

## **Banks: microfinance, one fourth of services are for young people**

*An increasing number of young people in banks. ATM and prepaid cards as well as current account packages are the most frequently requested products. The majority of microfinance products offered are addressed to students and temporary workers. The meeting with Nobel Prize winner Yunus, which will be held on 2 March in Rome, will focus on financial inclusion.*

Microfinance is for young people. They are the target customers to which the majority of the microfinance products and services provided by banks are addressed. Considering both the offers dedicated to students and those to atypical workers, nearly 24% of savings services, 22% of credit services and 26.2% of current account and payment services are provided to young customers. These are some of the results of the *Banks and financial inclusion: a survey in Italy* research conducted by ABI.

Specifically, for what concerns microfinance services offered by banks, 13.5% of savings services, 9% of credit services and over 14.2%, if we consider current account and payment services, are provided to students. On the other hand, 10% of savings services, over 13% of credit services and 12% of current account and payment services are provided to atypical workers, the majority of which are young.

The increasing financial inclusion of young people is proven by the fact that, according to ABI's latest monitoring report concerning growth rates by type of customers, the number of bank customers 25-years old or younger increased by 23% in 2007 (by 17% in 2006). Therefore, with respect to an average growth rate of 1.5%, young customers are the customer segment that is growing the most. ATM, prepaid cards, current account packages and a distant fourth and fifth - direct credit of wages and internet banking are the most frequently requested products.

Immigrants are another customer segment that is important to microfinance. Specifically, for what concerns microfinance services offered by banks, 17.9% of savings services, 20.1% of credit services and approximately 26% of current account and payment services are provided to foreign customers. For what regards foreign nationals living in Italy, their growing financial inclusion is proven by the significant number of banked individuals (67.9% of immigrants), which increased by 12% over the past two years. In addition to current accounts at special rates for immigrant customers, services include remittances, insurance services, savings products, revolving and rechargeable credit and debit cards and, in certain cases, specific real estate loan products.

37% of credit services are addressed to businesses run by women, immigrants, non-profit sector or businesses located in disadvantaged areas. In general, 70% of Italian banks offer microfinance products and services.

On microfinance and on the issue pertaining to financial inclusion as a key lever to favor and accelerate social integration, don't miss the meeting with Nobel Peace Prize winner Muhammad Yunus, which will be held in Rome on Tuesday, March 2. The "Leading players of our time: Muhammad Yunus. Microcredit against poverty" Conference will be held at ABI's headquarters in Piazza del Gesù.

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