

## Banking

### Current definitions

#### **Assets**

The capital and reserves held by banks.

#### **Balance sheet**

The set of documents that a company periodically produces to present its financial situation. The balance sheet consists of profit and loss account, statement of assets and liabilities and supplementary statement.

#### ***Cassa Depositi e Prestiti* (Deposit and Loan Bank)**

An institute founded in 1863 belonging to the Ministry of Finance (later the Treasury), which gained administrative and organisational independence in 1983 and was converted into a joint-stock company in December 2003.

#### **Deposits**

Funds that banks collect from households, enterprises and others, guaranteeing they will return the nominal value and usually offering a rate of interest in line with the amount of funds and other characteristics, for example a set period of time for their return. This item includes current accounts, fixed deposits and deposits refundable upon notice, subordinate liabilities that have been agreed upon in a form other than bonds, passive forward dealings. Current account deposits also include bank drafts. Fixed-term current accounts are excluded. Fixed deposits include deposit certificates, among which certificates issued for the collection of subordinate loans, fixed-term current accounts and fixed-term deposits. Deposits refundable upon notice correspond to free savings deposits.

#### **European central bank (Ecb)**

The Ecb was founded in 1998. It has legal status and it ensures, either directly or through the national central banks, that the tasks assigned to the Euro system and the Euro system of Central Banks are carried out. The Ecb decision-making bodies are the Executive Board, the Governing Council and the General Council. The Executive Board consists of the President, the Vice-President and four other members appointed by the governments of the countries belonging to the Economic and Monetary Union (Emu) of the European Union. The Governing Council is the main decision-making body and consists of the six members of the Executive Board, plus the governors of the national central banks of the Economic and Monetary Union (Emu) of the European Union. The General Council consists of the Ecb President and Vice-President, together with the governors of the national central banks of the European Union.

#### **Gross domestic product at market prices**

The result of productive activities of resident production units. This value corresponds to the total production of goods and services in the economy, less intermediate consumption and in addition to Vat and indirect taxation on imports. It is also equal to the sum of the value added to basic prices in the various branches of economic activity, plus product taxation (including Vat and import taxation), net of subsidies on products.

#### **Loans**

Credit granted by banks to households, enterprises and other subjects.

#### **Money circulation**

Since 2002, with the introduction of banknotes and coins in Euro, the Italian component of money

circulation has included a conventional valuation of that in Euro, based on the individual share that each national central bank holds in the capital of the Ecb, in addition to the banknotes and metallic coins in Lire; since 2003 the remaining banknotes and coins in Lire have been excluded from money circulation.

**Outstanding credits**

The item "outstanding credit" includes outstanding euro denominated credit and outstanding foreign currency denominated credit towards insolvent debtors (also when not judicially assessed) or similar situations.

**Payment system**

The range of instruments and procedures used to transfer money within an economy.