
25/05/2018

[News](#)

The financial assets of private individuals in Estonia are bigger than their liabilities: the volume of financial assets at the end of 2017 was 11.2 billion euros whilst the balance of financial liabilities was nine billion euros. Financial assets and liabilities both grew over the year, but the growth of assets was somewhat faster, reveals the overview of the financial services market published by the Financial Supervision Authority.

The overview of the Financial Supervision Authority indicates that development trends on the Estonian financial services market in 2017 were similar to previous ones – the volume of most financial services increased and the volume of services taken for financing consumption continued to increase.

The aggregated balance of deposits increased by 4.5% over the year, the aggregated balance of the loan portfolios of banks increased by 2% and the aggregated balance of creditors increased by 15%.

The volume of assets placed in financial services aimed at saving and investing – including investment and pension funds, individual portfolios, term and savings deposits, investment and other deposits – remained practically the same, as they grew by 0.6% over the year and reached 10 billion euros by the end of the year.

The volumes of investment services only increased in the fund sector in 2017 – in addition to the increase in the volume of pension funds (17%), the volume of the assets of equity funds also increased (23%), as did investments in foreign funds (20%). However, the aggregated volume of individual portfolios decreased by 4% and other investments in financial instrument decreased by 8%.

“The fact that persons who are not authorised or haven’t registered their offerings of securities are trying to lure people into investing under the label of new technologies, remains a matter of concern to us,” said Andre Nõmm, Board Member of the Financial Supervision Authority. “We advise investors to be very cautious about such offers. We’re open to new technical solutions at the Financial Supervision Authority, but they must be implemented in the existing infrastructure of investor protection, which is still effective and hasn’t disappeared anywhere.”

The balance of deposits of private individuals* exceeded the balance of the deposits of commercial undertakings for the first time since 2004: 7.5 billion euros and 6.7 billion euros, respectively. 44% of the balance of deposits belonged to private individuals and the majority of them were demand and overnight deposits, which totalled 5.5 billion euros or almost three quarters of all deposits of private individuals.

The loans issued to private individuals amounted to 8.2 billion and the loans issued to commercial undertakings amounted 7.1 billion euros at year end. The loan burden of private individuals was influenced the most in 2017 by home loans, which comprised 86% of the balance of all loans at year end. The average balance of home loans increased by 1,445 euros over the year and reached 40,528 euros. They were followed by student loans (2,180 euros on average) and consumer loans (2,169 euros on average).

All in all, the volume of the financial assets of Estonian resident individuals exceeded their liabilities: the volume of financial assets comprised 11.2 billion euros at year end whilst the balance of financial liabilities was 9 billion euros. Financial assets also increased faster than financial liabilities: aggregated financial assets by 11% and aggregated loans by 8%. Thus, net financial assets amounted to 2.3 billion euros at year end, increasing by ca 0.5 billion euros over the year.

The average volume of assets of Estonian resident individuals at the end of June was 8,529 euros and the average loan balance 6,813 euros. The value of the average net financial assets of a private individual was therefore 1,716 euros.

The overview is accessible on the website of the Financial Supervision Authority.

The Financial Supervision Authority publishes the overview of the Estonian financial services market twice a year and it is based on the data submitted by financial companies.

* The balance of deposits of private individuals also includes non-profit associations.

** The balance of deposits of commercial undertakings also includes public or municipal undertakings.