



Tashkent State University of Economics

Household finance


Lecture 2: Facts about household assets and liabilities.

Lecturer: professor Otabek Karshiev

Background

- ❑ **Balance sheets aggregates estimated quarterly**
- ❑ **Research to improve household balance sheet ongoing**
- ❑ **Limited information published to date**
 - **i.e. debt-to-disposable-income ratio**
 - **and wealth-to-disposable-income ratio**

Household sector



- **The household sector consists of all resident households, unincorporated enterprises owned by households and non-profit institutions serving households (S.14 and S.15)**



Household non-financial assets

- ❑ **Dwellings**
- ❑ **Other buildings and structures**
- ❑ **Machinery and equipment**
- ❑ **Cultivated assets**
- ❑ **Inventories**
- ❑ **Land**

Memorandum item: Consumer durables

Household financial assets

- ❑ **Currency and deposits**
- ❑ **Securities other than shares**
- ❑ **Shares and other equity**
- ❑ **Insurance and technical reserves**
- ❑ **Other accounts**

Household liabilities

- ❑ **Consumer credit**
 - **Personal loans**
 - **Instalment sale and leasing finance**
 - **Open accounts**
 - **Debt with local authorities**
- ❑ **Mortgage advances**
- ❑ **Securitisation**
- ❑ **Non-incorporated credit**

Balance sheet of household sector

R billions - end 2018*

Total assets	7 238	Total liabilities and net worth	7 238
<i>Tangible assets</i>	1 969	<i>Total liabilities</i>	1 258
Residential buildings	1 648	Mortgage advances	782
Other tangible assets	321	Other debt	476
<i>Financial assets</i>	5 269	<i>Net worth</i>	5 980
Assets with monetary institutions	577		
Interest in pension funds and long-term insurers	2 402		
Other financial assets	2 290		

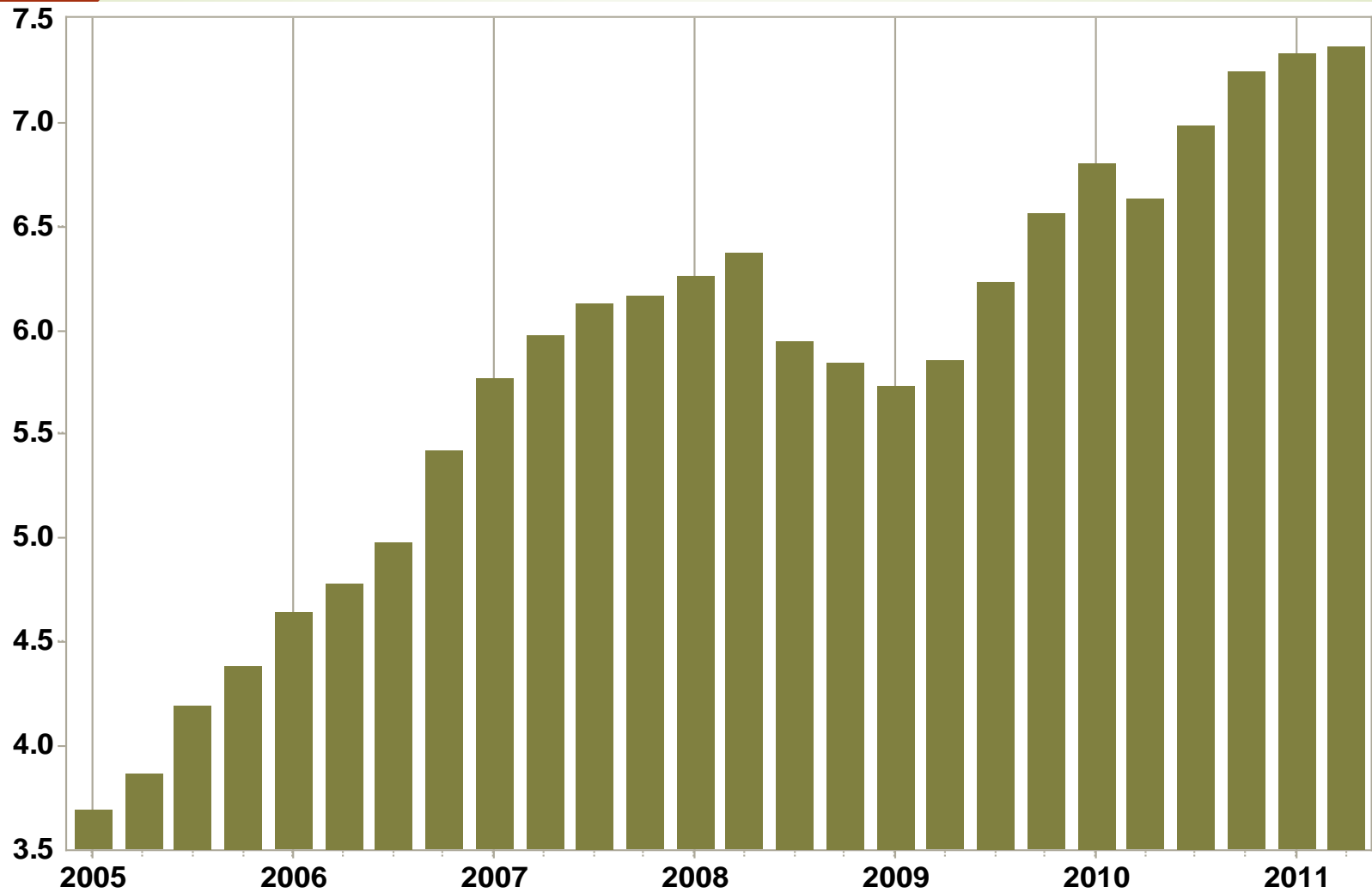
* Preliminary

Source data - household balance sheet

- South African Reserve Bank Surveys**
- Statistics South Africa Surveys**
- National Department of Agriculture**
- National Credit Regulator**
- National Treasury**
- Other**

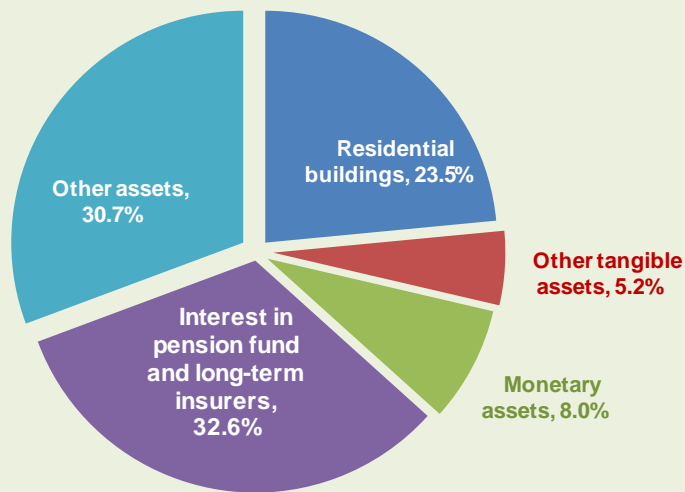
Household assets

R trillions

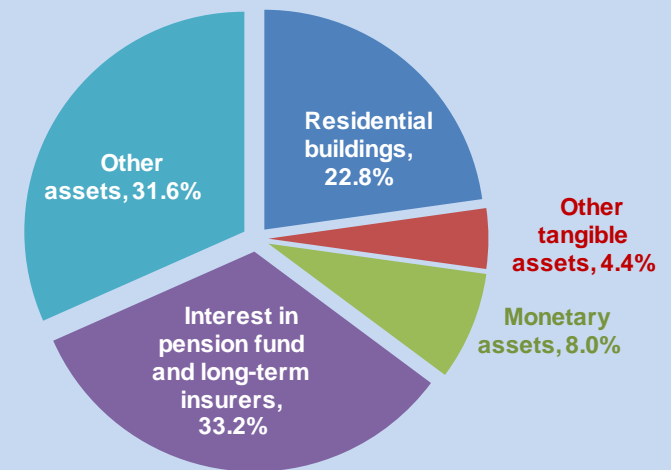


Breakdown of household assets – year end

2005

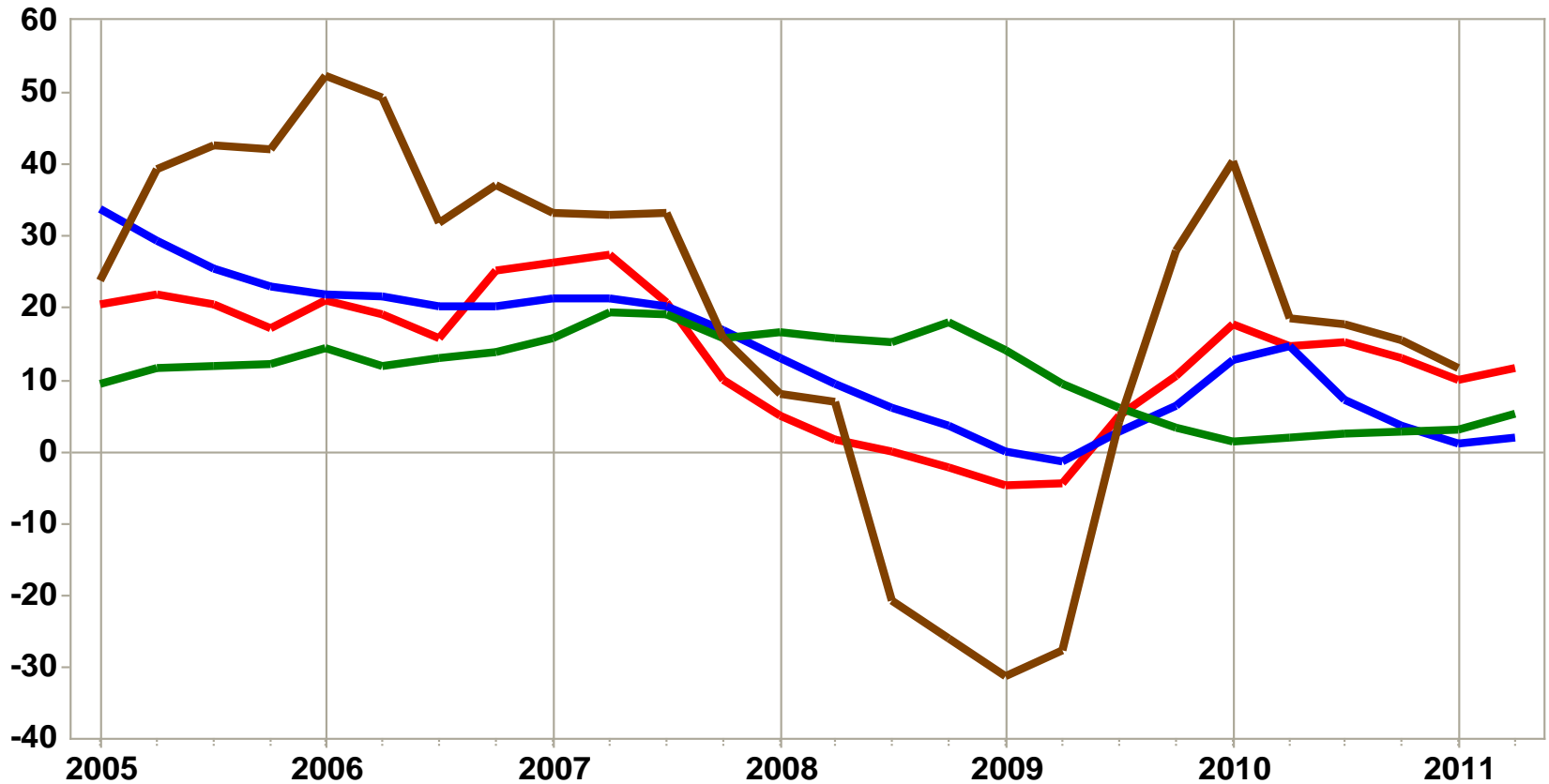


2010



Selected assets of the household sector

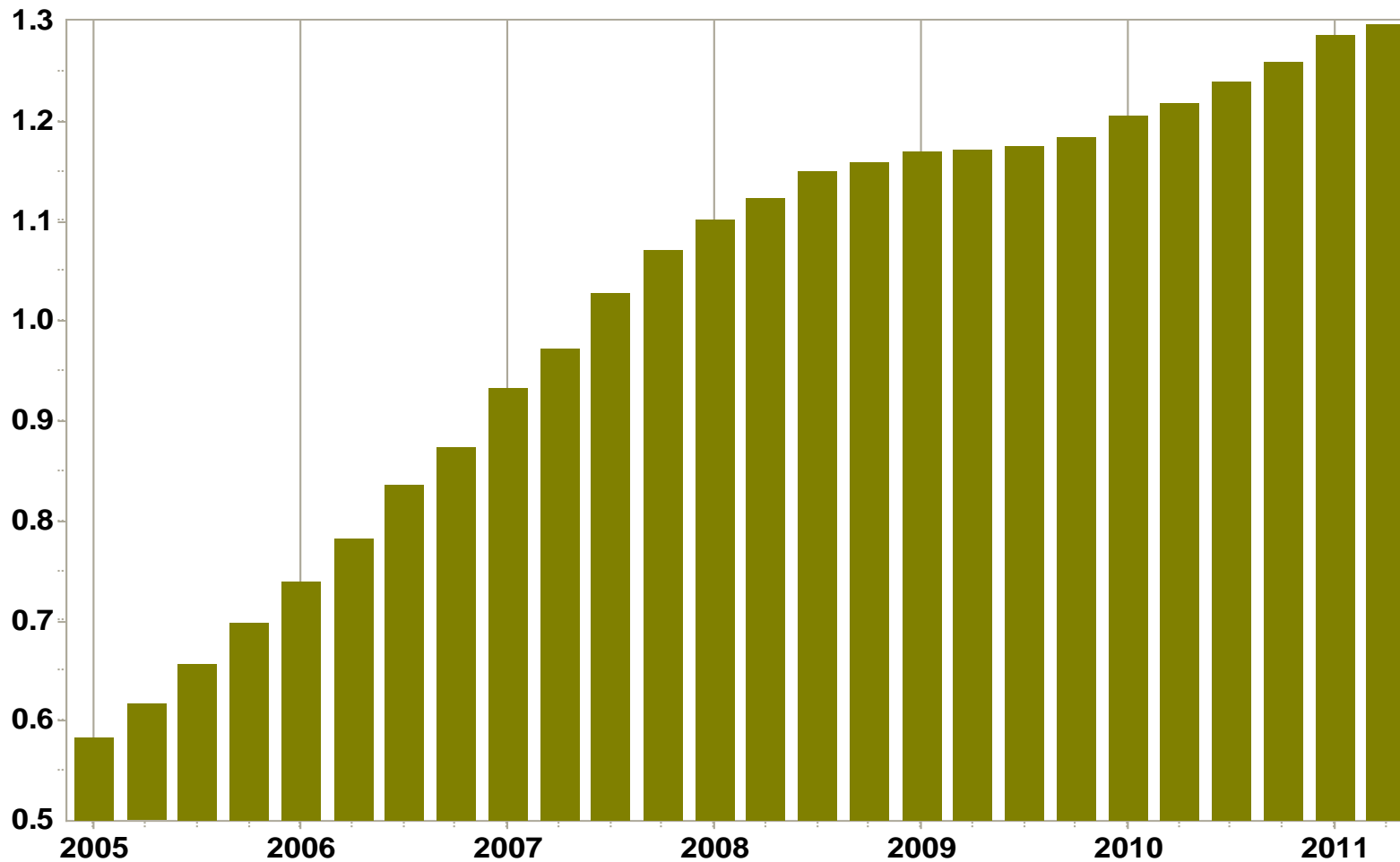
Percentage change over four quarters



- Interest in pension funds and long-term insurers
- Residential buildings and land
- Monetary assets
- Corporate bonds and equities

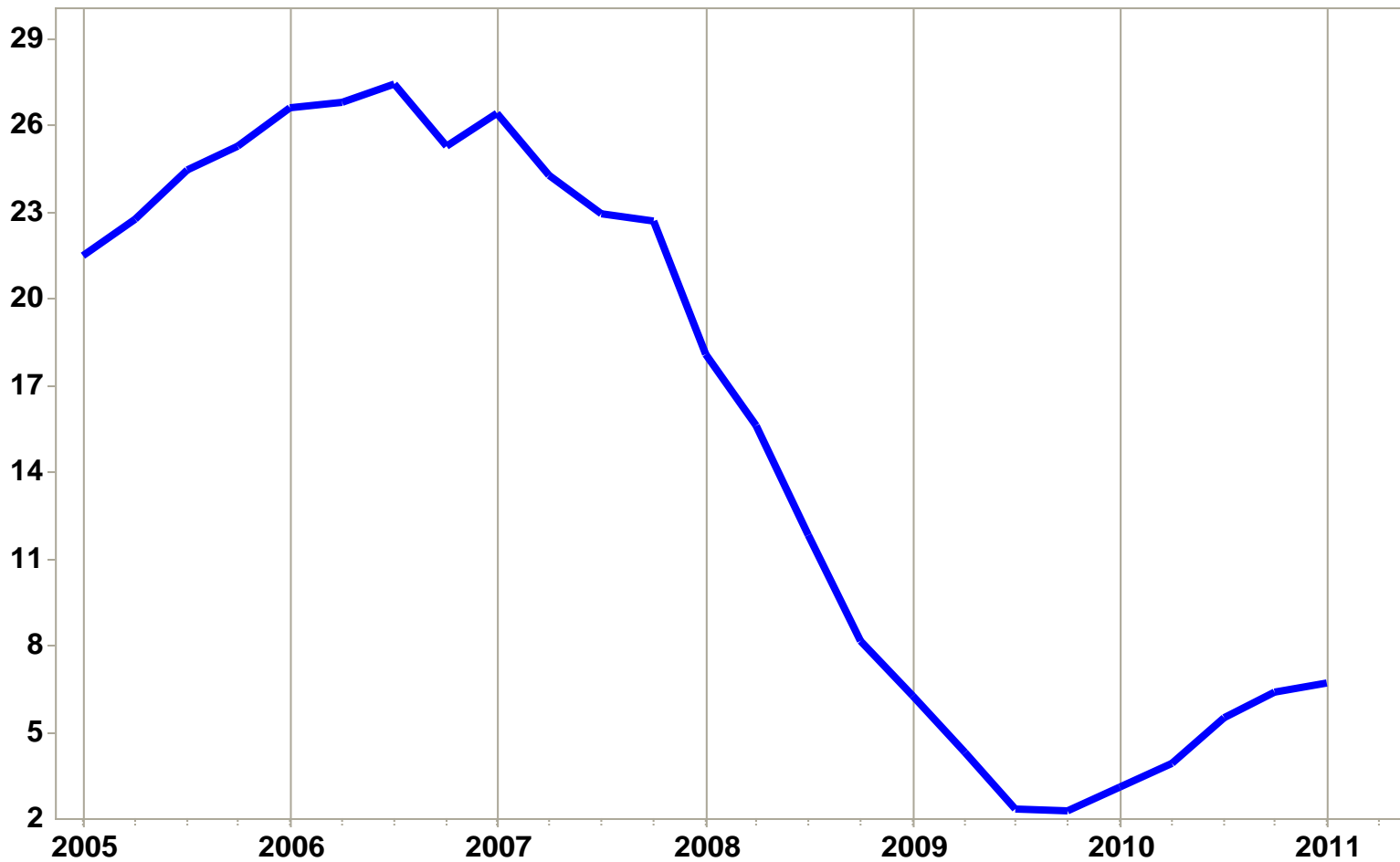
Household debt

R trillions

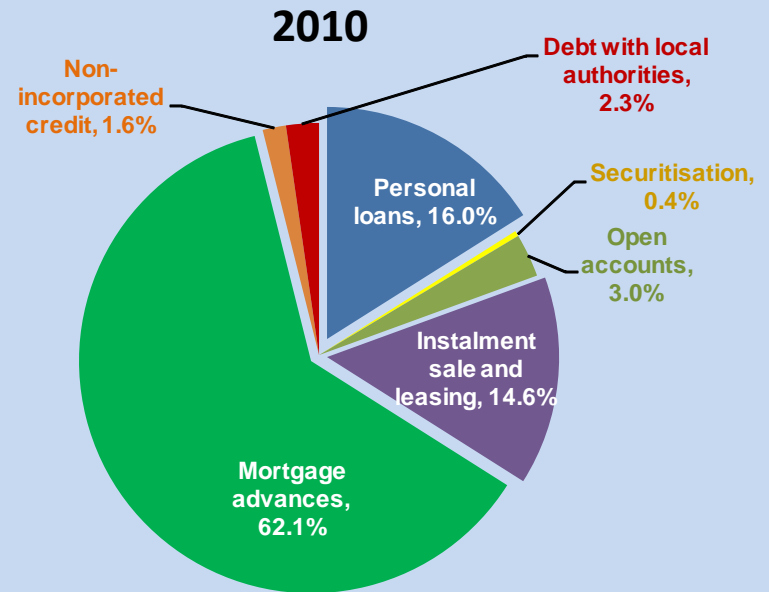
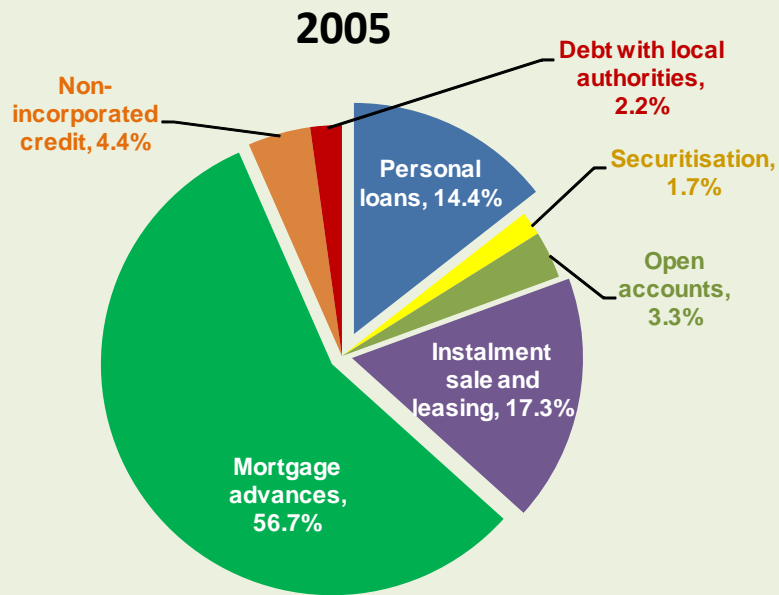


Household debt

Percentage change over four quarters

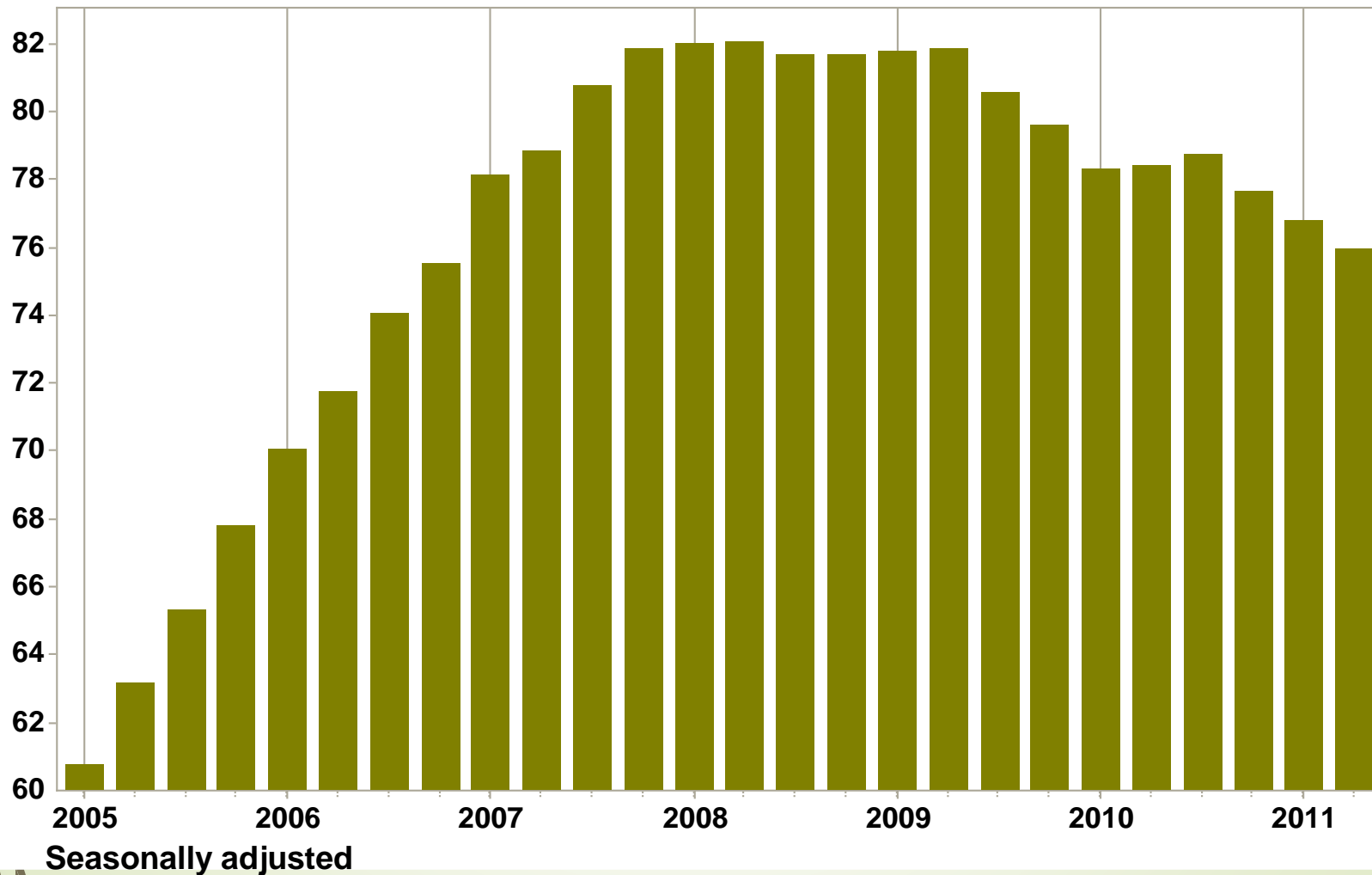


Breakdown of household liabilities - year end



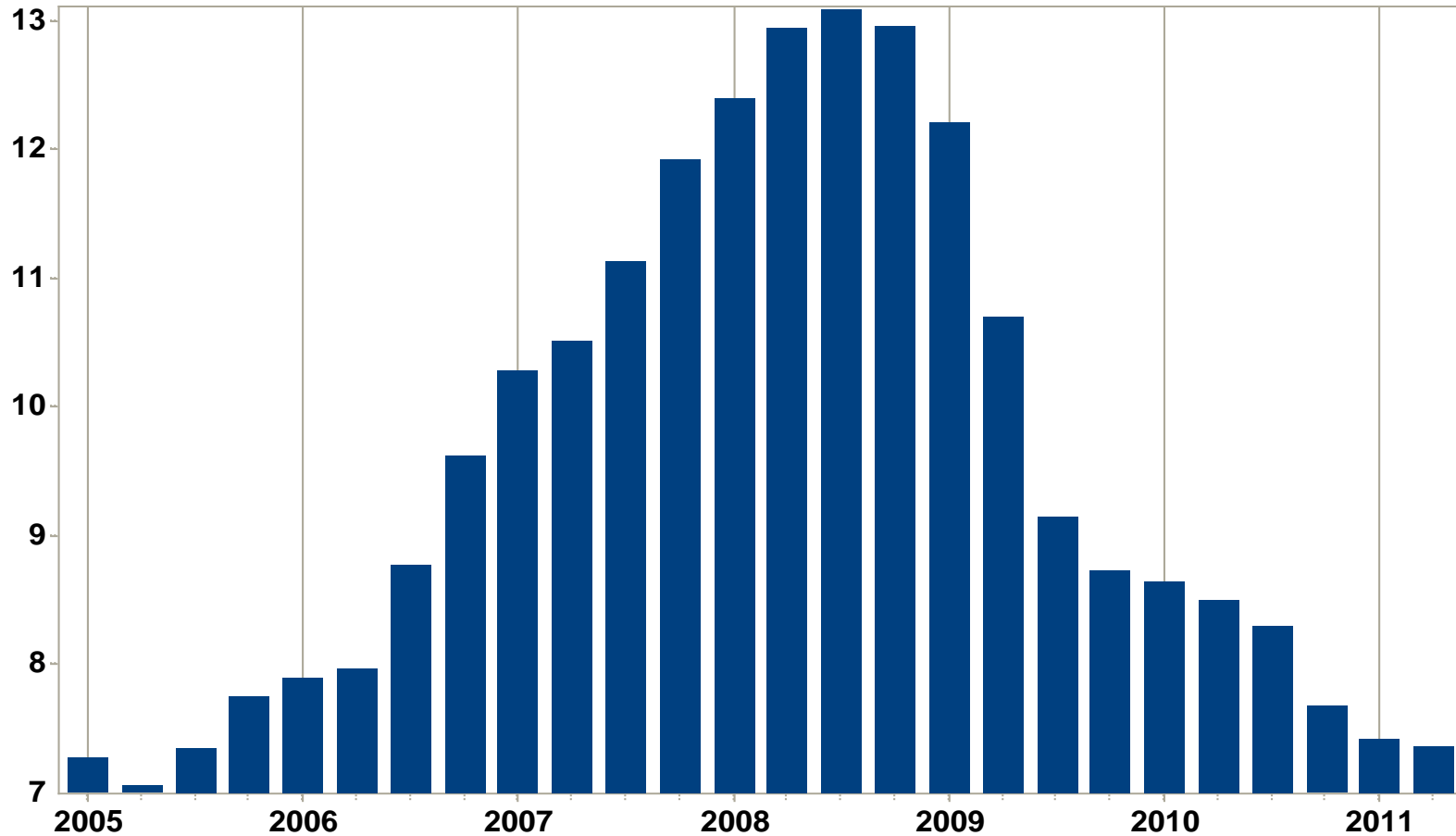
Household debt ratio

Percentage of annualised household disposable income



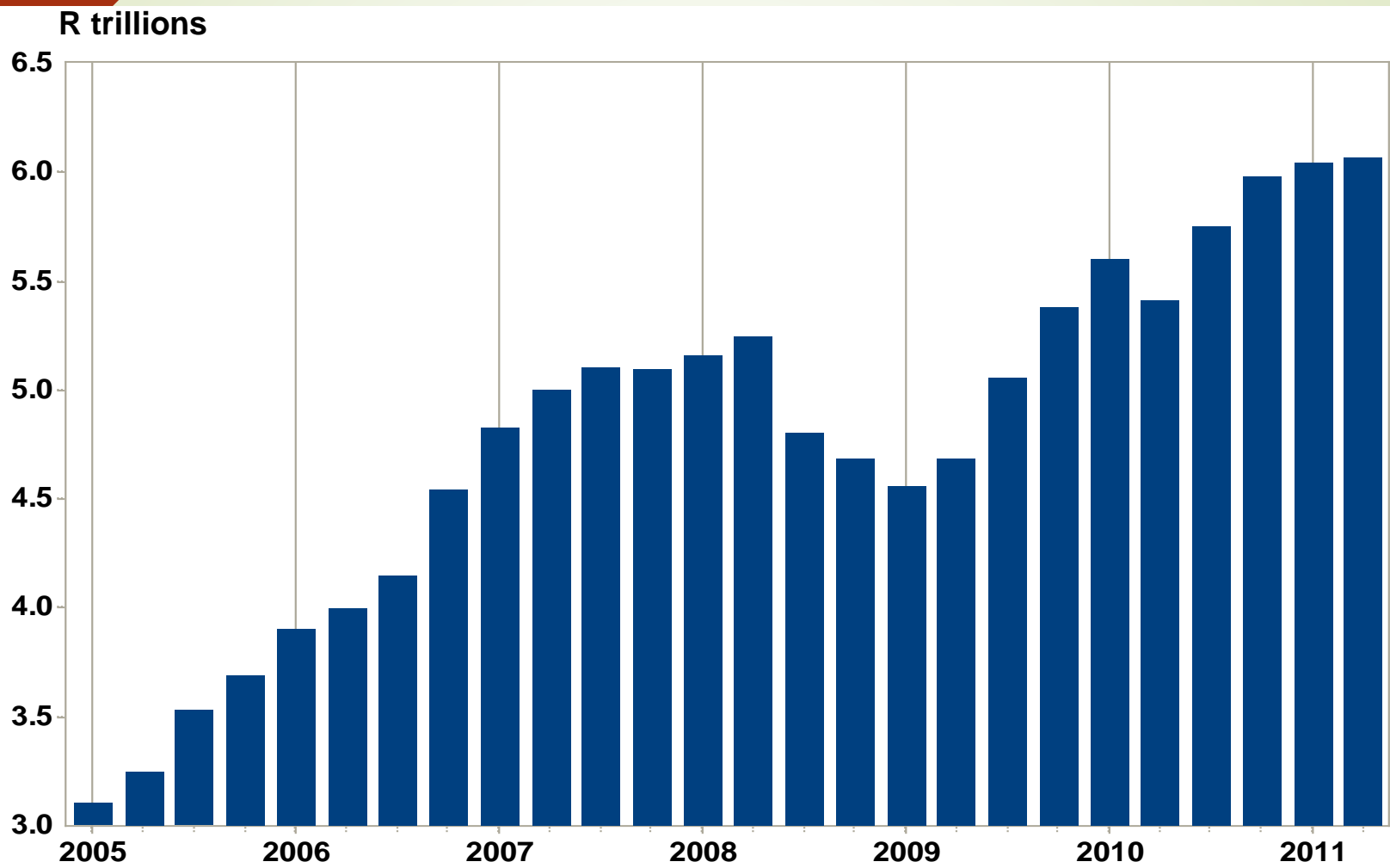
Household debt service ratio

Financing cost of debt as percentage of annualised disposable income



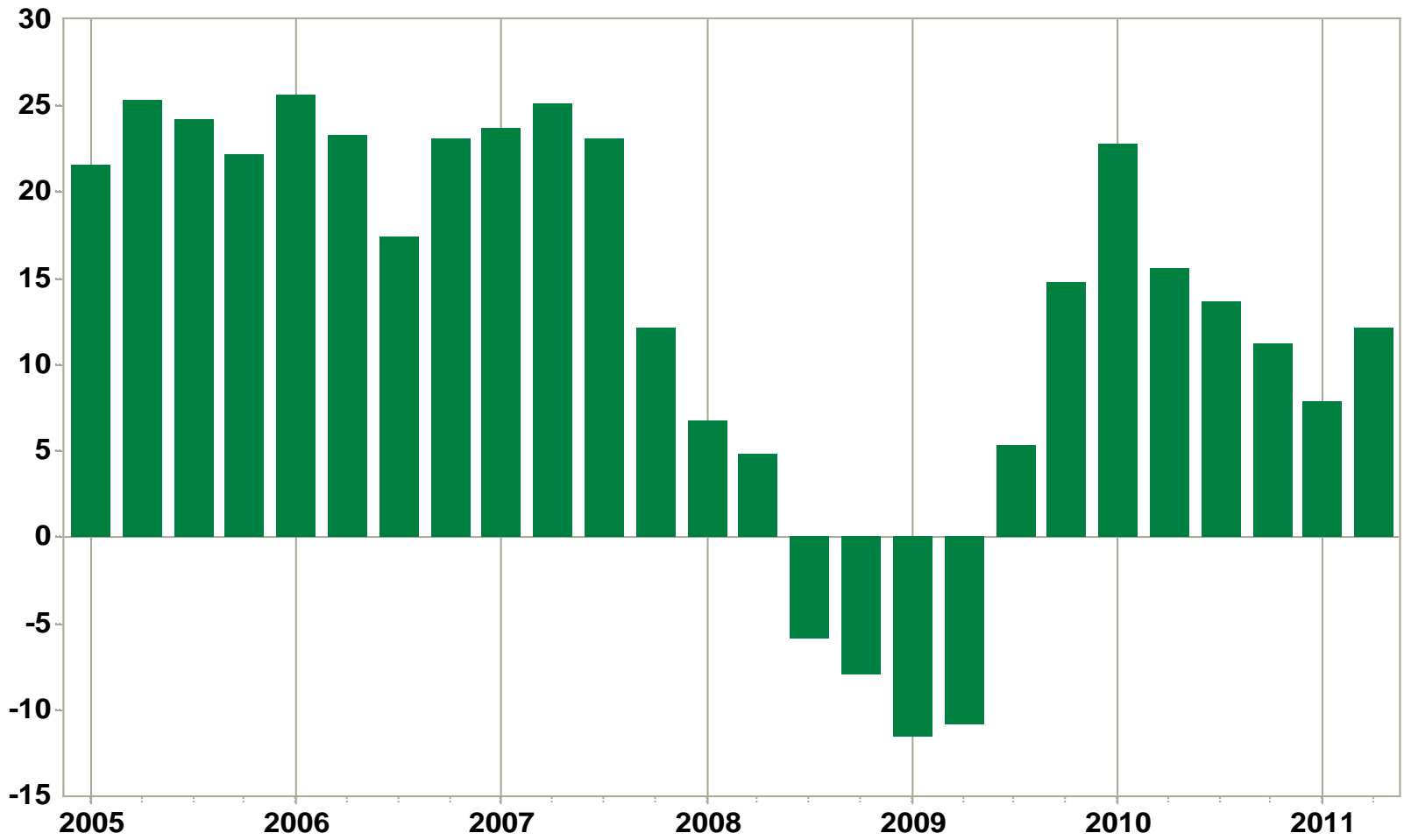
Seasonally adjusted

Household net worth

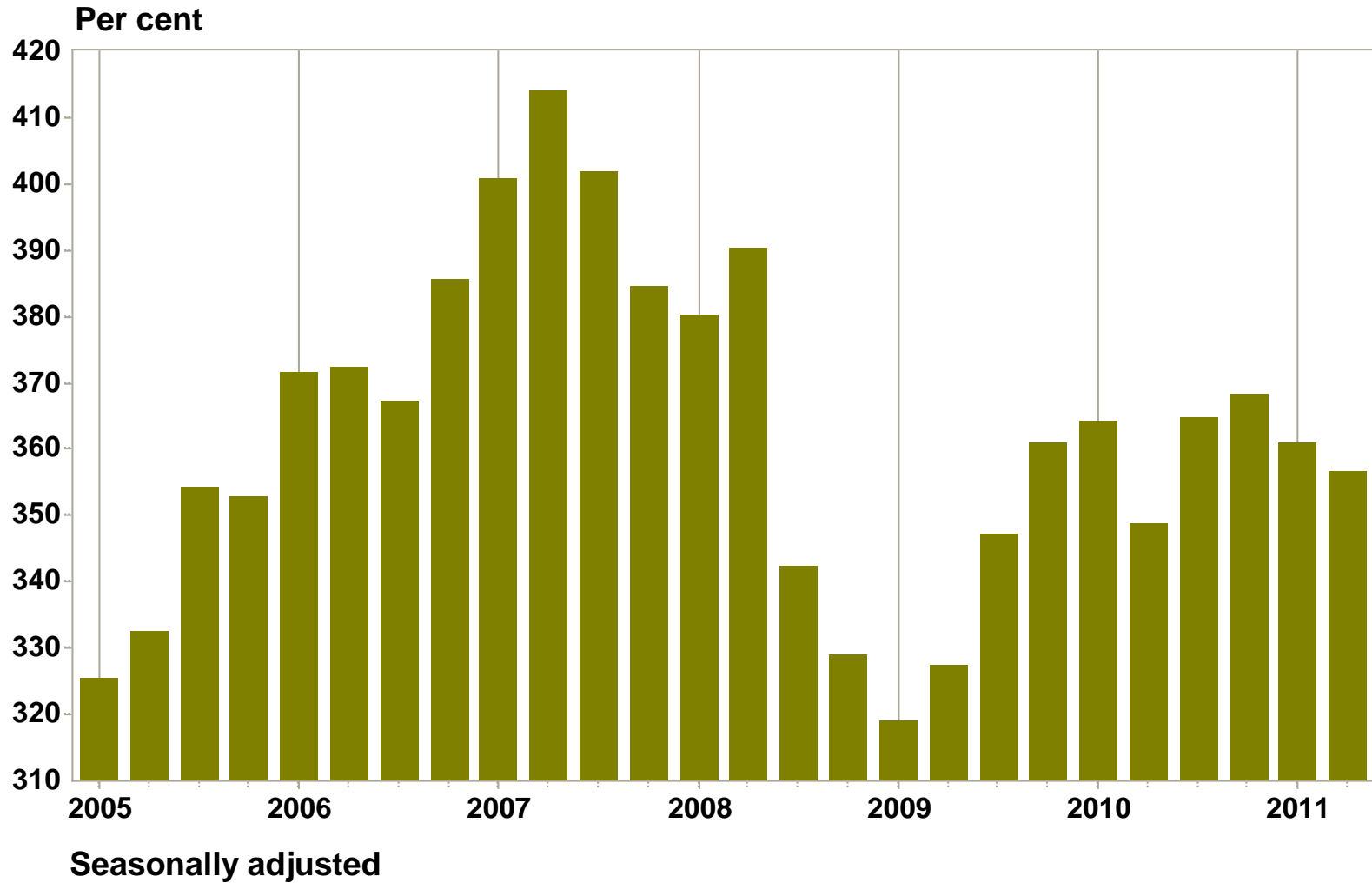


Household net worth

Percentage change over four quarters



Ratio of household net worth to disposable income



Way forward



- Publication of household balance sheet aggregates**
- National household financial well-being survey**
- Balance sheets for all institutional sectors**
- 2008 SNA**



Thank You

