

Museum of Saving Tolerance and reaction capacity to the risks of a pandemic

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Italian families during the epidemic: Bank of Italy survey

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Motivation

- In 2020, the Bank of Italy conducted two surveys on the conditions of families.
- There is one thing in common with other surveys: inequalities are growing.



Five facts found before the summer (1/2)

- (i) More than half of the population said they had suffered a reduction in income.
- (ii) More severe impact on self-employed workers.
- (iii) Expectations: 50% of the population expected a reduction in income in the next 12 months.



Five facts found before the summer (2/2)

(iv) 40 percent of those with debts declared they were having difficulty in meeting their mortgage repayments: the share was higher in the Center and the South.

(v) Spending expectations after the pandemic: almost 60 percent of the population expected spending on services - such as restaurants, bars, travel, cinemas, theaters - to be lower than those pre-crisis.



What we found most recently: less negative ratings

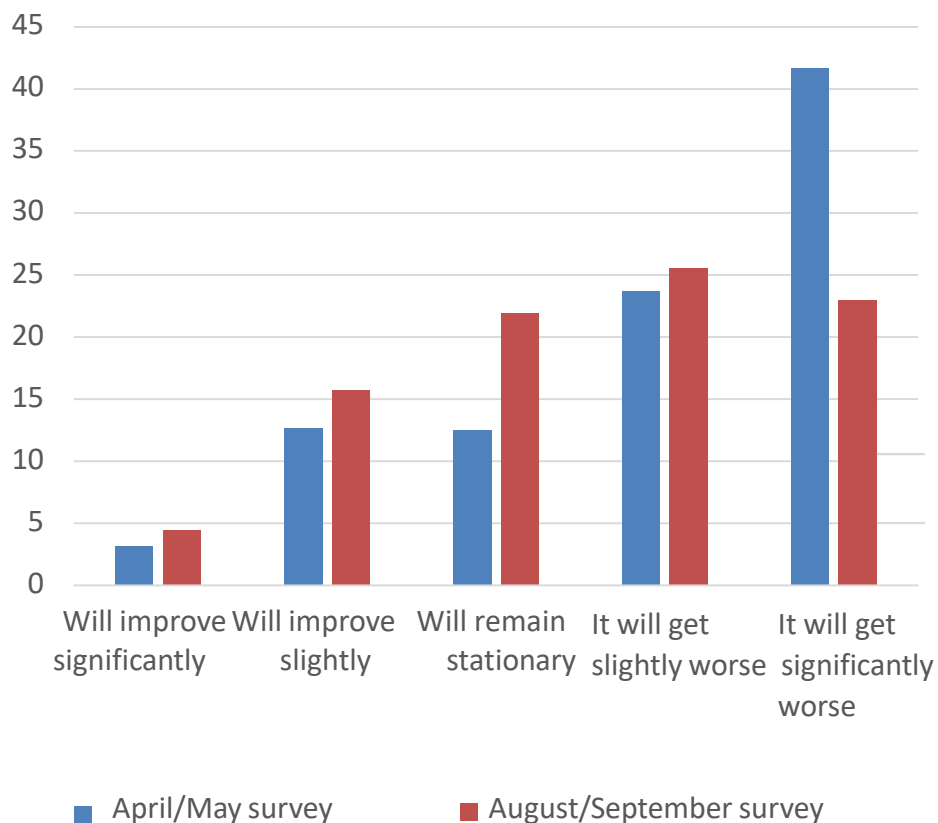
- Evaluations of Italy's prospects are less negative; the percentage of families who expect the economic situation to worsen in the next 12 months has halved.
- The number of families declaring they have suffered a reduction in income has fallen to 30%.
- The percentage is higher among the self-employed and the unemployed. The reduction in income was mitigated by government measures.



Expectations and evaluations have improved

Expectations and evaluations of economic conditions (percentage values on the ordinate)

(a) Expectations on the economic situation in Italy in the following 12 months



(b) Evaluations of changes in family income since the start of the epidemic



Saving increases, consumption decreases

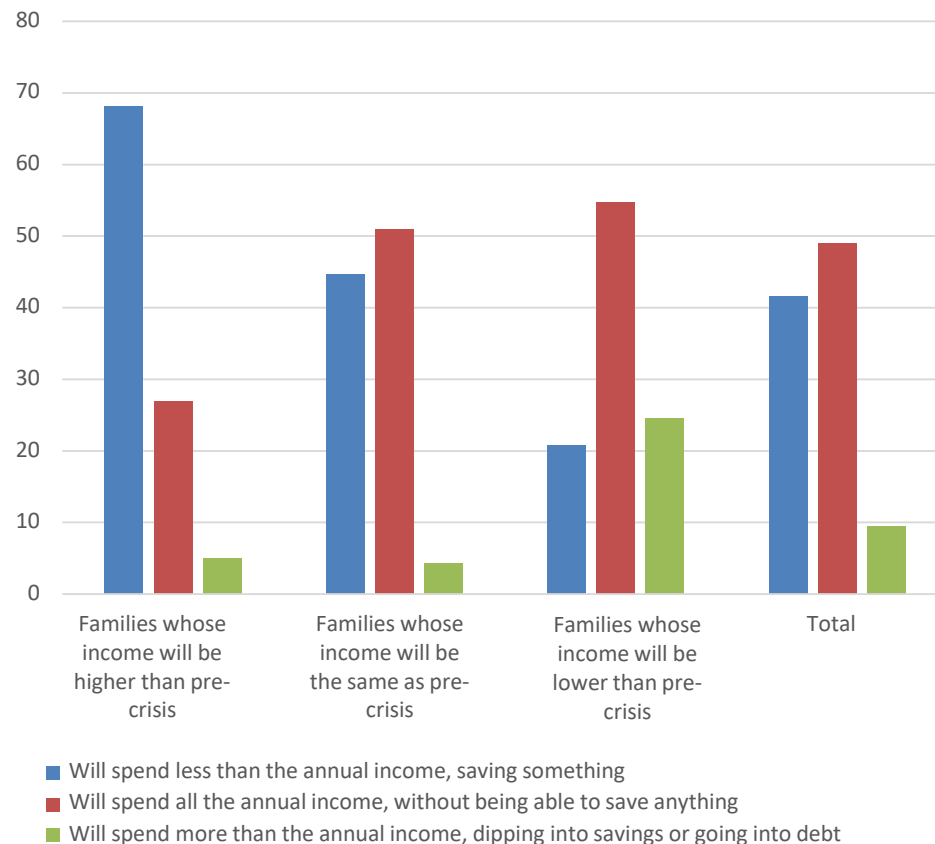
- Saving intentions are growing for all families.
- Families have cut consumption considered compressible.
- In the next 3 months, over 30% of families plan to further reduce non-durable consumption.



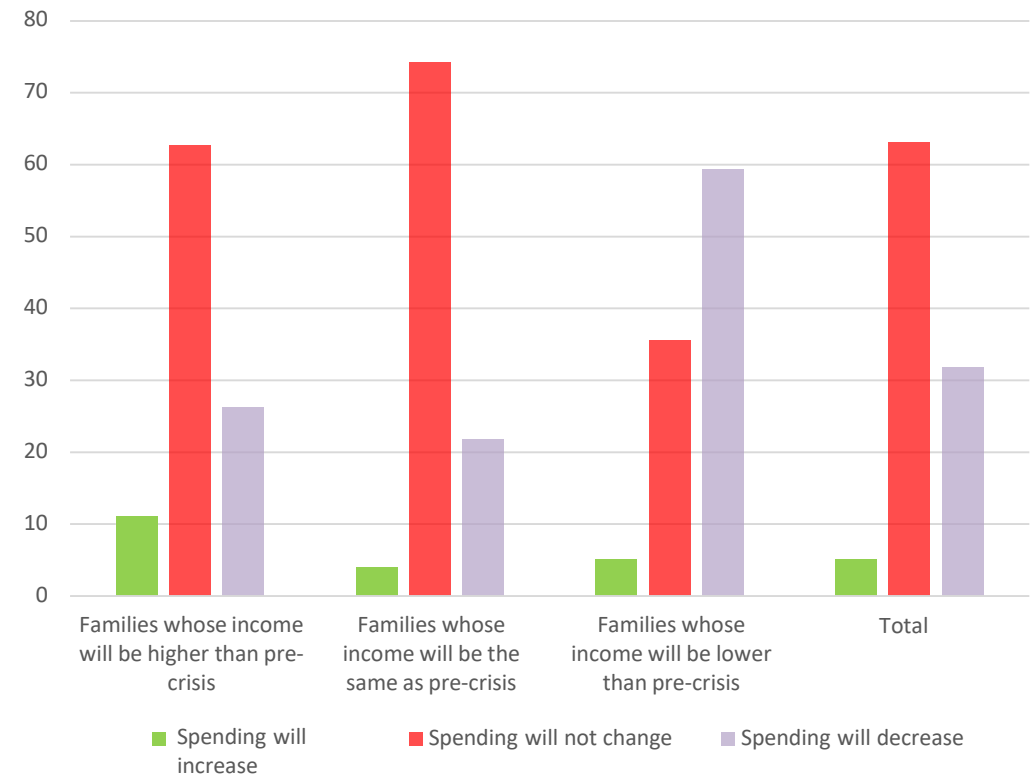
Saving and consumption expectations

Saving and consumption expectations according to income expectations
(percentage values on the ordinate)

(a) Saving expectations based on income expectations



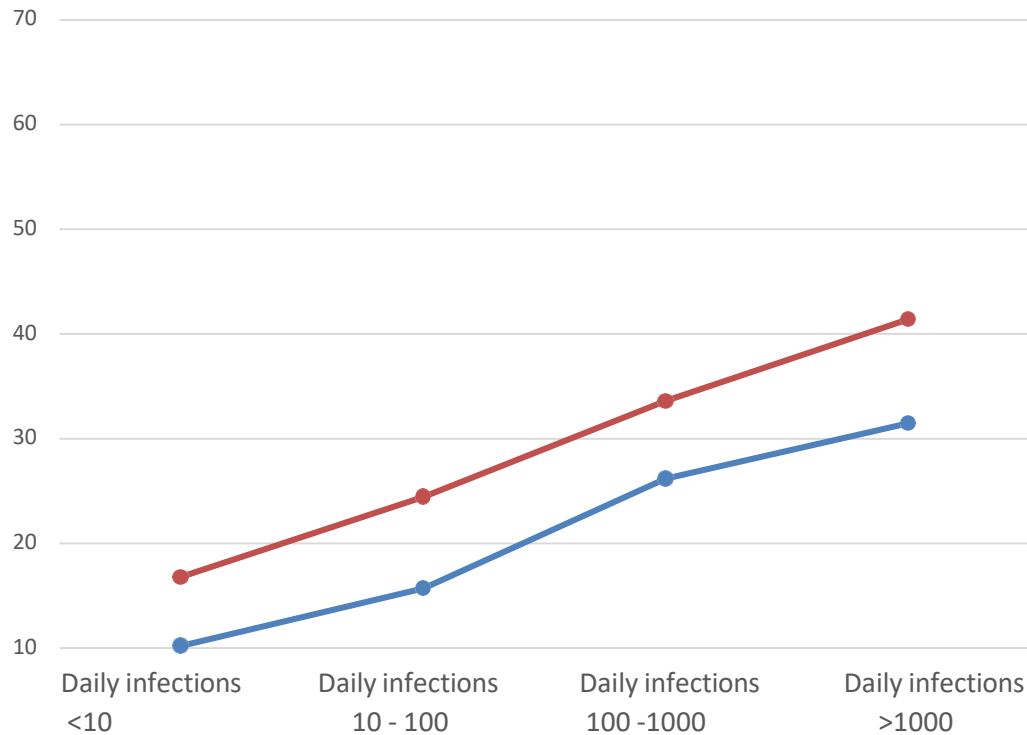
(b) Consumption expectations based on income expectations



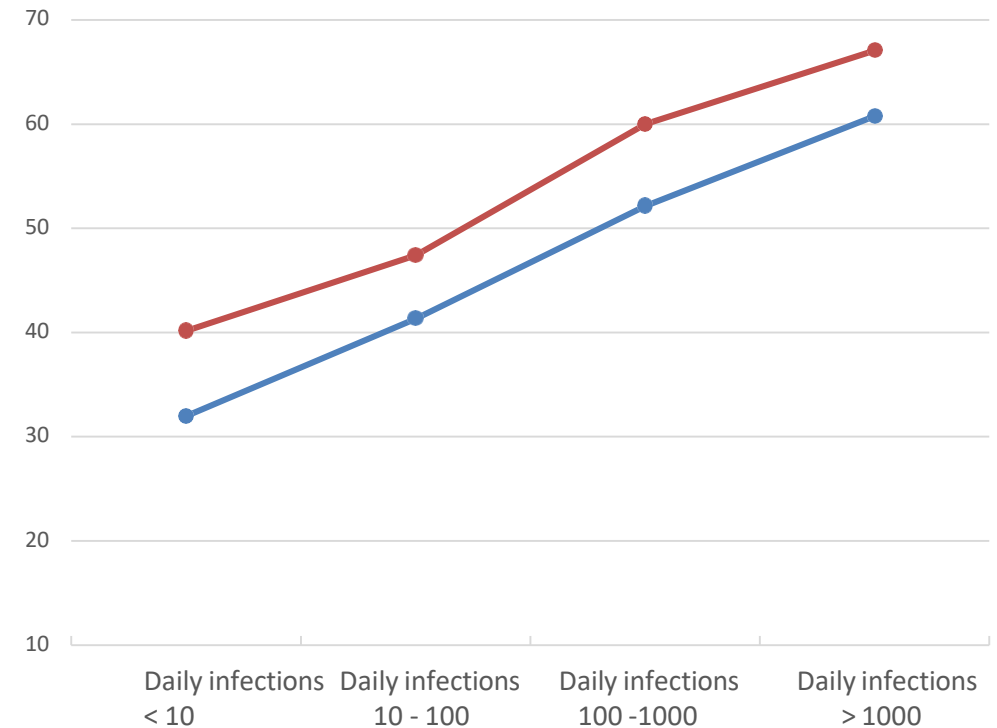
Consumption will be affected by the infections' trend

Consumption expected by families in relation to the hypothetical number of daily infections by region and to the income trends
(percentage values on the ordinate)

(a) Families who would stop shopping or shop much less often for food and other essential goods

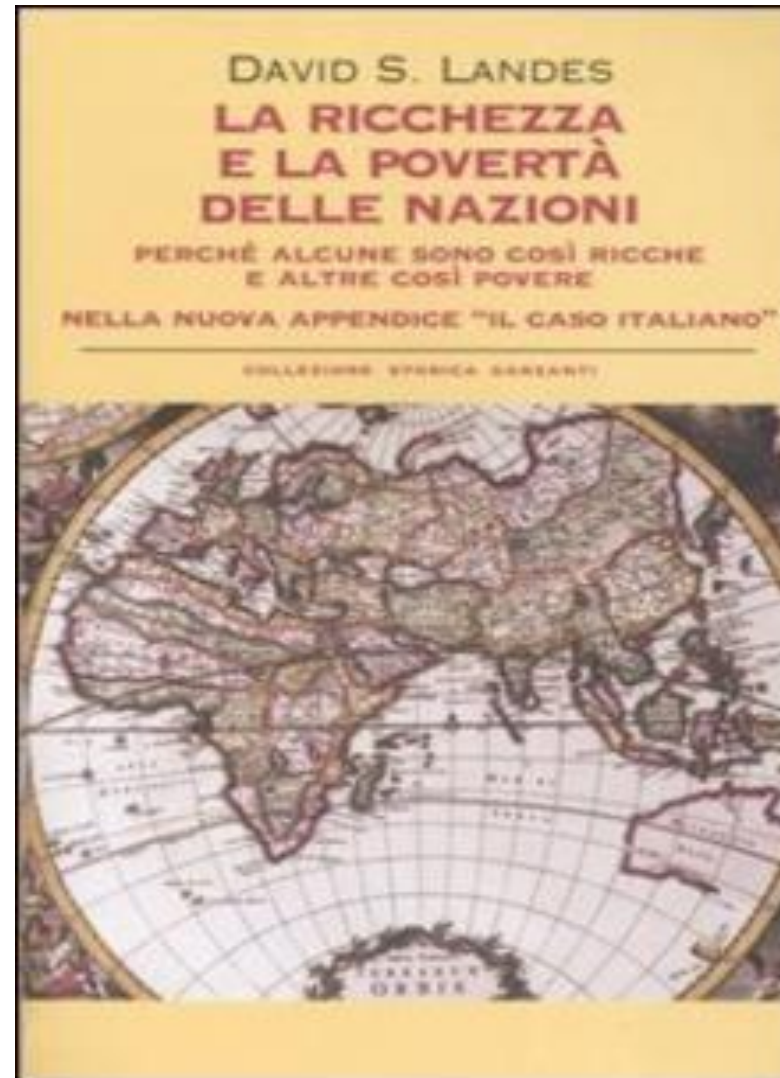


(b) Families who would stop going or go much less often to hotels, bars and restaurants



—●— Families who did not suffer a reduction in income during the epidemic
—●— Families who have suffered a reduction in income during the epidemic

The story of Rothschild's death, narrated by Landes

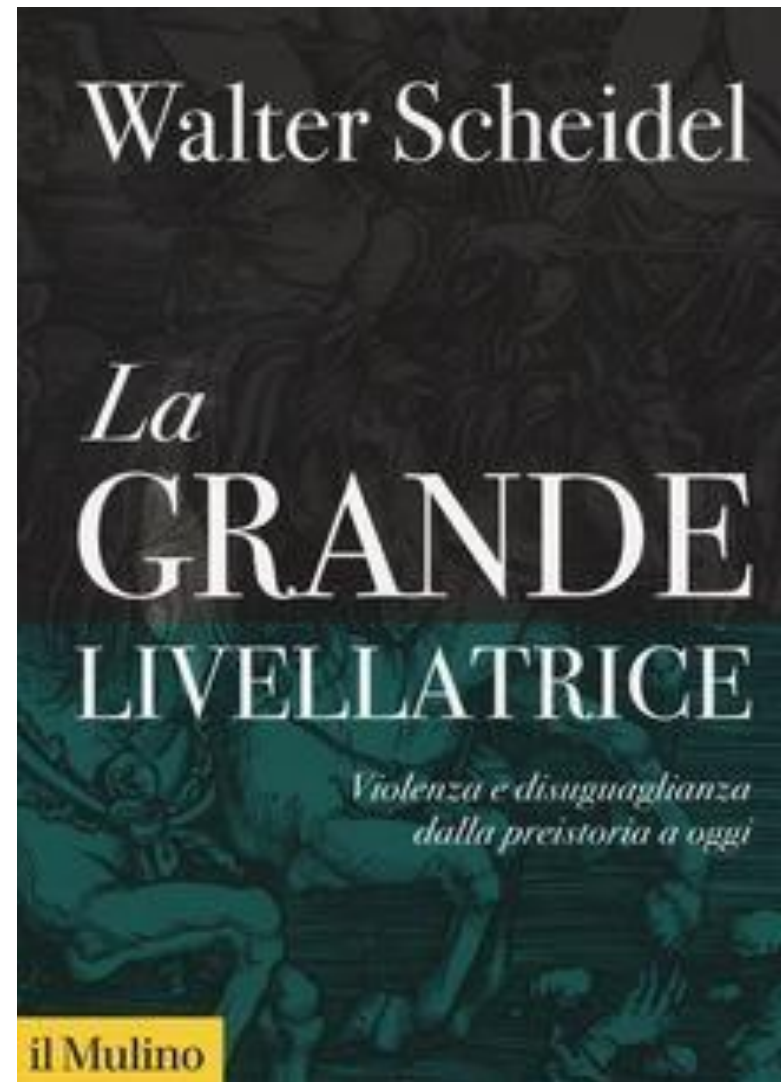


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Throughout history, epidemics have reduced inequalities, killing both the rich and the poor



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This time it seems different: the Covid-19 pandemic is widening inequalities...

...between employed and self-employed workers...

...between people who can work remotely and individuals who cannot...

...among people with different financial education...

...between those employed in industry and those employed in services...

...between women and men...

... between people who have access to different treatments ...

