



OBSERVATOIRE DE L'ÉPARGNE EUROPÉENNE

Research project on Stockholding in Europe

Summary of Findings

- **Participation**
- **Age**
- **Education**
- **Financial wealth**

Aggregate Financial Accounts

Country	Stocks	Mutual funds and managed investment accounts	Total
France	32.4	7.5	39.9
Germany			
Italy	30.5	16.4	36.9
Netherlands	22.6		22.6
UK	16.1	3.8	19.9
US	23.5	9.7	33.2

Household Data on Stockownership

Country	Data Source	Sample size
France	Patrimoine 1997	10,200
Germany	Income and Expenditure Survey	50,000
Italy	Survey of Household Income and Wealth	7,100
Netherlands	VSB-CentER Savings Survey	2,88
U. K.	Financial Research Survey	22,900

Stock Market Participation

Country	Direct Stockholding	Indirect Stockholding	Direct and Indirect Stockholding
France	15.0	13.5	23.1
Germany	12.0	10.3	19.8
Italy	7.9	11.1	15.2
Netherlands	14.4	27.5	33.5
U.K.	27.9	31.8	44.9
U.S.	19.2		48.9

Age Profile - Direct and Indirect Stockholding

	<30	30-39	40-49	50-59	60-69	≥70	Total
France	14.3	23.6	25.1	28.0	23.6	21.3	23.1
Germ.	18.6	21.8	22.0	21.0	17.1	11.7	18.9
Italy	8.0	10.6	16.6	19.0	14.3	8.4	15.2
Nether	12.1	25.6	33.7	40.1	38.6	35.9	33.5
U.K.	31.0	46.7	53.8	56.5	47.7	29.2	44.9
U.S.	34.3	51.8	58.3	61.4	47.1	32.4	48.9

Wealth Profile: Direct Stockownership

	I Q	II Q	III Q	IV Q	Top 5	Aver.
France	1.8	7.3	13.9	37.2	66.7	15.0
Germ.	3.1	9.4	13.7	28.1	40.4	12.0
Italy	0.4	1.3	4.6	26.8	57.5	7.9
Nether	0.5	3.7	13.0	40.4	77.1	14.4
U.K.	11.6	11.7	38.7	59.5	73.5	27.5
U.S.	1.4	6.9	20.6	47.9	70.1	19.2

Wealth Profile: Direct and Indirect Stockownership

	I Q	II Q	III Q	IV Q	Top 5	Aver.
France	3.5	12.6	23.9	52.5	80.3	23.1
Germ.	6.0	16.3	24.8	41.6	54.1	19.8
Italy	1.4	2.6	11.7	47.6	75.2	15.2
Nether	4.4	16.9	36.8	75.9	92.3	33.5
U.K.	9.1	34.0	58.8	76.6	89.0	44.9
U.S.	4.4	38.3	66.0	86.7	93.7	48.9

Education Profile: Direct and Indirect Stockholding

	Less than High School	High School	College	Average
France	18.1	33.4	36.0	23.1
Germany	16.6	21.8	31.3	19.8
Italy	8.7	24.1	37.5	15.2
Netherlands	26.6	25.0	45.6	33.5
U.K.	26.0	39.6	59.0	44.9
U.S.				

Main findings

- Large differences in stock market participation across countries
- Age-profile is concave
- Participation increases with financial wealth and education

Future Work

Common Framework

Regression Analysis

- **Participation**
- **Asset Shares Conditional on Participation**

Country factors

- **Privatization**
- **Financial information**
- **Financial education**
- **Transaction costs**
- **Tax treatment**