



Italian Banking Insurance and Finance Federation



Rome Investment Forum 2019

In co-operation with **afme**
Finance for Europe

9-10 December 2019, Scuderie di Palazzo Altieri, Rome

#RIF2019



Michael Cole-Fontayn

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CMU Key Performance Indicators 2019

Michael Cole-Fontayn, Chairman, AFME
Rome Investment Forum
9 December 2019

afme / CMU Key Performance Indicators

Finance for Europe

Second edition in a series of annual reports

The report assesses the EU's progress against 8 key performance indicators across the political priorities of CMU

Produced in partnership with 10 trade associations and international organisations

The report includes a country-by-country comparison of individual EU Member State progress against the CMU's objectives.



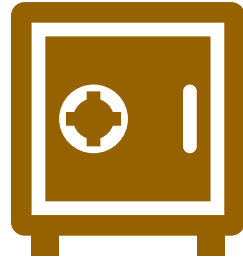
8 Key performance indicators

Europe's reliance on bank lending increased in 2018



Market Finance

Decline in value of household savings held through market instruments



Household Market Investment

Europe consolidates global lead in the issuance of sustainable bonds



Sustainable Finance

Capital markets intra-EU integration slightly improved in 2018



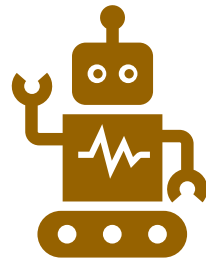
Cross-border Finance

Private markets (VC, PE) contributed to increase pre-IPO risk capital for SMEs



Pre-IPO Risk Capital

The EU27 lags behind in FinTech funding compared to the US and China



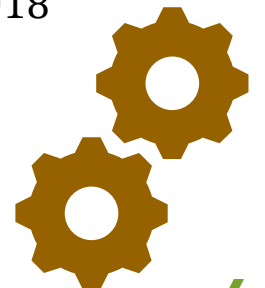
FinTech

Increase in transformation and disposal of non-performing loans (NPLs)



Loan Transfer

EU capital markets ecosystem deteriorated in 2018



Market Depth

afme / Country rankings

Finance for Europe

	Market Finance Indicator	Households Market Investment Indicator	Loan Transfer Indicator	FinTech Indicator	Sustainable Finance Indicator	Risk Capital Indicator	Intra-EU Integration (EU)	Global Integration Indicator	Market Depth Indicator
Austria	21	11	12	14	13	18	8	17	12
Belgium	14	5	10	10	3	26	5	5	7
Bulgaria	12	24	22	25	28	13	13	21	20
Croatia	28	16	23	24	28	24	28	23	26
Cyprus	28	18	4	17	28	11	6	3	19
Czech Republic	5	20	16	26	28	17	21	25	11
Denmark	17	3	1	6	10	4	14	7	4
Estonia	11	23	28	13	28	2	3	26	16
Finland	4	15	14	7	17	6	11	14	6
France	3	6	17	12	8	10	20	10	5
Germany	10	8	15	11	14	16	23	4	8
Greece	19	26	11	21	28	3	25	16	28
Hungary	24	17	9	20	28	23	24	22	22
Ireland	6	12	2	5	4	1	7	9	10
Italy	15	7	9	23	23	27	23	23	23
Latvia	22	15	20	4	20	1	4	20	25
Lithuania	7	27	28	4	1	7	9	11	18
Luxembourg	20	13	21	3	2	22	1	2	9
Malta	8	9	28	27	28	21	16	18	13
Netherlands	2	1	7	8	5	8	10	6	2
Poland	22	22	24	9	9	na	27	20	23
Portugal	13	14	6	16	11	14	18	24	17
Romania	16	28	19	22	28	9	22	13	27
Slovakia	23	19	18	28	28	20	12	27	24
Slovenia	28	21	28	19	12	15	26	19	21
Spain	18	10	8	18	7	25	17	12	14
Sweden	9	4	5	2	6	19	15	8	3
UK	1	2	13	1	16	5	2	1	1

Country rankings to facilitate comparison against peers and recent years



- **Italy was the EU leading nation for the disposal of distressed assets (NPLs).**
 - €97bn in IT loan portfolio transactions (mostly non-performing loans)— 53% of the EU total (EUR 182bn).
- **Italian SMEs over rely on bank lending.** IT ranked 27th out of 28 for its availability of pre-IPO risk capital financing for SMEs (VC, PE, Business Angels, Equity crowdfunding)
 - Pre- IPO risk capital represented 0.6% of IT SMEs annual flow of new SME financing compared to 2.64% in the EU.
- **Italy ranked 15th in the sustainable finance indicator.** €3.1 of sustainable bonds were issued in Italy (only 5% of the EU's total).
 - 1.1% of IT's bonds issued in 2018 were labelled sustainable compared to 3.0% in the EU.
- **Italy lags in the provision of funding for FinTech companies—** ranking 23rd out of 28 EU member states in the FinTech indicator