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SURVEY OF HOUSEHOLD FINANCES (EFF) 2017:
METHODS, RESULTS AND CHANGES SINCE 2014

ABSTRACT

This article presents the main results of the Survey of Household Finances 2017, which reflects the financial position of Spanish households at end-2017. It also describes the key changes to the income, assets, debt and spending of Spanish households compared with the last edition of the survey, referring to 2014.

Introduction

The Spanish Survey of Household Finances (“EFF” by its Spanish acronym) has been conducted by the Banco de España every three years since 2002, providing detailed information on the income, assets, debt and spending of Spanish households.¹ Specifically, the 2017 wave (EFF2017) is the sixth edition of the survey and offers a representative and updated picture of the composition and distribution of household assets and debts as at December 2017. This new wave enables the analysis of the changes in Spanish households’ financial position to be extended to the period from end-2014 to end-2017.² Over this period the Spanish economy experienced sustained and prolonged growth, consolidating the recovery that began in late 2013 following the global financial crisis of 2008. The availability of data for the 2002-2017 period allows for an analysis of several phases of the recent economic cycle and of the related developments in Spanish households’ financial position.

As in previous editions, EFF2017 retains two important characteristics. First, some of the households that participated in previous editions are re-interviewed. Combining the samples from different editions allows us to observe a sub-set of households at different points in time and, in some cases, over a period of almost ten years.³ This longitudinal dimension is important for analysing the behaviour of income, wealth and consumption throughout households’ life cycle and for exploring household transitions across the distributions of the variables under study.

Second, the sample maintains its over-representation of households with a high level of wealth. Such oversampling is essential to ensure that there is a sufficient

1 Given the usefulness of the information provided by a survey of these characteristics, the euro area system of central banks has been conducting the Household Finance and Consumption Survey (HFCS) since 2011. This is a harmonised survey on households’ financial position and consumption that follows a similar methodology to that of the EFF. In the first wave it interviewed 62,000 households in 15 euro area countries. In the second wave it provides information for a sample of 84,000 households in a total of 20 EU countries. The results of the third wave will be published shortly. The ECB website https://www.ecb.europa.eu/pub/economic-research/research-networks/html/researcher_hfcn.en.html provides access to the microdata and the documents with the main results of the first two waves.

2 To this end, both the tables referring to households’ financial position in 2017 and those referring to 2014 are provided, in both cases in 2017 euro, for variables relating to the value of assets, debt, income and spending. Tables 1.A and 1.B, on income and net wealth, also offer information on 2011, in 2017 euro, for a better analysis of household developments. It should be stressed here that, to calculate the results shown for 2011, this article has used the updated weights provided by the INE subsequent to the publication of the EFF2011 results. These new weights were calculated drawing on the 2011 Census and differ to some extent from the previous version (which drew on the 2001 Census and the continuously updated municipal population register), which may lead to certain changes in some magnitudes or results compared with those previously published in EFF2011.

3 As Box 1 describes, the design of the EFF2017 sample did not include households interviewed in EFF2002 or in EFF2005.

number of households to study the financial behaviour of those at the top of the wealth distribution and to accurately measure the aggregate wealth of the economy. This aspect is crucial in surveys of this kind, because wealth distribution is highly asymmetrical and only a small fraction of the population invests in certain asset classes, mainly high-wealth households.

It should be stressed that the above two survey design properties are possible thanks to our collaboration with the Spanish National Statistics Institute (INE) and Tax Revenue Service (Agencia Tributaria), through a coordination mechanism that enables strict confidentiality and anonymity requirements in respect of respondents to be complied with at all times. Lastly, this survey has been possible thanks to the participation of the selected households, which have collaborated disinterestedly in this project.

The article describes the main results of EFF2017 and the changes observed in households' financial position in the period from end-2014 to end-2017. The first section reviews the key factors marking the socio-economic context of the 2014-2017 period. The second section describes the results for household income and net wealth. The third section analyses households' holdings of real and financial assets and their value. The fourth section offers information on households' debt and debt burden. The fifth section focuses on aspects relating to household spending. Lastly, regarding the methodological characteristics of the survey, Box 1 provides supplementary information on its design and implementation. These latter aspects will be described in greater detail in Barceló et al. (2020).

The socio-economic context in the 2014-2017 period

In late 2013 the Spanish economy embarked on a prolonged growth phase. Specifically, between end-2013 and end-2017, GDP grew by 12.7% in cumulative terms, exceeding the pre-crisis level from mid-2016. This recovery phase was underpinned by the correction of certain macrofinancial imbalances, with substantial improvements in external competitiveness and in the financial position of households, firms and financial institutions. These developments led to a more balanced participation of external and domestic demand than in previous upturns. Additionally more transitory factors, such as the decline in oil prices and the depreciation of the euro, as well as expansionary fiscal and monetary policies, assisted this prolonged growth. These factors were particularly intense in the case of Spain and this explains a substantial portion of the positive growth differential that developed between the Spanish economy and the euro area as a whole.

The high rate of expansion of economic activity during this period gave rise to strong job creation. This helped significantly reduce the high level of unemployment reached

during the crisis. Specifically, the unemployment rate, which at end-2014 stood 3.2 pp below its high in 2013 Q1 (26.9%), continued falling to stand at 16.5% at end-2017. Despite this improvement, the numbers out of work remained far from the average level for the euro area (8.6%). Moreover, long-term unemployment stood at 50.4% at end-2017, after falling by more than 10 pp in the three previous years. But its incidence remained substantially higher in specific groups such as the least skilled (56.3%) and the over-55s (70%).

Despite the prolonged and sustained growth of activity and employment, the inflation rate, measured in terms of the consumer price index (CPI), remained negative from mid-2014 to 2016, standing at around -0.2% and -0.5%. It was influenced especially by the marked fall in oil prices. Set against these year-on-year declines, the CPI rose by 2% in 2017, although it moved on a declining trend throughout the year, from 3% in January 2017 to 0.6% in January 2018.

The expansionary monetary policy stance throughout the 2014-2017 period proved pivotal in significantly easing financial conditions for households. The cumulative decline in interest rates over these years entailed a significant reduction in financing costs for households, which favourably impacted their debt burden and their consumption decisions throughout the period analysed.

As a consequence of the far-reaching adjustment to the residential sector during the crisis years, house prices fell in real terms by 44.3% from mid-2007, thereby largely correcting the increase seen in the previous expansionary phase. House prices touched bottom in 2014 Q1 following six years of decline. Activity in the residential sector then began a timid turnaround, with building permits and housing transactions rising slightly, albeit from very low levels, and continued absorption, at a slow pace, of the high stock of new unsold housing arising as a consequence of adjustment in the sector. In the following years the moderate recovery trend in the housing market took root and a sustained increase in house prices – which rose 6.2% in 2017 – was observed. As a result of this increase in prices, there was an improvement in the financial position of households, especially their real estate assets. But there were no major changes in the value of financial assets held by households between end-2014 and 2017, given the decline and subsequent recovery in stock market indices observed during the period.

The resident population, after declining continuously from 2012, stabilised in 2016 and moved onto a growth path in the 2016-2018 period. This increase in population was the outcome of the increase in foreign nationals, which offset the decline in the population of Spanish nationals observed in the period. Specifically, the net number of foreigners on the Spanish municipal census rose by 406,000 between early 2016 and late 2018, making for a total of 5 million, equivalent to 10.7% of total residents. This contrasts with the decline of 1.1 million in the foreign population in the period from early 2012 to late 2015.

Lastly, the pace of household formation stabilised in the 2014-2017 period at a very low level. According to Spanish Labour Force Survey (EPA) data, while in 2014 Q4 there were 116,944 more households than in the same quarter a year earlier, the number of new households in 2015, 2016 and 2017 was 32,935, 90,738 and 42,944, respectively. This means that, in terms of the rate of change, the number of households increased by only 0.9% between end-2014 and end-2017, well short of the figure of 2% recorded in the 2011-2014 period and especially of the 4.6% increase posted between 2008 and 2011.⁴ The ongoing decline in the number of separations and divorces and the increase in the proportion of young people aged 25-34 living with their parents might explain the moderation in household formation over recent years.

As regards household composition, the increase in the number of single-member households continued in the 2014-2017 period. On EPA data, in 2017 they amounted to 4.7 million, 25.5% of total households. By age group, the increase was relatively more significant for single-member households made up of over-65s, which at the end of the period accounted for 44.7% of single-member households, compared with younger single-member households whose share continued to diminish, down to 10.5%.

Household income and wealth

Income

Table 1.A⁵ tracks income over the past three editions of the EFF according to household characteristics. As a measure of household income, this article uses total gross income (including labour and non-labour income of all household members), i.e. before taxes and social contributions, corresponding to the total for the calendar year prior to the survey, which is 2016 for EFF2017 and 2013 for EFF2014. According to EFF2017, average Spanish household income at end-2016 was €34,900, and median income⁶ was €25,600.⁷ Income distribution patterns are as to be expected. Specifically, average income follows the life cycle path, increasing with age until reaching its peak for the group of households aged 55-64 and then diminishing for older groups. Also, both

4 The data from the Continuous Household Survey (ECH), compiled by the INE since 2013, show the same rate of change in the total number of households for the period from 1 January 2015 to 1 January 2018.

5 All the variables relating to income, wealth, debt and spending values are expressed in 2017 euro using the consumer price index (CPI) as a deflator. To adjust assets and debt to 2017 euro, the EFF2014 figures have been multiplied by 1.0272 and the EFF2011 figures by 1.0483. To adjust the income of the calendar year prior to the survey to 2017 euro, the factors were 1.0732 for 2011, 1.0165 for 2014 and 1.0111 for 2017.

6 For most of the relevant variables, such as those referring to assets and debt, the distributions show very high values for a relatively small number of households. In this case, the median rather than the average is a better approximation to the standard values of the distribution; accordingly, this is the statistic that is included in the related tables.

7 That is to say, 50% of households have income of more than €25,600 and the other 50% have income of less than this figure.

Table 1.A

HOUSEHOLD INCOME**Breakdown by household characteristics**

% and thousands of 2017 euro

Household characteristics	EFF2011			EFF2014			EFF2017		
	% of households	Median	Mean	% of households	Median	Mean	% of households	Median	Mean
ALL HOUSEHOLDS	100.0	25.8 (0.6) (a)	35.5 (0.9)	100.0	23.3 (0.4)	31.3 (0.5)	100.0	25.6 (0.5)	34.9 (0.7)
INCOME PERCENTILE									
Less than 20	20.0	8.9	8.1	20.0	8.5	7.8	20.0	9.5	8.9
Between 20 and 40	20.0	16.0	16.1	20.0	15.2	15.1	20.0	17.1	17.0
Between 40 and 60	20.0	25.8	25.8	19.9	23.3	23.3	20.0	25.6	25.7
Between 60 and 80	20.0	38.7	39.2	20.1	34.9	35.2	20.0	37.9	38.2
Between 80 and 90	10.0	57.3	57.4	10.0	50.9	51.4	10.0	55.1	56.0
Between 90 and 100	10.0	92.5	118.6	10.0	80.2	98.1	10.0	86.9	113.0
AGE OF HOUSEHOLD HEAD (b)									
Under 35	10.6	27.7	35.6	8.9	21.3	26.2	7.6	22.8	27.3
Between 35 and 44	21.8	29.1	34.7	21.3	28.5	33.6	20.3	30.2	36.8
Between 45 and 54	21.1	31.6	41.7	22.0	25.4	34.2	22.5	28.4	38.6
Between 55 and 64	17.3	30.6	47.0	18.1	27.5	37.9	19.1	29.0	41.0
Between 65 and 74	14.4	20.0	29.9	15.5	22.7	30.5	15.8	25.5	34.2
Over 74	14.8	13.1	19.7	14.2	14.0	18.9	14.6	15.5	23.3
EMPLOYMENT STATUS OF HOUSEHOLD HEAD									
Employee	40.0	33.9	43.6	38.5	31.3	40.0	41.9	32.5	41.1
Self-employed	10.4	33.4	52.0	9.5	29.4	39.1	10.1	30.7	47.0
Retired	27.7	19.2	28.2	26.8	21.3	28.1	27.3	23.2	32.4
Other inactive or unemployed	22.0	14.6	22.2	25.1	12.8	18.4	20.7	13.6	19.6
LEVEL OF EDUCATION OF HOUSEHOLD HEAD									
Below secondary education	57.7	18.4	23.9	55.9	17.1	21.1	53.8	19.6	24.5
Secondary education	24.0	31.9	38.9	22.9	28.2	32.7	25.5	30.1	36.5
University education	18.3	51.4	67.9	21.2	45.3	56.5	20.8	44.9	59.8
TENURE STATUS OF MAIN RESIDENCE									
Ownership	82.6	27.8	37.5	80.4	25.6	33.2	75.9	28.6	37.8
Other	17.4	18.2	25.9	19.6	16.2	23.6	24.1	17.6	25.7
NUMBER OF HOUSEHOLD MEMBERS WORKING									
None	36.9	13.7	19.2	40.2	14.3	20.0	36.8	16.6	23.2
One	33.7	26.9	35.1	31.9	23.6	29.8	31.8	24.1	32.3
Two	25.7	41.7	51.4	24.2	38.3	46.5	27.5	40.5	50.3
Three or more	3.7	59.5	90.3	3.6	50.0	68.4	4.0	47.4	56.8
NUMBER OF HOUSEHOLD MEMBERS									
One	23.3	12.4	18.3	25.2	12.5	17.7	25.5	14.3	21.0
Two	30.1	25.3	34.1	30.3	24.4	31.6	30.4	25.9	34.7
Three	21.1	33.0	42.1	20.7	28.5	37.3	21.8	31.4	38.6
Four	19.7	34.6	47.3	18.2	32.2	38.2	16.6	36.3	46.6
Five or more	5.9	33.9	47.5	5.6	31.1	46.4	5.7	36.7	49.7
NET WEALTH PERCENTILE									
Less than 25	25.0	18.6	23.7	25.0	16.5	19.9	25.0	17.2	20.8
Between 25 and 50	25.0	19.8	25.6	25.0	18.5	23.6	25.0	20.8	26.5
Between 50 and 75	25.0	27.4	32.4	25.0	24.2	29.1	25.0	27.3	32.5
Between 75 and 90	15.0	38.1	45.5	15.0	33.7	41.0	15.0	37.7	46.4
Between 90 and 100	10.0	54.3	82.5	10.0	53.3	69.8	10.0	56.8	79.7

SOURCE: Banco de España.

a Bootstrap standard errors using replicate weights in brackets.

b This report designates a household head as a means of organising the data consistently. The household head is defined as the reference person designated by the household for the purposes of replying to the survey if that person is a man, or his partner if the reference person is a woman and her partner lives in the household.

average and median income increase with educational level, being substantially higher for households whose head has a university education. By employment status, households whose head is self-employed have higher average income.

Compared with EFF2014,⁸ households' real median income had increased by 9.7%, while average income had grown by 11.5%.⁹ Moreover, these increases mean that, following the decline in median and average income between 2010 and 2013, both picked up practically to 2010 levels.¹⁰ By income level, positive changes in median income of around 10% are observed across the distribution, with these increases being somewhat lower as income rises. As regards this dimension, household median income in the bottom two quintiles of the income distribution could be seen in 2016 to exceed the related 2010 figure, while this did not occur for households with a higher income level. There was also substantial growth in income for households in all household head age groups, although the median income for the youngest households at end-2016 was still 18% below that observed for this age group in 2010. Other groups that did not regain their 2010 level despite the improvements in median income from end-2013 to end-2016 were households in the lower wealth quartile and households that did not own their main residence.

Net wealth

Table 1.B tracks net wealth¹¹ for the last three editions of the EFF according to household characteristics. In 2017, median net household wealth was €115,100 and average net household wealth €253,000. By age group, net wealth responds to the expected life-cycle profile, peaking for households with a head aged between 65 and 74, i.e. a little later than the age at which maximum income is attained. Wealth, both in average and median terms, increases with educational level and is substantially greater for households whose head is self-employed. Also, net wealth increases as income does, reflecting both the greater availability of resources among high-income households and differences in their saving rate and in the composition of and return on their asset portfolios.

From end-2014 to end-2017, median net household wealth continued on the downward trend evident in the previous period (2011-2014), albeit at a slower pace

8 In this respect, we should recall that, in any event, the annual household income included in EFF2014 refers to 2013.

9 It is also important to note that average income in the 2013-2016 period resulting from the comparison of EFF2017 with EFF2014 is consistent with that which arises from the comparison of the National Accounts data relating to these years.

10 If total income is broken down into the different sources of income received by households, the increase in income observed in the period under analysis can be seen to be explained in the main by the course of labour income (which includes wages, pensions and unemployment benefits).

11 Net wealth is defined as the total value of assets (real and financial) minus the amount of debt. The value of cars or other vehicles is not included.

Table 1.B

HOUSEHOLD NET WEALTH**Breakdown by household characteristics**

Thousands of 2017 euro

Household characteristics	EFF2011		EFF2014		EFF2017	
	Median	Mean	Median	Mean	Median	Mean
ALL HOUSEHOLDS	157.4 (4.4) (a)	273.2 (10.3)	122.9 (3.5)	250.8 (8.0)	115.1 (3.6)	253.0 (7.0)
INCOME PERCENTILE						
Less than 20	95.5	131.6	61.7	88.1	47.6	87.2
Between 20 and 40	123.7	161.7	83.4	129.0	73.8	129.8
Between 40 and 60	146.1	194.3	120.9	192.1	119.3	187.3
Between 60 and 80	206.5	287.8	167.1	254.6	152.1	245.7
Between 80 and 90	255.4	348.4	195.2	333.5	219.1	351.2
Between 90 and 100	433.1	829.9	447.0	843.9	428.3	877.3
AGE OF HOUSEHOLD HEAD						
Under 35	71.6	106.7	4.9	83.5	5.3	47.3
Between 35 and 44	121.0	177.7	71.0	124.5	64.7	136.0
Between 45 and 54	169.6	267.2	127.5	216.4	114.1	239.3
Between 55 and 64	243.2	428.8	192.0	371.3	173.4	316.6
Between 65 and 74	201.3	367.8	212.5	402.6	180.0	368.7
Over 74	160.4	268.1	130.2	278.2	126.9	335.8
EMPLOYMENT STATUS OF HOUSEHOLD HEAD						
Employee	138.4	201.1	95.5	169.6	89.1	161.6
Self-employed	319.9	624.7	265.4	540.4	227.6	547.7
Retired	208.7	335.0	189.7	358.2	178.4	372.9
Other inactive or unemployed	104.8	161.3	77.5	151.0	73.3	137.3
LEVEL OF EDUCATION OF HOUSEHOLD HEAD						
Below secondary education	133.0	196.4	97.3	168.8	88.3	158.9
Secondary education	168.6	264.5	127.8	244.4	122.6	256.0
University education	276.5	528.6	239.6	473.4	216.8	492.9
TENURE STATUS OF MAIN RESIDENCE						
Ownership	189.4	317.5	155.6	298.0	160.2	315.9
Other	4.0	63.5	1.2	57.9	2.4	55.0
NUMBER OF HOUSEHOLD MEMBERS WORKING						
None	152.7	242.6	125.7	248.9	118.6	262.6
One	141.8	261.1	100.7	209.6	93.2	234.3
Two	172.1	292.5	128.1	274.2	127.3	254.3
Three or more	286.6	552.9	272.5	477.4	160.9	303.1
NUMBER OF HOUSEHOLD MEMBERS						
One	126.1	194.8	98.3	202.6	82.8	181.6
Two	184.9	330.0	149.9	299.6	148.4	328.6
Three	159.7	250.3	113.7	238.5	110.8	204.0
Four	162.1	294.9	127.0	249.7	141.9	269.7
Five or more	146.4	302.2	119.6	252.4	102.6	307.3
NET WEALTH PERCENTILE						
Less than 25	7.0	13.0	0.5	-1.4	0.6	-0.2
Between 25 and 50	110.1	109.9	77.5	78.2	71.3	71.7
Between 50 and 75	217.1	220.2	181.2	183.4	172.6	177.0
Between 75 and 90	388.2	403.0	344.5	357.9	356.0	367.6
Between 90 and 100	875.7	1,268.6	811.4	1,317.8	832.1	1,354.4

SOURCE: Banco de España.

a Bootstrap standard errors using replicate weights in brackets.

(6.4% compared with 21.9%), accumulating a decline of 27%. Conversely, average household wealth increased slightly between end-2014 and end-2017, from €250,800 to €253,900. The path of median wealth may differ from that of average wealth when the growth of aggregate wealth is concentrated in the top part of the distribution. By group, median wealth declined across the board between end-2014 and end-2017. Thus, median wealth fell for almost all income groups (except for households between the 80th and 90th percentiles). Comparing end-2011 and end-2017, a steeper fall is observed in the lower quintile of the distribution and a lesser one in the upper decile. By employment status, the sharpest decline in median net wealth was in households whose head was self-employed (-14%), adding to the fall already experienced between end-2011 and end-2014 by this group (-17%). By age, households whose head was under 35 had median net wealth of €5,300 at end-2017, far below the €71,600 of those in this group in 2011. As at end-2014, the median wealth of households in the lower quartile of the wealth distribution in 2017 (€600) was far below the figure observed for this group in 2011 (€7,000).

Assets

Almost all households – 97.6% – own some type of asset, whether real or financial (see the last column of Table 3). For these households, the median value of their assets at end-2017 was €155,400. Compared with EFF2014, the percentage of households owning some type of asset fell slightly (0.8 pp) while the median value of their assets declined by 4.4%.

Real assets

Table 2 shows the relative weight of the different types of real assets as a proportion of the total value of such assets. Real assets account for 80% of the value of total household assets. This proportion falls as income increases, especially for the four highest deciles of the distribution. However, even for the top decile, real assets continue to represent a high portion of the value of household assets (72.2%). By level of net wealth, real assets are relatively less significant at the top end of the distribution, although their weight also exceeds 74% of the total value of assets.

Households' most important asset is their main residence, which accounts for 54.2% of the value of real assets for households as a whole and for 43.3% of the value of total assets. Next after housing in terms of importance are other real estate properties,¹² which account for 35.3% of real assets and for 28.3% of total assets,

12 "Other real estate properties" include housing, building plots and rural property, garages (except when they are part of the main residence), industrial premises, stores, commercial premises, offices and hotels.

followed by businesses related to a household member's self-employment,¹³ which account for 9.3% of real assets and for 7.5% of total assets. As net wealth increases, the main residence loses relative weight in favour of other real estate properties and businesses. For the self-employed, the value of their business accounts for 32.8% of the total value of their real assets.

Between end-2014 and end-2017 the value of real assets as a proportion of the value of total assets remained practically unchanged at 80% for households as a whole. However, this proportion did fall for some groups, especially for households in the lower quintile of the income distribution (-3.8 pp) and those in the lower quartile of the wealth distribution (-5.7 pp). Yet taking a longer view, the share of real assets relative to total assets fell by 9.1 pp compared with end-2008. By type of real asset, a change in households' mix of property assets is observed. Whereas the main residence lost share relative to total assets (from 46% at end-2014 to 43.3% at end-2017), the relative contribution of other real estate properties increased by 2.9 pp. As a result, on the whole, the share of real estate assets remained practically unchanged (71.4% in 2014 and 71.7% in 2017). This trend can be seen for all age groups except for households whose head was under 35, for which the relative weight of the main residence in total assets increased by 11.6%. Businesses lost some weight relative to total assets, down from 8.1% to 7.5%.

At end-2017, 84.6% of households held some type of real asset (see Table 3), and for these households the median value of their real assets was €156,000. Compared with end-2014, the percentage of households with some type of real asset fell by 2.1 pp. This trend was observed across the board for most groups but, most notably, for households whose head was aged between 45 and 54 and for those in the lower deciles of the income and the wealth distribution. For those households owning some type of real asset, the median value at end-2017 was 1.7% lower than that at end-2014. While in general there were considerable declines in the median value of real assets for all groups, the sharpest fall was for households in the lower quartile of the net wealth distribution, households in the two lowest quintiles of the income distribution and households whose head was unemployed or otherwise economically inactive.

Main residence

The percentage of households owning their main residence – 75.9% in 2017 – is generally higher as income increases. By age, it peaks for households whose head is aged between 65 and 74. For households that own their main residence, the median value of the property is €120,200. This value grows as income increases and is highest for households with a head aged between 55 and 64 (€132,000).

¹³ The value of businesses includes the value of the land and buildings of the business, provided these have not been included by the household in their real estate properties.

Table 2

DISTRIBUTION OF THE VALUE OF HOUSEHOLDS' REAL ASSETS**By type of asset and household characteristics**

%

Household characteristics	EFF2014					Memorandum item: real assets as % of total assets
	Main residence	Other real estate properties	Businesses related to self-employment	Jewellery, works of art, antiques	Total	
ALL HOUSEHOLDS	57.3	31.6	10.1	1.0	100.0	80.4
INCOME PERCENTILE						
Less than 20	75.8	21.7	1.8	0.7	100.0	91.8
Between 20 and 40	72.7	19.6	6.4	1.3	100.0	82.7
Between 40 and 60	62.0	32.0	5.2	0.8	100.0	86.1
Between 60 and 80	62.5	31.1	5.7	0.7	100.0	83.9
Between 80 and 90	57.6	33.1	8.4	0.9	100.0	77.4
Between 90 and 100	40.1	38.1	20.4	1.3	100.0	73.5
AGE OF HOUSEHOLD HEAD						
Under 35	57.1	21.3	21.5	0.2	100.0	85.5
Between 35 and 44	72.3	18.6	8.5	0.6	100.0	83.9
Between 45 and 54	57.6	29.0	12.3	1.0	100.0	85.6
Between 55 and 64	53.5	31.0	14.6	0.9	100.0	75.2
Between 65 and 74	52.7	40.1	5.8	1.5	100.0	77.1
Over 74	54.1	41.2	3.7	1.0	100.0	82.3
EMPLOYMENT STATUS OF HOUSEHOLD HEAD						
Employee	69.2	26.0	3.9	0.8	100.0	81.2
Self-employed	33.7	29.0	36.6	0.7	100.0	85.7
Retired	57.0	39.2	2.7	1.1	100.0	75.9
Other inactive or unemployed	67.0	30.8	0.7	1.5	100.0	81.7
NET WEALTH PERCENTILE						
Less than 25	87.9	10.2	1.4	0.5	100.0	90.8
Between 25 and 50	86.1	11.9	1.7	0.4	100.0	89.5
Between 50 and 75	79.2	17.3	2.8	0.6	100.0	87.9
Between 75 and 90	63.3	30.4	5.5	0.8	100.0	82.6
Between 90 and 100	34.1	45.9	18.6	1.4	100.0	73.8

SOURCE: Banco de España.

Between end-2014 and end-2017 the proportion of households owning their main residence continued to decrease appreciably, from 80.4% to 75.9%. This percentage declines, in general, in all groups, but especially among younger households (8.3 pp), households in the two lower quintiles of the income distribution (6.7 pp) and households in the lower quartile of the net wealth distribution (11.2 pp). In the case of households whose head was under 35, this reduction is on top of the 20 pp decline observed during the 2011-2014 period (from 69.3% to 49.5%). Between end-2011 and end-2017, the proportion of households aged under 35 that were renting their main residence increased (by around 19 pp), as did the proportion of those residing in free-rental housing (by 9 pp).

The estimate by households of the value of their main residence shows that, for owners, the median value of their housing fell by 6% between end-2014 and end-

Table 2 (cont'd)

DISTRIBUTION OF THE VALUE OF HOUSEHOLDS' REAL ASSETS (cont'd)**By type of asset and household characteristics**

%

Household characteristics	EFF2017					Memorandum item: real assets as % of total assets
	Main residence	Other real estate properties	Businesses related to self-employment	Jewellery, works of art, antiques	Total	
ALL HOUSEHOLDS	54.2	35.3	9.3	1.1	100.0	80.0
INCOME PERCENTILE						
Less than 20	72.9	24.7	1.0	1.4	100.0	88.1
Between 20 and 40	60.2	30.7	8.0	1.1	100.0	85.9
Between 40 and 60	63.0	29.3	6.5	1.2	100.0	85.4
Between 60 and 80	61.2	32.7	5.4	0.7	100.0	83.7
Between 80 and 90	56.4	36.3	6.5	0.7	100.0	79.9
Between 90 and 100	37.1	44.0	17.3	1.5	100.0	72.2
AGE OF HOUSEHOLD HEAD						
Under 35	70.7	24.9	4.1	0.4	100.0	85.5
Between 35 and 44	62.6	24.9	11.9	0.6	100.0	85.4
Between 45 and 54	52.9	33.8	12.6	0.8	100.0	83.8
Between 55 and 64	52.6	36.7	9.8	0.9	100.0	79.9
Between 65 and 74	51.0	38.8	9.2	1.0	100.0	77.6
Over 74	52.1	42.8	2.4	2.7	100.0	73.2
EMPLOYMENT STATUS OF HOUSEHOLD HEAD						
Employee	67.1	30.6	1.6	0.8	100.0	81.9
Self-employed	34.4	32.3	32.8	0.5	100.0	82.8
Retired	52.6	41.5	4.1	1.9	100.0	76.2
Other inactive or unemployed	61.6	35.8	1.5	1.1	100.0	81.9
NET WEALTH PERCENTILE						
Less than 25	84.7	12.5	1.3	1.4	100.0	85.1
Between 25 and 50	80.8	15.7	2.7	0.8	100.0	87.3
Between 50 and 75	74.9	21.2	2.7	1.2	100.0	86.5
Between 75 and 90	59.6	34.7	4.8	0.8	100.0	83.5
Between 90 and 100	35.3	47.2	16.2	1.3	100.0	74.6

SOURCE: Banco de España.

2017. These losses in median value came about for all household groups, and were once again more significant for households with lower levels of net wealth and income.

Other real estate properties

Less than half (45%) of households own real estate assets that are not their main residence. More specifically, 31.9% own a dwelling that is not their main residence, followed, in order of importance, by 13.8% that own building plots and rural property. These proportions increase with income, but even at the lower end of the income distribution there is a considerable percentage of households that own real estate assets other than their main residence (27.2%). By age, the biggest percentage of households owning other real estate properties is among households whose head is

Table 3

HOLDINGS OF REAL ASSETS BY HOUSEHOLDS**By type of asset and household characteristics**

% and thousands of 2017 euro

Household characteristics	EFF2014					
	Main residence	Other real estate properties	Businesses related to self-employment	Jewellery, works of art, antiques	Some type of real asset	Some type of asset
	Percentage of households owning asset					
ALL HOUSEHOLDS	80.4	39.9	11.1	18.0	86.7	98.4
INCOME PERCENTILE						
Less than 20	67.3	22.8	4.1	12.0	74.2	94.5
Between 20 and 40	73.1	28.7	8.9	14.3	80.6	97.9
Between 40 and 60	82.9	40.8	9.6	13.7	88.8	99.7
Between 60 and 80	89.7	46.7	13.5	18.9	94.6	99.8
Between 80 and 90	87.9	51.4	16.2	25.8	94.5	100.0
Between 90 and 100	89.5	69.0	22.1	36.2	96.3	100.0
AGE OF HOUSEHOLD HEAD						
Under 35	49.5	17.6	8.8	8.0	61.7	97.0
Between 35 and 44	74.8	27.6	14.1	15.6	83.7	98.0
Between 45 and 54	82.2	40.3	18.0	19.0	90.3	98.4
Between 55 and 64	86.9	49.8	13.2	20.1	89.9	97.9
Between 65 and 74	88.7	56.2	5.3	22.6	92.1	99.2
Over 74	87.6	40.8	0.8	18.3	91.3	99.4
EMPLOYMENT STATUS OF HOUSEHOLD HEAD						
Employee	78.3	34.1	5.5	19.8	85.3	98.8
Self-employed	84.0	53.6	79.4	18.7	96.1	100.0
Retired	90.4	52.9	2.7	18.9	93.2	99.5
Other inactive or unemployed	71.4	29.5	2.7	14.0	78.4	95.9
NET WEALTH PERCENTILE						
Less than 25	39.1	8.6	3.0	9.0	49.6	93.5
Between 25 and 50	90.9	26.3	7.8	12.5	98.0	100.0
Between 50 and 75	95.8	47.3	11.3	19.5	99.6	100.0
Between 75 and 90	95.8	70.7	18.5	24.8	99.9	100.0
Between 90 and 100	95.1	86.7	27.9	39.9	99.3	100.0
	Median asset value for households owning such asset					
ALL HOUSEHOLDS	127.9	82.7	41.5	3.1	158.7	162.4
INCOME PERCENTILE						
Less than 20	92.4	43.4	18.6	1.5	92.6	74.0
Between 20 and 40	102.7	58.3	27.9	2.0	122.6	109.1
Between 40 and 60	123.5	66.6	32.2	2.8	156.4	169.2
Between 60 and 80	154.1	92.4	51.4	2.2	185.2	205.5
Between 80 and 90	176.2	120.2	37.9	4.1	219.7	264.2
Between 90 and 100	256.4	205.4	103.5	10.3	399.3	527.1
AGE OF HOUSEHOLD HEAD						
Under 35	123.3	51.4	97.3	1.0	123.3	61.7
Between 35 and 44	143.2	82.2	33.3	2.0	154.1	154.8
Between 45 and 54	123.5	84.0	36.2	3.1	157.6	175.8
Between 55 and 64	141.4	109.8	58.4	5.1	191.1	213.8
Between 65 and 74	154.3	83.0	53.9	5.1	209.1	221.4
Over 74	102.7	70.3	28.7	2.7	124.0	131.1
EMPLOYMENT STATUS OF HOUSEHOLD HEAD						
Employee	134.7	87.2	35.2	2.6	154.3	159.8
Self-employed	154.2	154.2	51.4	5.1	263.4	299.8
Retired	134.0	83.6	35.7	4.8	185.2	198.2
Other inactive or unemployed	112.6	61.6	19.7	2.7	123.5	104.9
NET WEALTH PERCENTILE						
Less than 25	92.4	41.1	10.3	1.4	72.5	18.7
Between 25 and 50	83.9	30.8	12.3	2.0	92.4	96.9
Between 50 and 75	154.1	59.7	33.9	2.9	175.5	202.8
Between 75 and 90	203.5	123.3	59.8	3.1	308.1	369.9
Between 90 and 100	308.1	324.1	240.3	13.1	681.4	868.4

SOURCE: Banco de España.

Table 3 (cont'd)

HOLDINGS OF REAL ASSETS BY HOUSEHOLDS (cont'd)**By type of asset and household characteristics**

% and thousands of 2017 euro

Household characteristics	EFF2017					
	Main residence	Other real estate properties	Businesses related to self-employment	Jewellery, works of art, antiques	Some type of real asset	Some type of asset
	Percentage of households owning asset					
ALL HOUSEHOLDS	75.9	45.0	11.4	22.2	84.6	97.6
INCOME PERCENTILE						
Less than 20	60.6	27.2	3.8	16.0	70.3	92.2
Between 20 and 40	67.2	35.2	8.2	15.8	77.7	97.1
Between 40 and 60	79.0	42.4	12.3	18.5	87.4	99.0
Between 60 and 80	84.6	52.8	12.7	26.5	91.8	99.5
Between 80 and 90	89.6	62.4	15.1	28.2	96.3	100.0
Between 90 and 100	86.5	72.1	25.1	39.7	95.7	100.0
AGE OF HOUSEHOLD HEAD						
Under 35	41.3	17.8	10.1	16.6	60.0	93.2
Between 35 and 44	70.5	30.8	15.8	18.4	81.1	96.7
Between 45 and 54	76.1	45.2	17.3	22.9	85.8	97.5
Between 55 and 64	83.3	54.5	14.4	25.2	88.9	98.5
Between 65 and 74	84.2	61.3	3.4	21.9	88.9	98.1
Over 74	82.4	48.4	1.7	25.4	90.5	99.2
EMPLOYMENT STATUS OF HOUSEHOLD HEAD						
Employee	72.8	37.5	5.3	21.7	82.4	98.3
Self-employed	81.9	60.9	78.3	22.5	96.5	99.4
Retired	85.5	57.7	3.0	24.6	91.1	99.1
Other inactive or unemployed	66.6	35.6	2.4	19.8	74.9	93.2
NET WEALTH PERCENTILE						
Less than 25	27.9	7.9	3.9	12.4	42.7	90.2
Between 25 and 50	85.2	34.0	7.0	16.1	96.6	100.0
Between 50 and 75	95.3	54.5	11.3	25.1	99.4	100.0
Between 75 and 90	95.7	77.0	19.9	29.6	99.9	100.0
Between 90 and 100	94.4	93.1	28.7	43.1	99.9	100.0
	Median asset value for households owning such asset					
ALL HOUSEHOLDS	120.2	84.9	38.6	3.0	156.0	155.4
INCOME PERCENTILE						
Less than 20	77.2	36.0	10.9	1.9	79.4	65.6
Between 20 and 40	92.7	45.3	28.6	2.4	105.7	96.2
Between 40 and 60	120.0	61.8	41.6	1.9	147.0	150.6
Between 60 and 80	138.3	95.8	36.4	2.9	180.8	197.8
Between 80 and 90	177.6	117.6	52.3	4.3	237.9	282.6
Between 90 and 100	238.4	202.3	70.9	5.4	398.2	483.2
AGE OF HOUSEHOLD HEAD						
Under 35	119.5	79.0	9.6	1.0	112.2	40.8
Between 35 and 44	134.6	79.0	39.5	2.0	151.6	151.7
Between 45 and 54	120.2	77.4	35.6	3.0	157.9	158.9
Between 55 and 64	132.0	100.0	49.7	3.0	183.8	200.1
Between 65 and 74	129.7	89.7	45.1	5.1	189.9	197.3
Over 74	100.0	63.8	60.3	3.0	122.8	128.7
EMPLOYMENT STATUS OF HOUSEHOLD HEAD						
Employee	131.7	79.9	20.6	2.1	150.9	151.5
Self-employed	150.0	120.0	50.0	3.0	262.1	292.7
Retired	125.0	89.4	41.3	5.0	175.4	184.5
Other inactive or unemployed	96.2	52.0	18.9	2.0	108.9	98.2
NET WEALTH PERCENTILE						
Less than 25	68.0	24.7	4.6	1.2	40.6	7.3
Between 25 and 50	78.5	27.4	30.0	1.7	83.6	93.5
Between 50 and 75	130.0	53.3	31.0	3.0	172.5	197.5
Between 75 and 90	191.6	130.2	49.2	3.0	313.2	384.7
Between 90 and 100	300.0	324.5	145.5	8.2	697.8	898.0

SOURCE: Banco de España.

aged between 65 and 74. The median value of these properties is €84,900 and increases with income and wealth. By employment status, the maximum median value is for households whose head is self-employed.

Compared with end-2014, the percentage of households owning other real estate properties was substantially higher at end-2017 for almost all groups of households, except those whose head was under 35 and households in the bottom quartile of the net wealth distribution. The increase in ownership was substantial for households between the 80th and 90th percentiles of the income distribution. The median value of these properties in relation to the set of households owning them rose by 2.6%, owing essentially to the increase in the value of the properties owned by households above the 75th percentile of the net wealth distribution.

Businesses related to self-employment

The proportion of households that have assets in businesses related to the self-employment of a household member is 11.4%. This figure increases with income and net wealth and is greater for the group of households whose head is aged between 45 and 54 and for those whose head is self-employed. The median value of these businesses is €38,600, and it likewise increases with income and wealth.

The proportion of households with these businesses scarcely changed from EFF2014, and there are no substantial changes by group. During the period analysed, the median value of these assets fell by 7.1%.

Financial assets

Table 4 shows the share of the different financial assets relative to the total value of such assets. At end-2017, financial assets accounted for 20% of total assets. This figure has held stable since end-2014, but it is 9 pp higher than the figure at end-2008. As regards the breakdown of financial assets for households as a whole, bank accounts make up almost 34% of the value of financial assets (see columns 1 and 2 of Table 4). Next ranked are pension plans (16.2%), followed by unlisted shares and other equity (13.8%), listed shares (13%), investment funds (9.4%) and fixed-income securities (0.3%). Included under “other financial assets” are outstanding loans extended by households and managed portfolios, which account for 7% and 6.3%, respectively, of the total value of households’ financial assets. By level of income and net wealth, the portfolio composition tends to be similar, except in households belonging to the highest decile of these distributions. Accounts usable for making payments make up 9.4% of financial assets among households in the top decile of the wealth distribution, and more than 20% among all others. Households in the top decile of the wealth distribution invest around 20% of their financial assets in unlisted shares and other equity or in

listed shares, while other households invest less than 6% in these products. The share of pension plans and fixed-income grows as income and wealth increase, but less markedly than that of investment funds or shares and other equity.

Compared with end-2014, accounts not usable for payments lost share (-8.7 pp) in the portfolio of financial assets of households as a whole in favour of usable accounts (7.3 pp). These changes are observable throughout the income and the wealth distribution, although the increase in the share of accounts usable for payments was smaller in the upper deciles of both distributions. The relative significance in total financial assets of unlisted shares and other equity fell by almost 3 pp for the entire population of households, although the changes showed differing patterns across the different income groups. At end-2017, 95.5% of households had some type of financial asset (see Table 5), although this figure falls considerably when bank accounts are excluded. This percentage increases with the level of income. The median value of these financial assets is €10,500.

Compared with 2014, the percentage of households with some type of financial asset was slightly higher at end-2017 (95.5% against 94.4%). The increase in this percentage was higher for households whose head was self-employed and households whose head was aged between 45 and 54. For households with some type of financial asset, the median value of these assets increased substantially – by 21.8% – between end-2014 and end-2017.

Bank accounts

The percentage of households that have a bank account that can be used to make payments is 93.8%; this percentage is above 83% for all types of households. The median balance of this type of account is €4,500 and it increases with income and wealth and for households whose head is self-employed or retired.

The proportion of households with bank accounts not usable for making payments, including home-purchase savings accounts, is 15.5%. This percentage increases with income and wealth. The median balance in this case is €15,000.

Between end-2014 and end-2017, the percentage of households that had accounts for payments increased slightly, while the median balance of these accounts rose substantially, from €3,100 to €4,500. There are increases in the median balance in almost all groups of households, with the exception of those in the lowest quartile of the wealth distribution. The median balance grew especially for households in the top two deciles of the income distribution and households in the upper quartile of the wealth distribution. There was also a considerable drop in the proportion of households with accounts not usable for payments (-6.6 pp), and a decline across the board for all groups in their median balance (-34.1%).

Table 4

DISTRIBUTION OF THE VALUE OF HOUSEHOLDS' FINANCIAL ASSETS**By type of asset and household characteristics**

Household characteristics	EFF2014				
	Accounts and deposits usable for payments	Accounts not usable for payments and house-purchase savings accounts	Listed shares	Investment funds	Fixed-income securities
ALL HOUSEHOLDS	17.1	18.2	12.8	9.3	0.6
INCOME PERCENTILE					
Less than 40	20.9	23.6	3.8	9.1	0.6
Between 40 and 60	22.9	25.4	6.8	4.8	0.4
Between 60 and 80	25.1	23.5	16.3	8.1	0.3
Between 80 and 90	17.7	18.2	9.8	7.1	0.9
Between 90 and 100	11.6	13.1	16.8	11.8	0.6
NET WEALTH PERCENTILE					
Less than 50	45.6	23.0	3.4	1.8	0.5
Between 50 and 75	32.2	28.5	3.2	9.3	0.1
Between 75 and 90	23.7	30.0	4.9	6.3	0.5
Between 90 and 100	9.4	12.5	17.8	10.9	0.7

SOURCE: Banco de España.

Table 4 (cont'd)

DISTRIBUTION OF THE VALUE OF HOUSEHOLDS' FINANCIAL ASSETS (cont'd)**By type of asset and household characteristics**

Household characteristics	EFF2017				
	Accounts and deposits usable for payments	Accounts not usable for payments and house-purchase savings accounts	Listed shares	Investment funds	Fixed-income securities
ALL HOUSEHOLDS	24.5	9.4	13.0	9.4	0.3
INCOME PERCENTILE					
Less than 40	35.3	13.5	4.8	10.3	0.1
Between 40 and 60	38.8	10.9	5.4	8.0	0.4
Between 60 and 80	33.1	13.4	10.5	9.5	0.1
Between 80 and 90	28.7	12.1	13.6	8.7	0.2
Between 90 and 100	14.2	5.9	17.5	9.8	0.3
NET WEALTH PERCENTILE					
Less than 50	56.5	11.9	1.6	2.3	0.1
Between 50 and 75	45.4	15.4	3.6	4.8	0.4
Between 75 and 90	38.8	16.0	6.1	8.5	0.1
Between 90 and 100	12.5	6.2	18.2	11.5	0.3

SOURCE: Banco de España.

Listed shares and investment funds¹⁴

The percentage of households that directly own listed shares is 11.6%. This figure increases as income and net wealth increase and the rate of growth is higher in the

¹⁴ Investment funds include securities funds, real estate investment funds and other undertakings for collective investments in transferable securities (UCITS).

EFF2014

Pension schemes and unit-linked or mixed life insurance	Unlisted shares and other equity	Other financial assets	Total	Memorandum item: financial assets as a % of total assets	Household characteristics
15.2	16.5	10.4	100.0	19.6	ALL HOUSEHOLDS
INCOME PERCENTILE					
9.1	7.2	25.7	100.0	13.6	Less than 40
19.0	6.8	14.0	100.0	13.9	Between 40 and 60
12.3	2.6	11.8	100.0	16.1	Between 60 and 80
15.3	26.3	4.7	100.0	22.6	Between 80 and 90
17.2	21.9	6.9	100.0	26.5	Between 90 and 100
NET WEALTH PERCENTILE					
14.5	0.7	10.6	100.0	10.1	Less than 50
18.2	1.6	7.0	100.0	12.1	Between 50 and 75
23.8	1.3	9.4	100.0	17.4	Between 75 and 90
12.2	25.2	11.2	100.0	26.2	Between 90 and 100

EFF2017

Pension schemes and unit-linked or mixed life insurance	Unlisted shares and other equity	Other financial assets	Total	Memorandum item: financial assets as a % of total assets	Household characteristics
16.2	13.8	13.3	100.0	20.0	ALL HOUSEHOLDS
INCOME PERCENTILE					
13.2	0.6	22.1	100.0	13.3	Less than 40
13.6	4.1	18.7	100.0	14.6	Between 40 and 60
17.1	8.1	8.2	100.0	16.3	Between 60 and 80
19.3	7.4	10.0	100.0	20.1	Between 80 and 90
16.3	23.2	12.7	100.0	27.8	Between 90 and 100
NET WEALTH PERCENTILE					
13.2	0.6	14.0	100.0	13.1	Less than 50
19.3	1.0	10.0	100.0	13.5	Between 50 and 75
22.3	1.2	6.9	100.0	16.5	Between 75 and 90
14.3	21.4	15.6	100.0	25.4	Between 90 and 100

higher income and wealth brackets. Listed shares are held by 2.8% of households in the two lowest deciles of the income distribution, and by 29.1% in the top decile. By age, households whose head is between 65 and 74 are most likely to have listed shares (18.6%).

Considering only households that invest in listed shares, the median value held is €6,900. There is no significant difference in the median values by income and wealth,

Table 5

HOLDINGS OF FINANCIAL ASSETS BY HOUSEHOLDS**By type of asset and household characteristics**

% and thousands 2017 euro

Household characteristics	EFF2014				
	Accounts and deposits usable for payments	Accounts not usable for payments and house-purchase savings accounts	Listed shares	Investment funds	Fixed-income securities
	Percentage of households owning asset				
ALL HOUSEHOLDS	93.0	22.1	11.4	6.0	0.6
INCOME PERCENTILE					
Less than 20	85.4	10.6	2.3	1.2	0.4
Between 20 and 40	91.0	16.8	4.9	2.7	0.7
Between 40 and 60	92.4	19.5	7.9	3.7	0.1
Between 60 and 80	97.5	26.4	13.9	8.1	0.4
Between 80 and 90	98.8	33.8	20.7	8.3	1.2
Between 90 and 100	98.7	40.3	35.4	20.0	1.7
AGE OF HOUSEHOLD HEAD					
Under 35	87.6	11.9	4.2	2.4	0.0
Between 35 and 44	93.5	20.6	7.7	4.1	0.4
Between 45 and 54	90.5	19.7	11.2	6.1	0.7
Between 55 and 64	91.9	24.1	15.4	9.5	0.5
Between 65 and 74	98.2	29.1	18.4	7.4	0.8
Over 74	95.3	24.1	8.9	5.0	1.1
EMPLOYMENT STATUS OF HOUSEHOLD HEAD					
Employee	93.9	21.7	11.1	7.0	0.3
Self-employed	91.8	22.9	13.2	5.2	0.4
Retired	97.3	29.2	17.3	8.1	1.0
Other inactive or unemployed	87.6	14.8	4.8	2.4	0.7
NET WEALTH PERCENTILE					
Less than 25	84.4	8.6	1.0	0.6	0.0
Between 25 and 50	94.0	15.6	6.2	1.5	0.4
Between 50 and 75	95.8	25.5	9.2	4.8	0.3
Between 75 and 90	97.9	37.0	20.6	11.7	1.2
Between 90 and 100	97.8	41.2	42.0	24.8	2.3
	Median asset value for households owning such asset				
ALL HOUSEHOLDS	3.1	22.8	11.3	38.6	24.9
INCOME PERCENTILE					
Less than 20	1.0	14.2	3.4	24.7	(a)
Between 20 and 40	1.5	20.1	5.9	51.4	(a)
Between 40 and 60	2.7	20.8	6.1	25.7	(a)
Between 60 and 80	4.2	21.5	4.9	24.2	43.0
Between 80 and 90	6.2	24.1	12.3	26.9	24.7
Between 90 and 100	12.1	36.0	24.8	56.6	49.7
AGE OF HOUSEHOLD HEAD					
Under 35	1.5	15.4	4.1	(a)	(a)
Between 35 and 44	3.1	12.5	4.6	23.6	(a)
Between 45 and 54	3.1	21.7	6.2	26.7	20.6
Between 55 and 64	3.1	31.2	19.3	61.7	7.2
Between 65 and 74	3.6	30.8	17.6	39.6	70.1
Over 74	3.1	24.7	20.5	41.1	25.7
EMPLOYMENT STATUS OF HOUSEHOLD HEAD					
Employee	3.1	15.8	6.4	23.6	24.2
Self-employed	5.1	26.8	10.3	51.4	164.3
Retired	4.1	36.3	18.5	61.7	25.7
Other inactive or unemployed	1.2	17.4	6.2	33.9	18.2
NET WEALTH PERCENTILE					
Less than 25	1.0	5.3	3.6	(a)	(a)
Between 25 and 50	2.1	15.7	3.1	15.4	(a)
Between 50 and 75	3.5	20.5	4.4	25.3	(a)
Between 75 and 90	6.2	36.2	10.5	22.0	25.7
Between 90 and 100	12.4	61.6	51.4	69.5	51.5

SOURCE: Banco de España.**a** Fewer than eleven observations.

EFF2014

Pension schemes and unit-linked or mixed life insurance	Unlisted shares and other equity	Other financial assets	Some type of financial asset	Household characteristics
Percentage of households owning asset				
26.1	1.9	11.5	94.4	ALL HOUSEHOLDS
INCOME PERCENTILE				
5.1	0.1	8.2	86.9	Less than 20
13.3	0.3	8.2	93.2	Between 20 and 40
24.6	1.6	12.8	94.5	Between 40 and 60
33.4	2.4	14.5	98.0	Between 60 and 80
46.8	3.4	11.6	99.3	Between 80 and 90
60.6	7.0	16.4	99.7	Between 90 and 100
AGE OF HOUSEHOLD HEAD				
15.9	1.1	10.2	90.7	Under 35
31.3	1.8	15.4	94.9	Between 35 and 44
38.3	1.9	15.4	92.3	Between 45 and 54
39.5	2.1	13.0	94.0	Between 55 and 64
13.9	2.9	7.2	98.4	Between 65 and 74
1.5	1.3	3.2	95.6	Over 74
EMPLOYMENT STATUS OF HOUSEHOLD HEAD				
39.7	2.1	11.4	95.8	Employee
40.4	3.5	30.0	95.2	Self-employed
11.6	2.2	7.2	97.5	Retired
15.1	0.6	9.4	88.8	Other inactive or unemployed
NET WEALTH PERCENTILE				
10.9	0.8	8.6	86.9	Less than 25
22.4	0.6	10.9	95.3	Between 25 and 50
27.7	1.3	10.4	96.8	Between 50 and 75
40.0	3.0	12.6	98.3	Between 75 and 90
47.9	8.0	21.5	99.3	Between 90 and 100
Median asset value for households owning such asset				
10.3	12.3	6.7	8.6	ALL HOUSEHOLDS
INCOME PERCENTILE				
3.7	(a)	5.3	1.4	Less than 20
4.9	(a)	5.3	3.1	Between 20 and 40
6.8	5.3	5.8	7.8	Between 40 and 60
7.8	8.2	5.1	15.3	Between 60 and 80
12.8	23.6	12.3	26.9	Between 80 and 90
30.8	49.3	15.4	83.2	Between 90 and 100
AGE OF HOUSEHOLD HEAD				
5.4	(a)	2.6	2.2	Under 35
5.0	10.8	5.1	8.3	Between 35 and 44
10.3	6.2	6.2	11.4	Between 45 and 54
19.2	33.9	16.6	15.8	Between 55 and 64
30.6	16.0	18.5	10.2	Between 65 and 74
16.1	43.1	9.4	7.1	Over 74
EMPLOYMENT STATUS OF HOUSEHOLD HEAD				
8.7	8.2	5.1	10.4	Employee
14.0	7.0	14.4	22.9	Self-employed
27.9	48.2	20.1	12.6	Retired
5.1	61.7	5.1	2.2	Other inactive or unemployed
NET WEALTH PERCENTILE				
4.1	(a)	2.3	1.5	Less than 25
4.1	(a)	4.1	5.1	Between 25 and 50
8.5	43.6	5.1	12.9	Between 50 and 75
20.5	9.4	20.6	38.7	Between 75 and 90
55.6	132.2	61.6	145.8	Between 90 and 100

Table 5 (cont'd)

HOLDINGS OF FINANCIAL ASSETS BY HOUSEHOLDS (cont'd)**By type of asset and household characteristics**

% and thousands of 2017 euro

Household characteristics	EFF2017				
	Accounts and deposits usable for payments	Accounts not usable for payments and house-purchase savings accounts	Listed shares	Investment funds	Fixed-income securities
	Percentage of households owning asset				
ALL HOUSEHOLDS	93.8	15.5	11.6	7.0	0.4
INCOME PERCENTILE					
Less than 20	84.7	7.4	2.8	1.8	0.1
Between 20 and 40	93.1	11.4	6.2	2.9	0.1
Between 40 and 60	94.5	11.9	9.4	5.9	0.4
Between 60 and 80	97.8	21.0	14.9	7.9	0.4
Between 80 and 90	98.8	25.4	20.4	13.1	0.5
Between 90 and 100	99.1	26.1	29.1	19.9	1.1
AGE OF HOUSEHOLD HEAD					
Under 35	88.6	12.1	2.7	1.4	0.0
Between 35 and 44	93.3	15.5	9.0	4.3	0.1
Between 45 and 54	94.2	16.6	11.2	7.4	0.4
Between 55 and 64	93.3	15.1	12.3	9.0	0.3
Between 65 and 74	94.4	15.9	18.6	10.4	0.7
Over 74	96.7	15.5	12.1	6.7	0.6
EMPLOYMENT STATUS OF HOUSEHOLD HEAD					
Employee	95.1	17.8	10.0	6.3	0.3
Self-employed	97.9	15.2	11.5	9.5	0.4
Retired	96.0	16.2	18.5	10.2	0.7
Other inactive or unemployed	86.4	10.1	5.9	3.0	0.0
NET WEALTH PERCENTILE					
Less than 25	83.6	6.6	1.6	0.7	0.0
Between 25 and 50	95.5	12.7	6.1	2.5	0.1
Between 50 and 75	97.5	17.9	10.5	6.7	0.5
Between 75 and 90	98.1	24.9	21.0	12.8	0.3
Between 90 and 100	99.6	24.4	39.4	25.8	1.3
	Median asset value for households owning such asset				
ALL HOUSEHOLDS	4.5	15.0	6.9	28.0	14.0
INCOME PERCENTILE					
Less than 20	1.4	12.4	4.2	57.2	(a)
Between 20 and 40	2.0	13.2	2.0	22.6	(a)
Between 40 and 60	3.6	11.6	6.8	30.0	(a)
Between 60 and 80	6.0	15.8	6.2	24.2	5.8
Between 80 and 90	10.4	14.4	10.0	23.2	37.7
Between 90 and 100	17.2	25.0	17.0	41.3	43.0
AGE OF HOUSEHOLD HEAD					
Under 35	2.0	4.8	1.6	(a)	(a)
Between 35 and 44	3.9	8.2	3.6	18.0	6.0
Between 45 and 54	4.0	10.0	4.8	15.0	6.0
Between 55 and 64	5.0	27.0	13.3	32.0	32.3
Between 65 and 74	7.0	21.1	10.0	46.0	12.0
Over 74	5.2	24.8	14.0	36.6	14.0
EMPLOYMENT STATUS OF HOUSEHOLD HEAD					
Employee	4.0	10.0	4.9	18.4	16.9
Self-employed	7.0	19.0	6.0	25.7	6.6
Retired	6.8	25.9	13.1	41.2	14.0
Other inactive or unemployed	2.0	15.3	3.2	50.0	(a)
NET WEALTH PERCENTILE					
Less than 25	0.8	3.1	0.5	(a)	(a)
Between 25 and 50	3.3	8.0	2.3	9.2	(a)
Between 50 and 75	6.2	18.3	4.7	18.8	(a)
Between 75 and 90	11.7	27.6	6.8	29.8	(a)
Between 90 and 100	20.0	41.0	30.0	70.0	48.2

SOURCE: Banco de España.

a Fewer than eleven observations.

EFF2017

Pension schemes and unit-linked or mixed life insurance	Unlisted shares and other equity	Other financial assets	Some type of financial asset	Household characteristics
Percentage of households owning asset				
26.8	2.6	15.7	95.5	ALL HOUSEHOLDS
INCOME PERCENTILE				
6.1	0.1	12.5	86.7	Less than 20
14.7	1.0	15.4	94.3	Between 20 and 40
23.3	2.3	16.5	97.5	Between 40 and 60
34.4	4.2	15.1	99.0	Between 60 and 80
50.6	3.3	18.8	99.6	Between 80 and 90
60.5	7.9	19.7	100.0	Between 90 and 100
AGE OF HOUSEHOLD HEAD				
11.8	2.4	18.5	92.0	Under 35
30.6	1.9	18.6	95.5	Between 35 and 44
38.4	2.4	19.1	95.7	Between 45 and 54
39.6	3.8	18.5	95.4	Between 55 and 64
19.3	3.0	11.0	95.5	Between 65 and 74
2.7	2.1	6.7	96.9	Over 74
EMPLOYMENT STATUS OF HOUSEHOLD HEAD				
37.3	2.7	16.9	97.2	Employee
43.3	3.9	31.1	99.1	Self-employed
15.0	3.0	10.3	96.7	Retired
13.0	1.4	13.0	88.5	Other inactive or unemployed
NET WEALTH PERCENTILE				
11.3	0.9	14.9	87.0	Less than 25
20.1	0.7	13.6	97.0	Between 25 and 50
29.9	2.4	15.0	98.4	Between 50 and 75
41.0	3.7	15.7	99.1	Between 75 and 90
53.2	10.7	25.1	100.0	Between 90 and 100
Median asset value for households owning such asset				
9.9	9.0	6.0	10.5	ALL HOUSEHOLDS
INCOME PERCENTILE				
5.3	(a)	2.1	2.5	Less than 20
6.6	0.4	5.4	5.7	Between 20 and 40
6.0	6.0	5.1	8.1	Between 40 and 60
6.9	7.3	6.1	15.3	Between 60 and 80
13.1	23.4	8.1	32.0	Between 80 and 90
25.3	29.1	19.0	66.1	Between 90 and 100
AGE OF HOUSEHOLD HEAD				
1.5	(a)	2.8	3.9	Under 35
5.0	1.4	3.9	8.3	Between 35 and 44
8.8	11.7	5.0	11.3	Between 45 and 54
17.2	6.0	10.0	16.0	Between 55 and 64
25.4	52.8	10.0	15.7	Between 65 and 74
28.1	70.6	10.5	8.6	Over 74
EMPLOYMENT STATUS OF HOUSEHOLD HEAD				
7.9	3.4	5.0	10.6	Employee
13.9	17.6	7.9	23.5	Self-employed
25.4	51.2	10.0	13.9	Retired
6.7	5.6	3.1	4.0	Other inactive or unemployed
NET WEALTH PERCENTILE				
2.8	(a)	1.6	1.5	Less than 25
5.1	(a)	4.2	6.8	Between 25 and 50
6.8	1.9	5.0	14.9	Between 50 and 75
18.8	4.0	10.8	40.4	Between 75 and 90
36.2	82.9	34.2	133.9	Between 90 and 100

except for the group of households in the top two deciles of the income distribution and for households in the top decile of the net wealth distribution. By age, the median value is higher for households aged over 54.

The profile of households with investment funds (7% of the total) is similar to that of households with listed shares, but the percentage of households that hold investment funds is lower, in general, for all groups. By contrast, the median balance of these funds (€28,000) is much higher than that of listed shares for almost all groups. Indeed, of all financial assets, investment funds have the highest median value. Differences in the volume of holdings by group are similar to those observed in the case of listed shares.

Over the period analysed, the proportion of households that invested in listed shares or investment funds rose very slightly, somewhat more so in the case of investment funds. Yet among the households with these investments the cumulative balance held fell considerably (by 38.9% and 27.5%, respectively). This decline reversed the increase observed between end-2011 and end-2014 in the median volume invested in listed shares and investment funds. However, in the case of investment funds, the median value at end-2017 (€28,000) was still higher than that observed in 2011 (€10,400).

Unlisted shares and other equity

Unlisted shares or other equity are held by 2.6% of households. The percentage is highest in the upper income decile (7.9%) and the upper net wealth decile (10.7%) and is concentrated among households whose head is self-employed. The cumulative median value for the group of households with assets of this kind is €9,000. In the top decile of the net wealth distribution, among those with unlisted shares, the median balance is €82,900, which is higher than that observed for all other financial assets.

Overall, the percentage of households investing in unlisted shares or other equity at end-2017 was slightly higher than that observed at end-2014, with the largest increase being for households in the last decile of the wealth distribution. The median balance fell considerably for households overall between end-2014 and end-2017 (-26.8%), although this decline masks changes of different sign for different groups. Among the groups for which the median balance of unlisted shares or other equity rose, the significant increase among households whose head was aged over 65 and among those whose head was self-employed is noteworthy.

Fixed-income securities

The percentage of households investing directly in fixed-income securities (i.e. not through pension or investment funds) is 0.4%. This proportion increases slightly with income and net wealth, but in no case exceeds 1.3%. Ownership of these assets is

somewhat higher among retired households and, by age, among those between 65 and 74. The median holding of fixed-income securities is €14,000 and is highest among households in the upper deciles of the income and the wealth distribution.

At end-2017, households were somewhat less inclined to hold fixed-income securities directly. Moreover, the cumulative balance in these assets was significantly lower for households overall (-43.7%), with substantial declines across the board for almost all types of households.

Pension schemes and life insurance

The percentage of households with some type of pension scheme (or a unit-linked or mixed life insurance product) is 26.8%.¹⁵ This percentage increases with income and wealth. It is highest for households whose head is aged between 55 and 64 and for those whose head is self-employed. Considering only those households with a pension scheme, the median value of the capital accumulated is €9,900. This value increases both with income and wealth.

The proportion of households with some type of pension scheme, which was 26.1% at end-2014, remained virtually constant, but the changes observed were uneven across households. In addition, the median amount built up in pension schemes for households holding such assets fell by almost 4%, although there were also changes of different sign by group of households. Thus, by age, while for younger households both the proportion of those with some type of pension scheme and the median investment fell significantly, for the group of households aged between 65 and 74 the proportion holding a pension scheme rose considerably.

Other financial assets

This category includes outstanding loans extended by households and portfolios under management, with 15.7% of households holding these assets.¹⁶ High-income and high-net wealth households and those whose head is self-employed are most likely to do so. The median amount of these loans (€6,000) follows a similar pattern by income and wealth levels.

Between end-2014 and end-2017 the percentage of households that had extended loans increased (from 11% to 14.7%), although the median value of these assets fell significantly and across the board in almost all groups.

¹⁵ Pension schemes do not include entitlements to Social Security pensions. The life-insurance instruments considered are unit-linked or mixed products, but not those covering the risk of death.

¹⁶ Breaking down this figure further, 14.7% of households have debts in their favour and 1.1% have portfolios under management.

Table 6

DISTRIBUTION OF THE VALUE OF HOUSEHOLD DEBT**By purpose of debt and household characteristics**

%

Household characteristics	EFF2014			Total	Memorandum item: debt as a % of total assets
	Purchase of main residence	Purchase of other real estate properties	Other outstanding debts (secured loans, personal loans, credit cards and other debts)		
ALL HOUSEHOLDS	68.2	19.3	12.5	100.0	12.6
INCOME PERCENTILE					
Less than 40	67.4	18.1	14.5	100.0	12.5
Between 40 and 60	72.8	13.4	13.8	100.0	14.7
Between 60 and 80	73.1	13.9	13.1	100.0	15.2
Between 80 and 90	72.1	19.7	8.1	100.0	15.9
Between 90 and 100	56.2	31.3	12.6	100.0	8.5
NET WEALTH PERCENTILE					
Less than 50	79.4	10.7	10.0	100.0	51.5
Between 50 and 75	69.6	15.0	15.3	100.0	12.8
Between 75 and 90	44.3	42.5	13.1	100.0	7.6
Between 90 and 100	39.1	42.1	18.8	100.0	3.3

SOURCE: Banco de España.

Debts

Households' debt accounts for 11.7% of the total value of their assets (see Table 6). Outstanding debt for purchase of main residence makes up 63.7% of households' debt, while outstanding debt for purchase of other real estate properties accounts for 21.7%. Although the debt-to-total assets ratio has fallen for households as a whole by only 0.8 pp (from 12.6% in 2014 to 11.7% in 2017), the decreases are bigger for households in the bottom income and wealth distribution brackets. Thus, for example, the total debt of households in the lower half of the wealth distribution fell from 51.5% of their total assets in 2014 to 47% in 2017.

As regards the distribution by type of debt, most household debt is used to finance the purchase of the main residence (63.7%). But compared with end-2014 the share of this debt declined by 4.5 pp, in favour of debt for purchase of other real estate properties and other outstanding debts, whose share of total assets rose by 2.4 pp and 2.1 pp, respectively. By group of households, the increase in the share of debt for purchase of other real estate properties was concentrated in the top decile of both the income and the wealth distribution (6.3 pp and 8.2 pp, respectively). By contrast, the increase in the share of other types of debt was most marked in the two lower quintiles of the income distribution (9.1 pp) and, to a lesser extent, in the lower half of the wealth distribution (4.4 pp).

At end-2017, 53.2% of households had debt of some kind and the median amount outstanding was €35,000 (see Table 7). The households least likely to have debts are

Table 6 (cont'd)

DISTRIBUTION OF THE VALUE OF HOUSEHOLD DEBT (cont'd)**By purpose of debt and household characteristics**

%

Household characteristics	EFF2017			Total	Memorandum item: debt as a % of total assets
	Purchase of main residence	Purchase of other real estate properties	Other outstanding debts (secured loans, personal loans, credit cards and other debts)		
ALL HOUSEHOLDS	63.7	21.7	14.6	100.0	11.7
INCOME PERCENTILE					
Less than 40	64.9	11.5	23.6	100.0	10.4
Between 40 and 60	71.3	12.7	16.0	100.0	12.4
Between 60 and 80	69.6	17.8	12.6	100.0	14.9
Between 80 and 90	66.1	20.2	13.7	100.0	14.0
Between 90 and 100	51.3	37.6	11.1	100.0	9.3
NET WEALTH PERCENTILE					
Less than 50	74.9	10.7	14.3	100.0	47.0
Between 50 and 75	67.3	20.2	12.5	100.0	14.8
Between 75 and 90	54.1	26.6	19.3	100.0	7.3
Between 90 and 100	35.3	50.3	14.4	100.0	4.1

SOURCE: Banco de España.

those at the lower end of the income distribution (30.2%) and those whose head is aged over 64 or is retired. Conversely, the percentage of indebted households among those whose head is aged between 35 and 44 is 76.3%. The highest volumes of outstanding debt, in terms of the median amount, are observed among households whose head was aged between 35 and 44 (€69,400), households in the upper decile of the income distribution (€88,600) and those where two household members are working (€60,000). These amounts increase with income, but not with net wealth.

Compared with end-2014, the percentage of indebted households rose by 4.1 pp (from 49% to 53.2%), with increases across all groups. But the median volume of outstanding debt fell by 24.2% between end-2014 and end-2017, with significant declines for households in the bottom three deciles of the income distribution, those whose head was aged under 35 and those at the lower end of the net wealth distribution. Among this last group, the median debt volume dropped from €84,200 in 2014 to €15,000 in 2017.

Debt for purchase of main residence

A total of 27.6% of households have outstanding debt for purchase of their main residence (36.4% of households that own their main residence). This percentage increases with income, save in the top decile. The households most likely to have debt for purchase of their main residence are: by age, those whose head is between 35 and 44 (54.5%); by employment status, employees (45.2%); and by number of

Table 7

HOUSEHOLD DEBT**By purpose, type of debt and household characteristics**

% and thousands of 2017 euro

Household characteristics	EFF2014							
	Purchase of main residence		Purchase of other real estate properties	Other debt outstanding				Some type of debt
	Total	With mortgage collateral		With collateral (inc. mortgages)	Personal loans	Credit card debt	Other debts	
Percentage of households with debts outstanding								
ALL HOUSEHOLDS	28.1	27.7	9.3	3.4	17.5	6.6	3.4	49.0
INCOME PERCENTILE								
Less than 20	11.9	11.9	4.6	2.0	9.5	3.9	2.5	27.6
Between 20 and 40	20.1	19.9	4.4	1.7	12.3	5.5	3.2	37.6
Between 40 and 60	28.6	28.5	7.4	3.6	20.2	9.0	3.6	49.8
Between 60 and 80	37.2	37.1	10.6	5.2	26.4	8.7	2.9	62.7
Between 80 and 90	50.4	47.4	17.3	4.2	16.8	6.2	5.9	70.2
Between 90 and 100	35.4	34.7	21.2	4.5	21.2	5.2	3.5	64.4
AGE OF HOUSEHOLD HEAD								
Under 35	37.5	37.3	10.1	1.0	20.6	8.8	2.7	55.6
Between 35 and 44	57.4	56.3	12.7	4.1	24.2	8.4	4.4	76.2
Between 45 and 54	37.2	36.5	13.3	4.4	21.6	9.7	4.7	63.1
Between 55 and 64	18.3	18.3	11.6	5.3	18.9	6.4	2.6	49.1
Between 65 and 74	4.9	4.9	3.6	2.7	12.3	2.6	2.6	24.9
Over 74	2.1	2.1	0.7	0.6	2.8	2.1	1.9	8.6
EMPLOYMENT STATUS OF HOUSEHOLD HEAD								
Employee	47.6	46.5	11.8	4.8	23.4	9.5	3.9	69.5
Self-employed	37.0	36.7	20.5	4.6	22.1	6.2	6.3	63.5
Retired	4.9	4.8	4.0	2.0	9.9	2.9	2.0	21.9
Other inactive or unemployed	19.8	19.8	6.7	2.3	14.8	6.1	3.1	41.1
NUMBER OF HOUSEHOLD MEMBERS WORKING								
None	9.0	9.0	4.1	1.7	9.5	3.9	2.2	25.4
One	34.4	33.3	9.7	4.2	18.0	8.7	4.5	57.9
Two	49.8	49.5	16.3	4.6	28.9	7.6	3.6	72.8
Three or more	41.5	40.3	15.4	7.0	24.5	11.0	5.7	74.0
NET WEALTH PERCENTILE								
Less than 25	30.5	30.4	4.9	3.7	26.1	10.1	5.0	53.9
Between 25 and 50	38.9	37.9	7.4	3.2	16.0	6.4	3.3	53.0
Between 50 and 75	24.8	24.8	7.3	3.5	15.6	4.9	2.3	45.3
Between 75 and 90	19.5	18.6	17.2	2.8	11.2	5.8	2.9	44.1
Between 90 and 100	16.6	16.3	17.8	3.8	13.4	3.5	3.0	43.5
Median debt value for households having such debt								
ALL HOUSEHOLDS	69.4	71.9	56.5	41.1	6.2	0.9	3.7	46.2
INCOME PERCENTILE								
Less than 20	42.3	42.3	86.3	39.3	3.7	1.3	0.7	25.5
Between 20 and 40	47.7	48.5	35.6	39.0	5.1	0.8	2.7	31.4
Between 40 and 60	65.1	64.9	48.4	63.7	4.9	1.0	6.2	44.5
Between 60 and 80	79.7	79.5	40.2	39.2	7.2	0.8	4.5	55.1
Between 80 and 90	69.2	82.2	65.1	16.4	10.6	0.6	6.2	67.9
Between 90 and 100	94.2	94.7	81.3	65.7	9.4	1.0	6.4	85.3
AGE OF HOUSEHOLD HEAD								
Under 35	103.7	103.7	86.3	(a)	5.0	1.0	(a)	92.8
Between 35 and 44	88.9	92.4	55.2	90.4	6.7	0.8	0.7	72.5
Between 45 and 54	56.7	56.5	47.8	40.3	5.3	1.2	6.2	41.3
Between 55 and 64	43.2	43.2	48.3	36.7	6.2	1.5	5.1	28.6
Between 65 and 74	28.8	28.8	27.5	61.6	11.1	0.6	4.1	19.4
Over 74	22.3	22.3	90.0	(a)	3.1	0.9	1.0	3.8
EMPLOYMENT STATUS OF HOUSEHOLD HEAD								
Employee	82.2	84.2	51.4	33.5	6.2	1.0	2.1	68.1
Self-employed	62.7	66.4	64.0	98.7	8.2	1.0	14.9	71.9
Retired	27.4	27.5	38.1	61.6	7.1	0.7	3.0	15.9
Other inactive or unemployed	43.2	43.2	85.3	39.8	4.1	0.9	2.3	30.8
NUMBER OF HOUSEHOLD MEMBERS WORKING								
None	36.6	36.6	73.1	47.2	5.1	0.9	1.1	20.0
One	61.6	61.6	49.2	43.2	6.0	0.8	3.0	44.3
Two	97.2	97.6	60.0	32.1	7.1	1.0	5.1	83.2
Three or more	46.2	46.2	54.2	23.6	5.1	0.7	(a)	44.2
NET WEALTH PERCENTILE								
Less than 25	117.5	116.9	86.3	41.1	5.4	1.0	1.0	84.2
Between 25 and 50	51.2	53.2	39.2	40.5	5.2	1.1	4.1	45.1
Between 50 and 75	55.3	54.6	39.6	27.8	7.1	0.8	6.2	32.5
Between 75 and 90	42.3	42.7	54.2	61.6	6.2	0.6	14.4	41.6
Between 90 and 100	74.4	76.7	71.9	60.0	9.0	0.7	11.1	50.3

SOURCE: Banco de España.

a Fewer than eleven observations.

Table 7 (cont'd)

HOUSEHOLD DEBT (cont'd)**By purpose, type of debt and household characteristics**

% and thousands of 2017 euro

Household characteristics	EFF2017							Some type of debt
	Purchase of main residence		Purchase of other real estate properties	Other debt outstanding				
	Total	With mortgage collateral		With collateral (incl. mortgages)	Personal loans	Credit card debt		
Percentage of households with debts outstanding								
ALL HOUSEHOLDS	27.6	27.1	9.6	2.9	22.6	9.3	8.3	53.2
INCOME PERCENTILE								
Less than 20	10.0	9.9	2.7	1.1	11.0	6.2	7.4	30.2
Between 20 and 40	20.2	19.8	4.2	2.5	20.2	7.4	8.8	45.1
Between 40 and 60	29.3	28.9	6.6	2.2	25.8	12.5	10.2	58.2
Between 60 and 80	37.2	36.6	11.8	4.6	27.3	10.7	7.4	63.2
Between 80 and 90	45.5	44.4	18.9	4.7	29.0	11.4	8.0	70.9
Between 90 and 100	37.5	36.7	26.0	3.9	28.3	7.5	7.6	67.2
AGE OF HOUSEHOLD HEAD								
Under 35	32.4	31.2	8.0	1.6	27.1	8.8	12.6	62.1
Between 35 and 44	54.5	53.9	13.2	2.4	28.2	13.4	10.2	76.3
Between 45 and 54	39.8	39.2	13.8	3.6	28.8	11.2	10.4	68.9
Between 55 and 64	19.1	18.5	10.5	4.8	26.7	9.8	9.6	54.4
Between 65 and 74	8.5	8.5	6.2	2.8	15.4	7.1	5.4	33.9
Over 74	0.8	0.8	1.2	1.3	5.4	2.5	1.7	11.4
EMPLOYMENT STATUS OF HOUSEHOLD HEAD								
Employee	45.2	44.4	12.3	2.3	30.0	12.6	9.8	71.2
Self-employed	37.4	36.4	19.7	7.8	27.2	8.2	13.4	73.3
Retired	6.4	6.4	4.3	2.7	14.2	5.0	4.4	27.9
Other inactive or unemployed	15.0	15.0	6.0	2.3	16.5	8.7	8.0	40.1
NUMBER OF HOUSEHOLD MEMBERS WORKING								
None	7.0	7.0	3.2	1.9	12.2	5.5	5.3	26.6
One	32.2	31.5	9.9	3.3	22.7	10.4	8.6	59.6
Two	49.9	49.0	16.1	3.0	34.0	12.9	10.9	77.9
Three or more	28.6	28.1	19.6	9.6	38.9	10.4	15.5	76.2
NET WEALTH PERCENTILE								
Less than 25	21.4	21.3	3.6	2.5	27.3	14.0	11.3	54.7
Between 25 and 50	37.0	36.5	6.9	2.4	25.6	10.1	7.7	55.9
Between 50 and 75	31.6	30.9	10.7	2.5	19.3	7.3	7.9	53.6
Between 75 and 90	23.0	22.2	13.9	4.6	20.0	6.1	6.6	49.5
Between 90 and 100	16.5	16.5	21.8	4.0	15.7	4.9	6.0	46.9
Median debt value for households having such debt								
ALL HOUSEHOLDS	65.0	65.0	49.6	21.0	6.0	0.8	2.2	35.0
INCOME PERCENTILE								
Less than 20	38.4	36.4	18.4	8.4	3.4	0.4	1.7	8.3
Between 20 and 40	43.4	43.2	47.6	28.0	4.7	1.3	2.3	16.8
Between 40 and 60	61.7	61.8	42.3	24.6	5.0	0.7	1.5	25.9
Between 60 and 80	76.2	76.4	48.4	17.6	6.9	1.0	1.5	53.4
Between 80 and 90	76.0	76.2	42.4	13.3	7.4	0.8	4.4	60.9
Between 90 and 100	93.2	91.0	81.6	84.2	7.9	1.0	14.6	88.6
AGE OF HOUSEHOLD HEAD								
Under 35	84.4	85.0	62.0	(a)	7.5	0.5	4.3	40.0
Between 35 and 44	80.0	80.0	55.4	19.0	6.5	1.0	2.8	69.4
Between 45 and 54	53.6	53.6	45.0	28.8	7.0	0.6	2.1	38.7
Between 55 and 64	40.0	40.0	41.2	17.2	5.1	1.0	2.3	17.6
Between 65 and 74	31.3	35.7	59.5	21.7	4.0	0.6	1.3	9.0
Over 74	21.0	21.0	20.0	15.3	2.2	0.6	1.7	2.9
EMPLOYMENT STATUS OF HOUSEHOLD HEAD								
Employee	70.2	70.5	51.8	19.8	6.8	1.1	2.3	53.7
Self-employed	60.0	60.0	51.0	32.4	9.5	0.8	8.5	50.3
Retired	25.0	25.4	60.1	17.3	4.2	0.5	0.9	8.7
Other inactive or unemployed	54.2	54.4	42.8	15.8	4.1	0.5	1.6	14.8
NUMBER OF HOUSEHOLD MEMBERS WORKING								
None	34.8	34.8	39.5	21.7	3.0	0.5	1.3	6.2
One	60.0	60.0	51.1	19.8	6.1	1.1	2.0	37.6
Two	80.0	80.0	50.4	27.2	6.9	0.8	4.9	60.0
Three or more	49.0	52.0	45.0	8.7	7.0	1.5	3.7	31.5
NET WEALTH PERCENTILE								
Less than 25	92.7	92.0	51.0	21.4	5.7	0.8	1.5	15.9
Between 25 and 50	60.0	60.0	50.0	8.9	6.0	1.1	2.4	42.8
Between 50 and 75	50.9	52.6	44.9	18.0	5.8	0.7	2.7	33.5
Between 75 and 90	51.0	52.2	43.9	31.3	6.9	0.8	4.1	30.3
Between 90 and 100	69.4	69.4	84.0	33.3	8.2	0.5	5.8	56.0

SOURCE: Banco de España.

a Fewer than eleven observations.

household members working, those that have two members working (49.9%). The median amount of outstanding debt for purchase of main residence for the group of households with such debt is €65,000; this amount increases with income, decreases with net wealth, except in the top decile, and is higher for households whose head is aged under 35 and for those that have two members working. Almost all outstanding debts for purchase of main residence are mortgages.

Compared with end-2014, the percentage of all households that had outstanding debts for purchase of main residence fell slightly (-0.5 pp), but the falls were sharper for younger households (-5 pp) and those in the lower quartile of the wealth distribution (-9.1 pp). The median amount of debt for purchase of main residence fell by 6.3% for households overall, with the largest declines for households in the bottom two quintiles of the income distribution (more than 10%), households in the lower quartile of the net wealth distribution (21%, from €117,500 to €92,700), younger households (18.6%, from €103,700 to €84,000) and households whose head is an employee (14.6%).

Debt for purchase of other real estate properties

At end-2017, 9.6% of households had debts outstanding for purchase of other real estate properties. This percentage increases with income and wealth. By age, it is lower for households over 65. For households whose head is self-employed it is 19.7%. The median amount of outstanding debt for purchase of real estate properties other than the main residence is €49,600.

The percentage of households with outstanding debt for purchase of real estate properties other than the main residence was practically unchanged since end-2014 (9.6% compared with 9.3%). By group, the increases in this percentage for households in the top decile of both the wealth distribution (4 pp) and the income distribution (4.8 pp) stand out, and likewise the decreases for households at the lower end of both distributions. The median outstanding amount of this debt fell by 12.2% for households as a whole. By net wealth, the median outstanding amount rose significantly for households in the top decile (by 16.8%, from €71,900 to €84,000) and between the 25th and 75th percentiles (by 27.4%, from €39,000 to €50,000).

Other debts

The EFF also collects information on other debts, in addition to those for purchase of the main residence and other real estate properties. The main reasons for incurring other debts are, by order of importance, to purchase vehicles and other durable goods, to carry out home improvements, to repay debts and to finance business

activity. These other debts are mostly debts secured by collateral (including mortgage collateral other than that provided for the purchase of the main residence or other real estate properties), personal loans, credit card debt and other types of debt.¹⁷

Of these, personal loans are the most prevalent type of debt, incurred by 22.6% of households. The groups of households that use this type of loan least are lower income households, those whose head of household is aged over 64, retired households and those with no household member working. By age, at end-2017 close on 30% of all pre-retirement households have personal loans, while by level of net wealth this figure ranges from 20% to 27% for all households below the top decile. The median amount outstanding is €6,000.

Outstanding debts secured by collateral for purposes other than purchase of real estate properties are less frequent (held by 2.9% of households), but the median amount outstanding is €21,000. Credit cards are used to obtain credit by 9.3% of households; this form of credit is most widespread among households aged between 35 and 54, those whose head is an employee and those in the lower quartile of the net wealth distribution. The median balance of this debt for households that use credit cards to obtain credit is €800 overall.

The percentage of households with personal loans increased significantly, from 17.5% at end-2014 to 22.6% at end-2017 for households overall, with increases across all groups. Although the median amount obtained via personal loans fell by 2.6%, sharp increases are observed among households whose head is aged under 35 (+49%, from €5,000 to €7,500) and for households in the lower half of the net wealth distribution (+15% between the 25th and 50th quartiles).

The median amount of credit card debt also fell (-4.9%), although the percentage of households using credit card debt increased, from 6.6% to 9.3%. The same is true of other types of debt, as the percentage of households holding it rose by 4.9 pp but the value of that debt decreased significantly, albeit unevenly between the different groups.

Debt burden

The EFF provides for construction of measures of debt burden for different types of households with outstanding debts; Table 8 shows three such measures. The first is the ratio of debt payments (including repayment of principal and payment of interest) to gross household income. One limitation of this measure is that it only reflects the significance of financial commitments in the short term. For this reason, the ratio of

¹⁷ Specifically, credit lines, deferred payment, advances, loans from relatives or friends, debit balances in current accounts, leasing or renting and other unspecified types.

Table 8

MEASURES OF DEBT BURDEN OF HOUSEHOLDS WITH DEBT OUTSTANDING**By household characteristics**

% (calculated on the basis of 2017 euro)

Household characteristics	EFF2014					
	Ratio of debt payments to household income		Ratio of debt to household income		Ratio of debt to gross household wealth	
	Median (%)	Percentage of households where ratio exceeds 40%	Median (%)	Percentage of households where ratio exceeds 3	Median (%)	Percentage of households where ratio exceeds 75%
ALL HOUSEHOLDS WITH DEBT	18.6	14.9	155.7	31.1	30.3	22.9
INCOME PERCENTILE						
Less than 20	39.2	49.3	352.8	53.8	41.0	37.3
Between 20 and 40	25.5	26.6	194.4	37.6	41.4	32.0
Between 40 and 60	22.8	15.1	199.9	38.6	35.3	26.9
Between 60 and 80	17.0	8.2	157.6	27.8	33.9	22.0
Between 80 and 90	13.3	1.6	130.1	17.7	24.9	11.8
Between 90 and 100	10.3	2.7	84.8	14.0	17.7	7.5
AGE OF HOUSEHOLD HEAD						
Under 35	23.9	22.7	405.4	60.6	85.9	63.3
Between 35 and 44	21.3	14.1	259.0	42.0	48.6	27.7
Between 45 and 54	18.3	15.8	137.1	27.6	25.0	16.5
Between 55 and 64	14.5	12.6	81.4	12.2	12.7	7.6
Between 65 and 74	13.5	9.4	54.7	9.8	7.7	11.0
Over 74	14.5	15.9	18.8	11.8	8.1	15.6
EMPLOYMENT STATUS OF HOUSEHOLD HEAD						
Employee	17.2	8.8	181.9	33.6	40.2	26.2
Self-employed	23.1	29.5	232.1	39.5	21.6	10.9
Retired	13.5	10.5	53.7	9.8	7.7	10.0
Other inactive or unemployed	25.1	24.9	157.1	31.8	33.8	28.4
TENURE STATUS OF MAIN RESIDENCE						
Ownership	18.8	15.2	176.6	33.0	26.2	17.3
Other	15.3	12.9	51.1	19.5	113.2	57.7
NUMBER OF HOUSEHOLD MEMBERS WORKING						
None	21.2	23.5	83.6	27.9	17.4	23.0
One	20.4	17.3	167.2	33.9	36.4	22.9
Two	17.0	9.2	201.9	33.5	39.3	25.1
Three or more	11.8	4.9	78.2	9.0	15.4	7.0
NET WEALTH PERCENTILE						
Less than 25	25.0	21.2	330.8	54.1	109.6	77.6
Between 25 and 50	20.0	15.4	199.2	30.4	38.7	5.4
Between 50 and 75	14.9	10.1	95.5	20.2	14.6	0.3
Between 75 and 90	14.0	9.5	92.8	15.4	11.4	0.0
Between 90 and 100	12.2	15.1	79.4	14.4	4.8	0.0

SOURCE: Banco de España.

total debt to gross household income and of total debt to total assets are also included. In all cases the median of these individual ratios is provided for each group of households, and also the percentage of households for which these debt burden measures exceed a certain threshold.

According to EFF2017, the median indebted household assigns 15.8% of its gross income to payment of its debts (see the first column of Table 8 for EFF2017). This

Table 8 (cont'd)

MEASURES OF DEBT BURDEN OF HOUSEHOLDS WITH DEBT OUTSTANDING (cont'd)**By household characteristics**

% (calculated on the basis of 2017 euro)

Household characteristics	EFF2017					
	Ratio of debt payments to household income		Ratio of debt to household income		Ratio of debt to gross household wealth	
	Median (%)	Percentage of households where ratio exceeds 40%	Median (%)	Percentage of households where ratio exceeds 3	Median (%)	Percentage of households where ratio exceeds 75%
ALL HOUSEHOLDS WITH DEBT	15.8	9.8	108.8	20.4	28.0	21.3
INCOME PERCENTILE						
Less than 20	25.8	30.8	99.1	27.1	38.7	39.9
Between 20 and 40	21.7	15.5	97.8	25.0	30.4	31.1
Between 40 and 60	16.1	8.5	100.2	24.1	30.6	21.9
Between 60 and 80	16.1	6.1	143.9	22.8	30.9	19.0
Between 80 and 90	12.8	2.0	115.7	11.5	24.0	10.4
Between 90 and 100	10.0	2.7	86.8	6.5	17.9	5.9
AGE OF HOUSEHOLD HEAD						
Under 35	18.1	6.3	161.9	30.9	70.8	47.4
Between 35 and 44	17.1	11.3	205.8	29.8	45.2	27.8
Between 45 and 54	16.5	9.5	117.1	18.5	24.6	16.4
Between 55 and 64	13.3	12.0	56.2	14.6	12.6	12.9
Between 65 and 74	11.9	6.3	33.4	5.7	7.4	11.5
Over 74	9.5	5.3	13.0	3.1	2.1	14.7
EMPLOYMENT STATUS OF HOUSEHOLD HEAD						
Employee	16.1	7.7	145.2	23.1	37.4	25.4
Self-employed	18.7	18.6	142.7	22.1	18.5	9.3
Retired	12.1	6.8	27.6	7.6	6.1	9.5
Other inactive or unemployed	15.6	12.2	78.9	20.5	32.5	27.7
TENURE STATUS OF MAIN RESIDENCE						
Ownership	16.3	10.2	143.2	23.2	23.3	13.5
Other	12.9	8.0	26.3	8.3	86.2	53.9
NUMBER OF HOUSEHOLD MEMBERS WORKING						
None	14.1	9.0	38.2	12.9	10.6	19.3
One	18.2	14.3	153.9	25.6	32.0	23.9
Two	14.5	7.0	133.1	20.5	35.8	20.9
Three or more	11.8	4.6	51.7	10.6	14.8	13.1
NET WEALTH PERCENTILE						
Less than 25	18.4	13.2	108.0	30.6	110.2	74.4
Between 25 and 50	17.5	9.3	170.0	22.4	37.8	8.1
Between 50 and 75	14.7	7.7	95.6	16.7	16.8	0.0
Between 75 and 90	12.0	7.6	71.7	9.3	7.8	0.0
Between 90 and 100	12.7	11.2	76.8	12.6	6.6	0.0

SOURCE: Banco de España.

figure is higher for the low income levels (25.8%) and diminishes as income rises. By age group, the youngest households assign the highest percentage of their income to debt payments (18.1%). By employment status, the financial burden is highest among households whose head is self-employed (18.7%). The stock of outstanding debts represents, in median terms, 108.8% of annual household income (see the third column of Table 8 for EFF2017). This proportion is greater for households whose head is aged under 45.

Table 9

HOLDINGS OF DURABLE GOODS AND SPENDING ON NON-DURABLE AND DURABLE GOODS**By type of good and household characteristics**

% and thousands of 2017 euro

Household characteristics	EFF2014				
	Value of holdings			Expenditure	
	Cars and other vehicles		Other durable goods	Food	Other non-durable goods
	% owning such good	Median	Median	Median	Median
ALL HOUSEHOLDS	76.4	5.1	12.3	4.9	4.9
INCOME PERCENTILE					
Less than 20	43.6	2.1	6.2	2.5	3.1
Between 20 and 40	65.9	3.1	9.5	3.7	4.0
Between 40 and 60	82.0	3.7	12.3	4.9	5.2
Between 60 and 80	94.0	7.2	15.4	6.2	7.4
Between 80 and 90	94.5	8.2	20.5	6.2	8.5
Between 90 and 100	98.0	12.3	30.8	7.6	13.3
AGE OF HOUSEHOLD HEAD					
Under 35	85.7	5.1	8.2	4.3	4.9
Between 35 and 44	88.9	7.2	14.4	4.9	6.2
Between 45 and 54	86.3	5.1	12.6	4.9	6.1
Between 55 and 64	79.6	5.1	15.4	5.3	5.6
Between 65 and 74	73.9	4.1	15.0	5.3	4.9
Over 74	34.9	2.1	8.2	3.7	3.7
EMPLOYMENT STATUS OF HOUSEHOLD HEAD					
Employee	90.4	6.2	14.4	4.9	6.2
Self-employed	94.6	8.2	18.5	6.2	7.4
Retired	65.8	4.1	12.3	4.9	4.9
Other inactive or unemployed	59.2	3.1	9.3	3.7	3.7
LEVEL OF EDUCATION OF HOUSEHOLD HEAD					
Below secondary education	67.4	4.1	10.3	4.3	4.3
Secondary education	85.3	5.1	15.2	4.9	6.2
University education	90.4	7.2	18.5	6.2	9.5
TENURE STATUS OF MAIN RESIDENCE					
Ownership	79.4	5.5	15.4	4.9	5.5
Other	64.1	4.1	6.2	3.7	3.7
NUMBER OF HOUSEHOLD MEMBERS WORKING					
None	54.8	3.1	10.3	3.7	3.8
One	88.0	5.1	12.3	4.9	5.5
Two	93.6	8.2	15.4	6.2	7.4
Three or more	98.3	8.8	18.5	7.4	8.0
NUMBER OF HOUSEHOLD MEMBERS					
One	43.3	3.1	8.2	3.0	3.7
Two	80.8	4.1	12.3	4.9	4.9
Three	91.0	5.2	15.4	5.3	6.2
Four	95.2	6.2	15.4	6.2	7.4
Five or more	86.4	5.1	15.7	6.2	7.4
NET WEALTH PERCENTILE					
Less than 25	66.1	4.0	6.2	3.7	3.7
Between 25 and 50	73.4	4.1	10.3	4.5	4.6
Between 50 and 75	78.2	5.9	15.4	4.9	4.9
Between 75 and 90	86.0	6.2	20.5	6.2	7.4
Between 90 and 100	90.2	9.2	30.8	7.4	9.9

SOURCE: Banco de España.

EFF2014

Expenditure

Cars and other vehicles		Other durable goods		Household characteristics
% incurring expense	Median	% incurring expense	Median	
10.1	10.1	35.1	0.7	ALL HOUSEHOLDS
				INCOME PERCENTILE
3.0	1.5	19.8	0.4	Less than 20
5.8	4.2	26.6	0.5	Between 20 and 40
11.1	8.7	39.5	0.6	Between 40 and 60
15.1	10.1	39.0	0.8	Between 60 and 80
14.0	14.7	53.0	1.0	Between 80 and 90
17.3	18.3	48.2	1.5	Between 90 and 100
				AGE OF HOUSEHOLD HEAD
14.7	8.2	42.0	0.6	Under 35
16.9	10.3	46.5	0.7	Between 35 and 44
11.9	8.2	36.9	0.8	Between 45 and 54
8.1	10.3	34.5	0.7	Between 55 and 64
5.5	12.2	28.4	0.7	Between 65 and 74
2.0	8.7	18.8	0.6	Over 74
				EMPLOYMENT STATUS OF HOUSEHOLD HEAD
15.1	10.3	45.8	0.8	Employee
12.3	7.2	40.1	0.8	Self-employed
4.9	12.2	25.6	0.7	Retired
7.4	5.1	27.0	0.5	Other inactive or unemployed
				LEVEL OF EDUCATION OF HOUSEHOLD HEAD
8.1	6.7	28.9	0.6	Below secondary education
12.1	7.7	40.1	0.8	Secondary education
13.4	17.5	45.9	1.0	University education
				TENURE STATUS OF MAIN RESIDENCE
10.7	10.3	35.7	0.8	Ownership
7.9	8.7	32.5	0.5	Other
				NUMBER OF HOUSEHOLD MEMBERS WORKING
4.3	10.3	23.1	0.5	None
11.9	10.3	39.7	0.6	One
16.3	9.4	46.7	1.0	Two
17.7	7.2	50.6	0.8	Three or more
				NUMBER OF HOUSEHOLD MEMBERS
2.7	11.9	25.4	0.5	One
9.2	14.4	33.2	0.7	Two
13.7	10.3	39.6	0.8	Three
18.1	6.2	45.1	0.9	Four
9.4	7.7	39.6	0.7	Five or more
				NET WEALTH PERCENTILE
9.0	5.0	35.3	0.5	Less than 25
10.8	8.1	30.6	0.6	Between 25 and 50
8.1	12.3	34.2	0.8	Between 50 and 75
11.2	10.3	41.3	0.9	Between 75 and 90
14.8	14.5	38.9	1.2	Between 90 and 100

Table 9 (cont'd)

HOLDINGS OF DURABLE GOODS AND SPENDING ON NON-DURABLE AND DURABLE GOODS (cont'd)**By type of good and household characteristics**

% and thousands of 2017 euro

Household characteristics	EFF2017				
	Value of holdings			Expenditure	
	Cars and other vehicles		Other durable goods	Food	Other non-durable goods
	% owning such good	Median	Median	Median	Median
ALL HOUSEHOLDS	75.5	6.0	12.0	4.8	4.9
INCOME PERCENTILE					
Less than 20	44.5	2.5	5.8	3.0	3.0
Between 20 and 40	64.7	3.3	8.0	3.6	4.2
Between 40 and 60	81.8	4.7	11.9	4.8	5.3
Between 60 and 80	91.2	7.0	15.0	6.0	6.3
Between 80 and 90	94.3	9.5	19.1	6.0	8.5
Between 90 and 100	96.4	14.7	24.9	8.4	10.3
AGE OF HOUSEHOLD HEAD					
Under 35	74.4	7.0	6.0	3.6	4.8
Between 35 and 44	88.4	7.0	12.0	4.8	6.0
Between 45 and 54	85.3	6.0	12.0	4.8	6.0
Between 55 and 64	82.4	6.0	12.0	5.3	5.4
Between 65 and 74	71.3	4.0	12.0	5.4	4.8
Over 74	38.5	3.0	9.0	4.0	3.6
EMPLOYMENT STATUS OF HOUSEHOLD HEAD					
Employee	88.2	7.0	12.0	4.8	6.0
Self-employed	92.4	10.0	15.0	6.0	6.0
Retired	65.5	3.6	12.0	5.2	4.8
Other inactive or unemployed	54.9	3.5	6.3	3.6	3.6
LEVEL OF EDUCATION OF HOUSEHOLD HEAD					
Below secondary education	67.2	5.0	9.9	4.8	4.3
Secondary education	84.4	6.0	12.0	4.8	6.0
University education	86.1	8.0	17.9	6.0	7.4
TENURE STATUS OF MAIN RESIDENCE					
Ownership	80.7	6.0	14.5	4.8	5.4
Other	59.3	4.0	5.0	3.6	3.9
NUMBER OF HOUSEHOLD MEMBERS WORKING					
None	54.0	3.0	9.5	3.8	3.9
One	82.4	5.6	10.0	4.8	4.9
Two	94.4	8.5	14.0	6.0	7.0
Three or more	88.6	11.3	20.0	8.4	7.8
NUMBER OF HOUSEHOLD MEMBERS					
One	44.9	3.0	7.5	3.0	3.6
Two	79.3	5.0	12.0	4.8	4.8
Three	91.5	7.1	12.0	5.8	6.0
Four	92.3	7.0	15.0	6.0	7.2
Five or more	82.3	8.0	12.1	7.2	6.8
NET WEALTH PERCENTILE					
Less than 25	61.5	4.0	5.0	3.6	3.6
Between 25 and 50	72.3	5.0	10.0	4.8	4.8
Between 50 and 75	79.0	6.0	15.0	4.8	4.9
Between 75 and 90	89.0	8.0	20.0	6.0	6.8
Between 90 and 100	89.5	10.0	30.0	7.2	9.6

SOURCE: Banco de España.

EFF2017

Expenditure

Cars and other vehicles		Other durable goods		Household characteristics
% incurring expense	Median	% incurring expense	Median	
15.5	8.0	47.4	0.8	ALL HOUSEHOLDS
				INCOME PERCENTILE
6.0	3.0	35.7	0.4	Less than 20
12.1	4.1	39.3	0.6	Between 20 and 40
14.9	9.0	51.0	0.9	Between 40 and 60
24.5	7.8	52.8	1.0	Between 60 and 80
17.2	11.3	58.1	1.1	Between 80 and 90
22.4	18.8	58.7	1.6	Between 90 and 100
				AGE OF HOUSEHOLD HEAD
17.7	8.0	63.4	0.9	Under 35
21.3	6.0	57.4	0.8	Between 35 and 44
20.0	7.4	55.1	1.0	Between 45 and 54
19.8	10.1	44.4	1.0	Between 55 and 64
6.4	12.0	36.8	0.9	Between 65 and 74
3.3	6.5	29.0	0.5	Over 74
				EMPLOYMENT STATUS OF HOUSEHOLD HEAD
20.1	8.1	57.7	1.0	Employee
26.0	12.0	52.0	1.0	Self-employed
7.2	10.0	36.3	0.7	Retired
11.9	3.3	39.2	0.6	Other inactive or unemployed
				LEVEL OF EDUCATION OF HOUSEHOLD HEAD
13.5	5.6	40.3	0.7	Below secondary education
16.7	10.0	55.1	1.0	Secondary education
19.0	15.0	56.6	1.0	University education
				TENURE STATUS OF MAIN RESIDENCE
16.0	11.0	48.0	1.0	Ownership
13.8	3.4	45.8	0.6	Other
				NUMBER OF HOUSEHOLD MEMBERS WORKING
6.0	4.0	34.5	0.6	None
16.0	8.0	49.3	0.8	One
25.6	10.0	61.4	1.0	Two
29.0	9.0	55.9	1.1	Three or more
				NUMBER OF HOUSEHOLD MEMBERS
6.5	5.9	35.6	0.5	One
12.9	11.0	44.7	0.8	Two
20.1	7.0	54.9	1.0	Three
25.4	10.0	57.4	1.0	Four
23.0	6.4	57.3	1.0	Five or more
				NET WEALTH PERCENTILE
14.8	3.3	46.8	0.5	Less than 25
14.7	8.0	44.0	0.7	Between 25 and 50
14.8	9.7	49.4	0.9	Between 50 and 75
18.3	11.9	49.1	1.0	Between 75 and 90
16.3	17.0	50.2	1.7	Between 90 and 100

The proportion of households that assign more than 40% of their gross income to payment of their debts is 9.8% of indebted households (see the second column of Table 8) or 5.2% of all households.¹⁸ In the bottom quintile of the income distribution, 30.8% of households with debts cross this threshold, equivalent to 9.3% of total households in this income bracket. In addition, 20.4% of indebted households have debts that are more than three times their gross annual income (see the fourth column of Table 8 for EFF2017). Again this figure is higher for lower-income households (27.1%), households aged under 35 (30.9%) and households in the bottom quartile of the net wealth distribution (30.6%).

The last two columns of Table 8 present the ratio of debt to gross wealth. For the median indebted household, its debts account for 28% of the total value of its assets (real plus financial assets). Moreover, 21.3% of indebted households have debts that exceed 75% of their assets. In this case also, the proportion of households that exceed this threshold is higher for certain groups; in particular, 47.4% of indebted households aged under 35 (29.4% of total households aged under 35) have debts that exceed 75% of their assets.

Compared with end-2014, the median indebted household assigned 2.8 pp less of its gross income to debt payments in 2017, the lowest figure observed since 2008. The largest decreases were for households in the bottom two deciles of the income distribution, young households and those whose head was unemployed or economically inactive. In addition, for the median indebted household the volume of debt as a percentage of annual income declined sharply, by 47 pp. Also, very substantial decreases are observed across nearly all groups of households, especially for those whose head was aged under 35 (243.5 pp), households in the lower deciles of the income distribution (between 97 pp and 253 pp) and those in the bottom quartile of the wealth distribution (228 pp).

In 2017, 5.2% of all households – whether or not indebted – assigned more than 40% of their gross income to payment of their debts. Compared with 7.3% in 2014, this is a drop of 2.1 pp. Similarly, between 2014 and 2017 the proportion of households with debts that were more than three times their gross annual income fell by 4.4 pp. In general, both indicators show widespread declines for all groups, but especially for households whose head was aged under 35 or was unemployed or economically inactive and for households at the lower end of the income and the wealth distribution.

Lastly, between 2014 and 2017, the median household saw its debt-to-asset ratio fall by 2.3 pp. In the case of households whose head was aged under 35, the drop was considerable (-15.1 pp). However, the percentage of indebted households whose

18 The percentage of total households that assign more than 40% of their gross income to payment of their debts is obtained by multiplying the proportion of indebted households that assign more than this percentage (shown in each row of Table 8) by the proportion of indebted households (shown in the last column of Table 7).

debt exceeded 75% of their assets underwent little change, save in the case of younger households where it fell by 5.8 pp.

Other information

The definition of household wealth does not include the value of vehicles and other durable goods. Table 9 provides information, by household characteristics, on the percentage of households that own cars or other vehicles and on the median value of these and all other durable goods.¹⁹ The differences by type of household are as expected. In particular, the percentage of households owning a vehicle, the median value of that vehicle and the median value of the other durable goods increase with income and net wealth. The ownership of cars and other vehicles fell slightly between end-2014 and end-2017 for households overall (from 76.4% to 75.5%), but more so for younger households (from 85.7% to 74.4%). However, the median value of these goods rose in all groups.

The EFF also includes information on household expenditure, given the importance of its relationship with household income, wealth and debt distribution. Table 9 presents information on the distribution of different expenditure items according to household characteristics. Spending on food and other non-durable goods varies significantly with income and net wealth. The percentage of households that spend on vehicles or other durable goods is practically constant across the net wealth distribution and is higher in the top two quintiles of the income distribution than in the lower ones. Among the households that purchase durable goods, the amount spent increases both with net wealth and income.

Compared with end-2014, the percentage of households that purchased cars and other vehicles in the last 12 months rose (by 5.3 pp), and likewise the percentage that purchased other durable goods (by 12.3 pp). The percentage of households that purchased vehicles or other durable goods in the last 12 months increased among all population groups, although the change in the amount spent on the two categories varied according to the good in question. In the case of vehicles, the median amount spent fell by 20.5%, while for other durable goods it rose by 11.3%. In other words, compared with 2014, a higher percentage of households purchased vehicles in the last 12 months, but among those doing so the amount they spent was less in 2017. In general, most noteworthy were the increases in spending on durable goods observed in the top quartile of the net wealth distribution (more than 15% on vehicles and up to 40.8% on other durable goods), among homeowners (7.1% on vehicles and 21.7% on other durable goods) and among the self-employed (66.9% on vehicles and 21.7% on other durable goods).

19.12.2019.

¹⁹ Specifically, the EFF includes household furnishings, fittings and appliances in this category.

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DATA USED: EFF2017 METHODS**Questionnaire**

The EFF questionnaire is divided into nine main sections, defined according to the variables studied, as follows:

- 1 Demographics
- 2 Real assets and associated debts
- 3 Other debts
- 4 Financial assets
- 5 Insurance and pensions
- 6 Employment status and labour income
- 7 Non-labour income in the previous calendar year (2016)
- 8 Use of payment instruments
- 9 Consumption and savings

The questions on assets and debts refer to the household as a whole, while those on employment status and labour income are for each household member over the age of 16. Almost all the information relates to the time of the interview, although data are also collected on all pre-tax income in the previous calendar year, in this case, 2016. The information was collected by means of personal interviews with the households, conducted between October 2017 and May 2018. The interviews were carried out by interviewers with specific training and, given the complexity and length of the questionnaire, were computer-assisted.

Sample design

As in the previous editions of the EFF, the design of the sixth edition took into account two main objectives. First, that the sample should have the same characteristics as regards quality and representativeness of the population, in addition to oversampling of wealth. Second, that the 2017 sample should have a panel component, that is, that it should include a set of households that participated in previous editions of the EFF. Regarding this longitudinal dimension, the sixth edition maintains the rotation system introduced in the fifth edition, which limits the maximum number of editions of the survey in which a household may participate. Specifically, the EFF2017 sample does not include households that were interviewed for the EFF2002 or the EFF2005. Accordingly, a system of linked sub-panels has been introduced, which makes it possible to combine the representativeness of economic activity at each time with the longitudinal component. To reconcile

the two objectives, a refreshment sample has been designed to complement the longitudinal component (making for a total sample of 8,697 households) and to ensure that, when used in combination with the longitudinal part, the overall sample satisfies the representativeness and oversampling requirements. This sample has been obtained thanks to the cooperation of the INE and the tax authorities, through a coordination mechanism that enables household wealth levels to be assigned, observing strict confidentiality and anonymity requirements at all times, to achieve the objectives set by the sample design. This ensures the representativeness of the information obtained, while securing accurate information on the behaviour of the top wealth household segment and including a longitudinal component. A procedure has been included in the sample design for replacing non-respondent households with others with very similar income and wealth levels, thus ensuring that the desired characteristics of the sample are maintained.

Interviews

A total of 6,413 valid interviews were obtained, of which 3,634 are households that participated in EFF2014. Of these 3,634 households, 475 have participated since 2008, 1,171 since 2011 and 1,988 since 2014. The percentage of households that could not be contacted owing to prolonged absence amounted to 4.6% of the total, while the overall cooperation rate was 53.9%.¹ However, for the longitudinal component of the sample, the overall cooperation rate was 76%. Overall, the degree of oversampling in the final sample is satisfactory. For example, the highest percentile of the wealth distribution is represented in the EFF2017 sample by 777 households. In the absence of oversampling, assuming a uniform response rate across wealth levels, barely 64 households might be expected at best in this percentile, which would hamper statistical analysis of the population segment in which the most complex financial decisions are concentrated. Lastly, the validation exercises carried out using the information contained in other national statistics and the comparison exercises made with similar surveys conducted in other countries give satisfactory results.

Weights and imputation

To obtain figures representative of the population, use is made of weights, that is, the frequency with which

¹ The cooperation rate is defined as the ratio of the number of completed interviews to the sum of the number of completed interviews and the number of refusals to participate.

DATA USED: EFF2017 METHODS (cont'd)

households in the sample are to be found in the total household population. To calculate these weights, account is taken mainly of the sample design characteristics, and adjustments are made to reflect the different non-response rate by income and wealth level. At this point it should be noted that the updated weights provided by the INE subsequent to release of the results of the EFF2011 have been used to calculate the results shown here for 2011. These new weights have been calculated drawing on the 2011 Census and show some differences from the earlier version (which drew on the 2001 Census and the continuously updated municipal population register). In consequence, there may be some differences in some figures and results compared with those already released in the EFF2011 documents.

The lack of response to certain questions is an inherent characteristic of wealth surveys. This type of non-response arises when a household agrees to reply to the survey but leaves one or several questions unanswered, because they do not know the answer or for other reasons. Any analysis based exclusively on fully completed questionnaires could bias the results significantly. Accordingly, the Banco de España has devised a system of imputations for non-observed values to facilitate analysis of the data. These imputations are based on advanced statistical techniques, with several estimates being obtained for each non-observed value, so as to take into account the uncertainty associated with the imputation.² The statistics analysed are obtained by combining the information drawn from these multiple imputations.³

2 In the EFF five imputations are provided for each non-observed value.

3 There will foreseeably be minor changes to the data presented here when the process of imputation of the EFF variables not used in the compilation of this report concludes.