Italian Banking System Overview

Italian banks continue to face a challenging environment. This infographic highlights the system’s large stock of bad debt, and negative outlooks.

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Government of Italy – Key Data

- Outlook: Negative
- Rating: Baa2
- Real GDP growth 2017f: 1.3%
- General Government Debt/GDP %: 132%

Italian Banking System Data

- Outlook: Negative
- Average Baseline Credit Assessment: ba2
- Avg. Deposit Rating: Baa2
- Average Senior Unsecured and Issuer Rating: Baa2

Distribution of Ratings: Highest Italian Bank Rating is A3

- Number of banks

Top 5 Bank by Assets and Market Share

<table>
<thead>
<tr>
<th>Bank</th>
<th>Domestic market share (loans)</th>
<th>Total Assets €bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>UniCredit</td>
<td>17.3%</td>
<td>1000</td>
</tr>
<tr>
<td>Intesa Sanpaolo</td>
<td>17.2%</td>
<td>1000</td>
</tr>
<tr>
<td>Banco BPM</td>
<td>15.5%</td>
<td>827</td>
</tr>
<tr>
<td>Banca Monte dei Paschi di Siena</td>
<td>11.3%</td>
<td>788</td>
</tr>
<tr>
<td>Unione di Banche Italiane</td>
<td>10.6%</td>
<td>634</td>
</tr>
</tbody>
</table>

Problem loans

- Problem loan ratio Italian banks: 17.3%
- Problem loan ratio European banks: 5.1%

Top 5 banks combined assets

- Problem Loans Mostly Come from SME and Corporates

- Retail funding: 67%
- Wholesale funding: 9%
- Eurosystem refinancing: 6%