METHODOLOGICAL NOTE FOR THE HOUSEHOLD WEALTH OBSERVATORY OF FIRST CISL'S FONDAZIONE FIBA

The Household Wealth Observatory of First Cisl's Fondazione Fiba mainly processes and analyses the so-called "Distributional Wealth Accounts" (DWA), supplementing them, particularly with regard to contextual macroeconomic indicators and where necessary, with additional data from other authoritative sources (primarily Eurostat).

What are the DWA

The DWA, developed within the European System of Central Banks (ESCB) by the ECB and national experts, in close cooperation with Eurostat and the OECD, are experimental statistics that link microeconomic information on the distribution of wealth, mainly from the Household Finance and Consumption Survey (HFCS), with macroeconomic aggregates from the Quarterly Sector Accounts (QSA).

More specifically, the DWA provide a quarterly assessment of the distribution of household wealth consistent with sector accounts aggregates. They use the HFCS as their main distributional source, incorporate other selected sources and reconcile the results with the QSA. As experimental statistics, the methodology and the series may be progressively improved and revised.

The data are compiled quarterly and are published within five months of the end of the reference quarter. **As a result, subsequent releases may also revise data relating to earlier periods. This occurred, for example, with the March 2026 data release, which significantly changed the historical data for some countries (Spain in particular).**

Geographical coverage and the starting date of the series vary depending on the availability of national distributional sources.

The databases cover the individual euro area countries (Belgium, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, the Netherlands, Malta, Austria, Portugal, Slovenia, Slovakia and Finland; Croatia joined the euro area only in January 2023, while Bulgaria is included from the 2026 data onwards), as well as Hungary (because it has supplied HFCS data since 2014). Data are available from the year of the HFCS survey conducted for the country concerned (for Italy, which participated in the first "wave", from 2010). For some years, the Netherlands publishes distributional accounts consistent with national accounts totals. These data are used as input for the Dutch DWA instead of the HFCS. The methodology applied to the Dutch DWA therefore differs from that described in this note.

In addition to the DWA for individual countries, results for the euro area as a whole are also available from the first quarter of 2009. Euro area data are compiled separately and do not necessarily correspond to the sum of the individual countries. **For 2025, euro area data therefore refer to the 20 countries listed above, which become 21 from 2026 onwards. Regardless of the year in which each country joined, the historical series are nevertheless recalculated back to 2009 using all the countries included in the latest observation.**

Households are grouped according to the following breakdown by distributed wealth classes: the bottom 50% of the distribution and, separately, the sixth, seventh, eighth, ninth and tenth deciles.

The database also contains concentration indicators, including the share of net wealth held by the wealthiest 5% and 10% and by the least wealthy 50%.

Breakdowns by housing status and working status are also available.

The Bank of Italy, because the ECB has left the individual ESCB central banks free to process and present domestic data in the way most useful for national public debate, has also chosen to develop a breakdown by quintile (20% each).

What the DWA measure

The DWA measure, for individual countries and for the euro area as a whole, **household net wealth, defined as the difference between assets and liabilities. A household's net wealth may therefore be positive, zero or negative.**

Net wealth is therefore the basis for any classification and/or breakdown of households.

The main asset components covered include deposits, debt securities, listed shares, unlisted shares and other equity, investment fund shares, life insurance and annuity entitlements, housing wealth and business wealth.

Liabilities mainly comprise mortgage debt and other debt, including consumer credit and other loans.

It is important to note that entitlements accrued under public pay-as-you-go pension schemes are not included in DWA wealth, because they do not constitute financial assets of the household sector under the

central framework of the national accounts. Financial insurance and pension entitlements recorded in the QSA are, however, included within the limits laid down by the national accounts classification.

Overall, the euro area DWA cover more than 90% of the value of households' financial and non-financial assets and liabilities recorded in the QSA, which provide the reference macroeconomic totals.

Coverage does not, however, coincide perfectly with the HFCS or with the full household balance sheet; a micro-macro harmonisation and reconciliation procedure is therefore required.

Summary reconciliation between QSA/HFCS and DWA

Component	Macro source (QSA)	Distributional source (HFCS/ other)	Treatment in DWA
Deposits, securities, funds, shares	Yes	Yes	Reconciled to macro totals
Life insurance/annuities	Yes	Partial/different definition	Harmonisation and reconciliation
Housing	Yes, through non-financial balance sheets	Yes	Conceptual alignment and revaluation
Business wealth	Yes, with conceptual differences	Yes	Specific adjustments
Mortgages and other debt	Yes	Yes	Reconciled to macro totals
Pay-as-you-go public pensions	No in the central household balance sheet	Potential information in the HFCS	Not included in DWA wealth

DWA calculation methodology in brief

To understand how the DWA are calculated, it is necessary to start from the two main data sets that are linked: QSA and HFCS.

The QSA

The QSA (Quarterly Sector Accounts) are quarterly macroeconomic accounts describing the economic and financial activities of institutional sectors. They are produced within the European System of Accounts (ESA, or SEC in Italian), established by Eurostat in 1970 - the latest regulatory version currently in force is ESA 2010 - through cooperation between national statistical institutes, national central banks, Eurostat and the ECB.

Under ESA 2010, the main sectors include non-financial corporations, financial corporations, general government, households and non-profit institutions serving households, as well as the rest of the world.

Within the European system, a distinction must be made in particular between non-financial sector accounts, compiled mainly by national statistical institutes and Eurostat, and quarterly financial accounts, compiled largely by national central banks and aggregated by the ECB. In Italy, for example, the main institutional sources are the Bank of Italy for financial accounts and Istat for non-financial accounts.

In summary, national statistical authorities produce the basic information in accordance with ESA 2010 rules; the ECB and Eurostat ensure harmonisation and the production of European aggregates. The QSA therefore provide the macroeconomic constraint with which the DWA must be consistent.

National statistical authorities → QSA → ECB/Eurostat → harmonised aggregates → DWA

The HFCS

The HFCS (Household Finance and Consumption Survey) is the harmonised survey of household finance and consumption coordinated by the ECB and the Household Finance and Consumption Network (HFCN). It collects household-level data on real and financial wealth, debt, income, consumption and socio-demographic characteristics.

Data collection is coordinated according to common European rules and involves a sample of tens of thousands of households selected on the basis of harmonised criteria defined by the ECB (but implemented in practice at national level) to represent all private households resident in the national territory at the time of the survey, regardless of the citizenship of their members; people living in collective households or institutions are generally excluded.

It is important to emphasise that, in the HFCS, a "household" does not necessarily coincide with either a household as defined in population registers or a tax household. The unit of analysis is the private household, defined on the basis of co-residence and, above all, the sharing of resources and expenditure (a household is a person living alone or a group of people who live together in the same private dwelling and share expenditure, including the joint provision of living essentials).

In addition, to classify a household according to characteristics such as age, education or employment status, the HFCS uses a reference person, defined according to harmonised criteria. The reference person should therefore not automatically be equated with the traditionally understood "head of household".

The HFCS also identifies a "financially knowledgeable person", i.e. the person who is most knowledgeable about the household's financial matters and who is asked to provide a substantial part of the information. Harmonised variables and criteria are used for socio-demographic classifications; the expression "head of household" should therefore be avoided unless it corresponds to the specific statistical definition used for the indicator.

Sample selection is carried out at national level according to harmonised principles, but with sampling designs adapted to the sources available in each country. Since wealth is highly concentrated and very wealthy households are difficult to observe in sample surveys, several countries oversample households with a higher probability of holding substantial wealth. The results are then weighted to represent the reference population.

(Further details are provided in Annex 1 - HFCS household sample selection criteria.)

Surveys are organised in multi-year waves. The fifth wave, with 2023 as the most common reference period, was documented by the ECB in the methodological report published on 16 June 2026; it covers almost 90,000 households in the 20 euro area countries at the time of data collection, as well as Czechia and Hungary.

Wave	Indicative reference period	Note
1	around 2010	first wave
2	around 2014	second wave
3	around 2017	third wave
4	around 2021	fourth wave
5	around 2023	fifth wave; ECB 2026 methodological report

More specifically, the HFCS collects information on:

- real wealth: main residence, other real estate, vehicles and business assets;
- financial wealth: deposits, shares, bonds, funds, insurance and other financial assets;
- debt: mortgages, consumer credit and other loans;
- income, consumption and saving;
- the socio-demographic and employment characteristics of household members.

Unlike the QSA, which measure aggregate levels for the household sector, the HFCS therefore makes it possible to observe how wealth, assets and liabilities are distributed across households and to calculate indicators such as the median, percentiles and differences by socio-economic characteristics.

Construction of the DWA

QSA = "how much wealth households own in aggregate" - quarterly frequency

HFCS = "how that wealth is distributed across households" - multi-year survey

DWA = "how the distribution of wealth evolves on a quarterly basis" - quarterly frequency

The link can be summarised as follows: HFCS (distributional microdata) + QSA (quarterly macroeconomic aggregates) → DWA (quarterly distribution consistent with sector accounts).

The transition from HFCS to DWA is a reconciliation procedure between household microdata and macroeconomic accounts. Since the HFCS is only available at multi-year intervals, the DWA use QSA and other information to update the level and composition of wealth on a quarterly basis between one wave and the next.

The process can be summarised in the following five steps:

1. Starting point: HFCS. The HFCS provides the distributional structure of wealth and makes it possible to rank households by net wealth.

2. **Alignment of definitions.** HFCS categories and national accounts categories do not coincide perfectly; concepts and coverage therefore need to be harmonised.
3. **Micro-macro reconciliation.** For each component, totals derived from microdata are compared with the corresponding macroeconomic aggregates. Differences are addressed using procedures specific to each instrument and source, not necessarily through a single proportional factor.
4. **Construction of the distributional benchmark.** A distribution is obtained that preserves, as far as possible, the distributional information in the HFCS while remaining consistent with QSA macroeconomic levels.
5. **Quarterly interpolation/extrapolation.** Between two HFCS waves, changes in the various wealth components in the QSA and changes in instrument prices are used to update the distribution. The arrival of a new wave provides a new benchmark and may lead to revisions of the series.

A particularly sensitive issue is the top of the distribution: some assets, especially corporate equity and other forms of financial or business wealth, may be underrepresented in sample surveys. Reconciliation with macroeconomic accounts and, where available, additional statistical sources is therefore essential.

For quarters after the latest available HFCS wave, DWA estimates reflect developments in sector accounts and in the prices of the various wealth components. However, until the next wave, they cannot fully capture possible changes in the investment and financing behaviour of different household groups. This limitation should be borne in mind when interpreting the most recent data.

The detailed methodology is described in the ECB note “Experimental Distributional Wealth Accounts (DWA) for the household sector - Methodological note”, 8 January 2024, and in subsequent methodological and update materials published on the ECB Data Portal.

Wealth per household and per capita

In addition to aggregate values, the DWA database provides series divided by the number of households and series divided by the population. In the first case, the denominator is the number of households; in the second, it is the reference population.

Per capita wealth = total wealth allocated to the household sector / reference population

“Per person” wealth is therefore a per capita indicator and does not measure the wealth actually owned by each individual. Similarly, “per household” wealth is an average calculated by reference to the number of households and must be distinguished from median household wealth, which identifies the value of the household at the centre of the distribution.

Description of First Cisl's Fondazione Fiba Household Wealth Observatory

First Cisl's Fondazione Fiba Household Wealth Observatory analyses developments in the distribution, concentration and composition of wealth in euro area countries for which comparable DWA data are available, using the updated ECB database and Eurostat data as its reference sources.

In the first section, wealth is analysed dynamically from the end of 2015 onwards, both in absolute terms and as a percentage change, with reference to total net wealth, average and median net wealth per household, and net wealth per capita. Percentage developments are also compared with the European monetary revaluation index. For each country, its position relative to the other countries considered is highlighted. Percentage changes are also compared for Germany, France, Italy and Spain. For total net wealth, the change in each country’s percentage share of the euro area total over the period considered (from 2015 to the reference date of the analysis) is also highlighted.

The second section concerns the distribution of wealth across household groups ranked by net wealth, with an international comparison.

Households, exactly as in the DWA, are grouped according to the following breakdown by distributed wealth classes: the bottom 50% of the distribution and, separately, the sixth, seventh, eighth, ninth and tenth deciles.

A specific analysis focuses on wealth concentration, highlighting the share of net wealth held by the wealthiest decile and by the wealthiest 5% of households, and how it has changed over time (for countries for which data are available, developments are analysed from 2010 onwards).

In the third section, starting from total gross wealth, the composition of assets and liabilities is analysed by wealth group (using the same methodology as for net wealth).

In the fourth section, the analysis includes contextual macroeconomic indicators such as disposable income, saving, the saving rate and the house price index. Here too, the analysis is dynamic and begins in 2015.

In the fifth section, net wealth is analysed using the breakdown by housing status (the section will be activated from the 2026 data onwards).

In the sixth section, net wealth is analysed using the breakdown by working status (the section will be activated from the 2026 data onwards).

For the main variables analysed, the Observatory also includes animated charts showing how the different countries change their overall position over time.

Additional analyses included in the Observatory

As noted above, the Household Wealth Observatory mainly processes and analyses the so-called “Distributional Wealth Accounts”. In addition, the following complementary data are analysed as contextual macroeconomic indicators:

- gross disposable income, gross saving and the gross saving rate (source: Eurostat): the gross household saving rate is defined as gross saving divided by gross disposable income, with the latter adjusted for the net change in pension entitlements. Gross saving is the part of gross disposable income that is not spent on final consumption expenditure; the saving rate therefore rises when gross disposable income grows at a faster rate than final consumption expenditure;
- house price index (source: Eurostat): Eurostat’s House Price Index (HPI) captures price changes of all residential properties purchased by households (flats, detached houses, terraced houses, etc.), both new and existing, irrespective of their final use and their previous owners. Only actual market prices are considered, so self-build dwellings are excluded; the land component is included.

Caveats for interpretation and cross-country comparisons

- The DWA are experimental statistics. Methodological revisions are expected and may also modify the historical series.
- The starting dates and coverage of national series are not identical; comparisons should be made over periods that are genuinely common to the countries concerned.
- Average household size differs across countries: “per household” and “per capita” values answer different questions and are not interchangeable.
- Homeownership rates and house price dynamics have a major impact on wealth and its distribution.
- Business wealth, unlisted equity and the top of the distribution are more difficult to measure in sample surveys and require greater micro-macro adjustments.
- Public pay-as-you-go pension schemes are not included in DWA wealth; this is particularly relevant when comparing countries with different mixes of public pension provision and funded pension assets.

Essential methodological references

- European Central Bank (2024), Experimental Distributional Wealth Accounts (DWA) for the household sector - Methodological note, 8 January 2024.
- European Central Bank (2024), FAQ on Distributional Wealth Accounts, 8 January 2024.
- European Central Bank (2024), Introducing the Distributional Wealth Accounts for euro area households, ECB Economic Bulletin, Issue 5/2024.
- European Central Bank, ECB Data Portal, Distributional Wealth Accounts (DWA), metadata and series, 2026 updates.
- Household Finance and Consumption Network (2026), Household Finance and Consumption Survey: Methodological report for the 2023 wave, ECB Statistics Paper Series No 52, 16 June 2026.
- European Central Bank (2026), Household Finance and Consumption Survey - 2023 wave - Frequently Asked Questions.

ANNEX 1 TO THE METHODOLOGICAL NOTE - HFCS HOUSEHOLD SAMPLE SELECTION CRITERIA

Household selection in the HFCS (Household Finance and Consumption Survey) follows harmonised criteria defined by the ECB through the Household Finance and Consumption Network (HFCN - a research network composed of experts from Eurosystem central banks and national statistical institutes), but the specific sample design is implemented at national level.

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The fundamental principle is that the sample must be representative of the country's population of private households. It is therefore not a matter of selecting a "typical" household.

A particularly important aspect is the oversampling of wealthier households. Since wealth is highly concentrated and very wealthy households are few in number, purely random sampling could include too few of them. Countries are therefore encouraged, where the necessary information is available, to oversample the top of the wealth distribution (clearly, the feasibility and intensity of oversampling depend on the availability of auxiliary information on wealth). Sample weights are subsequently applied to restore the correct representativeness of the population.

In practice, the process normally comprises:

1. **Definition of the target population.** Resident private households are covered; people living permanently in institutions or collective living arrangements are generally excluded.
2. **Construction of the sampling frame.** Each country uses the best available sources: population registers, household registers, tax registers or other administrative databases, or area-based sampling systems.
3. **Probability sampling.** Households are selected using statistical procedures that make it possible to know or estimate the inclusion probability of each household. Stratified and/or multi-stage sampling may be used.
4. **Oversampling of the wealthiest households.** Where possible, the probability of selecting households in the highest wealth brackets is deliberately increased. This significantly improves the measurement of assets such as shares, funds, bonds, corporate equity and other financial wealth.
5. **Weighting.** Each interviewed household is assigned a weight. A household included in the sample may therefore represent many thousands of households in the population. The weights correct both for different selection probabilities and, as far as possible, for the effects of non-response.

An important point: countries do not all sample in the same way

The ECB sets common methodological standards, but there is no single European sample drawn centrally by the ECB. Each country conducts its own survey using the national sources available.

This is also one of the reasons why, when constructing the DWA, the ECB cannot simply take HFCS values and treat them as equivalent to national accounts. Households with very high levels of wealth are difficult to represent perfectly in surveys and may also have lower response rates. This is one source of the HFCS-QSA gap that must be addressed when constructing the DWA.

What matters is the number of interviews actually completed, not the sample initially drawn. In the fourth wave (2021 - more than 83,000 households), the number of responding households in the main countries was as follows: Italy 6,239, Germany 4,119, France 10,253 and Spain 6,313.

WHAT IS MEANT BY "HOUSEHOLD" IN THE HFCS

In the HFCS, a "household" does not necessarily coincide with either a household as defined in population registers or a tax household. The unit of analysis is the private household, defined on the basis of co-residence and, above all, the sharing of resources and expenditure, as follows: "a person living alone or a group of people who live together in the same private dwelling and share expenditure, including the joint provision of living essentials".

This definition makes it possible to treat very different family situations in a comparable way. For example, a married couple with children, an unmarried couple, a single parent with children, or a person living alone may each constitute one household. People who are not related may also belong to the same household if they live together and substantially share resources. Conversely, related people who live in different dwellings normally constitute separate households.

A key concept: the financially knowledgeable person and the reference person

Within the household, the HFCS identifies a financially knowledgeable person (FKP), i.e. the person who is most knowledgeable about the household's financial situation. This person is particularly important because they answer the sections of the questionnaire concerning wealth, financial assets and debt.

Separately, to classify the household according to characteristics such as age, education or employment status, the HFCS uses a reference person defined according to harmonised criteria. **The reference person should therefore not automatically be equated with the traditionally understood "head of household".**

The HFCS population essentially covers resident private households. **As a general rule, the reference population does not include people living permanently in institutions or collective living arrangements,** such as some nursing homes, institutions, communities or other forms of collective accommodation.

DIFFERENCES FROM THE QSA

In the QSA, the household sector consists of "individuals or groups of individuals in their capacity as consumers and as entrepreneurs (...) provided that the production of goods and services is not carried out by separate entities treated as quasi-corporations". The population conceptually covered by the QSA is therefore broader than the population of private households used as the reference for the HFCS.

Consequently, the data are adjusted to account for differences in the size of the reference populations before wealth data from macro and micro sources are compared, using a simple proportional adjustment.