

FEATURE

Teresa Sbrano

PGAM Economic Research

New historical data for assets and liabilities in the UK

SUMMARY

This article presents the full series of UK financial accounts since 1979 for all sectors and since 1957 for households. The definition of new standards for financial accounts, and specifically SNA 93, had entailed an interruption in official time series. The article highlights the methodology used to ensure consistency in the connection between the old and the new series.

A first historical analysis of the UK data and a set of international comparisons for two of the countries (the United States and Italy) for which long-term consistent statistics are available is also provided.

The main scope of this article¹ is to present a reconstruction of historic financial accounts for the UK, to explore their structure and compare them with those of other selected countries.

This reconstruction has been conducted jointly with the Office for National Statistics (ONS) and the Bank of England, and is part of a broader Organisation for Economic Co-operation and Development (OECD) project to extend back the currently available time series for financial accounts for a group of OECD countries: Canada, France, Germany, Italy, Japan, Spain, the UK and the US.

Financial balance sheets were published by the Central Statistical Office (CSO)² and the Bank of England prior to 1987, but they were based on a different classification. These data have never been correlated with more recent time series; this project aims to fill that gap.

Although as an initial step the OECD project focused on household and non-financial corporations, in the case of the UK it was decided to analyse all institutional sectors to obtain a broader picture of the UK National Accounts. The emphasis is on stocks and their impact on assets and liabilities from 1979 onwards, and on the household sector from the 1950s.

Historical data are critical for understanding macroeconomic behaviour. Longer time series allow a closer analysis of several important issues such as the evolution of financial wealth over time, trends in debt, relationships between the institutional sectors and the correlation or convergence between different countries.

The article is organised as follows.

The first section presents the general methodology and the sources of financial accounts used to reconstruct UK balance sheets for all institutional sectors. In the next section, a preliminary analysis of the evolution of household financial assets and liabilities in the UK from 1957 onwards is outlined. The following section compares the UK financial structure with that of other countries and the final section presents a summary of first conclusions. A statistical annex (available in the web version of this article at www.statistics.gov.uk/cci/article.asp?id=1613) tabulates provisional data by sector for financial instrument assets and liabilities in the UK, from 1979 to 2006.

Sources and methodology

For reconstruction purposes, the currently available time series from ONS (based on the SNA 93 classification), which covers the period 1987 to 2007, was used. Financial balance sheet³ figures were obtained for the period 1975 to 1987 from the *Blue Book* annual National Accounts.

A similar exercise was attempted for the other countries included in the OECD project, extending the time series back from 1979 for stocks (asset and liabilities) and for the following financial instruments (F):

F	total financial assets and liabilities
F2	currency and deposits
F3	securities other than shares
F4	loans
F5	shares and other equity
F6	insurance technical reserves
F7	others

As mentioned above, while the OECD project concentrated exclusively on the household and non-financial corporation sectors, in order to get a complete picture of UK national wealth, the reconstruction exercise included all the main institutional sectors: households, non-financial corporations, financial corporations, government and the rest of the world.

By superimposing data from the old and new time series for a number of years (1987 to 1996), it was possible to check the consistency of the reconstruction. The next section presents the outcome of this analysis.

SNA 93 versus the old CSO time series

The introduction of SNA 93 in the 1990s with its new classifications made it necessary to reconcile past data with the more recent time series. The changes concerned the definition of the sectors, the breakdown of financial instruments and the method used for valuation of the various instruments.

No significant differences were found regarding the sectors or the valuation method. The main impact of the new classification concerns the breakdown of securities.

In order to match the data from the two sources, a conversion table was constructed (see **Appendix**) which provides a good degree of correspondence of financial assets and liabilities over time.

However, unambiguous correspondence between the two classifications is impossible to achieve. For instance, it is difficult to find a clean split between 'securities other than shares' and 'shares and other equity', or between 'loans' and 'securities other than shares'.

To try and arrive at an accurate breakdown of the instruments under the new classification, reference was made to the overlapping period between the two series, consistent with the long term trends. When these assumptions were insufficient to obtain the desired split, the strong assumption was made that the asset mix was the same as that observed in 1987. This approach follows that used by the Bank of Italy in reconstructing Italian financial balance sheets, where a specific breakdown of instruments is not available.

The reconstruction of the institutional sectors gave good results for all of them as regards total assets and liabilities. This is consistent with the hypothesis that there are no important changes in intra-sector classifications. However, when looking

in more detail at the individual sectors, significant discrepancies between the two time series were found.

Households⁴

In the special case of the household sector, given the minor role that 'loans' and 'securities other than shares' play in the household portfolio, the strong assumption was made that all unambiguous items could be attributed to 'shares and other equity' under the new classification. This assumption was tested in the overlapping period and obtained a high degree of accuracy, confirmed by the perfect match between the old and new time series for assets and liabilities for each item. In the reconstruction, the long-term trend was managed to be maintained, allowing analysis of this and the asset mix over time.

Non-financial corporations

In order to preserve the same sector definition, public non-financial corporations were included under non-financial corporations as required by SNA 93, and not under government as in the previous classification.

Asset allocations in the old and new time series were then looked at. In the case of non-financial corporations, the two classifications presented discrepancies between 'loans' and 'shares and other equities'. This problem was overcome by trying to reallocate the unambiguous items for the period 1979 to 1987 in the same proportions as observed in 1987.

With regard to instruments, it is worth noting that the item 'insurance and pension technical reserves' does not appear in the old *Blue Book* time series for the sector S11. The amount, albeit negligible, is present in the new ONS time series.

Financial corporations

This sector includes banks, building societies, pension funds, life insurance companies and other financial institutions. In the reconstruction exercise, the main problem encountered was that the amount for 'currency and deposits' was underestimated. The unambiguous 'miscellaneous instruments' was therefore attributed to this class.

The biggest discrepancies were found in liabilities after attributing all unambiguous assets to 'securities other than shares'.

A gap was also found in 'loans', which appear to be overestimated in the old classification as compared with the new.

Government

As seen above, to preserve the SNA 93 sector definitions, public non-financial corporations were moved to non-financial corporations.

Significant discrepancies appeared in assets and liabilities once all unambiguous assets had been attributed to 'loans', to match long-term trends in the financial asset mix for the sector.

Rest of the world

In the overseas sector, a good degree of continuity was found for all instruments, with one overestimation in the case of 'shares and other equity'.

In the case of overseas liabilities, after the matching exercise, a key difference was noticed in the items 'currency and deposits and loans'. Once again it was decided to adjust the discrepancy by maintaining the same proportion between the two items as observed during the overlapping period.

As hinted above, the main focus in this project is the household sector. Given the fair degree of continuity in household data, it was decided to extend the time series back to 1957. The following section presents the trend in assets and liabilities and the asset mix over the last 50 years.

Household wealth in the last 50 years

Previous work

Pioneering work on UK balance sheets was presented in a book by Professor Jack Revell. This work was later extended by Revell and Roe, with the support of CSO and the Bank of England, to include annual estimates for the period 1957 to 1966, and a summary was published in *Economic Trends* in 1971. Balance sheet estimates for the household sector for 1966 to 1975 were published by CSO in January 1978 and subsequently updated to 1978. *Economic Trends* in 1980 included a further reconstruction of household sector data.

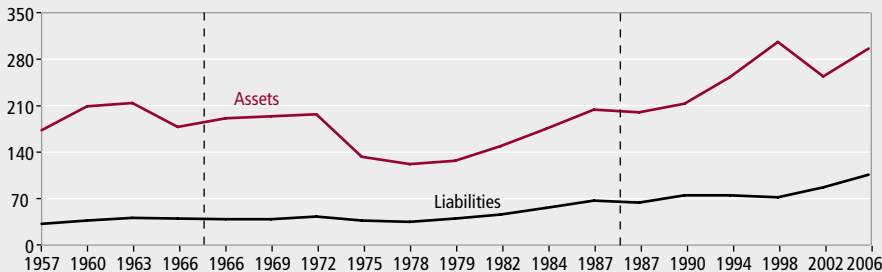
To get a complete picture of behaviour over the entire 50 years, these statistics were matched with the estimates described in the previous section. Matching the series for 1957 to 1978 to those for 1979 to 2006 presented none of the problems mentioned earlier, since the classifications adopted by CSO for 1966 to 1978 and by the Department of Applied Economics, Cambridge, for 1957 to 1966 were identical to those of SNA 93. No discrepancies were found between the different time series either for the asset mix or in the absolute amounts.

Table 1
Trends in financial wealth and its distribution

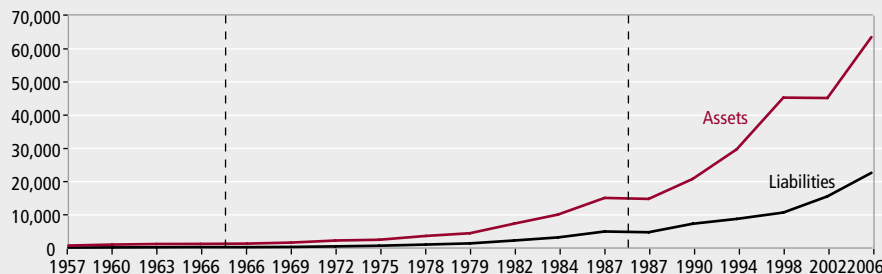
	£ million																			
	CSO estimates							OECD estimation					Current ONS data							
	1957	1960	1963	1966	1969	1972	1975	1978	1979	1982	1984	1987	1990	1993	1996	1999	2002	2005	2006	
Total financial assets	43	58	70	73	91	127	140	205	251	413	568	840	1,191	1,755	2,078	3,126	2,681	3,591	3,846	
Currency and deposits	14	17	19	25	30	41	58	85	99	149	188	250	360	423	494	601	731	921	997	
Securities other than shares	4	4	5	5	5	7	8	12	18	25	25	24	21	33	41	47	46	43	35	
Shares and other equities	11	20	23	21	29	42	27	33	33	50	73	135	221	335	401	733	393	586	590	
Insurance technical reserves	10	13	16	15	20	29	34	61	82	162	246	389	530	896	1,069	1,663	1,419	1,932	2,111	
Other accounts receivable and loans	4	5	5	7	8	9	13	15	20	26	36	42	59	68	73	83	91	109	113	
Total financial liabilities	7	10	12	15	18	28	39	59	79	127	180	270	419	485	550	675	923	1,249	1,371	

Figure 1
Financial assets and liabilities as a percentage of GDP and in per capita terms

(a) As a percentage of GDP
Percentages



(b) Per capita
£



cent. Liabilities grew by an annual 11 per cent, peaking at 17 per cent over the 1979 to 1987 period. Financial wealth as a percentage of gross domestic product (GDP) increased over the entire period, though not uniformly so (Figure 1). Three main phases can be identified:

- during the first 20 years, the ratio of financial assets to GDP remained fairly steady, averaging around 200 per cent
- during the second period, from 1972 to 1979, a strong rise in nominal GDP not matched by a comparable increase in household assets as seen. The ratio reached a low of 122 per cent in 1979
- since the 1980s, the ratio has risen increasingly rapidly, with the sole exception of 2001

Financial wealth also increased throughout the entire period in per capita terms, though again not uniformly.

Up to the 1980s, the rising trend in financial assets remained rather stable, turning upwards more steeply only in the early 1990s, presumably as a result of the strengthening of the financial system and the liberalisation of capital movements.

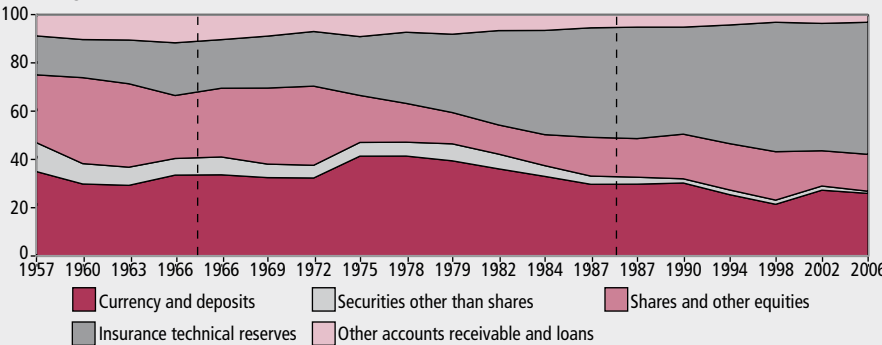
As liabilities grew at around the same pace as assets, the trend for net financial wealth was similar.

The household asset mix saw considerable change during the period under review.

As can be seen in Figure 2, UK households in the 1950s had a well-diversified portfolio, though 'currency and deposits' and 'shares and other equity' clearly play the dominant role. In both cases, however, the absolute amounts were negligible. By the end of the 1960s, the most striking feature is the reduction in the weight of 'shares and other equity', a trend which was to continue further in following years. Beginning in the 1980s, a rise in 'insurance and technical reserves' started to be witnessed, which continued to grow over

Figure 2
Household sector asset mix

Percentages



Trends in financial wealth and its distribution

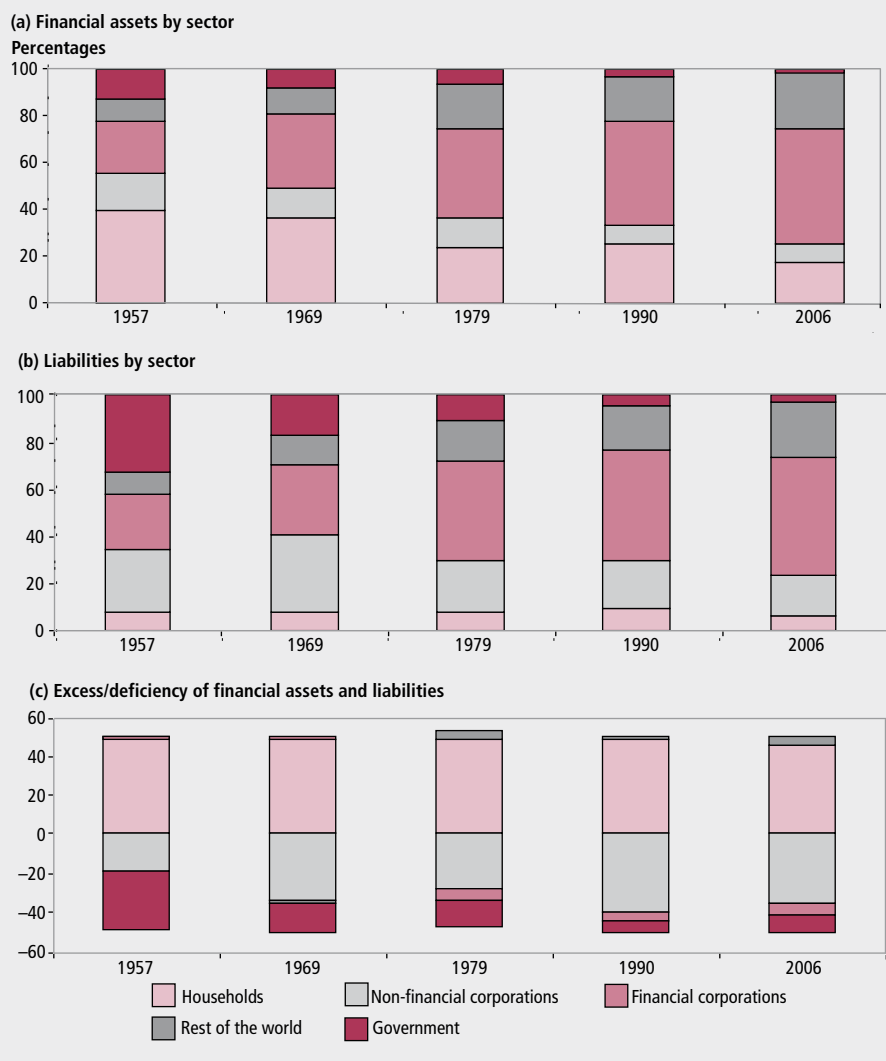
Longer time series give a better insight into wealth, its allocation and dynamics within the economy (Table 1).

Important developments in the

household sector can be seen over the past 50 years, both in absolute values and in the asset mix.

Household assets grew from £38 million in 1957 to around £3,800 million in 2006, a compound annual growth rate of 10 per

Figure 3
The household sector versus other institutional sectors



the household portfolio shrank over the period from 32 per cent in 1979 to 15 per cent in 2006, while ‘securities other than shares’ fell from 12 per cent to 1 per cent.

Thus, the macro-trends in the asset mix can be summed up as follows:

- a rapid increase in the weight of life insurance and pension funds
- a substantial decrease in the direct holding of shares and securities
- a substantial fall in the share of safe assets (currency and deposits)

Positive net financial flows for the household sector

Figure 3 shows the trends in the distribution of national financial assets and liabilities over time.

Examination of national financial wealth by sector reveals a clear fall in the relative size of the household sector for both assets and liabilities, in favour of the overseas sector and financial corporations. At the same time, however, huge net financial flows mainly towards households can be seen. The majority of the corporate sector’s liabilities are to the personal sector. The net financial position of the overseas sector is negative in the first decade, implying that UK holdings of overseas assets exceeded overseas holdings of UK assets, whereas the last 25 years have seen this trend reverse.

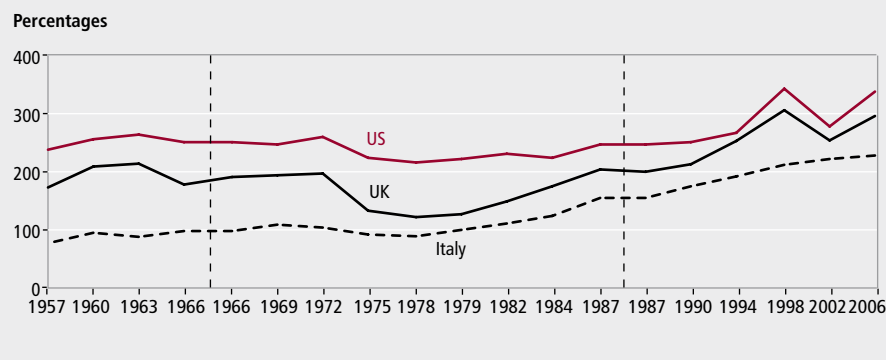
International comparisons

The peculiarities of the UK financial structure become evident when compared with other economies. In this section, the macro-trends in household financial wealth for the UK, the US and Italy are illustrated, using the UK data presented above and data provided by the OECD.stat data set for the US. For Italy, data published by the Bank of Italy (Bonci and Coletta 2005) are used.

Trends in household financial assets: UK versus US and Italy

The trends in household wealth over the last 50 years are examined first (Figure 4). Total financial assets as a percentage of GDP appear to have increased only moderately between 1960 and 1970. The trend began to rise during the period 1970 to 1980, but the first signs of faster growth become evident only from 1995, and mainly in the UK and US. Most assets in this period benefited from the stock market boom, but were hit by the slowdown that followed before regaining strength with the recent positive performance of the markets.

Figure 4
Household financial assets as a percentage of GDP



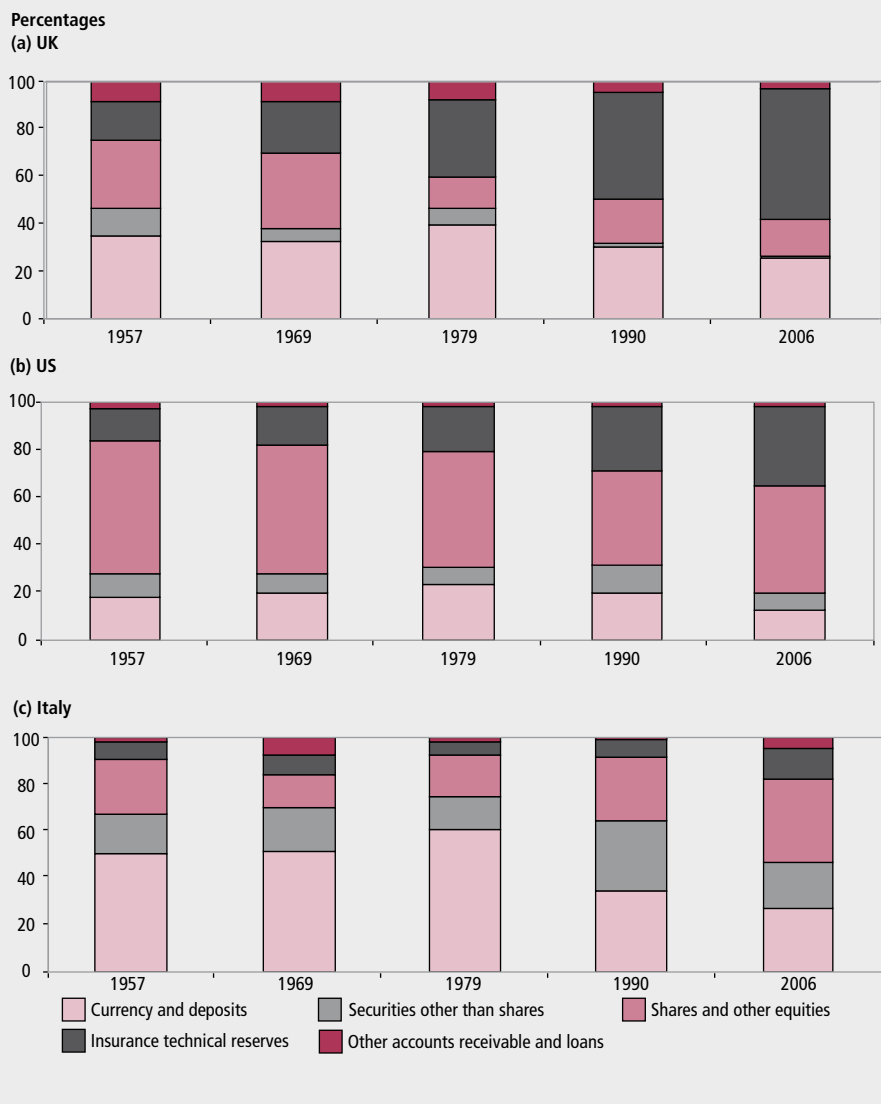
subsequent decades to become the biggest component of the mix, from around 33 per cent in the 1980s to more than half of household portfolios in 2006.

This reflects the growth in life insurance and private pension funds complementary to social security schemes. This dominance of long-term instruments is the main peculiarity of the UK household portfolio

compared with the structure of financial assets in the major continental Europe countries, where the importance of the welfare system is more pronounced.

Despite a rise in direct ownership of shares and securities in absolute terms, relatively speaking, these have been replaced by life insurance and pensions. The weight of ‘shares and other equity’ in

Figure 5
Household financial asset mix



- stable in percentage terms
- safe instruments are less important than they were in the 1980s

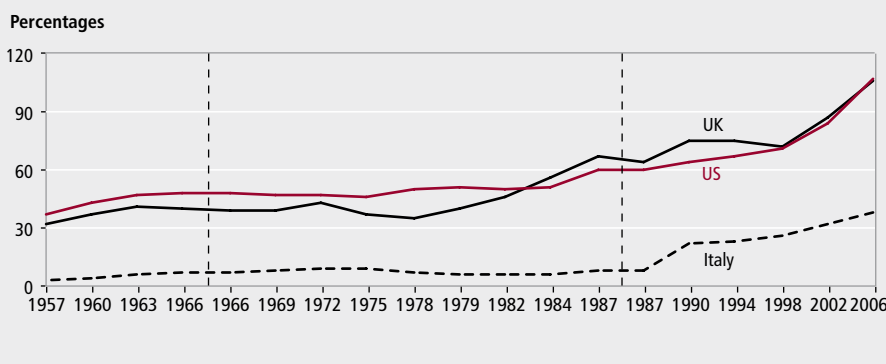
Still, significant differences between the countries persist in the mix of financial instruments. Despite the common trend away from safety towards managed and long-term assets, there are important structural differences between the three countries:

- the UK presents the highest level of long-term investment (life insurance and pensions)
- the US is characterised by the importance of direct investment in shares and other equity
- safe instruments still make up around 40 per cent of household financial wealth in Italy; as expected, they are less important in the US and the UK
- Italy stands out for the importance of fixed income securities and a well below average share of long-term products

The main peculiarities of the UK financial structure can be summed up as follows:

- a lower portion of safe assets (currency, deposits, bonds) compared with the Italian asset mix, but higher than the US
- the UK presents a lower share of equities
- a large share of long-term investments such as pension funds and life insurance

Figure 6
Household financial liabilities as a percentage of GDP



Trends in liabilities: a massive rise in debt since the 1980s

Figure 6 shows household financial liabilities as a percentage of GDP in the countries under analysis. The ratio for both the US and UK began at 30 per cent and rose steadily through the 1980s, quickening pace from the 1990s to reach GDP levels in 2006.

Such rapid growth in debt, accelerating especially in recent years in all three countries, should be viewed in the context of historically low interest rates which created an incentive for households to borrow, driving mortgages as well as consumer credit.

Despite the recent increases, Italian households still have low levels of debt (38 per cent of GDP), showing a stable and low ratio throughout the period (averaging 10 per cent).

Important structural differences between the three countries

The graphs in Figure 5 highlight the very dynamic financial structures in all the countries under analysis. In the UK, US and Italy, the last 50 years have witnessed the following common trends:

- a strong increase in the holding of equities and long-term instruments, such as life insurance and pension funds, at the expenses of deposits
- indirect participation in the financial markets via mutual funds and retirement products has increased significantly
- in spite of this revolution, the direct holding of shares has remained fairly

Conclusion

The methodology for reconstructing long-term time series for UK financial accounts was outlined.

During the reconstruction, good results were obtained regarding the sector breakdown of national wealth. As regards the instrumental breakdown, a good correspondence between the old and new time series for currency and deposits, mutual funds, life insurance and pension funds was found, but some problems emerged with miscellaneous instruments which have come to include shares, securities and loans.

Given the fair degree of continuity for the household sector, it was decided to extend the time series back to 1957 using earlier CSO figures for the period 1957 to 1978.

It is hoped new prospects for empirical research have been opened.

From the preliminary findings many interesting questions concerning financial accounts time series remain to be explained:

- which are the main determinants of financial asset growth?
- compared with other countries, UK households are more oriented towards longer-term assets. Are the other EU countries going to converge towards an Anglo-Saxon structure?
- a massive increase in debt has been witnessed since the 1980s, but in the light of the latest events, what could be the future trend in the liabilities side?

Notes

- 1 This work is part of a joint project between the OECD, Pioneer Investments Economic Research, ONS and the Bank of England.
- 2 CSO was a British government department charged with the collection and publication of economic statistics for the UK. It preceded ONS.
- 3 The financial balance sheet shows the financial assets held and the liabilities outstanding at a particular point in time. The balancing item of the financial balance sheet is net financial assets. Net financial assets is the result of cumulative revaluation, other changes in volume of financial assets and net lending/net borrowing (Manual on Sources and Methods for the Compilation of ESA95 Financial Accounts, Eurostat 2002).
- 4 The household sector is similar to, but not identical to, the previous personal sector. Sole traders as unincorporated

businesses continue to be recorded here since their accounts are not separable from those of households. Partnerships are now classified to non-financial corporations (S11) or financial corporations (S12). Life insurance assurance and pension funds' income and expenditure were previously recorded in the personal sector. They are now recorded with the insurance corporations and pension funds' subsector (S125).

ACKNOWLEDGEMENTS

Special thanks go to Daniele Fano, Head of Economic Research in Pioneer Global Asset Management and Stuart Brown of ONS and also to Chris Wright and Stephen Sabine of the Bank of England, Riccardo de Bonis of the Bank of Italy, and Michael Rizzo of ONS, who actively promoted this project. Many thanks also go to Michelle Chavoix-Mannato of the OECD who has been part of the project since its inception, Milena Georgieva and Giuliana Maestrelli from Pioneer Investments Economic Research, and Michael Tucker of ONS for his support. This article describes research in progress. The author takes full responsibility for the views expressed and for the contents.

CONTACT

✉ elmr@ons.gsi.gov.uk

REFERENCES

- Antoniewicz R, Bonci R, Generale A, Marchese G, Neri A, Maser K and O'Hagan P (2005), *Household Wealth: Comparing Micro and Macro Data in Canada, Italy and United States*, paper presented at the International Conference on 'Construction and Usage of Comparable Microdata on Wealth', Luxembourg Wealth Study, Perugia, January 2005.
- Babeau A and Sbrano T (2002), *Household Wealth in the Financial Accounts of Europe, the United States and Japan*, OECD, available at www.savingsandwealth.com.
- Bank of England (1972) 'National balance sheets a new analytical tool', Bank of England Quarterly Bulletin.
- Bartiloro L, De Bonis R, Generale A and Longhi I (2007) *The financial structures of the leading industrial countries: a medium term analysis*, in Bank of Italy (2007).
- Bonci R and Coletta M (2005), *Italy's Financial Accounts since 1950*, Bank of Italy (2007).

Bonci R and Coletta M (2007), *Italy's Financial Accounts since 1950*, in Bank of Italy (2007).

De Bonis R (2007), *Italy's Financial Wealth and Debt from 1950 to 2004*, in Bank of Italy (2007).

De Bonis R and Gigliobianco A (2007) *The Origins of Financial Accounts in the United States and Italy: Copeland, Baffi and the Institutions*, in Bank of Italy (2007).

Fano D, and Sbrano T (2007) "I portafogli delle famiglie 1995-2004 e la previdenza nei principali paesi OCSE. Primi segnali di convergenza verso veicoli a più lungo termine?", Quaderni Europei sul nuovo Welfare.

Fano D (2005) *Assessing risk in household portfolios: progress and open issues at the macro and micro/survey level*, Luxembourg Wealth Study.

Massaro R (2004) *Household's financial assets and liabilities in Europe*, Eurostat.

Office for National Statistics (1978) 'Personal sector balance sheets', *Economic Trends* 291, January 1978.

Office for National Statistics, *Financial Statistics* 214, February 1980, Supplementary Table C.

Pettigrew C W 'National and sector balance sheets for the United Kingdom', *Economic Trends*, November 1980.

Reid D J 'National and sector balance sheet'. *Statistical News* No. 35, November 1976.

Revell J 'The Wealth of the Nation', Cambridge University Press (1967).

Roe A R 'The Financial Interdependence of the Economy 1957-1966', Chapman and Hall (1971).

Schmidt R H, Hackett A and Tyrell M (1999) *Disintermediation and the role of banks in Europe: an international comparison*, Journal of Financial Intermediation.

APPENDIX

In the conversion table, an attempt has been made to illustrate the correspondence of instruments between the new and the old classification.

An unequivocal correspondence between the two classifications cannot be obtained. In particular, it was difficult to arrive at a clean split between 'securities other than shares' and 'shares and other equity' and between 'loans' and 'securities other than shares'. The main problems concern the following unambiguous items of the previous classification:

- miscellaneous domestic instruments including domestic securities, loans, mutual funds and trade credits
- overseas direct and other investments in securities, and miscellaneous overseas instruments including currency and deposits, securities other than shares, loans and mutual funds
- miscellaneous instruments including currency and deposits, securities, loans and trade credits
- UK company securities, primarily made up of securities and mutual funds
- overseas securities including securities and loans
- public corporation debt and local authority debt including loans and securities

To answer these problems, a specific approach for each sector and instrument was taken.

Table A1

The conversion table

	New classification
Financial assets	F
Notes and coins	F2
Sterling treasury bills	F3
British government securities	F3
National savings	F2
Tax instruments	F2
Net government indebtedness banking department	F4
Northern Ireland central government debt	F3–F4 (F4)
Government liabilities under exchange cover scheme	F4
Other public sector financing:	
Non-marketable debt	F4
Short term assets	F4
Issue department's transactions in bills	F3
Government foreign currency debt	F3–F4
Other government overseas financing	F4
Official reserves	F1
Local authority debt	F3–F4
Public corporation debt	
Foreign currency	F3–F4
Sterling	F3–F4
Deposits with banks	
Sterling other	F2
Sterling	F2
Deposits with building societies	F2
Deposits with other financial institutions	F2
Bank lending (excluding public sector)	
Foreign currency	F4
Sterling	F4
Credit extended by retailers	F4
Identified trade credit	
Domestic	F7
Import export	F7
Loans for house purchase:	
Building societies	F4
Other	F4
Other public sector lending	F4 F3
Other lending by financial institutions	F4
Unit trust	F5
UK company securities	F5 F3
Overseas securities	F5 F4
Life insurance and pension funds	F6
Miscellaneous domestic instrument abroad	F3 F4 F5 F7
Overseas direct and other investment in UK	F2 F3 F4 F4
Miscellaneous overseas instruments	F2 F3 F4 F5
Miscellaneous instruments	F2 F3 F4 F6
Direct and other investment abroad	F2 F3 F4 F7
Accruals adjustments	F7

STATISTICAL ANNEX

Households – assets

	£ billion						
	Total financial assets	Currency and deposits	Securities other than shares	Loans	Shares and other equities	Insurance technical reserves	Other accounts receivable
1957	43	14	4		11	10	4
1958	50	15	5		15	11	4
1959	59	16	5		22	12	5
1960	58	17	4		20	13	5
1961	62	17	5		22	14	5
1962	65	18	5		22	15	5
1963	70	19	5		23	16	5
1964	69	21	5		20	18	6
1965	73	22	5		21	19	6
1966	73	25	5		21	15	7
1967	79	19	11		27	16	6
1968	88	19	11		33	18	6
1969	91	30	5		29	20	8
1970	88	21	13		27	20	6
1971	106	23	17		36	24	6
1972	127	41	7		42	29	9
1973	116	30	21		32	28	7
1974	105	33	21		18	25	8
1975	140	58	8		27	34	13
1976	147	37	33		29	37	10
1977	171	73	14		33	52	14
1978	205	85	12		33	61	15
1979	251	99	18	3	33	82	17
1980	304	116	20	3	39	107	20
1981	345	138	21	3	39	123	21
1982	413	149	25	3	50	162	24
1983	485	166	27	2	61	200	28
1984	568	188	25	2	73	246	34
1985	645	209	26	2	80	291	38
1986	773	229	30	2	115	358	39
1987	840	250	24	6	135	389	36
1988	951	289	21	6	142	453	40
1989	1,144	327	19	6	177	566	48
1990	1,191	360	21	6	221	530	54
1991	1,322	385	22	5	234	616	60
1992	1,471	409	31	5	262	703	61
1993	1,755	423	33	5	335	896	63
1994	1,721	437	34	5	331	849	65
1995	1,958	469	41	5	380	995	67
1996	2,078	494	41	6	401	1,069	67
1997	2,471	535	43	6	516	1,301	69
1998	2,649	567	46	7	533	1,425	71
1999	3,126	601	47	7	733	1,663	76
2000	3,117	635	47	7	712	1,634	83
2001	2,922	681	46	7	537	1,565	86
2002	2,681	731	46	7	393	1,419	85
2003	2,930	793	48	7	448	1,544	90
2004	3,153	855	50	7	502	1,641	98
2005	3,591	921	43	7	586	1,932	102
2006	3,846	997	35	7	590	2,111	106

Note:

Data are provisional.

Households – liabilities

	Total financial liabilities	Currency and deposits	Securities other than shares	Loans	Shares and other equities	Insurance technical reserves	Other accounts payable
							£ billion
1957	7						
1958	8						
1959	9						
1960	10						
1961	10						
1962	11						
1963	12						
1964	14						
1965	15						
1966	15						
1967	16						
1968	16						
1969	18						
1970	19						
1971	21						
1972	28						
1973	32						
1974	34						
1975	39						
1976	42						
1977	50						
1978	59						
1979	79			61			18
1980	91			72			20
1981	110			94			16
1982	127			110			17
1983	151			131			20
1984	180			156			24
1985	208			181			27
1986	240			213			27
1987	270		0	239			31
1988	323		0	290			33
1989	372		0	335			37
1990	419		0	378			40
1991	450		0	405			45
1992	468		1	422			45
1993	485		1	439			45
1994	507		1	461			45
1995	532		2	482			48
1996	550		2	499			49
1997	586		2	532			52
1998	625		2	568			55
1999	675		3	618			55
2000	734		3	675			56
2001	810		3	749			58
2002	923		3	848			72
2003	1,047		3	959			86
2004	1,173		3	1,084			86
2005	1,249		3	1,158			88
2006	1,371		3	1,279			89

Non-financial corporations – assets

	£ billion						
	Total financial assets	Currency and deposits	Securities other than shares	Loans	Shares and other equities	Insurance technical reserves	Other accounts receivable
1979	128	17	33	8	15		55
1980	145	20	30	10	25		59
1981	174	26	40	15	29		64
1982	199	30	47	16	37		69
1983	228	37	52	19	43		76
1984	241	42	67	9	37		85
1985	251	46	62	10	42		91
1986	285	56	69	11	56		92
1987	339	83	128	34	118	8	86
1988	390	90	152	49	139	9	90
1989	445	109	173	64	160	9	89
1990	422	122	144	58	130	10	89
1991	438	128	153	58	136	11	88
1992	462	129	175	59	159	9	90
1993	501	147	191	62	169	10	91
1994	520	155	199	66	174	8	92
1995	566	166	224	76	194	9	92
1996	591	181	227	80	201	13	91
1997	645	203	252	86	226	11	92
1998	745	209	311	120	282	12	93
1999	954	232	479	142	445	11	91
2000	1,207	271	659	146	598	15	117
2001	1,209	292	629	159	563	12	117
2002	1,276	332	635	178	571	13	117
2003	1,389	389	690	173	622	16	120
2004	1,456	447	675	194	608	17	125
2005	1,634	525	56	215	683	17	137
2006	1,700	579	79	195	685	18	143

Non-financial corporations – liabilities

	£ billion						
	Total financial liabilities	Currency and deposits	Securities other than shares	Loans	Shares and other equities	Insurance technical reserves	Other accounts payable
1979	223		1	62	111		50
1980	254		1	70	129		54
1981	288		3	83	144		59
1982	334		5	85	180		63
1983	386		5	92	218		71
1984	448		6	101	264		77
1985	498		7	104	306		81
1986	601		7	113	376		104
1987	714		2	191	417		104
1988	828		5	244	470		110
1989	1,023		6	315	588		114
1990	1,042		52	335	539		115
1991	1,156		62	340	637		117
1992	1,251		63	352	718		117
1993	1,426		77	351	878		121
1994	1,388		80	339	843		126
1995	1,567		98	363	980		127
1996	1,678		102	377	1,073		127
1997	1,922		117	409	1,266		129
1998	2,161		142	460	1,428		129
1999	2,712		179	528	1,870		133
2000	2,844		224	600	1,880		137
2001	2,655		235	673	1,606		139
2002	2,384		263	750	1,229		140
2003	2,639		281	795	1,419		142
2004	2,852		294	875	1,546		147
2005	3,326		344	1,001	1,827		154
2006	3,659		382	1,123	1,999		156

Financial corporations – assets

	£ billion						
	Total financial assets	Currency and deposits	Securities other than shares	Loans	Shares and other equities	Insurance technical reserves	Other accounts receivable
1979	407	82	37	234	52		3
1980	487	97	46	271	71		3
1981	665	131	45	396	91		3
1982	834	166	63	476	127		3
1983	975	177	72	552	171		3
1984	1,224	249	82	666	224		4
1985	1,289	258	91	662	275		4
1986	1,546	295	95	781	373		2
1987	1,588	517	217	502	338	1	13
1988	1,793	554	227	605	392	1	14
1989	2,191	651	262	737	524	1	16
1990	2,214	656	308	806	434	1	10
1991	2,321	614	345	819	531	1	11
1992	2,652	735	432	864	607	1	12
1993	3,073	795	585	870	810	1	13
1994	3,070	847	547	902	759	2	14
1995	3,516	966	639	1,002	889	2	18
1996	3,857	1,039	716	1,101	980	2	20
1997	4,559	1,282	845	1,226	1,179	2	24
1998	4,883	1,326	950	1,292	1,289	1	26
1999	5,390	1,311	1,025	1,393	1,633	2	27
2000	6,005	1,614	1,111	1,601	1,648	2	29
2001	6,357	1,800	1,183	1,763	1,578	1	31
2002	6,395	1,908	1,236	1,911	1,290	1	49
2003	7,376	2,290	1,308	2,175	1,535	2	66
2004	8,335	2,559	1,449	2,519	1,738	2	67
2005	9,932	3,209	1,678	2,878	2,095	2	70
2006	11,248	3,694	1,877	3,234	2,369	2	72

Financial corporations – liabilities

	£ billion						
	Total financial liabilities	Currency and deposits	Securities other than shares	Loans	Shares and other equities	Insurance technical reserves	Other accounts payable
1979	430	306		8	27	78	11
1980	519	358		9	38	102	12
1981	682	490	1	15	45	118	13
1982	842	603	2	21	47	156	13
1983	985	687	2	27	62	194	13
1984	1,223	842	3	39	85	239	15
1985	1,284	838	4	39	103	283	16
1986	1,534	971	4	52	140	350	18
1987	1,626	883	122	76	137	400	7
1988	1,837	975	140	93	157	466	7
1989	2,252	1,153	164	137	206	581	10
1990	2,297	1,206	201	145	186	547	12
1991	2,386	1,189	202	157	191	635	13
1992	2,718	1,351	218	191	224	723	12
1993	3,181	1,426	222	284	322	915	11
1994	3,176	1,512	243	242	302	866	11
1995	3,686	1,685	281	317	374	1,016	14
1996	4,050	1,753	333	422	427	1,100	14
1997	4,882	2,061	382	497	595	1,331	16
1998	5,240	2,201	410	494	663	1,454	18
1999	5,794	2,218	487	544	830	1,690	23
2000	6,442	2,614	570	646	921	1,662	29
2001	6,762	2,866	637	752	885	1,591	32
2002	6,728	3,066	686	749	745	1,447	34
2003	7,668	3,552	766	855	880	1,573	42
2004	8,589	4,023	878	989	979	1,671	49
2005	10,232	4,719	1,053	1,301	1,143	1,966	51
2006	11,518	5,374	1,214	1,401	1,327	2,147	54

Government – assets

	£ billion						
	Total financial assets	Currency and deposits	Securities other than shares	Loans	Shares and other equities	Insurance technical reserves	Other accounts receivable
1979	78	14	0	46	7	0	11
1980	85	15	0	50	7	0	13
1981	88	13	3	48	5	0	19
1982	95	15	8	51	5	0	17
1983	104	15	7	56	6	0	20
1984	119	15	10	57	17	0	20
1985	127	16	11	62	16	0	22
1986	137	22	12	67	15	0	21
1987	144	13	21	69	15	0	25
1988	157	16	24	77	14	0	26
1989	166	18	21	83	15	0	29
1990	159	15	23	80	11	0	30
1991	164	13	27	79	13	1	32
1992	160	16	29	72	13	1	30
1993	165	21	29	70	12	1	32
1994	155	18	29	66	8	1	33
1995	157	25	24	67	6	1	35
1996	145	24	20	60	3	1	38
1997	150	27	15	61	3	1	42
1998	147	25	17	61	3	1	39
1999	148	26	13	63	5	1	39
2000	181	44	25	67	4	1	40
2001	171	32	23	70	4	1	41
2002	168	30	24	70	4	1	39
2003	171	32	21	69	5	1	43
2004	178	34	22	71	5	1	45
2005	190	33	25	76	6	1	50
2006	200	36	27	80	6	1	51

Government – liabilities

	£ billion						
	Total financial liabilities	Currency and deposits	Securities other than shares	Loans	Shares and other equities	Insurance technical reserves	Other accounts payable
1979	124	23	49	41	2	0	5
1980	142	25	62	42	2	0	6
1981	151	32	63	41	2	5	7
1982	182	37	88	41	2	6	8
1983	200	41	99	43	2	6	9
1984	211	46	107	45	3	0	11
1985	238	49	117	49	3	8	12
1986	256	52	126	54	3	8	13
1987	251	42	147	54	0	0	8
1988	252	43	142	58	0	0	9
1989	244	42	130	63	0	0	10
1990	240	44	122	66	0	0	9
1991	253	46	134	64	0	0	10
1992	295	51	172	60	0	0	12
1993	371	58	246	55	0	0	13
1994	377	64	239	61	0	0	13
1995	434	68	287	66	0	0	14
1996	457	75	301	67	0	0	14
1997	496	77	334	66	0	0	19
1998	527	76	365	67	0	0	20
1999	507	75	339	74	0	0	19
2000	528	78	329	79	0	0	42
2001	500	76	309	74	0	0	42
2002	522	78	330	75	0	0	39
2003	551	80	355	74	0	0	42
2004	606	82	395	83	0	0	46
2005	678	88	442	89	0	0	59
2006	715	93	466	91	0	0	65

Rest of the world – assets

	£ billion						
	Total financial assets	Currency and deposits	Securities other than shares	Loans	Shares and other equities	Insurance technical reserves	Other accounts receivable
1979	198	134	30	14	12	0	7
1980	229	153	32	19	19	0	7
1981	330	220	1	33	26	0	7
1982	416	13	2	38	42	0	7
1983	486	13	2	46	61	0	2
1984	641	398	75	80	87	0	1
1985	605	360	70	75	100	0	1
1986	734	427	81	83	142	0	0
1987	660	415	81	62	97	2	2
1988	751	445	94	81	126	3	2
1989	944	540	107	125	166	4	2
1990	958	538	133	134	145	5	2
1991	989	515	141	162	162	6	2
1992	1,181	628	157	198	186	8	3
1993	1,371	664	177	288	233	7	3
1994	1,377	714	198	230	225	8	2
1995	1,625	803	238	280	292	10	3
1996	1,760	783	260	351	347	15	4
1997	2,107	955	288	409	436	16	4
1998	2,358	1,040	297	439	562	15	4
1999	2,599	1,034	326	521	702	14	2
2000	3,143	1,268	405	612	845	11	2
2001	3,365	1,376	447	740	789	11	3
2002	3,369	1,442	500	773	639	13	2
2003	3,767	1,608	572	837	737	10	2
2004	4,288	1,858	672	943	803	11	2
2005	5,274	2,202	832	1,252	971	14	2
2006	5,789	2,374	956	1,301	1,141	15	2

Rest of the world – liabilities

	£ billion						
	Total financial liabilities	Currency and deposits	Securities other than shares	Loans	Shares and other equities	Insurance technical reserves	Other accounts payable
1979	184	108	4	34	32		4
1980	210	123	6	39	39		4
1981	298	184	6	58	43		5
1982	373	235	8	74	51		5
1983	434	277	8	88	57		2
1984	542	350	9	110	75		1
1985	519	321	12	101	91		1
1986	616	374	15	118	118		0
1987	704	348	82	113	148	0	13
1988	795	371	92	132	186	0	13
1989	991	444	123	163	248	0	14
1990	941	436	123	159	216	0	8
1991	982	417	153	156	248	0	9
1992	1,189	507	211	176	285	0	10
1993	1,397	560	299	170	358	0	10
1994	1,397	589	269	168	359	0	11
1995	1,607	670	305	205	416	0	11
1996	1,700	689	327	229	441	0	14
1997	2,049	860	383	285	507	0	14
1998	2,237	886	419	330	589	0	12
1999	2,541	907	437	359	834	0	4
2000	3,116	1,139	524	431	1,018	0	4
2001	3,304	1,241	581	490	989	0	4
2002	3,330	1,298	587	512	927	0	6
2003	3,720	1,475	612	581	1,045	0	8
2004	4,175	1,644	685	714	1,122	0	9
2005	5,130	2,080	793	878	1,371	0	9
2006	5,520	2,213	909	923	1,465	0	10