

ANALYTICAL ARTICLES

Economic Bulletin

3/2022

BANCO DE **ESPAÑA**  
Eurosistema

SURVEY OF HOUSEHOLD FINANCES (EFF) 2020:  
METHODS, RESULTS AND CHANGES SINCE 2017

## ABSTRACT

This article presents the main results of the Survey of Household Finances 2020, which reflect the financial position of Spanish households at end-2020. These results are of particular interest, since they allow for overall analysis of the income, assets, debt and spending of Spanish households in the context of the COVID-19 pandemic. The article also describes the key changes compared with the last edition of the survey, referring to 2017.

## 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.<sup>1</sup> Specifically, the 2020 wave (hereafter, “EFF2020”) is the seventh edition of the survey and offers a representative and updated picture of the composition and distribution of household assets, debt and income as at December 2020. Given the lack of detailed household-level information on debt, income and wealth, the concurrence of this edition with the COVID-19 pandemic allows for all these variables to be analysed together in an exceptional setting. This new wave also enables the analysis of the changes in Spanish households’ financial position to be extended to the period from end-2017 to end-2020.<sup>2</sup> Over this period, and up until the outbreak of the pandemic, the Spanish economy experienced sustained and prolonged growth. However, this expansionary phase, which had begun at the end of 2013, was brought to an abrupt halt in March 2020 by the health and economic crisis triggered by the COVID-19 pandemic, the impact of which still persists today. The availability of data for the 2002-2020 period allows for this impact to be analysed taking into account developments in Spanish households’ financial position in earlier phases of the economic cycle.

Although the complexity of the context in which EFF2020 was conducted meant that certain methodological aspects had to be reviewed,<sup>3</sup> the survey maintains two important sample characteristics, as in previous editions. First, some of the households that had participated in previous editions were re-interviewed. Combining the samples from different editions allows us to observe a sub-set of households at

- 
- 1 The EFF forms part of the Household Finance and Consumption Survey (HFCS), a harmonised survey that the euro area system of central banks has been conducting since 2011 on households’ financial position and consumption. In the first wave, 62,000 households in 15 euro area countries were interviewed. In the second wave, information was provided for a sample of 84,000 households in a total of 18 EU countries, and in Hungary and Poland. In the third wave, 91,000 households were interviewed in 19 euro area countries, as well as in Croatia, Hungary and Poland. The microdata and the documents with the main results of the first two waves can be accessed on the ECB website [https://www.ecb.europa.eu/pub/economic-research/research-networks/html/researcher\\_hfcn.en.html](https://www.ecb.europa.eu/pub/economic-research/research-networks/html/researcher_hfcn.en.html).
  - 2 To this end, both the tables referring to households’ financial position in 2020 and those referring to 2017 are provided, in both cases in 2020 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 2014, in 2020 euro, for an analysis of household developments from a longer-term perspective.
  - 3 A detailed description of all the methodological aspects of the implementation of EFF2020 will be provided in Alvar González et al. (2022), to be published in the coming months.

different points in time and, in some cases, over a period of almost ten years.<sup>4</sup> This longitudinal dimension is important for analysing the behaviour of income, wealth and consumption throughout the life cycle of households 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 number of households to study the financial behaviour of households 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 National Statistics Institute (INE), the tax authorities and the National Commission on Markets and Competition, 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 (for which we are especially grateful, in the complex context of the pandemic), which have collaborated disinterestedly in this project.

The article describes the main results of EFF2020 and the changes observed in households' financial position in the period from end-2017 to end-2020. The first section reviews the key factors marking the socio-economic context of that period, with particular emphasis on the economic impact of the COVID-19 pandemic. The second section describes the results for household income and net wealth. The third section analyses households' ownership of financial and real 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 additional information on its design and implementation. These latter aspects will be described in greater detail in Alvargonzález et al. (2022).

## The socio-economic context in the 2017-2020 period

In late 2013, the Spanish economy embarked on a growth phase which continued in subsequent years. However, while GDP grew on average between 3% and 3.8% in annual terms in the 2015-2017 period, growth in the two subsequent years was significantly lower, at just over 2%. This moderation in the activity growth rate, in line with a gradual convergence of the economy's growth rate towards its potential growth

---

<sup>4</sup> As described in Box 1, the longitudinal sample design of the EFF2020 did not include households interviewed in EFF2002, EFF2005 or EFF2008.

rate, was due to the loss of momentum in both domestic demand and in exports. As in the early years of the recovery, growth continued to be essentially underpinned by improvements in external competitiveness (in any event, far more modest than in previous years) and in the financial position of households, firms and financial institutions, and by expansionary fiscal and monetary policies.

However, in March 2020, the unexpected and sudden outbreak of the COVID-19 pandemic, and the social distancing measures adopted, led to a very deep contraction of global economic activity. Spanish GDP posted a record fall in the first half of 2020, far more than the drop in GDP in the European Union overall. The second half of 2020 saw the start of a fragile recovery process which was highly influenced by the different waves of infections, the mobility restrictions and the social distancing measures. Thus, following strong growth in 2020 Q3, GDP stalled in the final stretch of the year and was still 8.8% below its pre-pandemic level.

Despite the pandemic's adverse impact on activity, the recourse to temporary employment adjustment mechanisms, such as the furlough schemes for wage and salaried workers and the benefits for suspension of activity for the self-employed, helped curb the rise in unemployment. The unemployment rate in 2020 Q3 was only 2.5 percentage points (pp) above that observed in 2019 Q4. Nevertheless, various indicators of effective employment show that the number of hours worked dropped by 10.6% in 2020 overall and that the effective unemployment rate<sup>5</sup> at one point exceeded 35% of the labour force in the first half of the year. This sharp decline was followed by a relatively strong recovery in Q3 and some degree of stagnation in Q4. In addition, the crisis triggered by the pandemic had a stronger impact on sectors employing workers with lower wages and on other vulnerable groups such as workers on temporary contracts, young workers, those with a lower level of education and foreign nationals.

As in 2017, the growth in consumer prices, measured in terms of the harmonised index of consumer prices (HICP), fluctuated strongly in 2018 and early 2019, mainly as a result of developments in oil prices and in the energy component. Thus, the slowing path which had continued throughout 2017 ended in January 2018 at a year-on-year low of 0.7%. From then on, the HICP posted increases during most of 2018 until November, when it resumed a declining trend, in line with developments in its energy component. Barring a few increases at the beginning of the year, this deceleration kept inflation at very moderate levels throughout 2019 (0.2% in September). In 2020, the impact of the pandemic on consumer prices was clearly disinflationary. In annual average terms, overall inflation decreased sharply to -0.3% (1.1 pp below the rate observed in 2019). This inflation pattern is essentially associated with the marked drop in energy prices (oil, electricity and gas) and the significant slowdown in services prices.

---

5 The effective unemployment rate is calculated as the proportion of the labour force represented by unemployed and furloughed workers and self-employed individuals whose activity has been suspended temporarily.

Throughout the 2018-2020 period, bank financing conditions for households remained highly favourable. The continued expansionary monetary policy allowed the interest rates on loans to remain very low, although some signs of tightening in credit standards, particularly for consumer credit, began to appear at the end of 2018 and in 2019. These accommodative financial conditions contributed to the buoyancy of household consumption in those years and to very marked declines in the saving rate, which stood at a record low. However, household consumption plummeted in 2020 owing to the lockdown and mobility restrictions imposed as a result of the COVID-19 crisis, particularly affecting expenditure items relating to leisure and hospitality. This fall in consumption led to an extraordinary rise in savings, largely in the form of bank deposits.

In 2018 and 2019, residential investment continued to post strong growth, albeit slightly more subdued than in the preceding two years and with some fluctuations in 2019. The buoyancy of demand for housing continued to translate into significant increases in housing transactions (especially second-hand homes) and in the number of building permits for new residential development projects. This trend was abruptly reversed in the early months of 2020, owing both to the restrictions on activity and to the heightened uncertainty over the future course of household income. Following a surge in Q3, residential investment declined again in the final months of 2020, with building permits and registered house sales for the year as a whole close to 20% below their 2019 levels.

In 2018, house prices remained on the recovery path that had started in early 2014, rising more moderately in 2019. As a result of these developments, the financial position of households continued to strengthen (despite the fall in stock prices), and an improvement in the debt and debt burden ratios was also observed. Nevertheless, the slowdown in house prices that had commenced in 2019 continued throughout 2020, primarily driven by the average price of second-hand homes. Thus, at end-2020, house prices were, in real terms, 28.7% below the peak reached in 2007.

Growth in Spain's resident population gathered pace in the 2017-2019 period, owing mainly to the increasing number of foreign nationals, which offset the zero growth in the population of Spanish nationals. However, this trend not only came to a halt but was reversed in 2021 H1, a result of the crisis triggered by COVID-19. Specifically, in 2021 H1, there was a decline both in the number of Spanish and foreign nationals, which was more pronounced in the latter case. That said, the net number of foreigners was well above 5 million at end-2020 (11.3% of total residents), having risen by 805,000 since end-2017.

Lastly, the pace of household formation picked up in the 2017-2020 period, compared with the 2014-2017 period. According to Labour Force Survey (EPA) data, while in

2017 Q4 there were 43,300 more households than in 2016 Q4, the number of new households in 2018, 2019 and 2020 was 95,300, 121,900 and 70,900, respectively. This means that in terms of the rate of change, the number of households increased by 1.55% between end-2017 and end-2020, above the figure (0.9%) posted in the 2014-2017 period and more in line with that recorded (2%) in the 2011-2014 period, but well below the increase of 4.6% between 2008 and 2011.

A substantial portion of new households are single-member households, which continued to increase in the 2017-2020 period. On EPA data, they amounted to 4.9 million at end-2020, accounting for 26.2% of total households. By age group, there was an increase in single-member households made up of individuals aged 45-64, which accounted for 32.2% of single-member households at end-2020. The number of households over 65 remained stable at around 44%, while the relative weight of younger households (under 45) declined, accounting for 24% at end-2020.

## Household income and wealth

### Income

Table 1.A<sup>6</sup> 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, for the entire calendar year prior to the survey, which for EFF2020 is 2019 and for EFF2017 is 2016. According to EFF2020, the average annual income of Spanish households in 2019 was €38,900 and median income<sup>7</sup> was €29,400.<sup>8</sup> Income distribution patterns are as to be expected. Specifically, average income reaches its peak for the group of households aged 55-64 and the diminishes for older groups. Also, both average and median income increase with educational level, being substantially higher for households whose head has tertiary education. By employment status,<sup>9</sup> households whose head is self-employed have higher average income.

---

6 All the variables relating to income, wealth, debt and spending values are expressed in 2020 euro using the consumer price index (CPI) as a deflator. To adjust assets and debt to 2020 euro, the EFF2017 figures have been multiplied by 1.0144 and the EFF2014 figures by 1.0419. To adjust the income of the calendar year prior to the survey to 2020 euro, the factors used were 1.0311 for 2014, 1.0257 for 2017 and 0.9947 for 2020.

7 For most of the relevant variables, such as those relating 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.

8 That is to say, 50% of households have income of more than €29,400, and the other 50% have income of less than this figure.

9 It is important to note that in all the tables in this report, the "Employee" category also includes the heads of household who were on furlough when they participated in the survey.

Table 1.A

**HOUSEHOLD INCOME****Breakdown by household characteristics**

% and thousands of 2020 euro

Household characteristics	EFF2014			EFF2017			EFF2020		
	% of households	Median	Mean	% of households	Median	Mean	% of households	Median	Mean
ALL HOUSEHOLDS	100.0	23.6 (0.4) (a)	31.7 0.5	100.0	25.7 (0.5)	35.1 (0.7)	100.0	29.4 (0.4)	38.9 (0.8)
<b>INCOME PERCENTILE</b>									
Less than 20	20.0	8.7	7.9	20.0	9.5	9.0	19.9	9.6	8.9
Between 20 and 40	20.0	15.5	15.4	19.9	17.3	17.1	19.8	18.9	18.9
Between 40 and 60	19.9	23.6	23.7	20.1	25.7	25.8	20.3	29.2	29.3
Between 60 and 80	20.1	35.5	35.7	20.0	38.3	38.7	20.0	42.5	43.2
Between 80 and 90	10.0	51.6	52.1	10.0	55.7	56.6	10.0	61.3	62.1
Between 90 and 100	10.0	81.3	99.6	10.0	87.7	113.3	10.0	98.8	125.9
<b>AGE OF HOUSEHOLD HEAD (b)</b>									
Under 35	8.9	21.6	26.5	7.6	22.6	27.3	6.7	28.1	34.6
Between 35 and 44	21.3	28.9	34.1	20.3	30.4	36.8	19.5	34.6	40.8
Between 45 and 54	22.0	25.7	34.7	22.5	28.5	39.0	24.3	31.3	38.5
Between 55 and 64	18.1	27.9	38.5	19.1	29.0	41.4	20.3	33.3	46.3
Between 65 and 74	15.5	23.1	30.9	15.8	25.5	34.5	15.7	27.6	36.2
Over 74	14.2	14.2	19.2	14.6	15.7	23.5	13.6	17.9	31.1
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>									
Employee	38.5	31.7	40.5	41.9	32.8	41.4	43.3	35.8	44.7
Self-employed	9.5	29.8	39.7	10.1	31.4	47.3	9.4	40.2	52.6
Retired	26.8	21.7	28.5	27.3	23.4	32.7	28.1	25.7	37.4
Other inactive or unemployed	25.1	13.0	18.7	20.7	13.7	19.8	19.3	15.2	21.5
<b>LEVEL OF EDUCATION OF HOUSEHOLD HEAD</b>									
Basic or no education	55.9	17.3	21.4	53.8	19.8	24.7	47.9	21.9	28.6
Secondary	22.9	28.6	33.2	25.5	30.4	36.9	29.8	33.6	39.3
Tertiary	21.2	45.9	57.3	20.8	45.7	60.1	22.3	46.7	60.6
<b>TENURE STATUS OF MAIN RESIDENCE</b>									
Ownership	80.4	26.0	33.6	75.9	28.9	38.1	73.9	32.5	41.8
Other	19.6	16.5	24.0	24.1	17.8	25.7	26.1	21.2	30.8
<b>NUMBER OF HOUSEHOLD MEMBERS WORKING</b>									
None	40.2	14.5	20.3	36.8	16.9	23.6	38.5	17.8	26.4
One	31.9	23.9	30.2	31.8	24.3	32.3	31.6	28.9	36.0
Two	24.2	38.8	47.2	27.5	41.2	50.7	25.9	46.3	56.6
Three or more	3.6	50.7	69.4	4.0	48.7	57.4	4.0	55.1	67.7
<b>NUMBER OF HOUSEHOLD MEMBERS</b>									
One	25.2	12.7	17.9	25.5	14.6	21.3	26.3	14.8	22.2
Two	30.3	24.7	32.1	30.4	26.0	35.0	30.3	29.8	40.1
Three	20.7	28.9	37.9	21.8	31.9	39.1	20.2	36.2	43.5
Four	18.2	32.7	38.8	16.6	36.8	46.5	17.1	41.9	52.1
Five or more	5.6	31.6	47.0	5.7	37.7	49.7	6.2	39.2	52.5
<b>NET WEALTH PERCENTILE</b>									
Less than 25	25.0	16.7	20.2	25.0	17.3	20.7	25.0	18.3	22.9
Between 25 and 50	25.0	18.7	23.9	25.0	21.2	27.1	25.0	23.9	28.5
Between 50 and 75	25.0	24.5	29.5	25.0	27.7	32.7	25.0	33.3	39.9
Between 75 and 90	15.0	34.2	41.6	15.0	37.9	46.2	15.0	42.3	49.6
Between 90 and 100	10.0	54.0	70.8	10.0	59.0	80.9	10.0	61.7	86.3

**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 their partner if the reference person is a woman and her partner lives in the household.



Compared with EFF2017,<sup>10</sup> households' real median income had increased by 14.1%, while average income had grown by 10.7%.<sup>11</sup> These increases mean that, following the decline in income between 2010 and 2013,<sup>12</sup> the upward trend observed between 2013 and 2016 not only continued but was marked by higher and more across-the-board increases.<sup>13, 14</sup> By income level, positive changes in median income of around 10% are observed across practically the entire distribution, with higher increases in the middle quintiles. The exception is the bottom quintile, in which average income fell by 1.4%, leading to greater inequality compared with the income distribution in 2016.

There was also substantial growth in income for households in the other age groups, particularly in younger households, with increases of more than 20%, such that the median income for this group exceeded the level attained in 2010.<sup>15, 16</sup> By employment status, households whose head was self-employed posted the largest increases, exceeding 20% for median income. By level of wealth, the growth in income was observed across the entire distribution, and was higher in the middle quartiles. From a longer-term perspective, these widespread improvements notably led to most of the groups having higher median income in 2019 than in 2010.<sup>17</sup>

## Net wealth

Table 1.B tracks net wealth<sup>18</sup> for the last three editions of the EFF according to household characteristics. In 2020, median net household wealth was €122,000 and average net household wealth €269,900. By age group, net wealth conforms to the

---

10 In this respect, we should recall that, in any event, the annual household income included in EFF2017 refers to 2016.

11 It is also important to note that the change in average income in the 2016-2019 period resulting from comparison of EFF2020 with EFF2017 is consistent with that which arises from the comparison of the National Accounts data for those years.

12 See "Survey of Household Finances (EFF) 2017: methods, results and changes since 2014" (2019), at <https://www.bde.es/f/webbde/SES/Secciones/Publicaciones/InformesBoletinesRevistas/ArticulosAnaliticos/19/T4/descargar/Files/be1904-art38e.pdf>.

13 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 explained in the main by the course of labour income (which includes wages, pensions and unemployment benefits).

14 Similar patterns are observed when analysing households' gross monthly income at the time of the survey.

15 However, it should be noted that only a third of adults under 35 have their own home. Thus, the increase in income for households under 35 does not capture income developments for all young adults overall, but probably does reflect the higher educational level of those who were able to form a new household between 2017 and 2020.

16 See "Survey of Household Finances (EFF) 2017: methods, results and changes since 2014" (2019), at <https://www.bde.es/f/webbde/SES/Secciones/Publicaciones/InformesBoletinesRevistas/ArticulosAnaliticos/19/T4/descargar/Files/be1904-art38e.pdf>.

17 See "Survey of Household Finances (EFF) 2017: methods, results and changes since 2014" (2019), at <https://www.bde.es/f/webbde/SES/Secciones/Publicaciones/InformesBoletinesRevistas/ArticulosAnaliticos/19/T4/descargar/Files/be1904-art38e.pdf>.

18 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 2020 euro

Household characteristics	EFF2014		EFF2017		EFF2020	
	Median	Mean	Median	Mean	Median	Mean
ALL HOUSEHOLDS	124.7 (3.5) (a)	254.4 (8.0)	116.6 (3.7)	255.5 (7.0)	122.0 (3.0)	269.9 (11.0)
INCOME PERCENTILE						
Less than 20	62.6	89.3	48.0	88.7	40.6	87.0
Between 20 and 40	84.6	130.9	76.0	134.7	86.3	133.9
Between 40 and 60	122.6	194.9	118.0	180.1	110.9	174.3
Between 60 and 80	169.5	258.3	154.8	255.9	173.1	273.6
Between 80 and 90	198.0	338.3	216.3	337.1	228.8	378.9
Between 90 and 100	453.4	856.1	439.4	897.6	424.7	979.2
AGE OF HOUSEHOLD HEAD						
Under 35	5.0	84.7	5.4	47.6	23.9	68.3
Between 35 and 44	72.0	126.2	65.8	136.9	70.2	139.7
Between 45 and 54	129.3	219.5	116.0	243.1	116.4	264.2
Between 55 and 64	194.7	376.6	177.0	318.0	160.6	329.3
Between 65 and 74	215.5	408.4	183.1	373.8	195.8	363.2
Over 74	132.1	282.2	131.4	338.6	162.6	369.4
EMPLOYMENT STATUS OF HOUSEHOLD HEAD						
Employee	96.9	172.0	90.5	162.7	103.0	180.4
Self-employed	269.2	548.2	235.3	559.7	224.4	663.5
Retired	192.5	363.3	181.8	376.8	206.6	374.6
Other inactive or unemployed	78.6	153.2	74.2	136.2	55.4	127.8
LEVEL OF EDUCATION OF HOUSEHOLD HEAD						
Basic or no education	98.7	171.3	89.4	160.3	91.9	166.5
Secondary	129.6	247.9	124.1	257.9	127.1	262.3
Tertiary	243.1	480.2	219.5	499.1	226.6	502.7
TENURE STATUS OF MAIN RESIDENCE						
Ownership	157.8	302.2	162.1	318.6	169.7	341.1
Other	1.2	58.7	2.5	56.9	3.6	68.1
NUMBER OF HOUSEHOLD MEMBERS WORKING						
None	127.5	252.5	121.5	264.5	121.5	264.3
One	102.2	212.6	94.4	236.5	104.7	270.3
Two	129.9	278.1	127.7	257.6	134.7	261.5
Three or more	276.4	484.3	167.9	309.2	149.6	376.5
NUMBER OF HOUSEHOLD MEMBERS						
One	99.7	205.5	83.7	184.0	92.8	186.1
Two	152.1	303.9	150.6	332.6	165.2	361.4
Three	115.3	241.9	111.6	205.3	121.3	228.0
Four	128.8	253.2	143.4	271.5	125.8	270.0
Five or more	121.3	256.0	104.1	309.6	98.6	314.8
NET WEALTH PERCENTILE						
Less than 25	0.5	-1.4	0.7	-0.2	0.4	-0.1
Between 25 and 50	78.6	79.3	72.3	72.8	76.6	76.8
Between 50 and 75	183.8	186.0	175.3	179.7	180.7	186.4
Between 75 and 90	349.5	363.0	358.7	370.1	375.7	391.0
Between 90 and 100	823.1	1,336.7	834.8	1,367.0	901.2	1,452.3

**SOURCE:** Banco de España.

a Bootstrap standard errors using replicate weights in brackets.

expected life-cycle profile, peaking for households whose head was 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 capacity to save among high-income households and differences in their saving rate and in the composition of and return on their asset portfolios.

From end-2017 to end-2020, median net household wealth grew by 4.6% (5.6% for average wealth), reversing the downward trend observed in the 2011-2017 period, which accumulated a decline of 27%.<sup>19</sup> These increases in total household income mask very marked differences across groups. Thus, median wealth rose substantially for young households (to €23,900), where low levels had been observed (around €5,000) in 2014 and 2017. But even so, their level of wealth remained well below that attained by this group in 2011 (€72,630). Median wealth also increased for households whose head was aged over 65 or between 35 and 44, households whose head was employed or those whose head was retired. Average and median wealth grew across practically the entire net wealth distribution, except in the bottom quartile, in which both fell significantly (54% and 41%, respectively).<sup>20</sup> This fall meant that median wealth for this group was €400, well below the figure observed in 2011 (€7,100). The fall in the bottom quartile and the bigger increases observed in the top quartile of the distribution reflect greater wealth inequality.

In addition, median net wealth declined steeply in the bottom quintile of the income distribution (15.5%), for households whose head was self-employed (5%) and for those in which the head was unemployed or economically inactive (25%). The fall in the median net wealth of self-employed individuals adds to that already experienced between 2014 and 2017 (13%) and between 2011 and 2014 (17%). Conversely, the average net wealth of this group grew by 18.6% between 2017 and 2020.<sup>21</sup>

## Assets

The percentage of households owning some type of real or financial asset is 98.2% (see the final column of Table 3), with the median value of these households' assets being €160,700 at end-2020. Compared with EFF2017, both the percentage of households owning some type of asset and the median value of their assets rose slightly (0.6 pp and 2%, respectively).

---

19 See "Survey of Household Finances (EFF) 2017: methods, results and changes since 2014" (2019), at <https://www.bde.es/f/webbde/SES/Secciones/Publicaciones/InformesBoletinesRevistas/ArticulosAnaliticos/19/T4/descargar/Files/be1904-art38e.pdf>.

20 However, from a longer-term perspective, since 2014, increases in median net wealth have only been observed in the top quartile.

21 The differing paths of median and average wealth for this group could be due to the increase in the net wealth of households with very high values for this variable, to which the distribution mean is more sensitive.

## 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 79.2% 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 (72.8%). 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 52.9% of the value of real assets for households as a whole and for 41.9% of the value of total assets. Next after housing in terms of importance are other real estate properties,<sup>22</sup> which account for 35.1% of real assets and for 27.8% of total assets, followed by businesses related to a household member's self-employment,<sup>23</sup> which account for 10.5% of real assets and for 8.3% of total assets. As the 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 businesses represents 35.8% of the total value of their real assets.

Between end-2017 and end-2020, the value of real assets as a proportion of the value of total assets decreased slightly —by 0.7 pp—, remaining close to 80% for households as a whole. However, taking a longer view, the share of real assets relative to total assets has fallen by 10 pp since end-2008. By type of real asset, as in the previous period,<sup>24</sup> a change in households' mix of such assets is observed, but with different trends. Whereas the main residence lost share relative to total assets (from 43.5% at end-2017 to 41.9% at end-2020), the relative contribution of other real estate properties remained unchanged, such that, on the whole, the weight of real estate assets diminished by 2 pp (71.6% in 2017 and 69.7% in 2020), while the relative weight of businesses increased from 7.5% to 8.3%. This change in the mix of assets presents differences between groups. While the decrease in the weight of the main residence is fairly widespread across almost all groups, it is particularly marked for the youngest households (11.5 pp), where other properties and businesses gain weight (7 pp and 2.2 pp, respectively). Similarly, for households in the bottom quintile of the income distribution, the weight of the main residence decreases (6.7 pp) and that of other properties and businesses increases (3.2 pp<sup>25</sup> and 3.5 pp,

---

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

23 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 its real estate properties.

24 See "Survey of Household Finances (EFF) 2017: methods, results and changes since 2014" (2019), at <https://www.bde.es/f/webbde/SES/Secciones/Publicaciones/InformesBoletinesRevistas/ArticulosAnaliticos/19/T4/descargar/Files/be1904-art38e.pdf>.

25 Since end-2014, the weight of other real estate properties relative to total assets has increased by between 5 pp and 7 pp for households in the lower two quintiles of the income distribution, and by around 5 pp in the second to bottom quartile of the net wealth distribution.

Table 2

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

Household characteristics	EFF2017					Total	Memorandum item: real assets as % of total assets
	Main residence	Other real estate properties	Businesses related to self-employment	Jewellery, works of art, antiques			
ALL HOUSEHOLDS	54.4	35.1	9.4	1.1	100.0	79.9	
<b>INCOME PERCENTILE</b>							
Less than 20	73.4	24.2	1.0	1.4	100.0	88.0	
Between 20 and 40	59.9	30.0	9.0	1.1	100.0	86.3	
Between 40 and 60	63.4	29.0	6.4	1.2	100.0	85.3	
Between 60 and 80	60.8	33.4	5.1	0.7	100.0	83.4	
Between 80 and 90	57.7	35.3	6.2	0.8	100.0	80.2	
Between 90 and 100	37.3	43.8	17.3	1.5	100.0	72.0	
<b>AGE OF HOUSEHOLD HEAD</b>							
Under 35	71.2	24.2	4.2	0.4	100.0	85.2	
Between 35 and 44	62.5	24.8	12.1	0.6	100.0	85.7	
Between 45 and 54	53.0	33.6	12.5	0.8	100.0	83.5	
Between 55 and 64	52.8	36.5	9.8	0.9	100.0	80.0	
Between 65 and 74	51.2	38.6	9.2	1.0	100.0	77.3	
Over 74	52.5	42.5	2.3	2.7	100.0	73.1	
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>							
Employee	67.2	30.5	1.5	0.8	100.0	82.1	
Self-employed	34.4	32.2	32.9	0.5	100.0	82.2	
Retired	52.7	41.3	4.1	1.9	100.0	76.2	
Other inactive or unemployed	62.6	35.0	1.3	1.1	100.0	81.5	
<b>NET WEALTH PERCENTILE</b>							
Less than 25	84.8	12.6	1.3	1.4	100.0	85.1	
Between 25 and 50	81.0	15.5	2.7	0.8	100.0	87.2	
Between 50 and 75	74.7	21.3	2.8	1.2	100.0	86.4	
Between 75 and 90	59.7	34.9	4.6	0.8	100.0	83.7	
Between 90 and 100	35.5	46.8	16.4	1.3	100.0	74.3	

SOURCE: Banco de España.

respectively). However, a higher increase is observed in the relative weight of businesses in the top decile of the wealth distribution (1.7 pp) and in the top decile of the income distribution (3 pp).

At end-2020, 84.4% of households owned some type of real asset (see Table 3), and the median value of these households' real assets was €163,200. Compared with end-2017, the percentage of households with some type of real asset remained largely unchanged, although significant falls were observed for some groups such as households in the 80th and 90th income percentiles (4.4 pp), households whose head is aged between 35 and 54 (around 2 pp) and those who are economically inactive or unemployed (3 pp). For households owning a real asset, the median value at end-2020 was 3.4% higher than at

Table 2 (cont'd)

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

Household characteristics	EFF2020					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	52.9	35.1	10.5	1.4	100.0	79.2
INCOME PERCENTILE						
Less than 20	65.8	27.8	5.0	1.3	100.0	87.8
Between 20 and 40	68.7	26.7	3.0	1.6	100.0	86.1
Between 40 and 60	68.0	28.7	2.4	1.0	100.0	83.6
Between 60 and 80	58.8	31.6	8.0	1.6	100.0	81.0
Between 80 and 90	52.4	40.0	6.8	0.8	100.0	79.4
Between 90 and 100	34.4	42.6	21.2	1.8	100.0	72.8
AGE OF HOUSEHOLD HEAD						
Under 35	59.2	33.1	7.0	0.7	100.0	83.3
Between 35 and 44	59.3	26.6	13.7	0.5	100.0	84.6
Between 45 and 54	49.8	33.3	16.1	0.8	100.0	83.2
Between 55 and 64	51.8	35.3	11.6	1.2	100.0	76.1
Between 65 and 74	55.9	37.4	4.8	2.0	100.0	76.5
Over 74	49.7	42.9	4.2	3.2	100.0	76.0
EMPLOYMENT STATUS OF HOUSEHOLD HEAD						
Employee	64.2	30.2	4.7	0.9	100.0	81.8
Self-employed	28.7	35.8	34.9	0.6	100.0	81.0
Retired	54.7	40.6	2.1	2.6	100.0	74.7
Other inactive or unemployed	63.5	31.6	3.1	1.7	100.0	82.6
NET WEALTH PERCENTILE						
Less than 25	82.8	13.7	1.9	1.5	100.0	85.4
Between 25 and 50	78.4	18.5	2.5	0.6	100.0	85.1
Between 50 and 75	73.8	21.6	3.2	1.3	100.0	84.6
Between 75 and 90	61.3	33.1	4.6	1.0	100.0	82.0
Between 90 and 100	33.3	46.3	18.5	1.9	100.0	74.6

SOURCE: Banco de España.

end-2017. While in general the median value of real assets increased notably for most groups, there were sharp falls for households in the bottom quartile of the net wealth distribution (16.5%) and for households whose head was unemployed or otherwise economically inactive (8.2%).

### Main residence

The percentage of households owning their main residence (73.9% in 2020) is generally higher as income increases and, by age, it peaks in households whose

Table 3

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

% and thousands of 2020 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
	<b>Percentage of households owning asset</b>					
ALL HOUSEHOLDS	75.9	45.0	11.4	22.2	84.7	97.6
<b>INCOME PERCENTILE</b>						
Less than 20	60.5	27.2	4.0	16.2	70.3	92.4
Between 20 and 40	67.4	35.2	8.3	16.2	77.8	97.1
Between 40 and 60	78.7	42.1	12.0	18.3	86.7	98.9
Between 60 and 80	84.4	53.6	12.7	26.1	92.1	99.5
Between 80 and 90	89.8	60.5	14.5	28.6	96.8	100.0
Between 90 and 100	86.8	72.8	25.8	39.7	95.7	100.0
<b>AGE OF HOUSEHOLD HEAD</b>						
Under 35	41.3	17.8	10.1	16.6	60.0	93.7
Between 35 and 44	70.4	30.8	15.9	18.4	81.2	96.7
Between 45 and 54	76.1	45.2	17.3	22.9	85.8	97.6
Between 55 and 64	83.3	54.5	14.4	25.3	88.9	98.5
Between 65 and 74	84.2	61.2	3.4	21.9	88.9	98.0
Over 74	82.4	48.4	1.7	25.4	90.5	99.2
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>						
Employee	72.8	37.5	5.3	21.7	82.4	98.3
Self-employed	81.9	60.9	78.3	22.5	96.6	99.4
Retired	85.5	57.6	3.0	24.6	91.1	99.0
Other inactive or unemployed	66.6	35.6	2.5	19.8	74.9	93.4
<b>NET WEALTH PERCENTILE</b>						
Less than 25	27.8	7.9	3.8	12.4	42.6	90.3
Between 25 and 50	85.3	33.5	7.0	16.3	96.6	100.0
Between 50 and 75	95.4	54.7	10.9	25.1	99.4	100.0
Between 75 and 90	95.5	77.4	20.4	29.5	99.9	100.0
Between 90 and 100	94.2	93.1	29.2	42.9	99.9	100.0
	<b>Median asset value for households owning such asset</b>					
ALL HOUSEHOLDS	121.9	86.4	39.1	3.0	157.7	157.4
<b>INCOME PERCENTILE</b>						
Less than 20	77.5	36.5	12.0	2.0	80.6	65.8
Between 20 and 40	96.5	48.2	30.4	2.2	111.9	99.4
Between 40 and 60	121.7	64.7	44.5	2.0	145.9	150.9
Between 60 and 80	144.1	91.6	33.3	3.0	184.2	202.7
Between 80 and 90	175.7	115.6	48.0	4.5	231.8	273.2
Between 90 and 100	242.6	205.5	68.0	5.1	414.6	502.2
<b>AGE OF HOUSEHOLD HEAD</b>						
Under 35	121.7	80.1	10.1	1.0	113.7	40.3
Between 35 and 44	137.0	81.1	39.6	2.0	153.5	154.6
Between 45 and 54	121.9	78.1	33.0	3.0	160.7	161.8
Between 55 and 64	132.8	101.4	50.7	3.0	185.7	202.8
Between 65 and 74	130.3	90.5	44.2	5.3	191.1	201.4
Over 74	101.4	63.3	50.7	3.0	130.5	132.9
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>						
Employee	132.6	81.2	20.7	2.1	153.0	153.7
Self-employed	152.2	121.8	50.7	3.0	265.2	299.6
Retired	128.8	91.3	42.2	5.1	177.6	187.6
Other inactive or unemployed	98.9	52.7	19.8	2.0	112.4	100.0
<b>NET WEALTH PERCENTILE</b>						
Less than 25	68.7	24.7	5.3	1.2	41.0	7.4
Between 25 and 50	79.5	27.7	30.4	1.7	84.7	95.1
Between 50 and 75	131.9	54.4	33.2	3.0	174.5	198.8
Between 75 and 90	192.2	131.9	45.3	3.0	314.8	388.2
Between 90 and 100	304.3	326.0	154.4	8.5	703.1	900.8

SOURCE: Banco de España.

Table 3 (cont'd)

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

% and thousands of 2020 euro

Household characteristics	EFF2020					
	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
	<b>Percentage of households owning asset</b>					
ALL HOUSEHOLDS	73.9	45.3	10.9	23.4	84.4	98.2
<b>INCOME PERCENTILE</b>						
Less than 20	58.9	26.3	4.6	15.7	69.3	94.3
Between 20 and 40	68.4	36.4	7.5	19.2	80.0	98.1
Between 40 and 60	76.6	42.0	7.6	22.0	86.6	99.3
Between 60 and 80	80.9	53.1	12.8	25.1	91.6	99.6
Between 80 and 90	83.5	62.3	18.3	29.9	92.4	99.3
Between 90 and 100	85.8	74.5	25.7	39.8	96.1	99.9
<b>AGE OF HOUSEHOLD HEAD</b>						
Under 35	36.1	21.6	7.6	25.5	58.7	96.6
Between 35 and 44	64.9	33.3	11.5	16.6	78.7	97.1
Between 45 and 54	73.9	41.8	17.1	22.9	83.5	97.3
Between 55 and 64	81.7	51.9	15.2	25.4	89.5	99.1
Between 65 and 74	83.2	60.1	3.9	25.9	90.4	99.1
Over 74	83.4	53.2	2.5	26.9	92.0	99.5
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>						
Employee	72.3	40.5	4.4	21.6	83.1	98.6
Self-employed	77.0	59.0	80.7	23.6	95.0	99.2
Retired	84.4	58.6	3.1	28.0	91.5	99.4
Other inactive or unemployed	60.9	29.9	3.1	20.7	71.9	94.9
<b>NET WEALTH PERCENTILE</b>						
Less than 25	26.3	8.1	3.5	14.5	43.6	92.7
Between 25 and 50	81.6	36.4	6.6	15.5	94.7	100.0
Between 50 and 75	92.8	53.1	11.3	25.4	99.4	100.0
Between 75 and 90	95.0	76.3	18.1	33.3	99.7	100.0
Between 90 and 100	94.7	93.9	28.7	45.3	100.0	100.0
	<b>Median asset value for households owning such asset</b>					
ALL HOUSEHOLDS	130.0	93.5	46.5	3.0	163.2	160.7
<b>INCOME PERCENTILE</b>						
Less than 20	79.4	45.4	30.5	2.4	83.7	58.6
Between 20 and 40	101.4	48.9	30.0	2.1	116.8	110.1
Between 40 and 60	120.0	67.6	25.0	2.0	137.7	145.2
Between 60 and 80	150.0	102.0	60.5	3.0	201.2	237.9
Between 80 and 90	180.3	133.1	42.5	3.9	260.4	305.0
Between 90 and 100	238.4	216.4	95.5	7.9	422.3	506.4
<b>AGE OF HOUSEHOLD HEAD</b>						
Under 35	120.0	100.0	22.0	1.0	113.5	43.3
Between 35 and 44	140.0	96.5	55.2	2.0	150.1	145.0
Between 45 and 54	130.0	80.0	47.5	2.6	162.5	158.5
Between 55 and 64	132.0	100.0	40.0	4.7	182.1	196.6
Between 65 and 74	143.2	91.1	48.6	4.4	193.1	208.4
Over 74	114.3	97.4	100.0	5.0	154.1	165.4
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>						
Employee	140.0	81.0	30.0	2.3	157.1	156.5
Self-employed	150.0	149.9	50.0	5.0	259.4	277.1
Retired	134.3	100.0	53.1	5.0	198.8	215.0
Other inactive or unemployed	100.0	60.0	31.2	2.3	103.2	80.8
<b>NET WEALTH PERCENTILE</b>						
Less than 25	67.0	24.0	7.2	1.4	34.2	6.2
Between 25 and 50	84.3	36.9	25.0	2.0	94.1	102.6
Between 50 and 75	140.8	62.0	38.8	2.5	179.6	212.9
Between 75 and 90	200.0	136.6	64.9	4.2	333.4	410.7
Between 90 and 100	300.0	359.0	140.5	10.1	739.5	949.5

SOURCE: Banco de España.



head is aged over 74. For households that own their main residence, the median value of the property is €130,000. This value grows as income increases and is higher for households whose head is aged between 65 and 74 (€143,200).

Between end-2017 and end-2020 the percentage of households owning their main residence continued to decrease appreciably, from 75.9% to 73.9%. This percentage declines across the board in practically all groups, but especially among households whose head was aged under 35 (5.2 pp) and between 35 and 44 (5.6 pp), households whose head was self-employed (4.9 pp), and those whose head was unemployed or otherwise economically inactive (5.6 pp). In the nine-year period running from end-2011 to end-2020, the ownership rate among the youngest households fell by 33 pp, from 69.3% to 36.1%.

The estimate by households of the value of their main residence shows that, for owners, its median value rose by 6.6 pp between end-2017 and end-2020. The median value increased across practically all household groups, except for younger households, households whose head was self-employed, households at the extremes of the net wealth distribution and those in the top decile of the income distribution.

### Other real estate properties

The percentage of households owning real estate assets other than their main residence is 45.3%. More specifically, 32.6% own a dwelling that is not their main residence, followed, in order of importance, by 12.6% 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 (26.3%). By age, the largest percentage of households owning other real estate properties is among those where the head is aged between 65 and 74. The median value of these properties is €93,500 and increases with income and wealth. By employment status, the maximum median value is for households whose head is self-employed.

Compared with end-2017, the percentage of households owning other real estate properties was higher at end-2020 only for some groups such as households whose head was aged under 45,<sup>26</sup> households over 74, households whose head was an employee and households in the top two deciles of the income distribution. The median value of these properties in relation to the set of households owning them

---

26 Among households whose head was aged under 35, there was an increase in the percentage of those that do not own their main residence but have purchased other real estate properties (mainly dwellings or building plots), which they have increasingly used, in recent years, as agricultural land or for a future home or kept unoccupied. The same phenomenon occurs in the 35-44 age group, but with more properties being used for rental purposes.

Table 4

**DISTRIBUTION OF THE VALUE OF HOUSEHOLDS' FINANCIAL ASSETS****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	24.4	9.3	13.3	9.6	0.3
INCOME PERCENTILE					
Less than 40	34.8	12.5	4.8	10.0	0.1
Between 40 and 60	38.7	12.0	7.4	8.0	0.4
Between 60 and 80	33.2	13.7	10.0	10.3	0.1
Between 80 and 90	29.6	12.2	12.4	10.0	0.3
Between 90 and 100	14.3	5.7	18.0	9.5	0.4
NET WEALTH PERCENTILE					
Less than 50	56.1	11.8	1.5	2.1	0.1
Between 50 and 75	44.9	15.4	3.4	4.9	0.4
Between 75 and 90	39.2	15.7	6.2	8.9	0.1
Between 90 and 100	12.6	6.1	18.6	11.6	0.3

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	EFF2020				
	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	35.0	6.9	10.3	12.0	0.3
INCOME PERCENTILE					
Less than 40	50.7	9.9	4.9	7.3	0.3
Between 40 and 60	51.4	9.3	6.5	7.6	0.4
Between 60 and 80	44.5	8.8	6.9	10.7	0.1
Between 80 and 90	41.4	7.1	7.2	13.5	0.6
Between 90 and 100	21.5	4.8	14.8	14.2	0.3
NET WEALTH PERCENTILE					
Less than 50	63.8	8.1	2.7	3.2	0.4
Between 50 and 75	56.7	8.4	3.1	5.6	0.2
Between 75 and 90	50.7	10.0	4.4	7.6	0.5
Between 90 and 100	21.5	5.5	14.7	15.9	0.3

SOURCE: Banco de España.

## 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
16.3	13.7	13.0	100.0	20.1	ALL HOUSEHOLDS
					INCOME PERCENTILE
15.4	0.5	21.8	100.0	13.1	Less than 40
13.4	3.2	17.0	100.0	14.7	Between 40 and 60
16.5	7.8	8.4	100.0	16.6	Between 60 and 80
19.8	6.5	9.3	100.0	19.8	Between 80 and 90
16.2	23.3	12.7	100.0	28.0	Between 90 and 100
					NET WEALTH PERCENTILE
13.7	0.6	14.0	100.0	13.2	Less than 50
20.5	1.0	9.6	100.0	13.6	Between 50 and 75
21.8	1.6	6.4	100.0	16.3	Between 75 and 90
14.4	21.1	15.3	100.0	25.7	Between 90 and 100

## EFF2020

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
14.2	10.3	11.1	100.0	20.8	ALL HOUSEHOLDS
					INCOME PERCENTILE
9.8	5.4	11.7	100.0	13.2	Less than 40
11.6	2.8	10.4	100.0	16.4	Between 40 and 60
16.1	2.5	10.3	100.0	19.0	Between 60 and 80
17.5	4.5	8.3	100.0	20.6	Between 80 and 90
13.9	18.2	12.3	100.0	27.2	Between 90 and 100
					NET WEALTH PERCENTILE
10.1	0.9	10.8	100.0	14.8	Less than 50
15.3	1.2	9.5	100.0	15.4	Between 50 and 75
17.4	2.0	7.5	100.0	18.0	Between 75 and 90
13.5	16.1	12.6	100.0	25.4	Between 90 and 100

rose by 8.2%, with significant increases across almost all groups, except households in the first quartile of the wealth distribution.

### Businesses related to self-employment

The percentage of households with assets in businesses related to the self-employment of a household member was 10.9%. This figure increases with income and wealth and is higher for the group of households whose head is aged between 45 and 54 and for those whose head is self-employed.<sup>27</sup> The median value of these businesses is €46,500, and it increases with wealth.<sup>28</sup>

Although the proportion of households owning these businesses fell slightly (0.5 pp) with respect to EFF2017, the median value rose by 18.9%, which explains the increase in the weight of businesses relative to total wealth observed in Table 2. The percentage of households owning businesses fell for almost all groups, except for households whose head was self-employed, where it increased by 2.3 pp to 80.7%. However, in this group of households the median value fell (1.4%), contrasting with the substantial increase observed for total households owning this type of asset. By age, the median value of the businesses increased across all groups, except for households whose head was aged between 55 and 64.

### Financial assets

Table 4 shows the weight of the different financial assets relative to the total value of such assets. At end-2020, financial assets accounted for 20.8% of total assets. This figure has held stable since end-2014, but it is 10 pp higher than at end-2008. As regards the breakdown of financial assets, bank accounts make up nearly 42% of the value of financial assets (columns 1 and 2 of Table 4). Next ranked are pension schemes (14.2%), followed by investment funds (12%), unlisted shares and other equity (10.3%), listed shares (10.3%) and fixed-income securities (0.3%). Included under “other financial assets” are outstanding loans extended by households, managed portfolios and other financial assets such as options, futures, swaps and intellectual or industrial property rights, which account for 6%, 5% and 0.2%, 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 21.5% of financial

---

27 The EFF considers that the head of household is self-employed if they manage their own business or that of a household member. However, a household may own a business that is not managed by the head or by any other household member.

28 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 its real estate properties.

assets among households in the top decile of the wealth distribution, and more than 50% among all other households. Households in the top decile of the wealth distribution invest around 16% of their financial assets in unlisted shares and other equity or in listed shares, while other households invest less than 2% in these products. The weight of pension schemes 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-2017, the relative weight of accounts usable for payments in the portfolio of financial assets increased substantially (10.5 pp), as did that of investment funds (2.4 pp), but to a lesser degree. These increases were at the expense of a fall in the weight of other financial assets, especially of listed shares (3 pp) and unlisted shares and other equity (3.4 pp). These changes can be observed across the entire income and wealth distributions, although the increase in the relative weight of accounts usable for payments was smaller in the top deciles of both distributions.<sup>29</sup> Conversely, for these deciles, the relative weight of investment funds grew more than for other groups of households, and that of listed and unlisted shares fell. The relative weight of pension schemes declined across all groups, even more so in the lower two quintiles of the income distribution.

At end-2020 96.6% of households had some type of financial asset (see Table 5), although this figure drops considerably when bank accounts are excluded (45.37%). The percentage of households with some type of financial asset increases with the level of income and net wealth. The median value of these financial assets was €12,900.

Compared with 2017, the percentage of households with some type of financial asset was slightly higher at end-2020 (96.6% against 95.6%) in almost all groups. This increase was even higher for households whose head was aged under 35, households in the lower two quintiles of the income distribution and in the bottom quartile of the net wealth distribution. For households with some type of financial asset, the median value of such assets grew substantially —by 23.5%— between end-2017 and end-2020, with notable increases in all groups except for households in the bottom quintile of the income distribution, households in the bottom quartile of the wealth distribution and households whose head was unemployed or economically inactive.

### Bank accounts

The percentage of households with a bank account that can be used to make payments was 95.6%. This percentage remains above 87% for all types of

---

<sup>29</sup> The relative weight of the accounts usable for payments increased between end-2014 and end-2020 from 20.9% to 50.7% for the lower two quartiles of the income distribution, and from 11.7% to 21.5% for the top decile.

Table 5

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

% and thousands 2020 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
	<b>Percentage of households owning asset</b>				
ALL HOUSEHOLDS	94.0	15.6	11.6	7.0	0.4
<b>INCOME PERCENTILE</b>					
Less than 20	85.5	7.2	2.9	1.9	0.0
Between 20 and 40	93.0	11.4	6.1	2.8	0.2
Between 40 and 60	94.5	11.9	9.2	5.7	0.4
Between 60 and 80	98.1	22.0	15.3	8.4	0.4
Between 80 and 90	98.7	24.7	18.7	12.6	0.5
Between 90 and 100	99.2	25.9	30.3	19.7	1.1
<b>AGE OF HOUSEHOLD HEAD</b>					
Under 35	89.1	12.2	2.7	1.4	0.0
Between 35 and 44	93.5	15.5	8.9	4.3	0.1
Between 45 and 54	94.4	16.9	11.2	7.4	0.4
Between 55 and 64	93.6	15.1	12.3	9.1	0.3
Between 65 and 74	94.4	15.9	18.6	10.5	0.7
Over 74	96.8	15.6	12.1	6.7	0.6
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>					
Employee	95.2	17.9	10.0	6.3	0.3
Self-employed	97.9	15.3	11.5	9.5	0.4
Retired	96.0	16.2	18.5	10.2	0.7
Other inactive or unemployed	87.1	10.2	5.8	3.0	0.0
<b>NET WEALTH PERCENTILE</b>					
Less than 25	83.8	6.8	1.6	0.7	0.0
Between 25 and 50	96.0	12.5	6.0	2.5	0.1
Between 50 and 75	97.4	18.3	10.7	6.6	0.6
Between 75 and 90	98.3	24.3	20.7	13.0	0.3
Between 90 and 100	99.6	25.1	39.2	26.1	1.3
	<b>Median asset value for households owning such asset</b>				
ALL HOUSEHOLDS	4.5	15.2	7.0	28.4	15.0
<b>INCOME PERCENTILE</b>					
Less than 20	1.2	11.0	4.7	57.2	(a)
Between 20 and 40	2.0	12.6	2.0	23.7	(a)
Between 40 and 60	3.4	13.7	6.3	30.4	(a)
Between 60 and 80	6.1	14.2	6.6	24.1	5.9
Between 80 and 90	10.3	14.6	8.2	22.7	44.2
Between 90 and 100	18.9	26.0	15.0	41.8	41.4
<b>AGE OF HOUSEHOLD HEAD</b>					
Under 35	2.0	5.0	0.9	(a)	(a)
Between 35 and 44	3.8	8.1	3.7	18.3	(a)
Between 45 and 54	4.1	10.1	4.6	17.2	6.1
Between 55 and 64	5.1	27.7	13.2	35.5	39.1
Between 65 and 74	7.0	23.9	10.1	44.0	13.0
Over 74	5.1	25.1	14.8	38.7	14.2
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>					
Employee	4.1	10.1	5.0	18.8	17.1
Self-employed	7.3	19.3	6.1	26.6	7.7
Retired	6.7	28.2	13.4	41.4	16.0
Other inactive or unemployed	1.9	13.3	3.0	50.7	(a)
<b>NET WEALTH PERCENTILE</b>					
Less than 25	0.9	2.7	0.4	(a)	(a)
Between 25 and 50	3.2	8.1	2.0	8.3	(a)
Between 50 and 75	6.1	17.2	4.3	19.7	(a)
Between 75 and 90	11.9	28.2	6.9	30.2	(a)
Between 90 and 100	20.0	39.4	30.4	71.3	48.9

**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
<b>Percentage of households owning asset</b>				
26.8	2.6	15.7	95.6	ALL HOUSEHOLDS
<b>INCOME PERCENTILE</b>				
6.0	0.2	12.7	87.2	Less than 20
15.6	1.0	14.9	94.2	Between 20 and 40
22.5	2.2	16.5	97.6	Between 40 and 60
34.0	4.0	15.5	99.2	Between 60 and 80
50.4	3.3	18.4	99.7	Between 80 and 90
61.0	8.1	19.2	100.0	Between 90 and 100
<b>AGE OF HOUSEHOLD HEAD</b>				
11.9	2.4	18.5	92.5	Under 35
30.6	1.9	18.7	95.7	Between 35 and 44
38.4	2.3	19.1	95.9	Between 45 and 54
39.6	3.8	18.2	95.6	Between 55 and 64
19.3	3.0	11.0	95.4	Between 65 and 74
2.8	2.1	6.6	96.9	Over 74
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>				
37.3	2.7	16.8	97.3	Employee
43.3	3.8	31.2	99.2	Self-employed
15.0	3.0	10.3	96.7	Retired
13.0	1.4	13.0	89.0	Other inactive or unemployed
<b>NET WEALTH PERCENTILE</b>				
11.3	0.8	15.0	87.2	Less than 25
20.2	0.7	13.6	97.5	Between 25 and 50
30.1	2.3	14.9	98.3	Between 50 and 75
40.3	3.9	15.1	99.3	Between 75 and 90
53.4	10.5	25.6	100.0	Between 90 and 100
<b>Median asset value for households owning such asset</b>				
10.1	8.9	6.1	10.5	ALL HOUSEHOLDS
<b>INCOME PERCENTILE</b>				
5.5	(a)	2.5	2.3	Less than 20
7.3	0.6	4.4	5.5	Between 20 and 40
5.9	6.5	4.9	7.8	Between 40 and 60
7.0	6.5	6.3	16.0	Between 60 and 80
11.7	23.9	6.9	29.0	Between 80 and 90
26.2	26.3	20.5	68.8	Between 90 and 100
<b>AGE OF HOUSEHOLD HEAD</b>				
1.6	(a)	2.8	3.8	Under 35
5.1	1.5	4.1	8.2	Between 35 and 44
8.9	10.3	5.0	11.4	Between 45 and 54
17.5	6.1	10.1	16.1	Between 55 and 64
25.6	55.7	10.1	15.3	Between 65 and 74
29.1	63.9	10.5	8.7	Over 74
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>				
7.8	3.9	5.0	10.5	Employee
14.1	19.2	8.1	24.1	Self-employed
25.1	53.6	10.1	13.9	Retired
6.7	6.1	3.1	3.9	Other inactive or unemployed
<b>NET WEALTH PERCENTILE</b>				
2.9	(a)	1.9	1.6	Less than 25
4.9	(a)	4.1	6.8	Between 25 and 50
7.6	1.9	5.1	15.2	Between 50 and 75
17.4	4.8	10.5	40.2	Between 75 and 90
37.1	71.3	31.9	133.2	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 2020 euro

Household characteristics	EFF2020				
	Accounts and deposits usable for payments	Accounts not usable for payments and house-purchase savings accounts	Listed shares	Investment funds	Fixed-income securities
	<b>Percentage of households owning asset</b>				
ALL HOUSEHOLDS	95.6	12.7	12.4	8.5	0.5
<b>INCOME PERCENTILE</b>					
Less than 20	88.2	4.5	2.7	2.2	0.0
Between 20 and 40	94.6	7.9	6.2	4.1	0.4
Between 40 and 60	97.3	12.8	10.4	6.0	0.4
Between 60 and 80	98.8	19.0	15.6	11.6	0.4
Between 80 and 90	98.6	19.2	21.1	15.1	1.7
Between 90 and 100	99.8	19.6	32.5	21.9	0.7
<b>AGE OF HOUSEHOLD HEAD</b>					
Under 35	94.7	15.9	6.1	3.8	0.0
Between 35 and 44	94.0	16.8	8.8	5.7	0.3
Between 45 and 54	94.0	13.1	11.8	7.9	0.5
Between 55 and 64	96.5	11.6	13.2	9.6	0.7
Between 65 and 74	96.9	11.0	17.1	12.6	0.5
Over 74	98.6	8.6	14.7	9.4	0.8
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>					
Employee	96.6	16.4	11.8	8.1	0.4
Self-employed	96.9	13.3	14.0	10.5	0.4
Retired	97.7	10.8	18.0	12.8	0.8
Other inactive or unemployed	89.8	7.2	4.7	1.9	0.1
<b>NET WEALTH PERCENTILE</b>					
Less than 25	87.7	6.1	2.1	1.1	0.0
Between 25 and 50	96.6	10.5	6.5	3.3	0.2
Between 50 and 75	98.9	14.9	12.0	8.5	0.5
Between 75 and 90	99.0	18.9	19.4	15.1	1.0
Between 90 and 100	100.0	20.1	42.9	29.8	1.3
	<b>Median asset value for households owning such asset</b>				
ALL HOUSEHOLDS	6.9	13.1	6.0	25.0	10.6
<b>INCOME PERCENTILE</b>					
Less than 20	1.2	10.0	3.1	18.0	(a)
Between 20 and 40	3.0	8.9	3.6	18.7	(a)
Between 40 and 60	5.8	8.9	2.2	18.8	(a)
Between 60 and 80	10.4	11.8	6.0	20.0	5.0
Between 80 and 90	18.9	20.0	8.0	46.4	18.0
Between 90 and 100	28.9	25.3	15.0	41.0	48.2
<b>AGE OF HOUSEHOLD HEAD</b>					
Under 35	4.0	8.0	4.1	3.0	(a)
Between 35 and 44	4.3	4.9	4.4	8.2	(a)
Between 45 and 54	5.9	10.8	3.8	20.0	20.0
Between 55 and 64	7.6	26.0	6.7	32.8	7.8
Between 65 and 74	10.0	19.4	8.9	38.6	6.7
Over 74	9.8	29.0	10.6	47.0	5.0
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>					
Employee	6.0	9.7	5.0	15.0	20.0
Self-employed	12.0	13.8	4.2	24.2	50.0
Retired	10.1	25.8	10.2	36.1	5.8
Other inactive or unemployed	2.0	16.0	4.0	50.0	(a)
<b>NET WEALTH PERCENTILE</b>					
Less than 25	1.0	2.4	0.6	3.0	(a)
Between 25 and 50	4.0	7.4	2.6	7.8	(a)
Between 50 and 75	10.0	12.7	3.5	16.1	(a)
Between 75 and 90	20.1	26.7	5.8	24.2	(a)
Between 90 and 100	36.1	42.7	26.4	90.2	46.4

**SOURCE:** Banco de España.

**a** Fewer than eleven observations.



## EFF2020

Pension schemes and unit-linked or mixed life insurance	Unlisted shares and other equity	Other financial assets	Some type of financial asset	Household characteristics
<b>Percentage of households owning asset</b>				
28.6	2.6	13.7	96.6	ALL HOUSEHOLDS
<b>INCOME PERCENTILE</b>				
7.5	0.9	12.2	90.4	Less than 20
15.4	0.9	13.3	96.1	Between 20 and 40
27.2	2.4	12.2	98.1	Between 40 and 60
39.5	3.0	13.1	99.2	Between 60 and 80
48.9	4.2	14.4	99.0	Between 80 and 90
57.1	7.6	20.8	99.9	Between 90 and 100
<b>AGE OF HOUSEHOLD HEAD</b>				
11.6	1.5	16.1	95.6	Under 35
25.0	2.6	15.3	95.9	Between 35 and 44
37.3	3.1	16.4	95.7	Between 45 and 54
41.5	2.3	14.5	96.7	Between 55 and 64
27.8	3.1	10.9	97.4	Between 65 and 74
8.1	2.2	7.4	98.8	Over 74
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>				
35.7	2.8	13.1	97.7	Employee
37.4	3.9	26.4	98.6	Self-employed
23.8	3.1	10.4	98.0	Retired
15.3	1.0	13.6	91.2	Other inactive or unemployed
<b>NET WEALTH PERCENTILE</b>				
11.6	0.8	13.2	89.5	Less than 25
20.2	1.5	11.3	97.9	Between 25 and 50
33.3	1.8	11.6	99.5	Between 50 and 75
42.7	3.2	14.3	99.4	Between 75 and 90
59.0	10.9	25.1	100.0	Between 90 and 100
<b>Median asset value for households owning such asset</b>				
10.1	17.5	6.0	12.9	ALL HOUSEHOLDS
<b>INCOME PERCENTILE</b>				
5.3	(a)	3.0	2.0	Less than 20
5.9	50.0	4.4	6.0	Between 20 and 40
6.0	2.5	4.7	11.6	Between 40 and 60
10.5	20.0	7.5	25.0	Between 60 and 80
16.0	26.8	15.6	42.2	Between 80 and 90
29.1	38.8	25.8	81.6	Between 90 and 100
<b>AGE OF HOUSEHOLD HEAD</b>				
0.8	(a)	1.2	6.0	Under 35
3.9	8.0	5.1	9.0	Between 35 and 44
8.2	10.0	4.0	12.5	Between 45 and 54
17.8	16.3	12.3	18.8	Between 55 and 64
20.0	50.0	15.0	20.0	Between 65 and 74
38.0	50.0	20.0	13.4	Over 74
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>				
7.7	8.0	4.0	13.0	Employee
17.6	34.1	20.0	29.3	Self-employed
21.3	25.3	15.7	20.0	Retired
5.6	15.0	3.3	3.0	Other inactive or unemployed
<b>NET WEALTH PERCENTILE</b>				
1.6	(a)	2.0	1.3	Less than 25
4.5	0.6	2.4	7.5	Between 25 and 50
8.4	10.0	9.0	20.3	Between 50 and 75
18.6	21.2	15.2	56.9	Between 75 and 90
39.1	57.4	43.5	178.8	Between 90 and 100

households. The median balance of this type of account was €6,900 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, was 12.7%. This percentage increases with income and wealth. The median balance in this case was €13,100.

Between end-2017 and end-2020, the percentage of households that had accounts for making payments rose by 1.6 pp, while the median balance of these accounts increased very substantially —by 54%—, from €4,500 to €6,900. The proportion of such accounts grew especially for households in the lower three quintiles of the income distribution, younger households and households in the bottom quartile of the net wealth distribution. There were significant increases in the median balance across all groups, with the exception of households whose head was unemployed or economically inactive, where the increase was small, and for households in the bottom quintile of the income distribution, for which the median balance fell. There was also a drop in the proportion of households with accounts not usable for payments (2.8 pp) and a decline in their median balance (13.6%).

### Listed shares and investment funds<sup>30</sup>

The percentage of households that directly own listed shares was 12.4%. This figure increases as income and net wealth increase and the rate of growth is higher in the top income and wealth brackets. Listed shares were held by 2.7% of households in the lower two deciles of the income distribution, and by 32.5% in the top decile. By age, households whose head was aged between 65 and 74 were those most likely to have listed shares (17.1%).

Considering only households that invest in listed shares, the median value held was €6,000. Median values do not vary significantly by income and wealth, except for the group of households in the top two deciles of the income distribution and those in the top decile of the net wealth distribution. By age, the median value is higher for households aged over 74.

The profile of households with investment funds (8.5% of total households) is similar to that of households that invest in listed shares, but the percentage of households that hold such funds is generally lower for all groups. By contrast, the median balance of these funds (€25,000) is much higher than that of listed shares for almost all household groups. Indeed, of all financial assets, investment funds have the

---

<sup>30</sup> Investment funds include securities funds, real estate investment funds and other undertakings for collective investments in transferable securities (UCITS).

highest median value, along with pension schemes. Differences in the volume of investment fund holdings by group are similar to those observed for holdings 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 types of assets the cumulative balance held fell considerably (by 15% and 12%, respectively), in line with the trend observed in the 2014-2017 period, albeit at slower rates. This fall reversed the increase observed between end-2011 and end-2014 in the median volume invested in listed shares and investment funds, although in the case of investment funds, the median value at end-2020 (€25,000) was still higher than that observed in 2011 (€10,400). Despite the decline in the median balance of investment funds across almost all groups, for households in the top decile of the wealth distribution, this balance increased by 26.6%, from €71,300 at end-2017 to €90,200 at end-2020.

### Unlisted shares and other equity

Unlisted shares or other equity were held by 2.6% of households at end-2020. This percentage is higher in the top income decile (7.6%) and top net wealth decile (10.9%), and is concentrated among households whose head is self-employed. The cumulative median value for the households with assets of this kind was €17,500. In the top decile of the net wealth distribution, among those with unlisted shares, the median balance was €57,400.

Compared with end-2017, the percentage of households investing in unlisted shares or other equity remained virtually unchanged for all household groups. However, the median balance for those investing in assets of this kind practically doubled between end-2017 and end-2020 (96.8%), although this increase masks changes of different sign for different groups. While the median balance increased in the top decile of the income distribution and for households whose head was self-employed, it decreased for those in the top decile of the net wealth distribution.

### Fixed-income securities

The percentage of households investing directly in fixed-income securities (i.e. not through pension or investment funds) was 0.5%. This proportion increases slightly with net wealth. Ownership of this asset was somewhat higher among retired households and, by age, among those aged over 74. The median balance of fixed-income securities was €10,600 and was higher among households in the top deciles of the income and wealth distributions.

Although households were as likely to hold fixed-income securities directly at end-2020 as at end-2017, the cumulative balance of these assets fell considerably for those that held fixed-income securities (-29.3%), with substantial declines for households whose head was retired, those over 74 and households in the top decile of the net wealth distribution.

### Pension schemes and life insurance

The percentage of households with some type of pension scheme (or a unit-linked or mixed life insurance product) was 28.6%.<sup>31</sup> This percentage increases with income and wealth. It is higher for households whose head is aged between 55 and 64 and for those whose head is self-employed. Considering only those households with a financial asset of this kind, the median value of the capital accumulated in pension schemes was €10,100. This value increases with income and wealth.

The proportion of households with some type of pension scheme, which was 26.8% at end-2017, rose by 2 pp for total households, but with higher increases for households whose head was retired, those over 65 and households in the top half of the wealth distribution.<sup>32</sup> The median amount accumulated in pension schemes for households with such assets fell slightly, although changes of different sign by household group were also observed. Thus, by age, while for younger households both the proportion of those with some type of pension scheme and the median investment fell, for the group of households aged between 65 and 74 and for those over 74, the proportion that had a pension scheme rose considerably. In addition, the average balance of the top two quintiles of the income distribution and the top half of the net wealth distribution increased notably. A substantial increase was also observed for households whose head was self-employed.

### Other financial assets

This category includes outstanding loans extended by households, managed portfolios and other assets such as options, futures, swaps and intellectual or industrial property rights.<sup>33</sup> The percentage of households with assets of this kind was 13.7%.<sup>34</sup> Such assets are more frequently held by high-income and high-net wealth households and by those whose head is self-employed. The median amount

---

31 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.

32 It is important to note the inclusion of partially redeemed pension schemes, which were not part of the questionnaire in earlier editions, prior to EFF2020.

33 Options, futures, swaps and intellectual or industrial property rights were not included in earlier editions, prior to EFF2020, since their value was not accounted for.

34 Specifically, 12% of households have extended loans and 1.4% own managed portfolios.

Table 6

**DISTRIBUTION OF THE VALUE OF HOUSEHOLD DEBT****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	63.6	21.8	14.7	100.0	11.8
INCOME PERCENTILE					
Less than 40	65.3	9.9	24.8	100.0	10.2
Between 40 and 60	70.9	13.2	16.0	100.0	13.1
Between 60 and 80	68.9	18.5	12.6	100.0	14.4
Between 80 and 90	66.3	20.6	13.1	100.0	15.3
Between 90 and 100	51.1	37.6	11.3	100.0	9.1
NET WEALTH PERCENTILE					
Less than 50	75.0	10.5	14.5	100.0	47.1
Between 50 and 75	66.7	20.8	12.5	100.0	14.7
Between 75 and 90	55.1	25.5	19.4	100.0	7.3
Between 90 and 100	34.8	50.7	14.5	100.0	4.2

SOURCE: Banco de España.

(€6,000) of these loans follows a similar pattern by income and wealth levels.

Between end-2017 and end-2020, the percentage of households that had extended loans declined (from 14.7% to 12%), although the median value of these assets remained unchanged for all the households that had these assets.

## Debts

At end-2020, households' debt accounted for 11.4% of the total value of their assets (see Table 6), a similar proportion to that of 2011. Outstanding debt for purchase of main residence made up 61.7% of households' debt, while outstanding debt for purchase of other real estate properties accounted for 22.4% and other outstanding debts for 16%. By group, the share of debt for purchase of main residence and that of other debts fall with income, whereas the proportion of debt for purchase of other real estate properties increases with it.

Although the debt-to-total assets ratio fell for households as a whole by only 0.4 pp between end-2017 and end-2020 (from 11.8% to 11.4%), the decreases were bigger in the upper part of the income distribution (above the 80th percentile) and in the bottom half and top decile of the wealth distribution. For example, the total debt of households in the bottom half of the wealth distribution fell from 47% of their total assets in 2017 to 45% in 2020.

Table 6 (cont'd)

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

%

Household characteristics	EFF2020			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	61.7	22.4	16.0	100.0	11.4
INCOME PERCENTILE					
Less than 40	66.8	10.5	22.8	100.0	11.4
Between 40 and 60	69.8	14.1	16.1	100.0	14.4
Between 60 and 80	65.5	18.7	15.7	100.0	14.5
Between 80 and 90	62.1	23.1	14.8	100.0	13.4
Between 90 and 100	47.1	40.7	12.2	100.0	7.5
NET WEALTH PERCENTILE					
Less than 50	70.1	12.2	17.7	100.0	45.0
Between 50 and 75	66.5	19.2	14.3	100.0	16.0
Between 75 and 90	55.4	33.2	11.4	100.0	8.4
Between 90 and 100	31.1	50.2	18.7	100.0	3.1

SOURCE: Banco de España.

As regards the distribution by type of debt, the largest component of household debt is that used to finance the purchase of the main residence, which represented 63.6% of total household debt at end-2017. At end-2020, most debt continued to be for financing the purchase of the main residence, although it fell nearly 2 pp (to 61.7%) in favour of other outstanding debts (1.3 pp to 16%) and, to a lesser extent, debt for purchase of other real estate properties (0.6 pp to 22.4%). This was particularly the case among households in the upper two deciles of the income distribution and among those in the bottom half of the wealth distribution. In both cases, the relative weight of debt for purchase of main residence decreased by 4 pp. However, for households in the upper deciles of the income distribution, the greatest increase in relative weight was seen in debt for purchase of other real estate properties, whereas in the bottom half of the wealth distribution it was in other outstanding debts.

At end-2020, 57.1% of households had debt of some kind, the highest proportion since the EFF began in 2002 (42.54%). Among indebted households, the median amount outstanding was €33,300 (see Table 7). The likelihood of having debts increases with the household income level (38.6% in the bottom quintile and 65.7% in the top decile) and the number of members working (34.1% if no member is working and 80.2% if two members are working). However, it remains constant with the level of wealth (around 60%) except in the top quartile, where it is lower (44.3%). By age, the likelihood of having debts increases up to 35-44 (80.2%) and then falls, reaching its lowest level for households whose head is over 74 (13.9%).

The median volume of debt shows similar traits. Median volumes of outstanding debt are highest among households whose head is aged between 35 and 44 (€68,500), those in the top decile of the income distribution (€88,800) and those with two members working (€63,400). Indeed, these amounts increase with income, but less so with net wealth.

Compared with end-2017, the percentage of indebted households rose by 4 pp (from 53.2% to 57.1%), continuing the trend observed in the period from 2014 to 2017. This increase was bigger for households least likely to have debt, i.e. those in the bottom quintile of the income distribution (8.5 pp), those whose head was unemployed or otherwise economically inactive (8.5 pp), those with no members working (7.5 pp) and those whose head is aged between 55 and 64 (7.3 pp). The volume of outstanding debt fell by 6.1% for indebted households as a whole between end-2017 and end-2020. However, appreciable increases can be seen for households that were least likely to have debt or had lower volumes of debt in 2017, such as those between the 20th and 60th percentiles of the income distribution, those with a head aged between 55 and 64 and those between the 75th and 90th percentiles of the wealth distribution.

### Debts for purchase of main residence

A total of 28.2% of households had outstanding debt for purchase of their main residence (38.1% of households that own their main residence). This percentage rises 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 (49.1%); by employment status, employees (45.4%); and, by number of household members working, those that have two members working (48.3%). The median amount of outstanding debt for purchase of main residence for the households with such debt was €65,000; this amount increases with income and net wealth, except in the top decile, and is also higher for households whose head is aged under 35 and for those that have two household members working. Almost all outstanding debts for purchase of main residence are mortgages.

Compared with end-2017, the percentage of all households that had outstanding debt for purchase of main residence increased slightly (0.5 pp), but there were notable falls for the youngest households (-8.4 pp) and those whose head is aged between 35 and 44 (-5.3 pp). Moreover, the profile of this type of debt holding by age group has gradually smoothed since 2008. Thus, in 2017, households whose head was aged 45-54 were 15 pp less likely than those aged 35-44 to have debt for purchase of main residence; in 2020, this difference decreased to 8 pp. Households in the top two deciles of the income distribution also saw significant falls (-7.4 pp and -2.2 pp, respectively).

Table 7

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

% and thousands of 2020 euro

Household characteristics	EFF2017							
	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	
	<b>Percentage of households with debts outstanding</b>							
<b>ALL HOUSEHOLDS</b>	27.6	27.1	9.6	2.9	22.6	9.3	8.3	53.2
<b>INCOME PERCENTILE</b>								
Less than 20	10.1	10.0	2.7	1.1	11.1	6.2	7.5	30.2
Between 20 and 40	20.1	19.7	3.9	2.5	20.6	7.7	9.3	45.5
Between 40 and 60	29.0	28.7	6.5	2.2	25.7	12.6	10.0	58.0
Between 60 and 80	36.4	35.8	12.3	4.6	27.0	10.7	6.9	62.6
Between 80 and 90	47.9	46.8	19.4	4.4	29.7	11.6	8.4	72.7
Between 90 and 100	36.8	36.0	25.5	4.1	27.4	6.7	7.3	66.3
<b>AGE OF HOUSEHOLD HEAD</b>								
Under 35	32.4	31.2	8.0	1.6	27.2	8.8	12.5	62.1
Between 35 and 44	54.5	53.9	13.2	2.4	28.2	13.4	10.3	76.3
Between 45 and 54	39.8	39.2	13.7	3.6	28.8	11.2	10.2	68.8
Between 55 and 64	19.1	18.5	10.7	4.8	26.7	9.9	9.7	54.4
Between 65 and 74	8.5	8.5	6.2	2.8	15.3	7.2	5.4	33.9
Over 74	0.8	0.8	1.2	1.2	5.4	2.5	1.8	11.4
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>								
Employee	45.2	44.4	12.4	2.3	30.0	12.6	9.7	71.2
Self-employed	37.4	36.4	19.9	7.8	27.3	8.2	13.3	73.5
Retired	6.5	6.4	4.2	2.7	14.1	5.1	4.5	27.9
Other inactive or unemployed	15.0	15.0	6.0	2.3	16.5	8.7	8.0	40.1
<b>NUMBER OF HOUSEHOLD MEMBERS WORKING</b>								
None	7.0	7.0	3.2	1.9	12.2	5.5	5.3	26.6
One	32.2	31.5	10.0	3.3	22.7	10.5	8.6	59.6
Two	49.9	49.0	16.1	3.0	33.9	12.9	10.9	77.9
Three or more	28.6	28.1	20.1	9.5	39.2	10.4	15.4	76.3
<b>NET WEALTH PERCENTILE</b>								
Less than 25	21.4	21.2	3.6	2.6	27.1	14.0	11.2	54.7
Between 25 and 50	37.1	36.6	7.0	2.3	25.9	10.3	7.7	56.2
Between 50 and 75	31.3	30.5	10.5	2.5	19.0	7.2	7.9	52.9
Between 75 and 90	23.5	22.8	13.6	4.7	20.0	6.2	6.3	49.7
Between 90 and 100	16.6	16.5	22.7	3.9	16.2	5.1	6.3	47.9
	<b>Median debt value for households having such debt</b>							
<b>ALL HOUSEHOLDS</b>	65.9	65.9	50.7	21.5	6.1	0.8	2.4	35.5
<b>INCOME PERCENTILE</b>								
Less than 20	39.7	38.8	19.1	8.1	3.4	0.4	1.9	9.3
Between 20 and 40	45.9	44.6	42.8	29.2	4.8	1.3	2.1	16.5
Between 40 and 60	64.3	65.0	47.1	29.4	5.2	0.7	1.7	25.4
Between 60 and 80	75.4	76.1	48.4	15.8	7.0	1.1	1.9	52.8
Between 80 and 90	81.2	81.4	43.6	13.6	7.9	0.9	4.1	66.9
Between 90 and 100	94.4	92.9	83.2	89.1	8.3	1.0	15.2	88.7
<b>AGE OF HOUSEHOLD HEAD</b>								
Under 35	85.6	86.2	62.9	(a)	7.6	0.5	5.0	40.6
Between 35 and 44	81.2	81.2	58.9	19.5	6.6	1.0	3.0	70.5
Between 45 and 54	53.8	54.2	45.6	29.2	7.1	0.6	2.1	39.2
Between 55 and 64	40.6	40.6	41.4	17.7	5.3	1.0	3.0	17.8
Between 65 and 74	31.6	36.1	62.1	22.0	4.1	0.7	1.3	9.1
Over 74	18.2	18.2	20.4	14.5	2.1	0.6	1.7	2.9
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>								
Employee	71.0	71.7	51.5	21.4	6.9	1.1	2.4	54.3
Self-employed	60.9	60.9	51.0	32.9	9.6	0.8	8.7	51.2
Retired	25.2	25.5	62.3	17.9	4.3	0.5	1.0	8.8
Other inactive or unemployed	55.8	55.8	42.6	16.5	4.2	0.5	1.8	15.0
<b>NUMBER OF HOUSEHOLD MEMBERS WORKING</b>								
None	36.0	36.0	38.4	22.0	3.1	0.5	1.4	6.3
One	61.6	61.6	51.7	19.7	6.1	1.1	2.0	37.8
Two	81.2	81.2	52.1	28.1	7.1	0.8	5.1	60.9
Three or more	49.6	52.7	45.6	8.8	7.1	1.5	3.8	32.1
<b>NET WEALTH PERCENTILE</b>								
Less than 25	93.5	93.3	50.1	20.9	5.8	0.9	1.6	15.8
Between 25 and 50	61.1	61.1	50.5	9.7	6.0	1.0	2.5	44.2
Between 50 and 75	51.1	53.4	45.7	18.1	5.7	0.7	3.0	34.1
Between 75 and 90	52.0	52.8	45.1	33.3	7.1	0.9	3.2	30.7
Between 90 and 100	66.9	66.9	82.2	33.3	8.1	0.5	5.7	58.9

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 2020 euro

Household characteristics	EFF2020							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		
<b>Percentage of households with debts outstanding</b>								
ALL HOUSEHOLDS	28.2	27.4	11.1	3.2	26.2	8.2	11.6	57.1
<b>INCOME PERCENTILE</b>								
Less than 20	11.0	10.6	2.5	2.1	15.5	7.4	11.7	38.6
Between 20 and 40	22.5	21.8	5.0	2.1	26.2	8.9	9.6	50.7
Between 40 and 60	31.6	30.6	8.2	2.5	28.4	10.8	13.0	59.2
Between 60 and 80	38.0	37.3	16.8	3.2	30.6	7.8	12.5	68.8
Between 80 and 90	40.5	39.6	17.5	6.2	34.2	6.6	10.1	70.5
Between 90 and 100	34.6	33.5	28.5	5.5	26.0	5.3	12.5	65.7
<b>AGE OF HOUSEHOLD HEAD</b>								
Under 35	24.1	23.5	11.8	2.4	28.6	11.7	13.0	60.8
Between 35 and 44	49.1	47.5	18.4	3.3	32.7	12.5	14.6	80.2
Between 45 and 54	41.5	40.9	13.5	3.4	31.3	9.6	13.7	70.1
Between 55 and 64	27.4	26.2	11.0	3.8	32.0	7.5	14.7	61.7
Between 65 and 74	7.1	7.1	6.5	3.9	19.7	6.6	5.8	38.3
Over 74	1.8	1.8	1.8	1.1	5.3	0.7	5.1	13.9
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>								
Employee	45.4	44.0	15.4	3.1	33.9	10.7	12.8	74.6
Self-employed	38.2	37.9	21.2	6.1	30.5	5.5	18.5	73.9
Retired	5.8	5.7	5.1	2.9	15.7	4.1	6.4	30.4
Other inactive or unemployed	17.1	16.6	5.3	2.4	22.1	9.8	13.2	48.6
<b>NUMBER OF HOUSEHOLD MEMBERS WORKING</b>								
None	8.2	8.0	3.9	2.5	15.1	5.8	8.3	34.1
One	35.4	34.2	11.2	2.7	29.1	9.8	11.9	64.5
Two	48.3	47.3	20.2	3.9	36.8	9.9	15.0	80.2
Three or more	31.7	31.3	20.8	8.3	40.5	7.0	19.3	70.3
<b>NET WEALTH PERCENTILE</b>								
Less than 25	19.9	19.6	3.4	2.8	35.4	15.2	17.4	60.7
Between 25 and 50	37.4	36.4	10.2	2.7	27.9	8.2	11.9	60.5
Between 50 and 75	34.6	33.6	12.2	3.3	24.3	6.5	9.8	60.4
Between 75 and 90	23.8	23.0	17.3	3.3	17.7	2.3	7.2	48.4
Between 90 and 100	16.0	15.8	20.8	4.5	16.5	3.7	7.7	44.3
<b>Median debt value for households having such debt</b>								
ALL HOUSEHOLDS	65.0	64.5	49.4	20.0	6.8	1.0	2.6	33.3
<b>INCOME PERCENTILE</b>								
Less than 20	42.1	41.9	51.5	19.6	3.9	0.8	1.1	5.6
Between 20 and 40	50.0	49.5	26.0	12.4	6.0	0.8	2.3	18.4
Between 40 and 60	58.4	58.8	41.4	12.8	7.0	1.2	3.4	30.2
Between 60 and 80	72.6	70.9	37.8	14.0	7.4	0.9	2.8	48.3
Between 80 and 90	83.0	77.5	59.8	27.6	8.7	1.0	5.5	60.4
Between 90 and 100	87.5	84.8	86.3	28.6	9.2	1.0	9.7	88.8
<b>AGE OF HOUSEHOLD HEAD</b>								
Under 35	77.7	75.7	41.3	(a)	5.9	0.6	2.5	24.9
Between 35 and 44	83.9	82.0	63.8	14.0	7.4	0.9	3.1	68.5
Between 45 and 54	60.0	60.0	39.0	19.6	7.5	1.1	2.4	42.9
Between 55 and 64	41.2	43.8	40.6	27.0	7.1	1.2	2.7	25.4
Between 65 and 74	30.0	30.0	45.7	21.3	4.0	1.0	3.3	8.4
Over 74	12.0	12.0	24.2	56.4	2.7	(a)	2.6	2.9
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>								
Employee	72.0	71.6	52.1	14.0	7.0	0.8	2.3	52.2
Self-employed	50.1	50.8	46.6	40.0	12.0	1.5	11.6	50.8
Retired	26.0	26.6	48.4	24.0	4.0	1.0	2.6	8.7
Other inactive or unemployed	51.3	51.3	38.4	18.6	6.1	1.0	1.2	12.0
<b>NUMBER OF HOUSEHOLD MEMBERS WORKING</b>								
None	32.0	31.2	40.0	19.4	4.0	0.8	1.6	6.8
One	58.3	58.0	48.2	19.8	7.0	1.0	2.7	40.5
Two	80.0	76.7	53.7	14.1	8.0	1.0	3.7	63.4
Three or more	69.0	69.0	40.0	27.0	10.9	1.0	11.6	45.6
<b>NET WEALTH PERCENTILE</b>								
Less than 25	92.8	89.6	59.1	13.9	6.3	0.9	1.8	12.0
Between 25 and 50	57.9	57.4	34.3	15.1	7.2	1.6	2.9	41.1
Between 50 and 75	59.6	59.4	46.0	23.6	7.3	1.0	2.6	37.5
Between 75 and 90	70.6	70.8	59.9	27.5	6.2	0.4	5.9	49.2
Between 90 and 100	42.0	42.0	69.8	38.6	6.2	0.6	17.8	46.1

SOURCE: Banco de España.

a Fewer than eleven observations.

The median value of debt for purchase of main residence decreased by 6.3% for the households that have such debt. Changes can also be observed in the above-mentioned profiles by income level and age: between end-2017 and end-2020, the volume of debt decreased among indebted households whose head was under 35, remained constant for those aged between 35 and 44 and increased for those between 45 and 54.

### Debt for purchase of other real estate properties

At end-2020, 11.1% of households had debts outstanding for purchase of other real estate properties. This percentage increases with income and wealth. By age, the profile of this type of debt holding is similar to that of debt for purchase of main residence, reaching its peak among those aged between 35 and 44 and then diminishing. By employment status, 21.2% of households whose head is self-employed had outstanding debt of this type. The median amount of outstanding debt for purchase of real estate properties other than the main residence was €49,400.

Since end-2017, the percentage of households with debt for purchase of real estate properties other than the main residence has risen from 9.6% to 11.1%, and the median volume has fallen by 2.7%. By group, both the percentage of indebted households and the median volume increased among households whose head is aged between 35 and 44 (5.1 pp and 8.3%, respectively). By income, the median amount of outstanding debt rose very notably for households between the 80th and 90th percentiles of the income distribution (37.1%) and for those between the 75th and 90th percentiles of the wealth distribution (32.7%).

### Other debts

The EFF also collects information on other debts, in addition to those for purchase of the main residence or other real estate properties. The main reasons for incurring other debts are, by order of importance, to purchase vehicles and other durable goods, to finance business activity, to carry out home improvements and to repay debts. 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.<sup>35</sup>

Of these, personal loans were the most prevalent type of debt at end-2020, incurred by 26.2% 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-

---

<sup>35</sup> Specifically, credit lines, deferred payment, advances, loans from relatives or friends, debit balances in current accounts, leasing or renting and other unspecified types.

2020 around 30% of all pre-retirement households had personal loans, while by level of net wealth this figure decreases from 35% in the bottom quartile to 18% in the top decile. The median amount outstanding was €6,800, and this amount increases slightly with income and the number of household members working. However, it is relatively stable across the different age and wealth groups; it is particularly high among households whose head is self-employed (€12,000).

Outstanding debts secured by collateral for purposes other than purchase of real estate properties were less frequent (only held by 3.2% of households), but the median amount outstanding was €20,000. One particularly expensive form of debt is that associated with credit cards,<sup>36</sup> which were used to obtain credit by 8.2% of households; this percentage is higher among households aged between 35 and 54, those in the bottom quartile of the net wealth distribution, those whose head is an employee and even among those who are economically inactive or unemployed. The median balance of this debt for households that use credit cards to obtain credit was €1,000; this amount is relatively stable by income level, employment status and net wealth (up to the top quartile).

The percentage of households with personal loans increased by 3.6 pp, from 22.6% at end-2017 to 26.2% at end-2020 for households overall, with increases in practically all groups. Growth was notable among households whose head was unemployed or economically inactive (5.5 pp), those in the bottom quartile of the wealth distribution (8.3 pp) and those between the 50th and 75th percentiles of the wealth distribution. The median balance of personal loans also increased substantially, by 11.8%. This increase was even bigger among households whose head is self-employed (24.5%) or unemployed or economically inactive (45%) and among those between the 25th and 75th percentiles of the wealth distribution (53% in the second quartile and 40% in the third).

Meanwhile, although the proportion of households using credit cards to obtain credit remained largely unchanged (decreasing from 9.3% to 8.2%), it increased for those households whose head was unemployed or economically inactive (1.1 pp), for young households (2.9 pp) and for those in the lower two quintiles of the income distribution (1 pp) and in the bottom quartile of the net wealth distribution (1.1 pp). Further, the median amount of credit card debt saw significant growth (16.4%, rising from €800 to €1,000), which was particularly sharp for households in the bottom quintile of the income distribution, where it doubled. It also increased significantly in nearly all age groups, above all for those aged 45-54 (65%), across all types of employment status (except for employees), for households with no member working and for those between the 25th and 75th percentiles of the net wealth distribution.

---

36 See <https://www.bde.es/webbde/es/estadis/infoest/a1903e.pdf>, which shows that in 2020 the interest on new loans for house purchase was 1.51 pp and that on credit cards was 18.06 pp.

Table 8

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

% (calculated on the basis of 2020 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%
<b>ALL HOUSEHOLDS WITH DEBT</b>	15.9	10.0	108.8	20.5	27.9	21.3
<b>INCOME PERCENTILE</b>						
Less than 20	25.7	31.5	114.7	28.8	37.4	39.9
Between 20 and 40	22.0	16.3	93.5	24.2	29.2	30.2
Between 40 and 60	16.1	8.2	99.4	25.3	30.9	22.7
Between 60 and 80	16.1	6.0	139.4	22.3	31.2	18.9
Between 80 and 90	12.9	2.5	121.3	10.6	26.1	11.0
Between 90 and 100	9.9	2.7	83.7	6.8	16.7	5.3
<b>AGE OF HOUSEHOLD HEAD</b>						
Under 35	17.7	7.0	166.8	30.3	70.9	48.4
Between 35 and 44	17.2	11.4	205.0	30.1	44.7	27.7
Between 45 and 54	16.6	9.5	116.9	18.5	24.5	16.2
Between 55 and 64	13.1	12.2	58.8	14.8	12.8	12.9
Between 65 and 74	11.9	6.9	33.0	6.2	7.3	11.6
Over 74	9.6	4.6	14.5	3.2	2.2	15.3
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>						
Employee	16.2	7.9	148.1	22.9	37.3	25.5
Self-employed	19.3	18.8	138.6	22.2	18.4	9.2
Retired	12.1	6.9	28.3	7.6	6.2	9.7
Other inactive or unemployed	15.3	12.3	79.2	21.9	33.3	27.6
<b>TENURE STATUS OF MAIN RESIDENCE</b>						
Ownership	16.3	10.4	144.9	23.3	23.3	13.6
Other	13.1	8.0	26.0	8.5	85.4	53.9
<b>NUMBER OF HOUSEHOLD MEMBERS WORKING</b>						
None	13.4	9.1	37.7	13.7	10.7	19.3
One	18.3	14.3	155.7	25.8	31.8	23.8
Two	14.6	7.2	131.8	20.3	36.0	21.1
Three or more	11.8	5.2	53.8	10.2	15.1	13.1
<b>NET WEALTH PERCENTILE</b>						
Less than 25	18.3	13.7	104.6	30.6	109.5	74.6
Between 25 and 50	17.4	8.6	168.9	22.4	37.6	8.0
Between 50 and 75	15.0	8.2	96.7	17.0	16.7	0.0
Between 75 and 90	12.0	7.6	71.1	9.4	8.1	0.0
Between 90 and 100	12.5	12.2	76.8	12.7	6.6	0.0

SOURCE: Banco de España.

Table 8 (cont'd)

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

% (calculated on the basis of 2020 euro)

Household characteristics	EFF2020					
	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%
<b>ALL HOUSEHOLDS WITH DEBT</b>	15.6	10.9	94.0	18.5	27.3	21.3
<b>INCOME PERCENTILE</b>						
Less than 20	27.5	39.0	73.6	24.9	32.9	34.8
Between 20 and 40	21.6	17.1	97.2	26.4	33.6	30.4
Between 40 and 60	16.0	8.0	104.9	20.2	31.9	26.6
Between 60 and 80	14.2	3.4	112.6	16.5	26.9	16.4
Between 80 and 90	11.5	4.1	96.0	13.0	24.0	10.6
Between 90 and 100	9.0	1.3	81.6	5.9	18.5	4.0
<b>AGE OF HOUSEHOLD HEAD</b>						
Under 35	15.5	11.2	108.0	18.8	45.2	28.0
Between 35 and 44	16.3	9.2	180.4	26.6	47.3	30.6
Between 45 and 54	15.7	10.7	118.5	18.8	27.2	20.2
Between 55 and 64	15.0	14.0	71.2	14.4	16.0	14.0
Between 65 and 74	13.3	8.4	34.0	7.8	6.8	14.9
Over 74	11.2	12.8	13.5	8.5	1.8	9.0
<b>EMPLOYMENT STATUS OF HOUSEHOLD HEAD</b>						
Employee	15.1	7.9	127.4	20.2	36.1	24.1
Self-employed	18.7	18.3	114.1	22.1	18.2	9.5
Retired	12.6	9.0	33.3	9.5	6.0	11.4
Other inactive or unemployed	19.2	18.0	67.2	18.1	31.6	29.6
<b>TENURE STATUS OF MAIN RESIDENCE</b>						
Ownership	16.1	12.0	132.5	22.3	22.0	12.3
Other	12.5	6.8	30.7	5.6	77.8	51.2
<b>NUMBER OF HOUSEHOLD MEMBERS WORKING</b>						
None	16.7	14.6	41.4	13.9	9.7	20.5
One	17.1	12.0	120.5	22.6	32.2	23.8
Two	13.8	7.2	121.9	17.7	31.0	19.3
Three or more	15.2	13.6	83.5	15.9	24.1	22.3
<b>NET WEALTH PERCENTILE</b>						
Less than 25	17.9	17.1	58.8	25.1	122.6	73.7
Between 25 and 50	17.7	11.2	145.2	21.3	35.4	6.5
Between 50 and 75	14.3	7.8	98.1	14.1	16.6	0.0
Between 75 and 90	12.5	5.9	88.9	12.5	10.9	0.0
Between 90 and 100	12.0	8.7	68.9	10.9	4.4	0.0

SOURCE: Banco de España.

The percentage of households with other types of debt rose by 3.3 pp, from 8.3% to 11.6%, with increases across the board for all groups.

### Debt burden

The EFF enables different measures to be constructed of the burden that debt represents for different types of household. Table 8 shows three measures. The first is the ratio of debt payments (including repayment of principal and payment of interest) to gross household income. This can be considered a measure of households' short-term financial commitments. Figures for the ratio of total debt to gross household income and to total assets are also given. These ratios provide different measures of the relative importance of households' total debt as a proportion of their income. In all cases the median of these individual ratios is provided for each group of households, along with the percentage of households for which they exceed a certain threshold.

According to EFF2020, the median indebted household assigns 15.6% of its gross income to the payment of its debts (see the first column of Table 8 for EFF2020). This figure is higher for the lower income levels (27.5%) and diminishes as income rises. By age group, households whose head was aged between 35 and 44 assigned the highest proportion of their income to payment of their debts (16.3%). By employment status, the financial burden was highest among households whose head was unemployed or economically inactive (19.2%). Meanwhile, the amount of outstanding debts represents, in median terms, 94.4% of annual household income (see the third column of Table 8 for EFF2020). This proportion is higher for indebted households between the 40th and 80th percentiles of the income distribution, for households whose head is aged between 35 and 54 (with a ratio over 100%) and for those whose head was an employee (127.4%) or self-employed (114.1%).

The proportion of households setting aside more than 40%<sup>37</sup> of their gross income to payment of their debts is 10.9% of indebted households (see the second column of Table 8) or 6.2% of total households.<sup>38</sup> In the bottom quintile of the income distribution, 39% of households that have debts, equivalent to 15.1% of the total households in this income bracket, exceed this threshold. Moreover, the debt of 18.5% of indebted households is more than three times their gross annual income (see the fourth column of Table 8 for EFF2020). Once again this figure is higher for

---

37 The Survey of Consumer Finances also shows this threshold, see <https://www.federalreserve.gov/publications/files/scf20.pdf> (Table 5, page 29).

38 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 households with some type of debt (shown in the last column of Table 7).

households in the two lower quintiles of the income distribution (24.9% and 26.4%), households aged between 35 and 44 (26.6%) and households in the bottom quartile of the net wealth distribution (25.1%).

The debt burden-to-income ratio and the debt-to-income ratio behaved differently between end-2017 and end-2020 (see Table 8). The ratio of total household debt to income fell from 108.8% at end-2017 (and from 155% at end-2014) to 94% at end-2020. Specifically, the sharpest drop was among indebted households between the 60th and 90th percentiles of the income distribution, households whose head was aged under 44 and households in the bottom half of the wealth distribution. However, this decrease in the amount of debt was not accompanied by a decline in the debt burden or proportion of income assigned to payment of debts in all groups. In this respect, the median debt burden increased for indebted households in the bottom quintile of the income distribution and among those whose head was unemployed or economically inactive. Indeed, households (whether or not indebted) that assigned more than 40% of their gross income to payment of their debts accounted for 6.2% of the total in 2020, compared with 5.3% in 2017. This increase (of 0.9 pp) was concentrated on lower income households (15.1% in 2020 compared with 9.5% in 2017), households whose head was under 35 (6.8% compared with 4.4%) or who was unemployed or economically inactive (8.7% compared with 4.9%) and households in the bottom quartile of the net wealth distribution (10.4% compared with 7.5%).

The last two columns of Table 8 show the ratio of debt to gross wealth. For the median indebted household, debt accounts for 27.3% of the total value of its (real and financial) assets. This ratio declines with income and age and, by definition, with wealth. Moreover, 21.3% of indebted households have debts that exceed 75% of their assets. The proportion of households exceeding this threshold is also higher for certain groups; in particular, 30.6% of indebted households aged between 35 and 44 (24.6% of total households aged between 35 and 44) have debts that exceed 75% of the value of their assets.

Lastly, between 2017 and 2020, the median household saw its debt-to-asset ratio fall very slightly (-0.6 pp). However, among indebted households under 35, the drop was very significant (-25.7 pp), with the ratio down from 70.9% to 45.2%. Also, this group of households under 35 saw the largest fall in the percentage of indebted households whose debt exceeded 75% of their assets (-20.4 pp). Part of this drop was on account of the increase in their wealth, which went from €40,300 to €43,300 (see Table 3). The amount of their debt also fell, from €40,600 to €24,900, as did the percentage of indebted households in this group, from 62.1% to 60.8% (see Table 7). Conversely, these households saw an increase (from 8.8% to 11.7%) in their credit card debt which is higher cost debt. This might explain the lower decline in their debt burden (from 17.7% to 15.5%).

Table 9

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

% and thousands of 2020 euro

Household characteristics	EFF2017				
	Value of ownership		Expenditure		
	Cars and other vehicles		Other durable goods	Food	Other non-durable goods
	% owning such good	Median	Median	Median	Median
ALL HOUSEHOLDS	75.5	6.1	12.2	4.9	5.0
INCOME PERCENTILE					
Less than 20	44.6	2.5	5.9	3.0	3.0
Between 20 and 40	65.1	3.3	8.3	3.7	4.3
Between 40 and 60	81.6	4.8	11.6	4.9	5.3
Between 60 and 80	90.5	7.2	15.2	6.1	6.4
Between 80 and 90	94.4	9.9	17.9	6.2	8.5
Between 90 and 100	96.7	14.2	25.4	8.5	10.4
AGE OF HOUSEHOLD HEAD					
Under 35	74.4	7.1	6.1	3.7	4.9
Between 35 and 44	88.4	7.1	12.2	4.9	6.1
Between 45 and 54	85.3	6.1	12.2	4.9	6.1
Between 55 and 64	82.4	6.1	12.2	5.4	5.5
Between 65 and 74	71.3	4.1	12.2	5.5	4.9
Over 74	38.5	3.0	9.2	4.1	3.7
EMPLOYMENT STATUS OF HOUSEHOLD HEAD					
Employee	88.2	7.1	12.2	4.9	6.1
Self-employed	92.4	10.1	15.2	6.1	6.1
Retired	65.5	3.6	12.2	5.2	4.9
Other inactive or unemployed	54.9	3.6	6.5	3.7	3.7
LEVEL OF EDUCATION OF HOUSEHOLD HEAD					
Basic or no education	67.2	5.1	10.0	4.9	4.4
Secondary	84.4	6.1	12.2	4.9	6.1
Tertiary	86.1	8.1	18.3	6.1	7.5
TENURE STATUS OF MAIN RESIDENCE					
Ownership	80.7	6.1	14.6	4.9	5.5
Other	59.3	4.0	5.1	3.7	3.9
NUMBER OF HOUSEHOLD MEMBERS WORKING					
None	54.0	3.0	9.5	3.8	3.9
One	82.4	5.6	10.2	4.9	4.9
Two	94.4	8.6	14.2	6.1	7.2
Three or more	88.6	11.3	20.3	8.5	8.0
NUMBER OF HOUSEHOLD MEMBERS					
One	44.9	3.0	7.6	3.0	3.7
Two	79.3	5.1	12.2	4.9	4.9
Three	91.5	7.1	12.2	5.8	6.1
Four	92.3	7.1	15.2	6.1	7.3
Five or more	82.3	8.1	12.2	7.3	6.9
NET WEALTH PERCENTILE					
Less than 25	61.5	4.0	5.1	3.7	3.7
Between 25 and 50	72.0	5.1	10.1	4.8	4.9
Between 50 and 75	79.5	6.1	15.2	4.9	5.0
Between 75 and 90	88.3	8.1	20.3	6.1	6.9
Between 90 and 100	90.0	10.2	30.4	7.3	9.7

**SOURCE:** Banco de España.



## EFF2017

## Expenditure

Cars and other vehicles		Other durable goods		Household characteristics
% incurring expense	Median	% incurring expense	Median	
15.4	8.1	47.4	0.8	ALL HOUSEHOLDS
INCOME PERCENTILE				
5.9	3.0	35.5	0.4	Less than 20
12.7	4.8	39.9	0.6	Between 20 and 40
14.5	7.1	50.4	0.9	Between 40 and 60
24.7	8.5	52.4	1.0	Between 60 and 80
16.4	11.3	59.5	1.1	Between 80 and 90
22.3	19.1	58.5	1.6	Between 90 and 100
AGE OF HOUSEHOLD HEAD				
17.7	8.1	63.4	0.9	Under 35
21.4	6.1	57.4	0.8	Between 35 and 44
20.1	7.3	55.1	1.0	Between 45 and 54
19.6	10.3	44.4	1.0	Between 55 and 64
6.4	12.2	36.8	0.9	Between 65 and 74
3.2	6.1	29.0	0.5	Over 74
EMPLOYMENT STATUS OF HOUSEHOLD HEAD				
20.1	8.1	57.7	1.0	Employee
25.7	12.3	52.0	1.0	Self-employed
7.1	10.1	36.3	0.7	Retired
11.9	3.3	39.2	0.6	Other inactive or unemployed
LEVEL OF EDUCATION OF HOUSEHOLD HEAD				
13.4	5.6	40.3	0.7	Basic or no education
16.8	10.1	55.1	1.0	Secondary
19.0	15.2	56.6	1.0	Tertiary
TENURE STATUS OF MAIN RESIDENCE				
15.9	11.2	48.0	1.0	Ownership
13.9	3.4	45.8	0.6	Other
NUMBER OF HOUSEHOLD MEMBERS WORKING				
5.9	4.1	34.5	0.6	None
16.0	8.1	49.3	0.8	One
25.6	10.3	61.4	1.0	Two
29.2	9.1	55.9	1.2	Three or more
NUMBER OF HOUSEHOLD MEMBERS				
6.5	6.0	35.6	0.5	One
12.8	11.2	44.7	0.8	Two
20.1	7.1	54.9	1.0	Three
25.4	10.1	57.4	1.0	Four
23.0	6.1	57.3	1.0	Five or more
NET WEALTH PERCENTILE				
14.8	3.3	46.7	0.5	Less than 25
14.7	8.1	44.2	0.7	Between 25 and 50
14.7	8.8	49.3	1.0	Between 50 and 75
18.4	12.2	48.8	1.0	Between 75 and 90
16.5	17.2	50.7	1.8	Between 90 and 100

Table 9 (cont'd)

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

% and thousands of 2020 euro

Household characteristics	EFF2020				
	Value of ownership			Expenditure	
	Cars and other vehicles		Other durable goods	Food	Other non-durable goods
	% owning such good	Median	Median	Median	Median
ALL HOUSEHOLDS	77.1	7.0	10.0	4.8	4.8
INCOME PERCENTILE					
Less than 20	45.1	2.5	5.0	3.0	2.7
Between 20 and 40	69.2	4.0	8.8	4.5	4.1
Between 40 and 60	84.8	6.0	10.0	4.8	5.1
Between 60 and 80	91.8	8.3	15.0	6.0	6.6
Between 80 and 90	92.7	12.0	19.9	7.2	8.3
Between 90 and 100	95.7	14.7	25.0	8.2	10.8
AGE OF HOUSEHOLD HEAD					
Under 35	76.3	7.6	6.0	4.8	4.5
Between 35 and 44	88.0	8.0	10.0	4.8	5.3
Between 45 and 54	83.6	7.0	10.0	4.8	5.4
Between 55 and 64	84.4	7.7	15.0	6.0	5.9
Between 65 and 74	72.6	5.0	12.0	5.4	4.8
Over 74	44.6	3.0	10.0	4.2	4.1
EMPLOYMENT STATUS OF HOUSEHOLD HEAD					
Employee	88.7	8.0	11.4	4.8	6.0
Self-employed	90.5	10.0	15.7	6.0	6.4
Retired	68.0	5.0	12.0	5.1	4.8
Other inactive or unemployed	57.8	3.5	6.1	3.6	3.6
LEVEL OF EDUCATION OF HOUSEHOLD HEAD					
Basic or no education	69.3	5.5	9.4	4.8	4.2
Secondary	83.1	7.5	12.0	4.8	5.4
Tertiary	85.9	9.0	15.0	6.0	6.8
TENURE STATUS OF MAIN RESIDENCE					
Ownership	81.6	7.3	15.0	5.2	5.5
Other	64.2	5.0	5.0	3.6	3.6
NUMBER OF HOUSEHOLD MEMBERS WORKING					
None	57.8	3.3	10.0	4.1	3.6
One	85.0	6.0	10.0	4.8	4.8
Two	93.3	11.0	15.0	6.0	7.2
Three or more	94.7	13.6	18.0	9.4	7.2
NUMBER OF HOUSEHOLD MEMBERS					
One	49.2	3.0	8.0	3.0	3.6
Two	82.0	6.0	12.0	5.2	4.8
Three	90.2	8.0	12.0	6.0	6.0
Four	93.9	10.0	15.0	6.2	7.2
Five or more	82.6	9.5	11.4	7.2	6.0
NET WEALTH PERCENTILE					
Less than 25	64.3	4.7	5.0	3.6	3.6
Between 25 and 50	73.8	6.0	10.0	4.8	4.7
Between 50 and 75	82.8	7.7	15.0	5.2	5.4
Between 75 and 90	87.2	8.0	20.0	6.0	6.7
Between 90 and 100	87.8	13.2	30.0	7.6	9.6

SOURCE: Banco de España.

## EFF2020

## Expenditure

Cars and other vehicles		Other durable goods		Household characteristics
% incurring expense	Median	% incurring expense	Median	
13.6	8.0	56.0	0.8	ALL HOUSEHOLDS
				INCOME PERCENTILE
6.2	3.0	40.1	0.5	Less than 20
11.8	3.9	51.9	0.6	Between 20 and 40
15.1	7.3	56.5	0.8	Between 40 and 60
17.7	11.1	64.8	1.0	Between 60 and 80
17.4	11.7	66.1	1.5	Between 80 and 90
16.5	15.6	66.9	1.4	Between 90 and 100
				AGE OF HOUSEHOLD HEAD
22.3	8.0	77.8	0.7	Under 35
17.9	7.5	65.4	1.0	Between 35 and 44
17.7	7.4	59.5	0.9	Between 45 and 54
14.4	8.6	53.8	1.0	Between 55 and 64
6.8	11.0	49.6	0.7	Between 65 and 74
2.1	11.0	36.2	0.5	Over 74
				EMPLOYMENT STATUS OF HOUSEHOLD HEAD
19.9	8.2	64.5	1.0	Employee
17.5	7.0	60.1	1.4	Self-employed
5.2	13.2	47.1	0.7	Retired
9.5	3.4	47.9	0.5	Other inactive or unemployed
				LEVEL OF EDUCATION OF HOUSEHOLD HEAD
12.1	6.9	48.1	0.7	Basic or no education
15.7	9.8	61.5	0.9	Secondary
13.8	11.0	65.7	1.0	Tertiary
				TENURE STATUS OF MAIN RESIDENCE
14.2	9.0	55.7	1.0	Ownership
11.6	6.0	56.7	0.6	Other
				NUMBER OF HOUSEHOLD MEMBERS WORKING
5.7	9.0	45.3	0.6	None
15.8	5.9	57.4	0.8	One
20.5	9.0	68.9	1.0	Two
26.7	12.0	64.1	1.0	Three or more
				NUMBER OF HOUSEHOLD MEMBERS
5.7	6.2	43.0	0.6	One
11.9	11.0	54.6	0.9	Two
17.7	6.3	63.9	1.0	Three
20.0	7.0	66.7	1.0	Four
23.9	12.0	63.0	1.0	Five or more
				NET WEALTH PERCENTILE
14.2	4.9	57.7	0.6	Less than 25
13.6	6.9	51.7	0.8	Between 25 and 50
13.8	10.8	57.1	1.0	Between 50 and 75
13.3	11.8	57.1	1.0	Between 75 and 90
11.7	14.8	57.9	1.0	Between 90 and 100

## Other information

The definition of household wealth does not include the value of vehicles<sup>39</sup> or 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.<sup>40</sup> Similarly to the case of real assets, the percentage of households owning a vehicle, the median value of that vehicle and the median value of other durable goods increase with income and net wealth.

Ownership of cars and other vehicles rose slightly between end-2017 and end-2020 (from 75.5% to 77.1%) for households overall, although more so among older households. The median value of the vehicles owned rose by 15%, with especially high growth rates (over 20%) in the case of households whose head was aged between 55 and 74. However, the value of other durable goods owned (household furnishings, fittings and appliances) fell significantly for households overall (17.8%), with widespread decreases for almost all groups, especially by level of education and net wealth.

To understand the changes in vehicle ownership it is important to analyse who purchased these goods. Over the last 12 months, 13.6% of households purchased vehicles; among this group, the median spend was €8,000. This percentage of households increases significantly with income, but it decreases with age and is relatively stable with level of education and net wealth. Nevertheless, among those who purchase vehicles, the amount spent increases with both level of education and net wealth.

The 13.6% of households that had purchased vehicles in the previous 12 months represents a fall of 2.2 pp compared with the 2017 figure. This decline is especially noticeable among the top income deciles (60th to 80th and 90th to 100th), where it reached between 6 pp and 7 pp. A higher proportion of young households (4.6 pp) purchased vehicles, while for all other age groups the proportion declined. By level of education, employment status and wealth, the percentage of households that purchased vehicles also fell for all groups.

The value of ownership of other durable goods (for instance, household furniture) fell by 18% for households overall. However, there was a strong increase (of 8.5%) in the percentage of households that purchased such goods (from 47.4% to 56%) across all groups.

Given the importance of its relationship to the distribution of household income, wealth and debt, the EFF includes additional information on household spending on non-

---

39 Considering vehicles as wealth depends on institutional factors. In countries with liquid second-hand car markets they are included. In Spain, however, the second-hand car market has traditionally been more limited, which casts more doubts over the value of vehicles owned.

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

durable goods. Table 9 provides information on the distribution of different expenditure items by household characteristics. Median spending on food increases with income, number of household members, level of education and wealth. It also increases with age, up to 74, but falls thereafter. Median spending on other non-durable goods follows a similar pattern, although compared with spending on food it increases more with income, number of household members, level of education and wealth.

Thus, in 2020, median annual spending on food and on other non-durable goods amounted to €4,800. Both expenditure items decreased compared with 2017, spending on food by 1.4% and spending on other non-durable goods by 3.4%.

Compared with 2017, in general the increase in households' median income described above (see Table 1.A) did not translate into higher spending on food or other non-durable goods (or on durable goods or vehicles). Quite the opposite, as median spending on all these items fell for all households.

If spending on food<sup>41</sup> is analysed by group, the changes vary across the income distribution. By age, there is a notable increase in median spending on food among younger households, but there are no major changes among households aged 35 to 55. By employment status and level of education, spending on food fell among all groups. By level of wealth the changes varied.

Spending on non-durable goods appears to have fallen more markedly among households in the three lower income quintiles (by 11% in the bottom quintile), although it has also fallen across all age groups up to 55 (by 12.2% between 35 and 44). By employment status, it has only increased (from €6,100 to €6,400) among households whose head was self-employed. Spending on non-durable goods generally fell with level of education and household size, but with level of wealth it varied, with decreases for households in the lower quartiles and between the 75th and 90th percentiles.

27.7.2022.

---

41 Spending on food includes food consumed in the home and elsewhere.

## REFERENCES

Alvargonzález, P., M. Asensio, C. Barceló, O. Bover, L. Cobreros, L. Crespo, A. de Quinto, N. El-Amrani, S. García-Urbe, C. Gento, M. Gómez, P. Jovell, B. Rivera, P. Urcelay, E. Villanueva and E. Vozmediano (2022). "The Spanish survey of household finances (EFF): description and methods of the 2020 wave", *Occasional Paper*, Banco de España (forthcoming).

**THE DATA USED: EFF2020 METHODS****Questionnaire**

The EFF questionnaire is divided into the following nine main sections, defined according to the variables studied in each section:

- 1 Demographics
- 2 Real assets and associated debts
- 3 Other debts
- 4 Financial assets
- 5 Insurance and pensions
- 6 Employment status and related income
- 7 Non-labour income in the previous calendar year (2019)
- 8 Means of payment
- 9 Consumption and savings

The questions on assets and debts refer to the household as a whole, while those on employment status and related income are put to each household member over the age of 16. Most of the information relates to the time of the interview, although information is also collected on all pre-tax income in the calendar year prior to the survey, in this case, 2019. The information was collected by means of telephone interviews with the households,<sup>1</sup> conducted between November 2020 and June 2021. Owing to the complexity and length of the questionnaire, the interviews were conducted by interviewers with specific training and were computer-assisted.

For this latest round of the survey, a tenth section was added on the possible effects of the COVID-19 crisis on households' economic situation, through possible job losses or lower employment income.<sup>2</sup>

**Sample design**

As in the previous editions of the EFF, the design of this seventh edition took into account two main objectives. First, the need for the sample to have the same characteristics as regards quality and representativeness of the population, in addition to oversampling of wealth. Second, that the 2020 sample should have a panel component, i.e. that it should

include a set of households that participated in previous editions of the EFF. Regarding this longitudinal dimension, the rotation system introduced in the previous edition, which limits the maximum number of editions of the survey in which a household may participate, has been maintained in this one. Specifically, the EFF2020 longitudinal sample does not include households that were interviewed for EFF2002, EFF2005 or EFF2008. Accordingly, a system of linked sub-panels has been introduced, making 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 (up to a total sample size of 9,100 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 National Statistics Institute (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, in order 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 richest household segment and including a longitudinal component. A procedure for replacing non-respondent households with others with very similar income and wealth levels has been included in the sample design, thus ensuring that the desired characteristics of the sample are maintained.

**Interviews**

The total number of valid interviews obtained was 6,313, of which 3,831 were households that participated in EFF2017. Of these 3,831 households, 808 have participated since 2011, 1,368 since 2014 and 1,655 since 2017. The percentage of households that could not be contacted owing to prolonged absence accounted for 3.1% of the total. The overall cooperation rate was 49.6%.<sup>3</sup> However, for the longitudinal component of the sample, the cooperation rate was 72.4%. Overall, the degree of oversampling in the final sample is satisfactory. For example, the highest percentile of the wealth distribution is represented in the EFF2020 sample by 686

1 Pandemic-related contact and mobility restrictions made it necessary to change from in-person to telephone interviews. Tracking and detailed monitoring of various indicators show that the data quality was not severely affected by this change. A detailed description of all the methodological aspects will appear in Alvargonzález et al. (2022).

2 A detailed description of the information gathered in this section will be published later this year.

3 The cooperation rate is defined as the ratio of the number of completed interviews to the number of completed interviews plus the number of refusals to participate.

**THE DATA USED: EFF2020 METHODS (cont'd)**

households. In the absence of oversampling, and if the response rate were uniform across the wealth strata, barely 63 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 comparisons 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 households in the sample are to be found in the total household population. To calculate the weights, account is taken mainly of the sample design characteristics. Adjustments are also made to reflect the different non-response rate by income and wealth level.

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, either because they do not know the answer or for other reasons. Any analysis based exclusively on fully completed questionnaires could bias the results significantly. Consequently, 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.<sup>4</sup> The statistics of interest are obtained by combining the information drawn from these multiple imputations.<sup>5</sup>

---

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

5 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.