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## PRESS RELEASE

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### Household wealth distribution: new NBB and ECB statistics

- **New experimental statistics show the unequal distribution of household net wealth**
- **Richest 10% own more than half of net wealth in Belgium**
- **Inequality in Belgium has fallen slightly over the past five years, as measured by the percentage of wealth held by the richest 10% - or the Gini coefficient**

The NBB is today, for the first time, publishing experimental statistics on the distribution of household net wealth in Belgium: the Distributional Wealth Accounts (DWA). These are being released at the same time as the ECB publishes comparable data for the euro area and its constituent countries. The DWA were developed partly to support the setting of ECB monetary policy and following a recommendation from the [G20 Data Gaps Initiative](#).

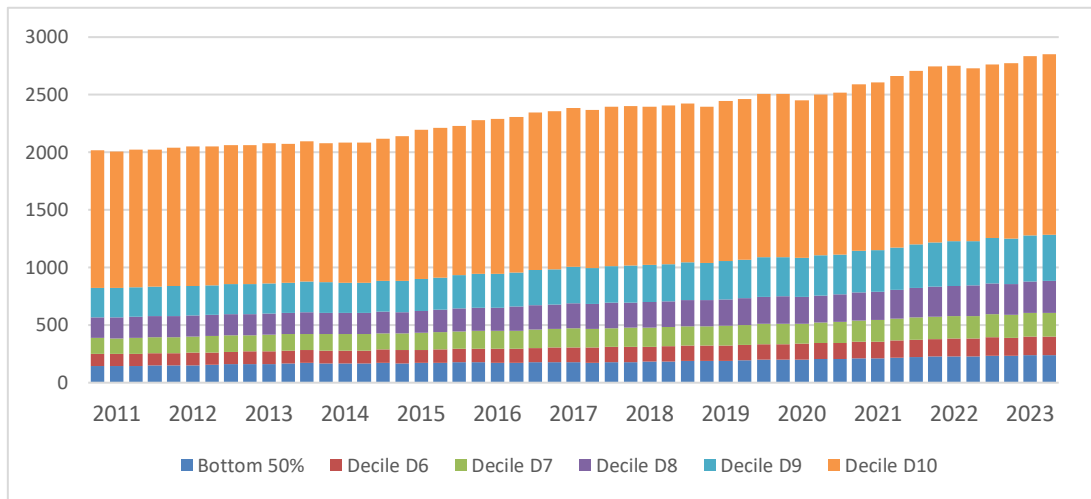
The DWA are the result of integrating micro-data from the [Household Finance and Consumption Survey](#) (HFCS) with the macroeconomic [national sector accounts](#). The aim is thus to add distributional information to available information on household net wealth in the national accounts. DWA data will henceforth be compiled quarterly and released five months after the end of the quarter. The statistics go back to 2010, when the HFCS was first held in Belgium. More information on how the DWA are compiled can be found in this explanatory [note](#).

### Distribution of household net wealth in Belgium

Among other insights, the DWA show household net wealth, and the different components of this wealth, divided into the top five deciles and the bottom 50%. Figure 1 presents this breakdown for total net wealth in Belgium. Total net wealth has itself increased by 19% in Belgium since 2018 – a smaller increase than that seen in the euro area as a whole (29%), partly due to weaker growth in house prices and in the value of shares owned by Belgian households compared to those in the euro area overall.

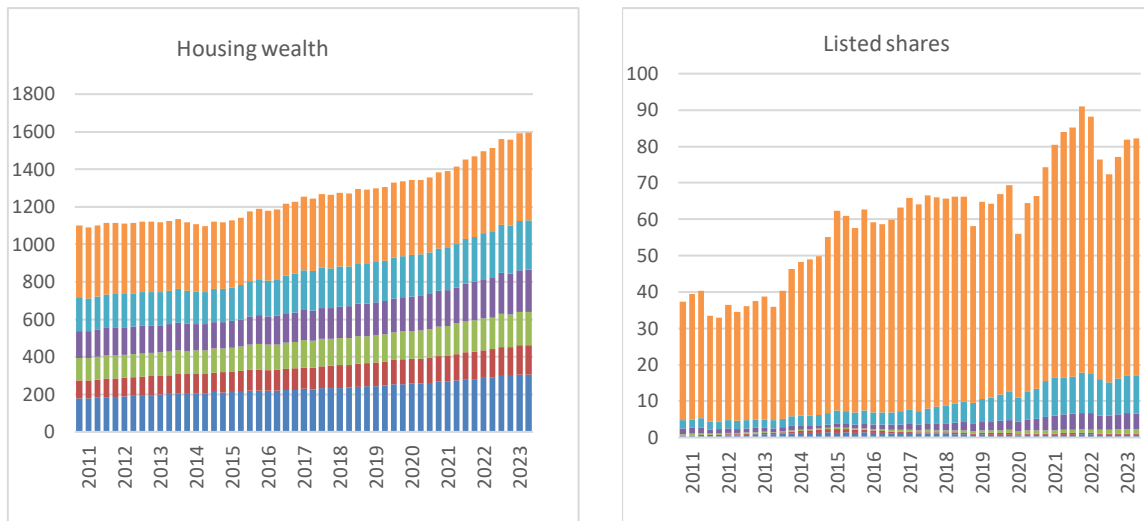
More than half of net wealth in Belgium (55% in Q2 2023) is held by the richest 10% of households (decile 10). This is a slight decline from five years ago. The least wealthy 50% of households (bottom 50%) own 8.4% of total net wealth.

Figure 1: Household net wealth in Belgium (in € billion).



The DWA also allow us to understand the distribution of the different components of household net wealth. Figure 2, for example, shows the distribution for residential property and for listed shares, with the former less unevenly distributed than the latter: the top 10% own 29% of residential real estate and 79% of listed shares. Residential property figures also show an even distribution. Listed shares, in contrast, vary more given the influence of rising and falling share prices.

Figure 2: Distribution of residential property and listed shares held by households in Belgium (in € billion).



## Decline in inequality and comparison with the euro area

The DWA also include several indicators such as the Gini coefficient, average and median wealth, and the percentage of net wealth held by the top 10%. As noted above, the percentage held by the top 10% has been declining in recent years. Figure 3 shows how this compares to trends in the eurozone. Here we see that since 2019, the percentage for Belgium has been just below the eurozone average.

Figure 3: Percentage of net assets held by the top 10%

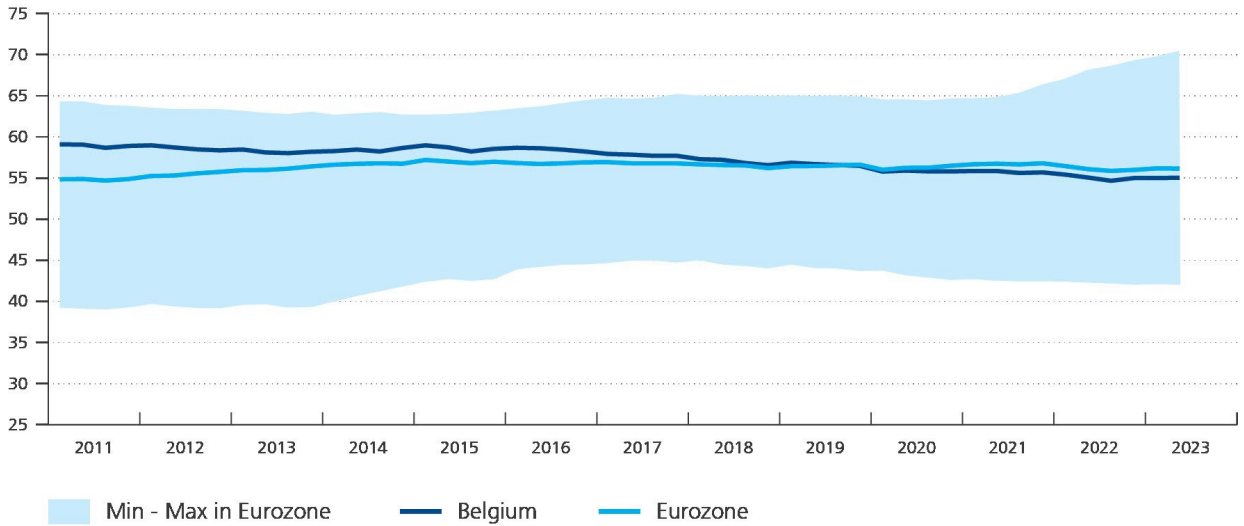


Figure 4: Median net wealth (in €)

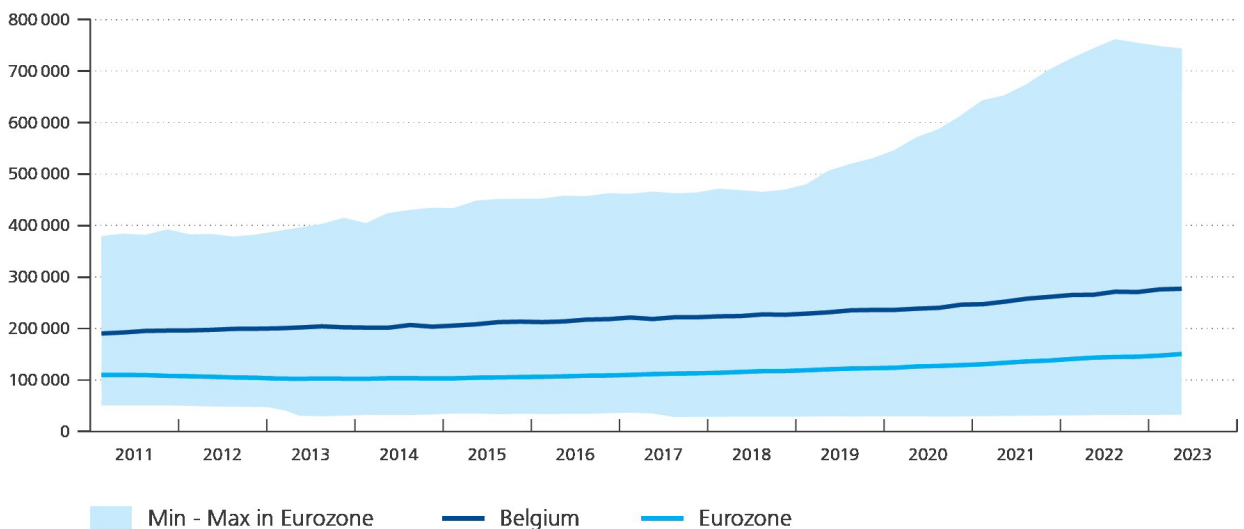


Figure 4 shows trends in median net wealth. This is higher in Belgium than in the euro area, but has been rising in both, partly due to the strong influence that house prices bear on median wealth: residential real estate constitutes a large part of median household wealth.

The DWA also calculates the Gini coefficient of household net wealth in Belgium. This is a measure of the (in)equality in the distribution of this wealth: the higher the percentage, the more unequal the distribution. It stood at 68 % in the second quarter of 2023, down from 70% in 2018. In the eurozone, the Gini coefficient was 72% in the last quarter.

## Notes on methodology

- The DWA were developed by the ECB in cooperation with the national central banks of the European Union. Data and information on the methodology are available on the [NBB website](#).
- DWA results are available from 2010 and combine the aggregated sector accounts with the results from the four HFCS waves held between 2010 and 2021. Results for the period after 2021 are estimated using the most recent data from the sector accounts and the latest available HFCS wave, assuming a stable distribution of financial instruments. As a result, for recent quarters, the DWA show the impact of developments in sector accounts on the distribution of assets, including an estimate of the distributional effect of price changes for each instrument. Possible, additional changes due to differences in the investment and financing behaviour of different groups of households are not reflected and will only be integrated following the introduction of subsequent HFCS waves.
- The DWA statistics cover the household sector (S.14), as defined in ESA 2010. These are households resident in Belgium. The sector of non-profit institutions serving households (S.15) are not included in the aggregates.
- The DWA include the following assets and liabilities: deposits, debt securities, listed shares, unlisted shares, investment funds, life insurance, residential real estate, other non-financial assets, mortgage loans and other loans. Some of the instruments covered by the HFCS or national accounts cannot easily be compared due to differences in the datasets. Therefore, the DWA do not yet include data on currency, pension entitlements, technical provisions for non-life insurance and other accounts receivable/payable. In total, the DWA cover more than 95% of the value of household financial and non-financial assets and liabilities as recorded in the national accounts.
- DWA data are at current prices and are not adjusted for inflation.
- The data will henceforth be updated quarterly and will show revisions in line with the sector accounts. In addition, the data will be subject to revisions from 2021 when the results of the next HFCS wave become available.
- The DWA are experimental statistics. They meet many, but not all, of the quality requirements of official ESCB statistics. They include some estimates for which sensitivity analyses have been carried out, but the results may be subject to greater uncertainty compared with other statistics.