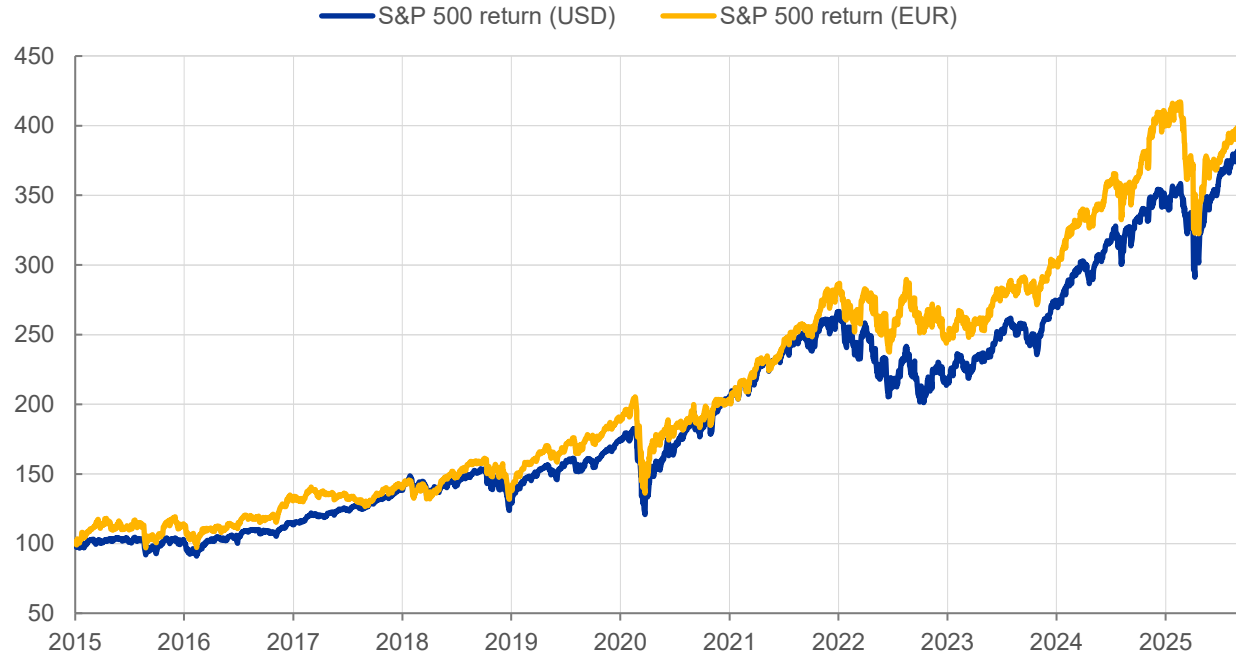
(accumulated flows in EUR billions since the beginning of every year)



Sources: ECB (centralised securities database) and ECB calculations.

Notes: Figures are not seasonally adjusted. The latest observations are for August 2025.

## S&P 500 returns (index, 1 January 2015 = 100)



Sources: LSEG and ECB calculations.  
Note: The latest observations are for 8 October 2025.

## 10-year US Treasury returns (index, 1 January 2015 = 100)



Sources: Bloomberg and ECB calculations.  
Note: The latest observations are for 8 October 2025.



## Savings and investments union: key measures

- Encouraging retail participation (SIAs; financial literacy)
- Developing supplementary pensions (auto enrolment; IORP Directive; PEPP Regulation)
- Market integration and supervision
- Promoting equity investment by institutional investors; EuVECA Regulation
- Banking sector
- [28th Regime]

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