

SURVEY OF HOUSEHOLD FINANCES (EFF) 2008: METHODS, RESULTS AND CHANGES
SINCE 2005

Introduction

The Spanish Survey of Household Finances (“EFF” by its Spanish acronym) is a survey by the Banco de España which allows the linking of income, assets, debt and spending of each household unit. The third edition of the EFF (EFF2008), referring to the end of the first quarter of 2009, has been designed to give continuity to this statistical source, from which data were collected for the first time in 2002 and subsequently in 2005. The EFF2008 updates the information on household finances and thus allows an assessment of the changes in the financial position of Spanish households in the period from the end of 2005 to the end of the first quarter of 2009 (2009 Q1), while offering a more up-to-date picture of the structure of household assets and debts.

The usefulness of the information contained in a survey such as the EFF has prompted the system of euro area central banks to decide to conduct a financial survey in all the euro area countries, following a methodology similar to that of the EFF. Thus the EFF2008 will allow a harmonised comparison with the new European surveys of the financial position of households.

An important characteristic of the three editions of the EFF is that their samples contain a large number of high-wealth households. Since the distribution of wealth is heavily skewed and some types of asset are only held by a small fraction of the population, in the absence of very large samples, it is important to oversample the wealthiest households. This is what the EFF does, to ensure that its sample is representative not only of the population as a whole, but also of the aggregate wealth of the economy, in order to facilitate the study of financial behaviour at the top of the wealth distribution.

Another important characteristic of the EFF is that, from the second edition onwards, some of the households that participated in previous editions have been re-interviewed, while a refreshment sample has been incorporated to preserve the representativeness of the overall sample. Thus, the EFF2002, EFF2005 and EFF2008 samples contain a common sub-set of households that can be observed at various points in time, considerably expanding the possibilities for analysing the nature of the changes observed.

These characteristics (which are highly desirable for a survey of this kind) have been obtained by means of a system of blind collaboration with the National Statistics Institute (“INE” by its Spanish acronym) and the tax authorities (TA), which respects strict tax confidentiality requirements and response anonymity. However, first and foremost, we are most grateful for the generosity of the households that have participated in this project, especially those that have participated in various waves of the EFF.

This article describes the results of the EFF2008 and the changes observed in the financial position of households between 2005 and 2009 Q1.¹ It also contains a box summarising the main methodological characteristics of the EFF2008 (see Box 1), which are described in more detail in Bover (2011). The first section reviews some important aspects of the socio-economic background to the period from 2005 to 2009 Q1. The second section

¹ For this purpose the tables referring to the financial position of households at the end of 2009 Q1 and those referring to 2005 have both been included, the variables relating to the value of assets, debt, income and spending being expressed in March 2009 euro in both cases. Tables 1.A and 1.B on income and net wealth provide, in addition, information relating to 2002 in March 2009 euro.

Questionnaire

The EFF questionnaire is divided into nine main sections, reflecting the variables studied, which are as follows:

- 1 Demographics
- 2 Real assets and their associated debts
- 3 Other debts
- 4 Financial assets
- 5 Pension plans and insurance
- 6 Labour market status and related income
- 7 Non-labour income in the previous calendar year (2007)
- 8 Means of payment
- 9 Consumption and savings

The questions on assets and debts refer to the household as a whole, while those on labour market status and related income are for 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, i.e., in this case, 2007. The information was collected by means of personal interviews with the households, conducted between November 2008 and June 2009. Given the data collection schedule, the period covered by the Survey is up to the end of 2009 Q1. Owing to the complexity of the questionnaire, the interviews were computer-assisted.

Sample design

As in the second edition of the EFF, the design of the third edition had two main objectives. First, to maintain the same quality characteristics, in particular, to provide a representative sample of the population with oversampling of wealth. Second, there was a desire that part of the 2008 sample should be longitudinal, i.e. that it should include households that participated in the second edition (and sometimes in the first edition). To achieve these aims, a refreshment sample was designed to supplement the longitudinal component (in order to make a total sample of 7,000 households) and to ensure that, when used in combination with the longitudinal one, the overall sample should satisfy the representativeness and oversampling requirements. This sample was achieved thanks to the collaboration of the National Statistics Institute (INE) and the tax authorities (TA), through a complex coordination mechanism that enabled strict confidentiality and anonymity requirements to be observed at all times. Specifically, the TA devised a wealth strata-based random sample, additional to the longitudinal sample, drawing on the *Padrón Continuo* (a continuously updated municipal population census) provided by the INE, following the guidelines of the sample design prepared by the latter. 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 complex procedure for replacing non-respondent households was incorporated into the sam-

ple design, thus ensuring the maintenance of the sample's desirable characteristics.

Interviews

The total number of valid interviews was 6,197, of which 3,967 corresponded to households who participated in the EFF2005. Of these 3,967 households, 1,925 have participated since 2002 and 2,042 since 2005. The percentage of households that could not be contacted accounted for 5.4% of the total, and the cooperation rate was, overall, 61.9%.¹ This rate diminishes as the wealth stratum rises. However, for the longitudinal component the collaboration rate is 76.6%, with no significant reductions at the highest wealth strata. Overall, the degree of oversampling in the final sample is satisfactory. For example, the highest percentile of the wealth distribution is represented in the EFF2008 sample by 587 households. In the absence of oversampling, and if the response rate were uniform across the different strata, scarcely 62 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. Finally, the quality tests carried out using the information contained in other national statistics and similar surveys carried out in other countries give satisfactory results.

Weights and imputation

To obtain magnitudes representative of the population, use is made of weights, i.e. 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 characteristics of the sample design, but various adjustments are made, in particular to reflect the different response rate by income and wealth level.

The lack of a reply 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, owing to a lack of knowledge or to other reasons. Any analysis based exclusively on cases with fully completed questionnaires might bias the results substantially. Consequently, the Banco de España has devised a system of imputations for the non-observed values to facilitate data analysis. These imputations are based on advanced statistical techniques, with several estimates being obtained for each non-observed value so as to take into account the uncertainty associated with the imputation.² The statistics of interest are obtained by combining the information on these multiple imputations.³

- 1 The cooperation rate is defined as the ratio of the number of completed interviews to the sum of the number of completed interviews and the number of refusals to participate.
- 2 Five imputations are provided in the EFF for each non-observed value.
- 3 The data presented in this report will foreseeably be revised slightly upon conclusion of the process of imputation of the EFF variables not used in the compilation of the report.

presents the results for household income and net wealth. The third section analyses households' holdings of real and financial assets. The fourth section provides information on the debt and debt burden of households. The fifth section focuses on aspects relating to household spending. Finally, the sixth section contains some concluding remarks.

The distributions of most of the important variables, such as those relating to the various assets and debts, have very high values for a relatively small number of households. Typical values of the distribution are therefore better approximated by the median than by the mean, so this is the statistic included in the tables. All the variables relating to income, wealth, debt and spending levels are expressed in real terms. More specifically, all euro amounts have been expressed in March 2009 euro using the consumer price index (CPI).²

Socio-economic background

Following an expansionary phase that lasted more than a decade, during 2007 economic activity took a decelerating path, which gave way to a sharp adjustment in 2008 that persisted with particular virulence in the first half of 2009. Although the annual average growth of GDP in 2008 was still positive (0.9%), the year ended with a decrease of 1.4% in year-on-year terms and at the end of 2009 Q1 the fall in output amounted to 3.5%. The adjustment was very sharp also in the labour market. The unemployment rate reached 11.3% of the labour force in 2008, rising to 18% in the first half of 2009, following the historical low of 8% in the middle months of 2007. The inflation rate measured in terms of the CPI was 2.8% on average for the period 2006-2008, with rates near -1% being recorded in the first half of 2009. In 2008 Q4 there were also significant falls in asset values. All these changes, which are reflected in the data of the EFF2008, are important when it comes to interpreting the Survey. In particular, the Survey was conducted at a time when, although the effects of the crisis were already clearly apparent in the behaviour of the financial and confidence indicators, the effects of the growing unemployment and the changes in disposable income, which move more gradually, cannot yet be appreciated in all their magnitude in the EFF data.³

Following the sustained rises between 2005 and mid-2008, interest rates took a downward path in late 2008 which continued throughout the following year. Household wealth decreased as a result of the fall-off in financial asset values, particularly stock market prices,⁴ and of the downward revision of households' residential asset values. The slowing path of house prices initiated in 2005 became more firmly established, the growth rate standing at 5.8% in 2007, 0.7% in 2008 and -8.3% in mid-2009. Additionally, the housing stock increased by more than 2.3 million units between end-2005 and end-2008 (representing an increase of 9.7% with respect to the number of houses in 2005), as a result of the completion of projects started in the previous years of expansion.

Between end-2005 and end-2008 the population resident in Spain grew by around 4.6%, an increase explained basically by a rise of 36.3% in the foreign population.⁵ However, this contribution ceased in 2009 with the reduction in migrant inflows: the year-on-year increase in the foreign population in 2009 was 1.1%, compared with an annual average growth rate of 11% in the period 2005-2008. The number of foreign residents in Spain increased from 4.1 million at 1 January 2006 to 5.6 million at 1 January 2009. As a result of

2 To adjust assets and debts to March 2009 euro, the EFF2005 data were multiplied by 1.0738 and the EFF2002 data by 1.1791. To adjust household income for the calendar year prior to the Survey to March 2009 euro, the factors applied were 1.2262 for 2002, 1.1135 for 2005 and 1.0040 for 2008.

3 In this respect, it should be noted that, in any event, the household annual income stated in the EFF2008 refers to 2007.

4 The Madrid Stock Exchange General Index fell by 29% in the period from 2005 to 2009 Q1.

5 Population data are drawn from the Municipal Census (*Padrón de Habitantes*).

this increase, the share of foreigners in the total population rose from 9.3% at the beginning of 2006 to 12.1% and the end of 2008.

In the period 2005-2008 some of the demographic factors which drove the creation of new households in the expansionary phase continued to persist, such as the reduction in the average size of households,⁶ marital separations⁷ and, albeit to a lesser degree, migrant inflows. In fact, the rate of creation of new households (around 450,000 per year) was considerably higher than the population growth rate, although lower than between 2002 and 2005. According to the *Encuesta de Condiciones de Vida* (Survey of Income and Living Conditions), the number of households increased by 9.5% in the period 2005-2008.⁸

In this period, apart from increasing in number, households also changed in composition. Specifically, the relative increase in the number of one- or two-member households continued (from 44.4% to 47.8% of households), but the weight of three-member households also increased (from 23.9% to 25.3%). The relative importance of younger households declined (from 15.3% to 13.3%), the relative weight of these households standing below that in 2002 (14%) and the weight of older households increased. Regarding these changes, the EFF shows that, between 2005 and 2009 Q1 there was an increase in the percentage of households in which offspring above age 30 lived (from 8.5% to 9.7% for total households), particularly among households headed by a person above age 64 (from 18.9% to 20.9%). Finally, the proportion of households made up of foreigners continued to increase (from 5.7% to 6.6%), although more slowly than between 2002 and 2005.⁹

Household income and wealth¹⁰

INCOME

According to the EFF2008, the average income of Spanish households as at end-2007 is €33,600 while their median income is €26,000 (see Table 1.A).¹¹ The patterns in the income distribution are as one would expect. By age group, average and median income vary according to the life cycle, increasing with age, peaking for households within the 45 to 54-year-old segment, and declining thereafter for the older groups. Income also increases with level of education, being substantially higher in the case of households whose heads have a university education. As regards labour market status, households whose heads are self-employed have the highest incomes.

Compared with the 2005 figures, household real median income increased by 5.3%, while average income remained practically unchanged.^{12, 13} This behaviour for total households is the result of increases in the income per household –both the median and the average– for households in the bottom six deciles of the income distribution and of decreases for the top 20% of households by income. There are also decreases in the median and the average for households in the highest decile of the wealth distribution. By age group, the highest increases are in households whose head is above age 64.

6 According to the EFF, the average number of members per household was 2.68 in 2009 Q1, compared with 2.79 in 2005 and 2.94 in 2002.

7 During the period 2005-2008 an average of 134,000 separation or divorce rulings were registered each year.

8 According to the EFF, the number of households increased by 9.3% in the period 2005-2009 Q1 and by 11.4% in the period 2002-2005.

9 These figures relate to the EFF2005 and the EFF2008. According to this same source, the percentage of households headed by a foreigner in 2002 was 3.8%.

10 The measure of household income used in this report is the total gross income of the household (including the income from employment and other income of all its members), i.e. before taxes and social-security contributions, for the whole of the calendar year prior to the Survey, which for the EFF2008 is 2007 and for the EFF2005 is 2004.

11 That is to say, 50% of households have an income of more than €26,000 and 50% less.

12 The difference in average income comes within the Survey's error margin, which is defined as twice the standard error.

13 The change in average income between the EFF2008 and the EFF2005 is consistent with that deriving from the comparison of National Accounts data for these years.

HOUSEHOLD INCOME
Distribution by household characteristics

TABLE 1.A

% and thousands of 2009 Q1 euro

Household characteristics	EFF2002			EFF2005			EFF2008		
	% of households	Median	Mean	% of households	Median	Mean	% of households	Median	Mean
ALL HOUSEHOLDS	100.0	27.1 (0.5) (a)	35.9 (0.6)	100.0	24.7 (0.5)	33.9 (0.8)	100.0	26.0 (0.6)	33.6 (0.9)
INCOME PERCENTILE									
Less than 20	20.0	9.3	9.1	20.0	7.4	7.0	20.0	8.0	8.1
Between 20 and 40	20.0	18.0	18.1	20.0	15.6	15.7	20.0	16.7	16.8
Between 40 and 60	20.0	27.1	27.3	20.0	24.6	24.6	20.0	25.9	25.8
Between 60 and 80	20.0	39.9	40.5	20.0	36.5	37.1	20.0	36.7	37.1
Between 80 and 90	10.0	58.7	59.3	10.0	54.8	55.1	10.0	52.1	52.8
Between 90 and 100	10.0	91.4	109.9	10.0	90.7	114.4	10.0	80.8	106.7
AGE OF HOUSEHOLD HEAD (b)									
Under 35	14.0	29.0	33.7	15.3	24.7	30.6	13.3	26.6	31.2
35-44	22.1	29.9	37.4	21.5	28.6	38.4	22.1	29.9	35.6
45-54	19.7	35.4	47.0	20.1	33.2	42.7	20.5	31.3	42.4
55-64	16.5	31.6	43.0	16.2	30.1	42.4	16.4	31.8	42.4
65-74	17.1	20.3	27.5	16.5	16.9	23.6	15.0	18.8	24.9
Over 74	10.5	12.8	17.9	10.4	10.9	15.1	12.7	12.0	16.9
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD									
Employee	45.7	33.2	42.3	47.4	30.7	39.7	43.9	31.7	39.5
Self-employed	11.4	38.1	50.5	10.6	36.7	53.2	10.9	36.6	53.1
Retired	25.4	20.6	28.3	25.5	16.9	23.6	24.2	17.9	25.7
Other inactive or unemployed	17.5	15.2	20.8	16.5	12.8	20.8	20.9	14.8	20.1
LEVEL OF EDUCATION OF HOUSEHOLD HEAD									
Below secondary education	58.8	21.5	27.5	57.6	19.1	24.0	58.4	19.6	24.2
Secondary education	26.0	31.7	39.7	25.2	30.2	37.7	25.4	30.6	37.6
University education	15.2	47.3	62.0	17.2	46.4	61.2	16.2	45.3	60.7
STATUS OF MAIN RESIDENCE									
Ownership	81.9	28.8	38.0	81.3	26.2	36.4	82.7	27.0	35.2
Other	18.1	21.8	26.7	18.7	18.3	23.0	17.3	21.1	25.8
NUMBER OF HOUSEHOLD MEMBERS WORKING									
None	28.8	13.4	16.9	29.1	12.0	16.6	32.4	13.1	17.0
One	38.4	27.1	34.3	32.5	22.2	28.6	30.6	26.0	31.5
Two	26.9	41.9	51.9	30.8	37.1	49.8	31.1	37.2	46.6
Three or more	5.9	54.5	66.7	7.6	47.9	58.0	5.9	46.7	66.0
NUMBER OF HOUSEHOLD MEMBERS									
One	15.2	11.6	15.8	16.6	10.6	14.4	18.3	10.4	15.6
Two	25.7	21.3	27.5	27.8	20.3	27.3	29.5	22.4	30.1
Three	24.3	30.8	38.6	23.9	30.5	38.8	25.3	30.1	36.3
Four	24.3	36.3	47.2	24.9	33.7	45.4	21.3	35.2	47.8
Five or more	10.6	42.2	53.7	6.8	39.6	48.7	5.4	39.0	44.5
NET WEALTH PERCENTILE									
Less than 25	25.0	19.9	23.3	25.0	16.4	20.2	25.0	19.5	23.0
Between 25 and 50	25.0	22.9	28.0	25.0	21.0	25.2	25.0	21.2	24.4
Between 50 and 75	25.0	29.2	34.8	25.0	26.1	32.5	25.0	26.4	31.5
Between 75 and 90	15.0	36.9	45.3	15.0	36.1	42.7	15.0	36.2	43.6
Between 90 and 100	10.0	59.5	76.1	10.0	55.7	80.0	10.0	48.7	72.9

SOURCE: Banco de España.

a Bootstrap standard errors in brackets.

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

NET WEALTH¹⁴

The median net wealth of households is €178,300 (see Table 1.B), while the average is €285,800. By age group, net wealth conforms to the expected life-cycle profile, peaking for households whose head is aged between 55 and 64, which is slightly later than the age at which income peaks. Average and median wealth both increase with education and are higher for households whose head is self-employed. Net wealth also increases with income, reflecting the fact that high-income households obtain more income from their asset portfolio and have greater saving possibilities.

Between 2005 and 2009 Q1 household net wealth increased on average (3.6%), while the median of the distribution decreased by 6.1%. The sharpest decreases in median wealth were among the self-employed, whose average wealth also decreased. However, between 2002 and 2005 the largest increases in net wealth were, as regards labour market status, among the self-employed. By level of net wealth, there were falls in the average and in the median for households in the bottom 75% of the wealth distribution, while those belonging to the top quartile saw increases in both the average and the median.

Assets

98.3% of households possess some type of real or financial asset (see the last column of Table 3). The median value of these households' assets is €206,800. With respect to 2005, the percentage of households possessing some type of asset decreased slightly and the median value of their assets decreased by 5.7%.

REAL ASSETS

Real assets account for 89.1% of the total value of household assets (see Table 2). This proportion is similar at different income levels and is only lower for the top decile. However, even at these relatively high income levels, real assets still represent a large proportion of the value of household assets (84.6%). By level of wealth, real assets are relatively less important at the two ends of the distribution, although they exceed 86% in both cases.

Housing is the most important asset held by households, representing 61.4% of the total value of households' real assets and 54.8% of the total value of all their assets. The two next most important assets are other real-estate properties, which represent 27.8% of real assets and 24.8% of all assets, and businesses related to activities engaged in by self-employed household members, which account for 10.3% of real assets and 9.2% of total assets.^{15, 16} The relative weight of housing declines with income, in favour of other real-estate property and businesses. For the self-employed, the value of their businesses represents 30.6% of the total value of their real assets.

Between 2005 and 2009 Q1, the value of real assets as a proportion of the value of total assets remained practically unchanged, edging up from 89% to 89.1% for total households. However, the different real asset types varied appreciably. The main residence lost weight (-4.1% with respect to total assets), and, by contrast, other real-estate properties gained weight (3.5%). In total, real estate assets constitute 79.6% of the total value of household assets, against 80.1% in 2005. By contrast, the weight of businesses related to self-employment increased from 8.4% of total assets in 2005 to 9.2% in 2009 Q1. By household group, there was an increase in the weight of other real-estate properties and of businesses related to self-employment for households headed by a person above age 64.

¹⁴ Net wealth is defined as the total value of assets (real and financial) less the amount of debts. The value of cars and other vehicles is not included.

¹⁵ "Other real-estate properties" includes dwellings, building plots and rural land, garages (except when they form part of the main residence), industrial buildings, shops, commercial premises, offices and hotels.

¹⁶ The value of businesses is sometimes considered a real asset (if related to the work of their owners) and sometimes a financial asset through the ownership of unlisted shares or other equity (if it is a means of investing savings).

HOUSEHOLD NET WEALTH
Distribution by household characteristics

TABLE 1.B

Thousands of 2009 Q1 euro

Household characteristics	EFF2002		EFF2005		EFF2008	
	Median	Mean	Median	Mean	Median	Mean
ALL HOUSEHOLDS	113.1 (2.7) (a)	181.5 (5.2)	189.8 (6.2)	275.9 (8.3)	178.3 (5.5)	285.8 (9.2)
INCOME PERCENTILE						
Less than 20	59.3	86.1	99.6	138.2	113.7	138.0
Between 20 and 40	92.7	117.3	129.9	167.9	135.6	175.4
Between 40 and 60	102.0	136.7	167.4	208.7	160.3	218.1
Between 60 and 80	134.8	189.2	226.4	282.3	210.0	286.5
Between 80 and 90	182.7	249.0	285.7	391.6	264.3	359.7
Between 90 and 100	306.6	506.0	441.3	770.5	463.4	858.8
AGE OF HOUSEHOLD HEAD						
Under 35	61.8	99.6	78.8	137.6	74.4	137.6
35-44	105.5	147.8	176.6	219.5	154.7	202.7
45-54	148.4	234.2	243.3	352.0	203.4	335.3
55-64	144.2	258.0	260.4	441.8	271.7	432.0
65-74	118.8	181.5	197.2	259.6	198.8	328.9
Over 74	88.5	141.8	146.8	216.6	153.2	266.6
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD						
Employee	108.9	154.0	168.7	226.0	162.0	222.1
Self-employed	217.3	392.1	396.3	663.5	308.2	638.0
Retired	120.0	184.5	203.1	263.5	211.0	330.8
Other inactive or unemployed	71.4	111.9	117.4	190.8	118.2	183.7
LEVEL OF EDUCATION OF HOUSEHOLD HEAD						
Below secondary education	96.1	138.1	156.2	206.8	148.0	204.7
Secondary education	127.4	191.6	194.1	290.5	194.3	299.6
University education	184.8	331.5	309.0	486.3	298.6	554.6
STATUS OF MAIN RESIDENCE						
Ownership	135.8	213.1	226.6	330.3	206.4	332.5
Other	2.0	38.3	2.2	39.4	1.6	62.8
NUMBER OF HOUSEHOLD MEMBERS WORKING						
None	90.0	142.4	162.5	215.8	154.4	236.8
One	107.8	176.1	169.5	263.6	167.2	289.5
Two	136.1	216.6	221.2	330.1	187.3	316.2
Three or more	151.4	247.0	218.8	339.0	237.4	375.7
NUMBER OF HOUSEHOLD MEMBERS						
One	72.2	109.2	123.6	182.9	124.0	204.2
Two	106.5	172.7	177.0	250.7	183.8	308.0
Three	116.7	197.8	200.2	286.5	180.0	283.3
Four	138.3	203.3	224.1	341.2	198.8	322.9
Five or more	131.8	218.8	205.0	330.0	136.7	307.4
NET WEALTH PERCENTILE						
Less than 25	9.1	14.3	6.6	18.0	6.3	15.2
Between 25 and 50	78.9	79.6	128.3	128.2	121.1	123.1
Between 50 and 75	148.8	154.6	246.9	249.5	236.3	237.6
Between 75 and 90	272.8	279.7	405.8	416.7	417.7	427.8
Between 90 and 100	557.7	772.6	797.0	1,143.8	848.5	1,272.7

SOURCE: Banco de España.

a Bootstrap standard errors in brackets.

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

TABLE 2

%

Household characteristics	EFF2008					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	66.2	23.8	9.4	0.6		100.0	89.0
INCOME PERCENTILE							
Less than 20	79.4	18.7	1.5	0.4		100.0	91.8
Between 20 and 40	79.2	16.4	4.1	0.3		100.0	94.4
Between 40 and 60	75.7	19.1	4.9	0.4		100.0	91.9
Between 60 and 80	69.5	23.6	6.5	0.4		100.0	90.7
Between 80 and 90	61.1	25.4	13.0	0.5		100.0	88.5
Between 90 and 100	48.8	31.8	18.3	1.1		100.0	83.0
AGE OF HOUSEHOLD HEAD							
Under 35	78.8	15.4	5.5	0.4		100.0	90.7
35-44	73.5	19.1	7.0	0.4		100.0	91.6
45-54	60.5	23.8	15.2	0.5		100.0	90.5
55-64	55.4	30.2	13.6	0.9		100.0	84.6
65-74	71.9	25.3	2.2	0.6		100.0	89.6
Over 74	73.7	24.3	1.4	0.6		100.0	88.7
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD							
Employee	78.3	19.6	1.7	0.5		100.0	89.9
Self-employed	38.9	28.4	32.1	0.7		100.0	89.0
Retired	72.1	26.2	1.2	0.5		100.0	87.5
Other inactive or unemployed	70.8	24.7	3.6	0.8		100.0	88.9
NET WEALTH PERCENTILE							
Less than 25	86.0	10.6	2.3	1.2		100.0	87.0
Between 25 and 50	88.6	9.6	1.4	0.4		100.0	93.5
Between 50 and 75	86.7	11.0	1.8	0.4		100.0	92.7
Between 75 and 90	69.6	24.4	5.6	0.3		100.0	90.0
Between 90 and 100	41.4	37.8	19.9	0.9		100.0	85.0

SOURCE: Banco de España.

In 2009 Q1, 88.2% of households have some type of real asset (see Table 3) and the median value of the real assets of such households was €210,400.

Compared with 2005, the percentage of households with some type of real asset increased slightly for total households, although it rose more sharply for lower-income households and those headed by a person below age 35 or above age 74. For those households possessing some type of real asset, the median value of such assets decreased by 6.9%. The sharpest decrease was for the self-employed (-17.8%).

Main residence

The percentage of households who own their main residence (82.7% in the case of all households) increases with income, to peak in the case of households whose head is aged between 55 and 64. The median value of the main residence of households who own it is €180,300. The latter increases with income and is highest for households whose head is aged between 55 and 64 (€203,300).

Between 2005 and 2009 Q1 the percentage of households who own their main residence increased for total households from 81.3% to 82.7%. This figure reflects basically an increase in the percentage of households owning their main residence among the bottom two deciles of the

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

TABLE 2 (cont.)

%

Household characteristics	EFF2008					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	61.4	27.8	10.3	0.5		100.0	89.1
INCOME PERCENTILE							
Less than 20	84.3	14.5	1.0	0.2		100.0	92.3
Between 20 and 40	72.4	22.2	5.1	0.3		100.0	93.3
Between 40 and 60	69.5	22.5	7.7	0.3		100.0	92.8
Between 60 and 80	62.7	29.3	7.7	0.4		100.0	89.8
Between 80 and 90	63.4	26.6	9.4	0.6		100.0	87.8
Between 90 and 100	42.3	37.3	19.5	0.9		100.0	84.6
AGE OF HOUSEHOLD HEAD							
Under 35	72.3	17.6	9.9	0.2		100.0	94.3
35-44	69.2	20.5	9.9	0.4		100.0	90.0
45-54	56.9	30.2	12.5	0.5		100.0	88.4
55-64	55.6	30.9	12.7	0.8		100.0	86.5
65-74	58.6	34.2	6.6	0.6		100.0	89.7
Over 74	66.2	26.8	6.6	0.4		100.0	90.5
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD							
Employee	75.2	21.2	3.1	0.5		100.0	89.3
Self-employed	34.8	34.0	30.6	0.6		100.0	88.1
Retired	61.7	32.6	5.1	0.6		100.0	88.3
Other inactive or unemployed	70.3	25.6	3.7	0.3		100.0	92.1
NET WEALTH PERCENTILE							
Less than 25	83.3	13.8	2.4	0.5		100.0	90.3
Between 25 and 50	88.8	9.4	1.4	0.4		100.0	93.8
Between 50 and 75	82.1	15.0	2.6	0.3		100.0	91.7
Between 75 and 90	65.8	29.1	4.7	0.4		100.0	89.7
Between 90 and 100	37.4	41.0	20.9	0.7		100.0	86.1

SOURCE: Banco de España.

income distribution (from 70.1% to 78.1%). For households owning their main residence, its median value decreased by 6.9%. These losses in median value took place at all income levels.

Other real-estate properties

36.1% of households own real-estate assets other than their main residence. In particular, 23.3% own a residence other than their main one, followed by 9.8% who own building plots and rural land. These proportions increase with income, but even in the lower part of the income distribution a considerable percentage of households possess real-estate assets other than their main residence (20.1%). By age, the highest percentage of households owning other real-estate properties is seen among households whose head is aged between 55 and 64. The median value of these properties is €120,200, which increases with income and wealth. By age, the top median value occurs in the 55-64 age group.

Compared with 2005, the percentage of households owning other real-estate properties increased in general and, by income level, for all households except those lying in the two bottom deciles of the income distribution. The median value of these properties also increased for total households. The increase in median value for total households owning other real-estate properties was 7.1%. Notably, there was an increase both in the percentage of households owning other real-estate properties and in the median thereof for households headed by a person between age 65 and 74.

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

TABLE 3

% and thousands of 2009 Q1 euro

	EFF2005					
	Main residence	Other real estate properties	Businesses related to self-employment	Jewellery, works of arts, antiques	Some type of real asset	Some type of asset
	Percentage of households owning asset					
ALL HOUSEHOLDS	81.3	34.5	11.1	19.3	87.4	99.0
INCOME PERCENTILE						
Less than 20	70.6	22.3	2.4	13.7	76.8	97.9
Between 20 and 40	78.5	26.7	7.6	16.3	85.0	98.6
Between 40 and 60	80.8	31.3	9.3	17.6	86.9	98.9
Between 60 and 80	85.7	41.0	14.9	18.9	91.5	99.8
Between 80 and 90	88.4	42.6	16.7	25.5	95.3	100.0
Between 90 and 100	93.4	59.2	25.7	34.8	97.9	100.0
AGE OF HOUSEHOLD HEAD						
Under 35	62.0	17.0	9.2	17.2	72.0	98.1
35-44	79.4	27.5	11.7	18.0	85.7	98.9
45-54	84.7	42.3	20.1	22.9	91.4	99.0
55-64	89.2	49.5	14.0	21.6	94.1	99.7
65-74	88.4	39.0	4.6	20.7	92.2	99.4
Over 74	83.8	28.6	1.3	12.6	87.4	99.2
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD						
Employee	80.0	30.2	3.0	19.6	85.7	99.1
Self-employed	85.8	53.4	76.6	25.0	97.1	100.0
Retired	87.9	38.9	3.6	18.9	91.4	99.4
Other inactive or unemployed	72.0	27.6	4.1	15.7	79.6	97.7
NET WEALTH PERCENTILE						
Less than 25	35.2	12.0	3.3	13.0	50.0	96.2
Between 25 and 50	94.5	25.9	4.7	18.8	99.6	100.0
Between 50 and 75	97.5	30.7	9.1	18.0	99.8	100.0
Between 75 and 90	98.2	59.0	19.9	20.4	99.9	100.0
Between 90 and 100	97.4	84.5	38.5	37.9	100.0	100.0
	Median of the asset value for households owning such asset					
ALL HOUSEHOLDS	193.6	112.2	65.8	2.8	225.9	219.3
INCOME PERCENTILE						
Less than 20	129.1	62.7	34.8	1.3	130.8	107.2
Between 20 and 40	161.3	64.5	56.1	1.5	179.7	161.4
Between 40 and 60	193.6	76.8	59.2	1.4	215.8	209.1
Between 60 and 80	225.9	116.2	48.0	3.2	258.1	263.0
Between 80 and 90	249.5	178.1	88.5	3.2	306.7	331.8
Between 90 and 100	305.9	229.3	129.1	6.8	431.4	488.4
AGE OF HOUSEHOLD HEAD						
Under 35	193.6	73.1	48.9	1.8	193.6	156.9
35-44	204.5	114.2	46.2	1.9	234.4	227.6
45-54	225.9	115.7	124.2	3.2	262.1	270.5
55-64	195.2	158.8	52.3	3.3	261.8	271.4
65-74	169.1	80.9	40.0	2.6	193.7	201.7
Over 74	134.6	96.8	12.9	2.0	161.3	148.5
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD						
Employee	213.0	95.7	32.4	3.1	226.6	220.5
Self-employed	225.9	193.6	89.7	3.4	401.8	432.9
Retired	182.5	96.8	21.4	2.1	207.5	210.9
Other inactive or unemployed	146.8	78.7	46.6	2.4	161.3	130.3
NET WEALTH PERCENTILE						
Less than 25	64.5	19.1	13.3	1.4	51.6	13.7
Between 25 and 50	129.1	44.5	34.7	1.3	141.3	155.0
Between 50 and 75	225.9	67.1	26.5	2.9	258.0	264.2
Between 75 and 90	290.4	157.0	101.5	3.2	387.2	432.9
Between 90 and 100	387.2	322.7	206.1	8.0	735.8	835.4

SOURCE: Banco de España

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

TABLE 3 (cont.)

% and thousands of 2009 Q1 euro

	EFF2008					
	Main residence	Other real estate properties	Businesses related to self-employment	Jewellery, works of arts, antiques	Some type of real asset	Some type of asset
	Percentage of households owning asset					
ALL HOUSEHOLDS	82.7	36.1	12.0	17.2	88.2	98.3
INCOME PERCENTILE						
Less than 20	78.1	20.1	2.2	10.2	81.9	96.1
Between 20 and 40	78.7	29.7	6.9	13.2	83.1	98.9
Between 40 and 60	84.1	33.0	12.4	14.7	89.2	98.7
Between 60 and 80	83.1	42.2	15.7	19.3	91.7	98.4
Between 80 and 90	87.7	49.1	19.5	25.7	93.8	98.3
Between 90 and 100	91.3	61.8	25.7	31.9	96.1	100.0
AGE OF HOUSEHOLD HEAD						
Under 35	65.8	18.8	11.1	10.8	73.2	96.6
35-44	78.1	29.7	15.8	15.7	85.8	98.2
45-54	86.0	41.1	15.7	19.5	90.7	98.7
55-64	89.3	51.4	16.0	23.5	94.7	98.7
65-74	88.5	45.1	6.4	19.5	92.0	98.2
Over 74	87.8	27.1	1.7	12.4	90.9	99.1
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD						
Employee	81.5	32.0	4.8	19.0	87.4	98.4
Self-employed	83.9	56.8	77.2	19.8	95.7	99.3
Retired	90.7	43.2	4.8	16.9	93.2	99.4
Other inactive or unemployed	75.3	25.9	1.4	12.6	80.1	96.2
NET WEALTH PERCENTILE						
Less than 25	41.9	9.4	3.8	8.4	53.1	93.1
Between 25 and 50	94.9	24.3	5.5	16.8	99.6	100.0
Between 50 and 75	96.8	37.6	10.1	16.1	100.0	100.0
Between 75 and 90	97.1	65.9	20.7	23.1	99.9	100.0
Between 90 and 100	96.9	83.9	40.6	34.4	100.0	100.0
	Median of the asset value for households owning such asset					
ALL HOUSEHOLDS	180.3	120.2	71.9	3.0	210.4	206.8
INCOME PERCENTILE						
Less than 20	120.2	50.4	41.2	1.1	125.6	120.8
Between 20 and 40	150.3	90.1	38.6	2.0	176.6	157.4
Between 40 and 60	180.3	99.8	81.7	3.0	197.1	201.6
Between 60 and 80	187.1	130.0	52.9	3.0	238.0	246.1
Between 80 and 90	240.4	137.0	76.2	3.0	300.5	335.4
Between 90 and 100	300.4	262.2	118.9	8.8	471.9	517.3
AGE OF HOUSEHOLD HEAD						
Under 35	178.2	102.2	61.4	1.3	180.3	152.3
35-44	180.3	117.2	34.6	3.0	209.5	205.1
45-54	180.3	120.2	97.2	3.0	226.9	235.3
55-64	204.3	164.6	112.6	3.0	271.6	289.7
65-74	180.1	120.2	84.1	3.0	199.5	207.0
Over 74	150.3	104.8	197.6	2.3	152.7	156.1
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD						
Employee	180.3	109.4	41.7	3.0	210.4	210.7
Self-employed	199.7	159.4	76.3	3.1	330.5	353.5
Retired	180.3	120.2	115.0	3.1	210.4	216.4
Other inactive or unemployed	150.2	96.1	90.2	1.9	157.1	143.8
NET WEALTH PERCENTILE						
Less than 25	71.7	22.4	18.3	2.0	60.1	27.1
Between 25 and 50	120.2	36.1	24.3	1.2	133.4	145.6
Between 50 and 75	200.9	90.1	39.4	2.8	240.4	251.9
Between 75 and 90	270.5	170.8	72.7	3.5	402.4	439.9
Between 90 and 100	395.1	366.3	267.5	12.0	796.0	897.4

SOURCE: Banco de España

Businesses related to self-employment¹⁷

12% of households own assets in businesses related to the activities of self-employed members of the household. This figure increases with income and wealth and is higher for the group of households headed by a person between age 55 and 64. The median value of these businesses is €71,900 and increases with increasing income and wealth.¹⁸

The proportion of households with these businesses is somewhat higher than in 2005. By age, the only household groups for which this proportion decreased are those headed by a person between age 45 and 54. The increase in the median value in the period 2005-2009 Q1 was 9.3% overall. The largest increase in this median value was in the group of households headed by a person above age 54. However, the self-employed saw a decrease of 14.9% in the median value of their businesses related to self-employment.

FINANCIAL ASSETS

For households as a whole, bank accounts make up nearly 49% of the value of their financial assets, followed, in order of importance, by pension plans (18.2%), listed shares (9.3%), unlisted shares and other equity (8%), investment funds (7.1%) and fixed-income securities (1.8%) (see Table 4). Included in the "other financial assets" category are outstanding loans to households and portfolios under management,¹⁹ which represent 6.1% and 0.6%, respectively, of the total value of households' financial assets. By income and wealth level, the composition of the portfolio tends to be similar, except in the case of households belonging to the highest decile of these distributions, which have a larger percentage of their assets in unlisted shares.

Compared with 2005, the only financial assets which have gained relative weight in the financial asset portfolio of total households are bank accounts (particularly those that cannot be used to make payments) and outstanding loans to households. These changes in the relative weights of financial assets are observed for nearly all types of households, although more markedly for the households in the upper deciles of the income and wealth distributions. Moreover, these groups of households show the most noticeable decrease in the weight of their financial assets with respect to the total value of assets held by them.

In 2009 Q1 93.6% of households hold some type of financial asset (see Table 5), although this figure decreases considerably if bank accounts are excluded. This percentage increases slightly with increasing level of income. The median value of these financial assets is €7,100.

Compared with 2005, the percentage of households with some type of financial asset is lower and the reduction in this percentage is larger in the lower half of the income and wealth distributions. For households with some type of financial asset, the median value of these assets has increased by 9.3%. By household group, the sharpest increase has occurred for households whose head is aged between 55 and 64.

Bank accounts

The percentage of households that have some type of bank account that can be used to make payments is 90.5%. This percentage is above 83% for all types of household. The median balance on this type of account is €3,000, and it rises with income and wealth and, by labour market status, for households whose head is self-employed.

¹⁷ In the EFF2008 the ownership of unlisted businesses in which one or more household members worked is determined separately from self-employment status. This practice may mean that more businesses related to self-employment are recognised than in previous editions of the Survey.

¹⁸ The value of the businesses includes the value of their land and buildings, provided these have not been included by any household in the real estate owned by it.

¹⁹ The EFF2008 includes new questions designed to obtain information about the asset portfolios under management held by households and not included in the categories of specific assets.

The proportion of households with bank accounts that cannot be used to make payments, including *cuentas vivienda* (savings accounts in which the money deposited must be used to buy a house), is 24.1%. This percentage rises with income and wealth. The median balance in this case is €15,000. For the upper deciles of the income and net wealth distributions, the median investment in this type of asset is higher than in other financial assets.

Between 2005 and 2009 Q1 the percentage of households with accounts for payments decreased by 2 percentage points, while the fraction of households with accounts that cannot be used to make payments increased: from 18.5% in 2005 to 24.1% at the end of 2009 Q1. In this respect, there has also been a decline in the median balance of accounts that can be used to make payments, but an increase of 16.3% in the median balance of accounts that cannot be used to make payments. By type of household, the increase in the proportion of households that have accounts that cannot be used to make payments increased especially among the households in the upper deciles of the income and wealth distributions. These households also saw an noticeable increase in their median balance of this type of account (by 57.7% and 45%, respectively).

Listed shares and investment funds²⁰

The percentage of households directly owning listed shares is 10.4%. This figure increases with income and net wealth, and the increase is greater for the upper income and wealth groups. By level of income, 3.5% of households in the bottom two deciles of the distribution hold this type of asset, and the proportion rises to 34.9% for the top decile. Households whose heads are in the 55-64 age bracket are those most inclined to hold listed shares (14.9%).

For households investing in listed shares, the median invested value is €6,000. Median values do not vary significantly by income and wealth except for the group of households in the upper decile of the income and wealth distributions. By age, the median value is higher for households above age 54.

The profile of households with investment funds (5.6% for households as a whole) is similar to that of households that invest in listed shares, but the proportions of households holding such funds are smaller for all types of household. Conversely, the median investment in these funds (€14,100) is higher than in the case of listed shares for all groups of households. The variation by income level in the median holding of these assets differs from that of the median holding of listed shares, since the median values are relatively higher in the lower 20% of the income distribution in the case of investment funds, while they are relatively higher in the upper 20% of the income distribution in the case of shares.

Since 2005, the proportion of households that invest in these two types of assets has decreased, although the decrease has been greater for investment funds. Also, for households as a whole, the median investment has decreased clearly for both investment funds (-26.9%) and listed shares (-13%). The groups that have most clearly decreased their participation have been households in the upper deciles of the income and wealth distributions, those whose head is aged between 45 and 64 and the self-employed. These household groups also reduced appreciably their median investment in both types of asset.

Unlisted shares and other equity

The percentage of households holding unlisted shares or other corporate participating interests is 1.3%. This percentage is higher in the top decile of income (6.1%) and net wealth (6.6%), and is concentrated among the self-employed. The median value invested is €12,000 for those households holding this type of asset.

²⁰ Investment funds include money market funds, capital market funds, real-estate investment funds and other undertakings for collective investment in transferable securities.

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

%

Household characteristics	EFF2005				
	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	26.6	14.7	11.1	13.2	1.7
INCOME PERCENTILE					
Less than 40	40.6	20.0	5.8	12.8	1.9
Between 40 and 60	35.1	22.3	7.4	7.8	2.9
Between 60 and 80	36.8	21.1	6.6	8.9	1.9
Between 80 and 90	25.2	14.5	9.9	9.2	2.0
Between 90 and 100	16.4	8.5	15.9	18.1	1.1
NET WEALTH PERCENTILE					
Less than 50	53.6	16.1	2.8	5.3	0.8
Between 50 and 75	36.9	21.8	4.3	9.4	1.4
Between 75 and 90	27.9	19.2	7.9	11.3	1.9
Between 90 and 100	17.5	10.8	15.9	16.7	1.9

SOURCE: Banco de España.

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

%

Household characteristics	EFF2008				
	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	22.9	25.9	9.3	7.1	1.8
INCOME PERCENTILE					
Less than 40	31.4	29.2	6.9	10.3	4.2
Between 40 and 60	32.4	29.8	6.5	6.8	1.6
Between 60 and 80	26.0	27.4	8.1	5.8	1.3
Between 80 and 90	21.0	26.1	8.3	4.9	1.0
Between 90 and 100	17.1	23.2	11.7	7.5	1.6
NET WEALTH PERCENTILE					
Less than 50	43.8	28.2	3.1	4.3	0.8
Between 50 and 75	35.7	28.5	3.0	3.6	3.0
Between 75 and 90	24.0	28.0	8.4	7.4	1.9
Between 90 and 100	14.7	23.9	12.7	8.6	1.6

SOURCE: Banco de España.

Overall, the percentage of households that invest in unlisted shares or other corporate participating interests is slightly lower than in 2005. This decrease is observed for all types of households and is sharper for those in the upper part of the income distribution and those whose head is self-employed. The median investment has also decreased for households as a whole (by 33%) and this fall is sharper for those in the upper part of the income distribution and those whose head is self-employed.

Fixed-income securities

The percentage of households investing in fixed-income securities is 1.4%. This figure increases with income and net wealth, without exceeding 4% in any case. By labour market

TABLE 4

EFF2005					
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
20.0	9.2	3.5	100.0	11.0	ALL HOUSEHOLDS
INCOME PERCENTILE					
14.6	2.3	2.1	100.0	6.7	Less than 40
16.7	3.2	4.6	100.0	8.1	Between 40 and 60
19.0	2.6	3.1	100.0	9.3	Between 60 and 80
32.5	3.4	3.3	100.0	11.5	Between 80 and 90
18.5	17.7	3.9	100.0	17.0	Between 90 and 100
NET WEALTH PERCENTILE					
14.7	0.9	5.8	100.0	7.7	Less than 50
22.0	2.1	2.2	100.0	7.3	Between 50 and 75
25.5	3.5	2.9	100.0	10.0	Between 75 and 90
18.5	15.1	3.7	100.0	15.0	Between 90 and 100

TABLE 4 (cont.)

EFF2008					
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
18.2	8.0	6.7	100.0	10.9	ALL HOUSEHOLDS
INCOME PERCENTILE					
11.1	1.4	5.6	100.0	7.1	Less than 40
17.1	1.0	4.7	100.0	7.2	Between 40 and 60
19.4	6.3	5.7	100.0	10.2	Between 60 and 80
21.8	3.4	13.4	100.0	12.2	Between 80 and 90
19.1	14.2	5.7	100.0	15.4	Between 90 and 100
NET WEALTH PERCENTILE					
14.6	0.0	5.1	100.0	7.0	Less than 50
18.1	1.2	6.9	100.0	8.3	Between 50 and 75
23.8	1.3	5.2	100.0	10.3	Between 75 and 90
16.8	14.1	7.6	100.0	13.9	Between 90 and 100

status, the possession of this asset is highest among the self-employed and, by age, among those above age 55. The median holding of fixed-income securities is €19,100, without any clear variation according to level of income or wealth.

Compared with 2005, households are somewhat less inclined to hold fixed-income securities directly, but the median investment in this asset has decreased significantly for households as a whole (-25.8%), although the change has been heterogeneous. However, there has been an increase both in participation and in the median value invested in this type of asset for households whose head is in the 45-55 age bracket.

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

% and thousands 2009 Q1 euro

EFF2005

Household characteristics	Accounts and deposits usable for payments	Accounts not usable for payments and house-purchase savings	Listed shares	Investment funds	Fixed-income securities
Percentage of households owning asset					
ALL HOUSEHOLDS	92.5	18.5	11.4	8.7	1.5
INCOME PERCENTILE					
Less than 20	86.8	12.2	4.4	4.0	0.4
Between 20 and 40	90.4	13.7	4.6	3.7	0.8
Between 40 and 60	92.7	16.4	7.0	5.4	1.2
Between 60 and 80	95.5	21.1	11.3	10.3	1.8
Between 80 and 90	95.9	27.8	23.8	13.1	2.9
Between 90 and 100	98.0	29.9	35.6	27.3	3.3
AGE OF HOUSEHOLD HEAD					
Under 35	92.3	13.2	6.5	5.0	1.2
35-44	93.4	17.4	9.6	9.3	1.3
45-54	93.5	19.4	14.5	10.7	1.1
55-64	94.2	21.3	18.5	11.1	2.3
65-74	91.0	20.0	10.3	7.5	1.6
Over 74	88.4	19.8	7.1	7.5	1.6
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD					
Employee	94.0	16.9	12.2	10.0	0.6
Self-employed	94.3	23.4	16.6	10.0	3.1
Retired	90.5	22.5	11.1	7.9	2.0
Other inactive or unemployed	89.9	13.7	6.4	5.7	2.0
NET WEALTH PERCENTILE					
Less than 25	89.5	9.8	2.1	2.5	0.1
Between 25 and 50	91.6	12.6	5.0	4.0	1.1
Between 50 and 75	93.1	21.0	10.2	8.5	1.1
Between 75 and 90	95.2	28.9	17.9	13.9	2.1
Between 90 and 100	96.0	32.8	44.0	29.0	5.8
Median of the asset value for households owning such asset					
ALL HOUSEHOLDS	3.2	12.9	6.9	19.3	25.8
INCOME PERCENTILE					
Less than 20	1.4	11.0	6.4	17.7	(a)
Between 20 and 40	2.1	9.0	6.5	12.3	31.0
Between 40 and 60	3.1	11.9	6.4	16.5	31.4
Between 60 and 80	3.9	14.0	5.9	14.8	6.5
Between 80 and 90	6.0	16.8	6.0	18.8	34.0
Between 90 and 100	8.3	19.0	16.7	31.8	27.2
AGE OF HOUSEHOLD HEAD					
Under 35	2.2	7.1	6.4	9.9	(a)
35-44	3.2	9.9	4.6	12.6	19.3
45-54	3.4	12.9	6.6	17.8	6.5
55-64	3.3	19.1	12.9	28.1	32.2
65-74	3.2	15.6	7.2	23.7	37.6
Over 74	2.5	18.4	9.0	24.7	32.3
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD					
Employee	3.2	10.7	6.4	15.7	25.8
Self-employed	5.4	13.2	10.5	25.8	19.4
Retired	3.2	15.8	7.6	22.7	34.7
Other inactive or unemployed	2.0	14.7	6.4	21.6	14.2
NET WEALTH PERCENTILE					
Less than 25	1.3	3.5	1.3	6.5	(a)
Between 25 and 50	2.6	6.5	4.5	7.5	2.8
Between 50 and 75	3.3	12.9	4.2	13.1	28.3
Between 75 and 90	6.4	19.2	7.2	19.3	28.1
Between 90 and 100	11.4	27.5	15.7	43.0	32.2

SOURCE: Banco de España.

a Fewer than eleven observations.

TABLE 5

EFF2005				
Pension schemes and unit-linked or mixed life insurance	Unlisted shares and other equity	Other financial assets	Some type of financial asset	Household characteristics
Percentage of households owning asset				
29.3	2.2	4.3	96.6	ALL HOUSEHOLDS
INCOME PERCENTILE				
9.5	0.3	2.8	93.2	Less than 20
12.4	0.6	3.3	95.3	Between 20 and 40
27.1	1.4	3.9	97.2	Between 40 and 60
38.6	1.8	5.3	97.8	Between 60 and 80
50.2	4.1	4.6	99.4	Between 80 and 90
67.2	9.2	7.6	99.9	Between 90 and 100
AGE OF HOUSEHOLD HEAD				
22.4	2.2	4.3	95.7	Under 35
37.8	2.8	5.5	97.3	35-44
44.6	2.8	6.0	96.4	45-54
43.5	2.2	4.6	97.6	55-64
9.1	1.4	1.9	97.2	65-74
2.4	0.7	1.5	94.9	Over 74
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD				
39.1	1.5	3.7	97.0	Employee
55.1	10.4	13.8	98.4	Self-employed
11.6	1.1	2.2	96.7	Retired
12.0	0.7	3.1	94.4	Other inactive or unemployed
NET WEALTH PERCENTILE				
12.9	0.2	4.2	93.2	Less than 25
21.9	1.2	3.1	96.8	Between 25 and 50
31.6	1.7	4.1	97.6	Between 50 and 75
42.3	3.8	4.2	98.5	Between 75 and 90
63.8	8.2	8.1	99.9	Between 90 and 100
Median of the asset value for households owning such asset				
6.9	17.9	6.4	6.5	ALL HOUSEHOLDS
INCOME PERCENTILE				
4.4	(a)	4.3	2.3	Less than 20
4.3	3.2	3.1	3.2	Between 20 and 40
4.4	7.8	4.2	5.5	Between 40 and 60
6.4	20.0	5.9	9.3	Between 60 and 80
9.2	8.1	14.9	21.2	Between 80 and 90
16.6	49.8	20.1	50.4	Between 90 and 100
AGE OF HOUSEHOLD HEAD				
3.2	8.6	5.3	3.2	Under 35
5.0	19.9	3.2	6.4	35-44
7.5	22.6	8.9	10.2	45-54
18.5	60.2	19.3	13.4	55-64
10.8	4.5	6.5	5.4	65-74
12.9	38.7	3.1	5.2	Over 74
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD				
6.4	8.8	3.9	6.6	Employee
10.0	40.8	11.5	19.3	Self-employed
12.9	4.5	6.4	6.5	Retired
6.4	23.5	3.6	2.8	Other inactive or unemployed
NET WEALTH PERCENTILE				
2.0	(a)	2.4	2.0	Less than 25
3.7	8.6	5.3	4.3	Between 25 and 50
6.2	12.1	4.3	8.2	Between 50 and 75
12.8	16.6	14.8	24.1	Between 75 and 90
22.6	60.1	19.3	72.1	Between 90 and 100

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

% and thousands of 2009 Q1 euro

EFF2008

Household characteristics	Accounts and deposits usable for payments	Accounts not usable for payments and house-purchase savings accounts	Listed shares	Investment funds	Fixed-income securities
Percentage of households owning asset					
ALL HOUSEHOLDS	90.5	24.1	10.4	5.6	1.4
INCOME PERCENTILE					
Less than 20	83.2	15.3	3.5	2.1	1.5
Between 20 and 40	88.7	19.5	5.7	3.0	1.2
Between 40 and 60	90.8	20.9	6.3	3.4	0.6
Between 60 and 80	92.3	27.8	10.6	5.8	1.2
Between 80 and 90	96.8	32.8	16.4	8.6	1.7
Between 90 and 100	98.2	41.0	34.9	18.4	3.3
AGE OF HOUSEHOLD HEAD					
Under 35	87.9	14.6	5.6	2.7	0.9
35-44	91.1	24.5	8.4	5.0	0.8
45-54	90.8	23.8	12.2	7.1	1.7
55-64	93.4	24.2	14.9	7.9	2.0
65-74	88.6	29.4	12.5	6.6	1.5
Over 74	90.3	27.4	7.5	2.7	1.6
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD					
Employee	92.6	24.6	11.7	6.5	1.5
Self-employed	93.9	23.4	12.1	5.4	1.7
Retired	90.2	29.0	12.3	6.4	1.5
Other inactive or unemployed	84.7	17.7	4.4	2.6	0.9
NET WEALTH PERCENTILE					
Less than 25	81.6	11.6	1.9	0.6	0.0
Between 25 and 50	88.4	18.1	4.0	2.4	0.9
Between 50 and 75	94.2	27.9	9.6	5.8	1.6
Between 75 and 90	97.4	36.4	19.1	10.5	2.6
Between 90 and 100	98.3	42.6	36.1	17.7	3.7
Median of the asset value for households owning such asset					
ALL HOUSEHOLDS	3.0	15.0	6.0	14.1	19.1
INCOME PERCENTILE					
Less than 20	1.2	9.4	6.3	30.0	15.3
Between 20 and 40	1.9	10.0	6.4	4.4	55.0
Between 40 and 60	2.4	12.0	5.8	18.9	30.1
Between 60 and 80	3.9	16.4	3.6	16.0	13.6
Between 80 and 90	5.4	18.4	8.5	12.0	12.0
Between 90 and 100	8.3	30.0	8.0	15.8	30.0
AGE OF HOUSEHOLD HEAD					
Under 35	2.2	10.0	1.7	12.0	(a)
35-44	2.5	10.0	4.0	6.0	12.0
45-54	3.0	15.0	3.0	15.0	40.0
55-64	3.4	25.5	13.2	15.0	14.8
65-74	3.0	18.8	12.0	23.2	55.0
Over 74	2.2	15.4	15.9	19.8	36.1
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD					
Employee	3.0	12.0	4.0	12.0	12.0
Self-employed	5.0	24.0	6.0	15.0	60.1
Retired	3.0	23.4	13.1	19.6	55.0
Other inactive or unemployed	1.5	11.6	6.0	23.2	47.8
NET WEALTH PERCENTILE					
Less than 25	1.0	4.8	6.0	10.0	(a)
Between 25 and 50	2.0	8.0	3.0	19.0	(a)
Between 50 and 75	3.0	14.3	3.1	9.1	47.6
Between 75 and 90	5.8	21.3	6.6	12.6	12.3
Between 90 and 100	9.8	39.8	15.0	24.0	40.0

SOURCE: Banco de España.

a Fewer than eleven observations.

TABLE 5 (cont.)

EFF2008				
Pension schemes and unit-linked or mixed life insurance	Unlisted shares and other equity	Other financial assets	Some type of financial asset	Household characteristics
Percentage of households owning asset				
25.7	1.3	6.8	93.6	ALL HOUSEHOLDS
INCOME PERCENTILE				
7.4	0.2	3.3	87.3	Less than 20
14.2	0.5	5.1	93.4	Between 20 and 40
25.2	0.6	7.8	93.5	Between 40 and 60
31.1	1.1	5.9	95.2	Between 60 and 80
46.1	2.5	11.0	97.8	Between 80 and 90
54.2	6.1	12.8	99.3	Between 90 and 100
AGE OF HOUSEHOLD HEAD				
16.7	0.3	8.6	89.4	Under 35
31.9	2.0	10.4	93.8	35-44
39.2	2.1	7.5	93.7	45-54
41.8	1.3	6.7	96.5	55-64
8.5	1.2	3.6	92.6	65-74
1.7	0.2	1.3	94.6	Over 74
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD				
35.5	1.3	6.3	95.0	Employee
44.0	4.4	19.4	96.3	Self-employed
11.5	0.7	3.0	94.4	Retired
11.9	0.5	5.6	88.1	Other inactive or unemployed
NET WEALTH PERCENTILE				
10.4	0.0	5.9	86.2	Less than 25
19.0	0.1	5.3	92.0	Between 25 and 50
27.4	1.6	6.7	97.1	Between 50 and 75
40.5	1.5	7.1	98.7	Between 75 and 90
53.7	6.6	12.3	99.5	Between 90 and 100
Median of the asset value for households owning such asset				
7.8	12.0	6.4	7.1	ALL HOUSEHOLDS
INCOME PERCENTILE				
7.3	(a)	4.9	2.0	Less than 20
4.9	(a)	4.0	3.6	Between 20 and 40
4.8	9.3	6.0	6.1	Between 40 and 60
7.1	11.4	6.3	11.3	Between 60 and 80
8.9	12.4	8.7	19.5	Between 80 and 90
20.0	12.0	19.6	42.7	Between 90 and 100
AGE OF HOUSEHOLD HEAD				
4.2	(a)	2.0	4.2	Under 35
4.1	12.0	7.6	6.1	35-44
10.2	12.0	12.0	9.9	45-54
16.5	12.0	13.3	13.1	55-64
10.0	11.1	5.8	8.4	65-74
8.8	30.8	15.7	4.9	Over 74
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD				
6.8	12.0	6.0	8.0	Employee
9.9	13.6	13.7	14.7	Self-employed
15.0	10.4	13.5	8.5	Retired
7.6	6.0	3.0	2.4	Other inactive or unemployed
NET WEALTH PERCENTILE				
3.0	(a)	2.0	1.5	Less than 25
4.5	(a)	3.8	4.1	Between 25 and 50
6.0	7.8	8.1	9.3	Between 50 and 75
13.3	12.0	14.6	24.6	Between 75 and 90
20.5	33.1	27.5	65.3	Between 90 and 100

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

TABLE 6

Household characteristics	EFF2005				
	Purchase of main residence	Purchase of other real estate properties	Other outstanding debts (secured loans, personal loans, credit cards and other debts)	Total	Memorandum item: debt as a % of total assets
ALL HOUSEHOLDS	56.9	23.7	19.5	100.0	9.3
INCOME PERCENTILE					
Less than 40	66.8	15.2	18.0	100.0	6.3
Between 40 and 60	67.5	10.9	21.6	100.0	11.3
Between 60 and 80	57.2	23.8	19.0	100.0	11.7
Between 80 and 90	55.5	25.1	19.4	100.0	11.3
Between 90 and 100	42.5	38.4	19.2	100.0	7.7
NET WEALTH PERCENTILE					
Less than 50	71.3	8.5	20.2	100.0	26.2
Between 50 and 75	61.5	20.1	18.4	100.0	8.8
Between 75 and 90	41.0	40.6	18.4	100.0	6.2
Between 90 and 100	28.7	51.6	19.7	100.0	4.4

SOURCE: Banco de España.

Pension schemes and life insurance²¹

25.7% of households have a pension scheme (or unit-linked or mixed life insurance product). This percentage rises with income and wealth. By age group, possession is highest for households whose head is aged between 45 and 54 years, and, by labour market status, for the self-employed. The median value of pension schemes is €7,800 for those households owning a scheme. This value rises with income and wealth, and is highest for households in the 55-64 age bracket.

Thus, the proportion of households with some type of pension scheme, which was 29.3% in 2005, decreased considerably. The decline in this percentage is greatest in the upper half of the income distribution and in the top decile of the wealth distribution and, by labour market status, for the self-employed. By age, households below age 54 homogeneously reduced their participation, while this decrease is smaller for households nearer to retirement. The median amount invested in pension schemes for households holding assets of this type increased. The increase in the median value invested is greater in the bottom part of the income and wealth distributions.

Other financial assets

Included in this category are outstanding loans to households and portfolios under management. The percentage of households holding these assets is 6.8%.²² The holding of these assets is more frequent in the high income and wealth brackets and, by labour market status, for the self-employed. The median amount (€6,400) follows a similar pattern.

Between 2005 and 2009 Q1 the percentage of households with loans in their favour increased from 4.3% to 6.3%. This increase is particularly appreciable for the self-employed (from 13.8% to 18.8%).

Debts

Household debt accounts for 10.3% of the total value of their assets (see Table 6). The amount outstanding in relation to the purchase of the main residence represents 59.6% of

²¹ 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.

²² To break down this figure, 6.3% of households have debts in their favour and 0.6% hold managed portfolios.

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

TABLE 6 (cont.)

Household characteristics	EFF2008				
	Purchase of main residence	Purchase of other real estate properties	Other outstanding debts (secured loans, personal loans, credit cards and other debts)	Total	Memorandum item: debt as a % of total assets
ALL HOUSEHOLDS	59.6	24.6	15.9	100.0	10.3
INCOME PERCENTILE					
Less than 40	73.4	11.1	15.5	100.0	6.6
Between 40 and 60	70.9	14.0	15.1	100.0	14.6
Between 60 and 80	63.9	18.5	17.6	100.0	11.9
Between 80 and 90	50.6	33.3	16.1	100.0	13.3
Between 90 and 100	42.2	42.8	15.0	100.0	8.0
NET WEALTH PERCENTILE					
Less than 50	68.5	15.8	15.7	100.0	32.5
Between 50 and 75	63.9	23.7	12.4	100.0	9.9
Between 75 and 90	44.6	36.7	18.6	100.0	6.3
Between 90 and 100	37.7	43.6	18.7	100.0	3.9

SOURCE: Banco de España.

household debt, while outstanding debt in relation to the purchase of other real-estate properties represents 24.6% thereof.

The increase in debt has been greater than the increase in assets and the percentage of the value of assets that this debt represents has therefore increased. This increase is seen at all levels of income and up to the ninetieth percentile of the wealth distribution. Outstanding debt for the purchase of the main residence and for the purchase of other real-estate properties increases as a proportion of total household debt, while the relative importance of other outstanding debts declines.

In 2009 Q1, 50.1% of households have some type of debt and the median outstanding amount is €36,000 (see Table 7). The groups least likely to have debts are households in the bottom segment of the income distribution (16.5%), those aged over 64 and the retired. Conversely, the percentage of indebted households in the 35-44 age bracket reaches 72.3%. The highest volumes of outstanding debt in terms of the median amount are among the youngest group (€61,800), the self-employed and households with two members working. Moreover, these amounts increase with income, but not so clearly with wealth.

With respect to 2005, the percentage of indebted households remained practically unchanged (from 49.5% to 50.1%). The largest increases in the percentage of indebted households are among the youngest and the oldest households, those with no members working and those lying in the central part of the income distribution. Between 2005 and 2009 Q1 the median volume of outstanding debt increased by 7%. By income level, this value increases appreciably for the bottom 60% of the income distribution and decreases for the other 40%. Also substantial is the increase in the median debt of households in which no member works.

DEBTS RELATING TO PURCHASE OF MAIN RESIDENCE

26.3% of households have outstanding debt in connection with the purchase of their main residence (31.8% of households that own their main residence). This percentage rises in the central parts of the income and net wealth distributions. Households most likely to

HOUSEHOLD DEBT
By purpose, type of debt and household characteristics

TABLE 7

% and thousands of 2009 Q1 euro

	EFF2005							Some type of debt
	Purchase of main residence		Purchases of other real estate properties	Other debt outstanding				
	Total	With mortgage guarantee		With collateral (incl. mortgages)	Personal loans	Credit card debt		
Percentage of households with debts outstanding								
ALL HOUSEHOLDS	26.1	25.3	7.8	3.6	24.6	2.0	2.9	49.5
INCOME PERCENTILE								
Less than 20	6.8	6.2	0.9	1.0	10.0	1.5	1.7	18.7
Between 20 and 40	21.3	20.6	4.3	2.7	22.4	2.0	2.0	42.3
Between 40 and 60	32.0	30.8	5.5	5.0	28.0	2.5	4.2	57.5
Between 60 and 80	35.3	34.5	12.1	4.3	32.1	2.6	2.6	63.0
Between 80 and 90	36.8	36.3	12.9	4.3	30.8	1.1	3.6	66.5
Between 90 and 100	32.7	31.9	19.5	5.3	30.1	1.5	4.7	65.4
AGE OF HOUSEHOLD HEAD								
Under 35	46.6	46.1	5.4	1.6	31.2	2.0	3.2	65.2
35-44	48.0	46.8	11.4	3.2	31.5	2.8	3.5	70.4
45-54	26.5	25.9	12.5	7.3	33.3	3.1	4.5	63.1
55-64	15.1	14.1	9.6	4.0	26.0	2.1	3.4	48.5
65-74	3.7	3.2	2.5	3.0	11.3	0.5	1.4	19.8
Over 74	1.9	1.3	0.5	0.3	2.9	0.2	0.0	5.6
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD								
Employee	41.2	40.0	8.7	3.3	33.7	3.2	3.4	67.5
Self-employed	31.6	31.1	19.5	9.6	27.9	1.1	7.0	66.6
Retired	4.9	4.4	3.2	2.5	10.9	0.4	1.4	19.9
Other inactive or unemployed	11.8	11.5	5.0	2.4	17.5	1.3	1.4	32.6
NUMBER OF HOUSEHOLD MEMBERS WORKING								
None	4.8	4.4	1.6	1.1	8.0	0.7	1.1	15.2
One	30.5	29.8	7.5	4.1	26.4	2.1	3.3	56.1
Two	42.4	41.0	11.4	4.0	33.4	2.7	4.1	70.2
Three or more	22.4	22.4	18.3	8.9	44.7	3.4	3.7	69.2
NET WEALTH PERCENTILE								
Less than 25	15.2	14.8	1.7	4.0	30.2	2.2	3.8	43.9
Between 25 and 50	38.6	37.2	5.9	2.7	28.9	2.6	1.6	56.8
Between 50 and 75	29.7	29.1	6.2	3.3	20.8	2.3	2.7	49.3
Between 75 and 90	22.3	21.5	14.0	3.3	20.1	0.8	2.8	48.0
Between 90 and 100	18.4	17.9	22.5	6.0	16.0	0.9	4.7	48.2
Median of the debt value for households having such debt								
ALL HOUSEHOLDS	44.9	45.2	64.9	39.1	6.9	0.5	5.1	33.6
INCOME PERCENTILE								
Less than 20	35.5	38.5	(a)	14.2	3.9	0.3	1.6	6.5
Between 20 and 40	33.8	35.7	47.5	25.5	4.0	0.6	3.8	18.7
Between 40 and 60	38.5	38.7	50.9	38.1	7.5	1.1	4.0	27.5
Between 60 and 80	44.7	46.4	58.1	61.3	7.2	0.3	7.3	43.6
Between 80 and 90	55.1	55.9	69.7	31.4	12.6	(a)	6.1	53.1
Between 90 and 100	63.6	64.5	88.2	36.4	12.3	1.2	18.2	64.4
AGE OF HOUSEHOLD HEAD								
Under 35	68.2	69.0	81.0	(a)	8.1	0.5	1.5	64.5
35-44	39.7	42.3	54.7	43.0	6.8	0.5	5.0	41.0
45-54	38.4	38.7	77.5	33.4	6.6	0.7	6.4	28.5
55-64	22.6	22.9	71.6	36.8	7.6	0.4	7.1	19.4
65-74	12.9	14.8	32.4	45.2	6.5	(a)	1.7	11.9
Over 74	19.4	25.2	73.0	(a)	4.2	(a)	(a)	6.5
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD								
Employee	45.2	45.5	58.1	39.1	6.5	0.5	3.9	38.7
Self-employed	51.6	51.6	94.6	41.9	13.1	0.5	13.7	55.6
Retired	19.3	20.2	41.9	37.6	7.6	(a)	5.9	13.2
Other inactive or unemployed	38.2	39.3	75.2	21.4	5.3	0.5	2.0	15.0
NUMBER OF HOUSEHOLD MEMBERS WORKING								
None	25.8	25.8	52.2	37.6	4.3	0.5	1.6	9.3
One	38.9	39.1	72.3	36.1	5.4	0.5	3.2	26.8
Two	51.7	53.9	58.1	38.7	10.3	0.5	10.7	45.5
Three or more	38.7	38.7	85.4	41.9	9.0	1.7	3.1	36.6
NET WEALTH PERCENTILE								
Less than 25	62.8	64.5	60.3	38.7	5.4	0.5	3.7	13.8
Between 25 and 50	45.8	46.6	39.5	41.0	6.5	0.6	5.3	41.3
Between 50 and 75	34.7	35.5	58.1	40.5	9.5	0.5	4.5	31.4
Between 75 and 90	38.7	38.7	56.3	43.2	11.9	(a)	7.0	34.9
Between 90 and 100	45.9	45.9	85.1	32.4	9.2	0.4	6.3	63.4

SOURCE: Banco de España.

a Fewer than eleven observations.

HOUSEHOLD DEBT (cont.)
By purpose, type of debt and household characteristics

TABLE 7 (cont.)

% and thousands of 2009 Q1 euro	EFF2008							Some type of debt
	Purchase of main residence		Purchases of other real estate properties	Other debt outstanding			Other debts	
	Total	With mortgage guarantee		With collateral (incl. mortgages)	Personal loans	Credit card debt		
	Percentage of households with debts outstanding							
ALL HOUSEHOLDS	26.3	25.9	7.9	3.1	23.1	7.3	2.6	50.1
INCOME PERCENTILE								
Less than 20	7.0	7.0	0.7	0.2	9.0	2.6	1.2	16.5
Between 20 and 40	20.6	20.1	3.4	1.9	21.9	4.3	2.1	42.3
Between 40 and 60	38.4	38.2	6.6	4.3	29.6	10.5	2.9	63.6
Between 60 and 80	33.5	33.2	9.2	4.1	29.3	11.3	3.6	61.2
Between 80 and 90	33.3	32.0	15.5	3.8	29.8	10.4	3.3	68.5
Between 90 and 100	30.1	29.3	23.3	5.7	21.6	5.4	3.5	64.7
AGE OF HOUSEHOLD HEAD								
Under 35	45.6	45.1	9.0	2.7	31.1	12.8	2.2	68.6
35-44	51.4	50.9	9.0	2.8	28.9	10.9	3.2	72.3
45-54	27.9	27.1	10.9	5.1	30.2	9.1	3.4	60.0
55-64	13.3	13.3	10.1	3.8	22.1	6.1	3.5	48.5
65-74	4.6	4.2	4.8	2.4	13.5	1.8	1.8	22.9
Over 74	1.9	1.8	0.8	0.4	5.9	0.8	0.7	9.9
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD								
Employee	41.8	41.3	9.9	3.1	30.0	12.7	3.0	68.4
Self-employed	31.3	30.9	17.9	6.2	25.2	4.7	6.4	64.0
Retired	5.1	4.8	4.0	2.6	12.2	1.9	1.0	22.2
Other inactive or unemployed	15.8	15.3	3.0	2.0	20.4	3.9	1.8	36.7
NUMBER OF HOUSEHOLD MEMBERS WORKING								
None	8.0	7.5	2.6	1.5	10.3	2.1	1.2	21.3
One	28.9	28.5	7.7	2.1	26.9	8.5	3.0	56.6
Two	44.5	44.2	11.7	4.4	30.2	11.4	3.3	69.9
Three or more	16.9	16.7	18.0	9.5	36.9	9.1	5.4	69.7
NET WEALTH PERCENTILE								
Less than 25	21.8	21.8	3.5	3.7	31.4	10.9	2.3	50.1
Between 25 and 50	36.4	36.0	4.8	2.9	24.9	7.8	2.9	53.5
Between 50 and 75	28.3	27.9	6.9	1.7	19.0	5.2	1.7	47.5
Between 75 and 90	18.3	17.1	13.6	3.7	20.3	6.8	4.3	51.3
Between 90 and 100	19.3	18.9	20.6	4.5	12.6	3.4	2.8	46.3
Median of the debt value for households having such debt								
ALL HOUSEHOLDS	53.9	54.0	63.0	40.1	8.0	0.8	6.1	36.0
INCOME PERCENTILE								
Less than 20	40.8	42.0	(a)	(a)	6.0	0.6	1.0	10.3
Between 20 and 40	55.6	57.1	28.9	7.6	5.5	1.0	1.5	22.4
Between 40 and 60	50.3	50.1	70.0	36.1	7.3	0.8	3.3	37.2
Between 60 and 80	52.0	51.4	57.0	58.9	7.8	0.8	8.5	37.0
Between 80 and 90	60.6	64.7	103.7	60.0	9.5	0.5	12.7	44.7
Between 90 and 100	61.2	62.4	76.4	66.9	11.8	1.5	12.0	58.9
AGE OF HOUSEHOLD HEAD								
Under 35	79.4	80.3	70.0	(a)	8.0	1.0	(a)	61.8
35-44	49.0	49.4	68.0	23.0	5.5	0.7	8.0	47.1
45-54	45.0	46.9	60.2	67.1	9.1	0.8	3.7	30.1
55-64	36.1	36.1	46.0	40.0	8.1	0.7	11.8	18.9
65-74	30.1	38.0	86.9	44.4	6.0	0.8	1.5	14.0
Over 74	30.0	26.4	60.0	(a)	4.3	(a)	(a)	4.3
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD								
Employee	57.0	57.0	59.3	36.1	7.6	0.8	6.5	40.6
Self-employed	49.7	49.8	90.1	55.0	13.0	1.0	18.9	49.7
Retired	30.1	31.3	59.0	40.0	4.7	0.9	0.7	12.0
Other inactive or unemployed	57.3	58.3	60.3	22.4	6.7	0.8	1.5	20.0
NUMBER OF HOUSEHOLD MEMBERS WORKING								
None	46.2	56.5	54.1	22.4	6.0	0.6	1.5	14.6
One	48.9	49.2	44.4	46.2	5.9	1.0	3.4	28.1
Two	57.0	57.0	80.0	36.1	8.0	0.8	8.0	51.1
Three or more	42.1	52.0	65.0	67.1	11.9	0.3	(a)	25.0
NET WEALTH PERCENTILE								
Less than 25	89.0	88.8	105.7	62.9	6.9	0.9	3.1	25.8
Between 25 and 50	51.1	51.1	41.7	36.1	7.8	0.8	2.4	41.0
Between 50 and 75	42.1	41.6	49.6	46.1	6.4	0.5	2.5	31.3
Between 75 and 90	40.4	41.1	60.1	41.7	9.0	0.6	7.6	29.2
Between 90 and 100	47.0	48.2	90.0	83.2	12.0	2.0	21.0	61.8

SOURCE: Banco de España.

a Fewer than eleven observations.

have this type of debt are, by age group, those in the 35-44 age bracket (51.4%); by labour market status, dependent employees (41.8%); and, by number of members working, those with two such members (44.5%). The median amount of debt outstanding in relation to the purchase of the main residence is €53,900 for all households with this type of debt. The median volume of outstanding debt increases with income, decreases with wealth, and is greater for households whose head is under 35 and when two household members are working. Debt outstanding in connection with the purchase of the main residence is almost entirely mortgage debt.

With respect to 2005, the percentage of all households that have outstanding debt in connection with the purchase of their main residence remained practically unchanged. This proportion rises most in the central part of the income distribution and in households in the age 35-44 bracket. The median value of debt in connection with the purchase of the main residence rises by 20% for households as a whole. This debt increases in all groups of households except those belonging to the top decile of the income distribution and the self-employed.

DEBT RELATING TO THE PURCHASE OF REAL-ESTATE PROPERTIES

7.9% of households have debts outstanding in relation to the purchase of real-estate properties other than a main residence. This proportion rises with income and wealth and, by age, is lower for the under-45s and the over-64s. By labour market status, 17.9% of households whose head is self-employed have outstanding debt of this type. The median value of debt outstanding in relation to the purchase of real-estate properties other than the main residence is €63,000, without any clear pattern existing by age group, income or wealth.

Since 2005, the percentage of households with debts in relation to the purchase of real-estate properties other than the main residence remained basically unchanged for total households. However, this proportion rises for households in the top quintile of the income distribution and, by age, for households whose head is in the 65-74 age bracket. The median outstanding value of this type of debt decreased slightly (-3%) as regards the total for households with this type of debt. However, the median amount of this type of debt increased significantly for some groups, particularly households whose head is in the 65-74 age bracket.

OTHER DEBTS

The EFF also collects information on other debts, in addition to those for the purchase of a main residence or other real-estate properties. The main reasons for incurring other debts are to carry out home improvements, to invest in non-real-estate assets, to finance business activity and to purchase vehicles and other durable goods. The main types of debt incurred for these purposes are secured loans (including mortgage loans other than those for the purchase of the main residence or other real-estate properties), personal loans, credit card debt and other types.²³

Of these debts, the type most prevalent among households is the personal loan, incurred by 23.1% of households. The groups of households that least use this type of loan are those with lower income, the over-64s and the retired or inactive. The median outstanding amount of these personal loans is €8,000. Less frequent are outstanding secured loans for purposes other than for the purchase of real estate (3.1% of households), but the median outstanding amount of this type of debt is €40,100. 7.3% of households use credit cards

²³ Specifically, credit lines, deferred payment, advances, loans from relatives or friends, debit balances in current accounts, leasing or renting and other unspecified items.

to obtain credit. This type of credit is most common amongst households below age 35, employees and those lying in the bottom quartile of the wealth distribution. The median balance of this type of debt is low, being €800 for those households that use credit cards to obtain credit.

Since 2005, the percentage of households with personal loans decreased slightly for total households, but increased for those above age 64, the retired and other inactive or unemployed households. The median amount obtained through personal loans increased by 15.2%. The median amount of credit card debt increased significantly (49%) and the fraction of households with this type of debt increased. The incurrence of secured debt for purposes other than the purchase of real-estate properties remained at levels similar to those of 2005 for total households, both in terms of the percentage of households having this type of debt and as the median balance of this debt.

DEBT BURDEN

The EFF enables measures of the financial burden to be constructed for different types of household with debts outstanding. Table 8 shows three measures. The first is the ratio of debt payments (including repayment of principal and interest) to gross household income. One limitation of this measure is that it only reflects the significance of financial commitments in the short term. For this reason, figures for the ratio of total debt to gross household income and to total assets are also given. In all cases the median of these individual ratios is provided for each group of households, as is the percentage of households for which these financial burden measures exceed a certain threshold.

The median indebted household assigns 19% of its gross income to the payment of its debts (see the first column of Table 8). This figure is greater for the lower income levels (39.2%) and diminishes as income rises. By age group, the youngest households assign a higher percentage of their income to debt payment (25.6%) than those of intermediate age; by labour market status, the financial burden is higher among the unemployed and other inactive households excluding the retired (23.5%). Meanwhile, the median stock of outstanding debts accounts for 104.7% of annual household income (see the third column of the same table). This proportion is greater in the central part of the income distribution (148%), for the youngest (217.4%) and for the self-employed (122.9%).

The proportion of households setting aside more than 40% of their gross income to debt payment is 16.6% of indebted households (see the second column of Table 8) or 8.3% of all households. In the bottom two deciles of the income distribution, this threshold is exceeded by 46.7% of indebted households, which make up 7.7% of all households in these income brackets. By age, these percentages are higher for the youngest group (24.4%). The debt of 23.1% of indebted households is more than three times their annual gross income (see the fourth column of the same table). This figure is once again higher for lower-income households (34.1%) and in this case the same age-based differences are also observed. Specifically, for 38.1% of households whose head is under the age of 35 that have debts (or for 26.2% of all households whose head is under the age of 35), the total amount of such debts is more than three times their annual gross income.

The last two columns of the table give the data on debt in relation to gross wealth. For the median indebted household, debt accounts for 19.4% of the total value of its assets (real assets plus financial assets). Further, 14.8% of indebted households have debts which exceed 75% of their assets. In this case also, the proportion of households exceeding this threshold is higher for certain household groups. In particular, 31.8% of indebted households below age 35 (21.8% of total households below age 35) have debts which exceed 75% of their assets.

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

TABLE 8

% (calculated on the basis of 2009 Q1 euro)

Household characteristics	EFF2005					
	Ratio of debt payments to household income		Ratio of debt to household income		Ratio of debt to gross household wealth	
	Median (%)	Percentage of households where ratio exceeds 40%	Median (%)	Percentage of households where ratio exceeds 3	Median (%)	Percentage of households where ratio exceeds 75%
ALL HOUSEHOLDS WITH DEBT	17.2	11.8	100.0	19.4	17.2	11.1
INCOME PERCENTILE						
Less than 20	37.7	48.5	137.0	42.5	21.0	26.4
Between 20 and 40	24.6	22.0	109.4	28.3	20.9	14.8
Between 40 and 60	20.6	9.7	113.4	23.4	19.1	12.4
Between 60 and 80	15.6	5.7	114.3	15.0	18.0	9.5
Between 80 and 90	11.8	3.7	93.1	11.3	15.3	8.6
Between 90 and 100	8.1	1.6	59.9	4.6	11.1	1.2
AGE OF HOUSEHOLD HEAD						
Under 35	21.7	15.2	192.6	36.5	40.3	21.4
35-44	18.5	11.0	114.4	18.5	19.5	10.3
45-54	15.3	11.5	81.2	14.4	13.1	8.9
55-64	13.6	9.7	53.2	12.0	7.2	4.9
65-74	12.5	12.2	46.0	12.0	7.4	8.5
Over 74	11.6	5.0	32.8	1.6	4.2	2.1
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD						
Employee	17.0	8.9	104.4	18.9	20.4	12.0
Self-employed	20.6	20.1	123.9	23.1	11.5	4.4
Retired	13.2	11.0	51.9	12.5	7.6	8.0
Other inactive or unemployed	18.2	18.7	81.9	24.2	15.6	17.6
STATUS OF MAIN RESIDENCE						
Ownership	18.0	11.9	113.8	21.5	14.5	4.2
Other	14.0	10.8	31.6	7.6	78.5	50.8
NUMBER OF HOUSEHOLD MEMBERS WORKING						
None	17.6	21.3	57.1	21.2	8.2	15.0
One	19.6	14.6	104.3	25.5	18.4	13.0
Two	16.3	8.1	113.4	15.7	18.6	9.9
Three or more	12.1	9.0	54.9	12.1	12.3	6.4
NET WEALTH PERCENTILE						
Less than 25	17.7	16.0	65.5	24.7	75.2	50.2
Between 25 and 50	20.5	12.9	144.1	24.5	24.3	0.0
Between 50 and 75	16.3	8.4	93.8	13.1	10.9	0.0
Between 75 and 90	14.4	8.1	82.5	14.2	7.6	0.0
Between 90 and 100	14.0	13.1	91.0	16.2	6.1	0.0

SOURCE: Banco de España.

MEASURES OF DEBT BURDEN OF HOUSEHOLDS WITH DEBT OUTSTANDING (cont.)
By household characteristics

TABLE 8 (cont.)

% (calculated on the basis of 2009 Q1 euro)

Household characteristics	EFF2008					
	Ratio of debt payments to household income		Ratio of debt to household income		Ratio of debt to gross household wealth	
	Median (%)	Percentage of households where ratio exceeds 40%	Median (%)	Percentage of households where ratio exceeds 3	Median (%)	Percentage of households where ratio exceeds 75%
ALL HOUSEHOLDS WITH DEBT	19.0	16.6	104.7	23.1	19.4	14.8
INCOME PERCENTILE						
Less than 20	39.2	46.7	147.7	34.1	25.5	25.2
Between 20 and 40	26.4	27.5	137.0	29.7	24.8	21.8
Between 40 and 60	24.0	16.4	148.0	28.1	24.6	14.5
Between 60 and 80	17.0	11.9	95.8	21.9	19.4	17.0
Between 80 and 90	14.4	9.8	84.6	16.3	15.9	6.1
Between 90 and 100	10.0	3.3	62.0	8.3	12.5	6.2
AGE OF HOUSEHOLD HEAD						
Under 35	25.6	24.4	217.4	38.1	52.0	31.8
35-44	21.5	17.1	142.7	26.8	24.6	15.6
45-54	17.9	16.0	89.9	20.0	13.8	8.3
55-64	12.1	9.5	41.0	9.0	6.8	5.3
65-74	15.9	14.2	55.3	14.9	8.1	13.6
Over 74	12.5	8.5	18.5	7.7	6.2	7.4
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD						
Employee	18.9	14.6	121.3	23.3	23.4	15.1
Self-employed	22.4	22.7	122.9	26.3	13.4	4.1
Retired	13.6	10.8	41.2	11.9	6.3	7.7
Other inactive or unemployed	23.5	22.8	100.9	27.1	27.7	28.3
STATUS OF MAIN RESIDENCE						
Ownership	20.3	17.5	129.1	25.6	15.4	7.4
Other	13.8	11.1	31.2	7.7	171.3	59.9
NUMBER OF HOUSEHOLD MEMBERS WORKING						
None	21.4	22.5	81.2	25.8	14.2	20.4
One	20.4	15.5	100.5	21.6	20.5	16.3
Two	19.0	16.5	137.4	24.9	21.7	11.7
Three or more	11.0	11.4	48.1	15.0	12.1	15.6
NET WEALTH PERCENTILE						
Less than 25	23.8	25.0	139.4	31.8	87.5	58.8
Between 25 and 50	22.5	15.6	151.7	26.7	25.4	0.6
Between 50 and 75	16.8	11.1	87.0	15.3	11.4	0.0
Between 75 and 90	13.6	9.5	61.8	12.3	6.2	0.0
Between 90 and 100	17.7	22.3	98.6	26.4	5.4	0.0

SOURCE: Banco de España.

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

% and thousands of 2009 Q1 euro

Household characteristics	EFF2005				
	Valuation of stock			Expenditure	
	Cars and other vehicles		Other durable goods	Food	Other non-durable goods
	% with good	Median	Median	Median	Median
ALL HOUSEHOLDS	74.8	6.5	12.9	5.2	3.9
INCOME PERCENTILE					
Less than 20	41.7	2.1	6.5	3.3	2.5
Between 20 and 40	64.9	3.7	11.9	5.2	3.4
Between 40 and 60	83.0	6.5	12.9	5.3	3.9
Between 60 and 80	89.9	7.9	19.3	6.4	5.4
Between 80 and 90	93.5	10.6	19.8	7.7	6.4
Between 90 and 100	94.9	13.2	25.8	8.2	8.8
AGE OF HOUSEHOLD HEAD					
Under 35	82.5	7.5	11.2	4.5	4.5
35-44	88.3	7.7	16.1	5.8	5.2
45-54	88.1	9.0	19.3	6.4	5.4
55-64	81.6	7.4	16.1	6.4	4.4
65-74	58.2	3.2	12.8	4.5	3.1
Over 74	25.4	2.9	8.0	3.8	2.3
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD					
Employee	88.3	7.5	16.1	6.1	5.2
Self-employed	95.9	10.9	19.4	6.4	5.2
Retired	57.7	4.0	12.9	5.2	3.2
Other inactive or unemployed	49.3	5.5	9.7	3.9	2.6
LEVEL OF EDUCATION OF HOUSEHOLD HEAD					
Below secondary education	66.8	6.4	12.9	5.2	3.3
Secondary education	84.8	8.7	16.1	5.4	4.9
University education	87.3	9.7	19.4	6.4	6.4
STATUS OF MAIN RESIDENCE					
Ownership	77.7	7.4	16.1	5.5	3.9
Other	62.1	4.8	6.9	4.5	3.9
NUMBER OF HOUSEHOLD MEMBERS WORKING					
None	41.8	2.6	9.7	3.9	2.6
One	83.9	6.4	12.9	5.2	3.9
Two	92.4	9.7	19.3	6.4	5.4
Three or more	91.5	12.2	19.3	7.7	6.4
NUMBER OF HOUSEHOLD MEMBERS					
One	35.3	3.7	7.2	3.1	2.6
Two	67.4	5.5	12.9	5.2	3.9
Three	89.1	7.7	16.1	5.8	5.2
Four	92.2	9.7	19.4	6.9	5.4
Five or more	87.6	8.3	13.1	7.7	5.6
NET WEALTH PERCENTILE					
Less than 25	61.0	4.5	6.5	4.0	3.2
Between 25 and 50	73.9	6.4	12.9	5.2	3.9
Between 50 and 75	75.9	7.1	16.3	5.8	4.5
Between 75 and 90	86.1	9.5	19.4	6.4	5.2
Between 90 and 100	92.0	12.9	31.6	7.7	6.4

SOURCE: Banco de España.

TABLE 9

EFF2005				
Expenditure				
Cars and other vehicles		Other durable goods		Household characteristics
% incurring expense	Median	% incurring expense	Median	
15.6	14.0	49.3	1.1	ALL HOUSEHOLDS
INCOME PERCENTILE				
4.8	6.9	33.5	0.5	Less than 20
12.0	11.6	43.9	0.7	Between 20 and 40
17.9	13.6	51.7	1.0	Between 40 and 60
19.3	15.9	55.7	1.3	Between 60 and 80
22.9	16.2	58.7	1.8	Between 80 and 90
24.5	18.9	64.2	1.5	Between 90 and 100
AGE OF HOUSEHOLD HEAD				
20.1	15.0	55.9	1.2	Under 35
18.6	12.9	63.0	1.1	35-44
19.6	14.0	57.4	1.3	45-54
19.4	16.1	45.2	1.3	55-64
7.4	16.1	37.2	0.6	65-74
1.8	12.9	20.9	0.5	Over 74
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD				
20.2	14.0	59.1	1.3	Employee
25.1	14.0	60.1	1.4	Self-employed
7.6	12.9	34.4	0.6	Retired
8.7	15.0	37.3	0.7	Other inactive or unemployed
LEVEL OF EDUCATION OF HOUSEHOLD HEAD				
14.0	12.9	42.4	1.0	Below secondary education
16.8	16.4	56.9	1.2	Secondary education
19.3	15.0	61.5	1.1	University education
STATUS OF MAIN RESIDENCE				
16.3	15.0	49.7	1.1	Ownership
12.4	9.7	47.5	0.6	Other
NUMBER OF HOUSEHOLD MEMBERS WORKING				
3.3	11.6	32.0	0.5	None
16.1	14.0	52.9	1.1	One
22.7	16.1	60.1	1.3	Two
31.5	15.0	56.5	1.1	Three or more
NUMBER OF HOUSEHOLD MEMBERS				
3.7	12.9	35.5	0.5	One
10.1	14.5	41.4	1.0	Two
19.7	16.1	52.6	1.3	Three
23.4	13.4	61.5	1.3	Four
23.7	9.7	58.9	1.1	Five or more
NET WEALTH PERCENTILE				
13.0	11.0	45.9	0.7	Less than 25
16.3	15.9	46.4	1.1	Between 25 and 50
14.9	14.1	48.6	1.0	Between 50 and 75
17.3	12.9	57.2	1.1	Between 75 and 90
19.2	19.3	55.0	2.0	Between 90 and 100

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

% and thousands of 2009 Q1 euro

Household characteristics	EFF2008				
	Valuation of stock			Expenditure	
	Cars and other vehicles		Other durable goods	Food	Other non-durable goods
	% with good	Median	Median	Median	Median
ALL HOUSEHOLDS	77.3	6.5	13.6	6.0	4.2
INCOME PERCENTILE					
Less than 20	38.3	2.5	7.0	3.6	2.4
Between 20 and 40	72.4	5.1	12.0	5.1	3.6
Between 40 and 60	88.0	6.0	14.6	6.0	4.7
Between 60 and 80	92.7	8.1	17.4	6.2	5.3
Between 80 and 90	94.7	11.3	19.0	7.2	7.2
Between 90 and 100	95.4	15.0	24.0	8.6	9.7
AGE OF HOUSEHOLD HEAD					
Under 35	90.0	7.4	12.0	4.8	4.4
35-44	87.6	8.0	15.0	6.0	4.8
45-54	90.3	9.0	18.0	7.2	5.7
55-64	84.1	6.9	18.0	6.2	4.8
65-74	64.8	3.0	12.0	5.2	3.6
Over 74	31.1	3.2	8.0	3.9	2.4
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD					
Employee	90.9	8.0	18.0	6.0	5.1
Self-employed	94.8	10.0	18.0	7.2	6.0
Retired	63.7	4.0	12.0	5.2	3.6
Other inactive or unemployed	55.7	6.0	9.9	4.2	2.4
LEVEL OF EDUCATION OF HOUSEHOLD HEAD					
Below secondary education	69.2	6.0	12.0	5.2	3.6
Secondary education	88.1	8.0	18.0	6.0	4.8
University education	89.3	9.0	18.3	7.2	7.3
STATUS OF MAIN RESIDENCE					
Ownership	79.5	7.4	15.0	6.0	4.8
Other	66.8	5.0	7.1	4.8	3.6
NUMBER OF HOUSEHOLD MEMBERS WORKING					
None	49.6	3.6	10.0	4.4	2.4
One	85.5	6.0	14.4	6.0	4.6
Two	95.5	9.0	18.0	7.2	6.0
Three or more	91.4	18.0	18.0	8.1	6.5
NUMBER OF HOUSEHOLD MEMBERS					
One	36.2	4.0	8.4	3.0	2.4
Two	76.7	5.0	12.0	5.2	3.6
Three	91.1	7.0	18.0	6.0	4.8
Four	94.1	12.0	18.0	7.2	6.0
Five or more	89.8	12.0	12.0	8.4	4.8
NET WEALTH PERCENTILE					
Less than 25	65.3	5.0	7.2	4.8	3.2
Between 25 and 50	74.6	6.0	12.0	4.8	3.6
Between 50 and 75	79.2	6.1	17.6	6.0	4.7
Between 75 and 90	88.5	9.7	18.0	7.2	6.1
Between 90 and 100	92.7	12.6	30.0	8.4	8.4

SOURCE: Banco de España.

TABLE 9 (cont.)

EFF2008				
Expenditure				
Cars and other vehicles		Other durable goods		Household characteristics
% incurring expense	Median	% incurring expense	Median	
11.5	13.0	40.9	1.0	ALL HOUSEHOLDS
INCOME PERCENTILE				
2.9	6.0	24.3	0.6	Less than 20
9.4	10.6	35.3	0.8	Between 20 and 40
13.5	13.8	42.3	1.0	Between 40 and 60
12.5	9.9	50.3	1.0	Between 60 and 80
16.3	16.9	53.3	1.5	Between 80 and 90
21.5	17.3	51.4	2.0	Between 90 and 100
AGE OF HOUSEHOLD HEAD				
17.3	10.5	45.9	1.5	Under 35
12.9	10.6	49.9	1.0	35-44
16.6	14.0	47.0	1.2	45-54
12.7	15.0	38.0	1.0	55-64
3.8	16.0	30.3	0.8	65-74
1.8	7.2	26.7	0.5	Over 74
LABOUR MARKET SITUATION OF HOUSEHOLD HEAD				
15.5	14.0	49.8	1.0	Employee
16.2	13.0	42.2	1.5	Self-employed
4.9	16.6	33.0	0.7	Retired
8.1	7.1	30.9	1.0	Other inactive or unemployed
LEVEL OF EDUCATION OF HOUSEHOLD HEAD				
9.7	10.9	33.7	0.8	Below secondary education
13.6	10.5	51.8	1.0	Secondary education
14.5	16.0	50.1	1.5	University education
STATUS OF MAIN RESIDENCE				
11.8	14.0	41.5	1.0	Ownership
9.9	6.0	38.1	0.8	Other
NUMBER OF HOUSEHOLD MEMBERS WORKING				
4.6	12.0	29.2	0.7	None
8.9	11.5	45.6	1.0	One
18.4	14.0	48.1	1.2	Two
25.7	13.0	43.0	1.0	Three or more
NUMBER OF HOUSEHOLD MEMBERS				
2.8	10.0	30.2	0.6	One
7.4	11.6	39.3	1.0	Two
14.1	13.0	46.3	1.0	Three
17.7	11.5	45.1	1.3	Four
26.0	15.0	44.8	1.0	Five or more
NET WEALTH PERCENTILE				
11.0	9.1	38.9	0.8	Less than 25
10.7	14.0	37.6	1.0	Between 25 and 50
11.6	11.4	39.7	1.0	Between 50 and 75
10.7	14.8	47.2	1.1	Between 75 and 90
15.2	18.7	48.1	2.0	Between 90 and 100

With respect to 2005, the median indebted household assigns 1.8% more of its gross income to debt payments. The increase is greatest for households below age 35 (3.9%). As for the stock of debt, it now represents an extra 4.7% of annual income for the median indebted household. By labour market status, the largest increase in both these ratios is in households whose head is unemployed or inactive (excluding the retired).

In comparison with 2005, an additional 4.8% of indebted households assign more than 40% of their income to debt payments. The increase is greatest for the younger indebted households (9.2%). Also, the percentage of indebted households whose debt is more than three times their gross annual income has risen (3.6% extra). However, there is a decrease in the percentage of households that exceed both thresholds among the households lying in the bottom quintile of the income distribution.

Finally, since 2005 the median household has seen the ratio of its debt to assets increase slightly. This increase is largest among the youngest households (11.7%) and among the unemployed and other inactive households (excluding the retired) (12.2%). Also, the percentage of indebted households whose debt is more than 75% of their assets has increased, especially among households belonging to these two groups. However, also in this case the percentage of households exceeding this threshold decreases among the households in the bottom quintile of the income distribution.

Other information

The definition of household wealth does not include the value of vehicles and other durable goods. Table 9 provides information, by household characteristics, on the percentage of households that have cars or other vehicles and on the median value of these and of other durable goods.²⁴ The variations across the different types of household are as expected. In particular, the percentage of households with a vehicle, the median value thereof and the median value of other durable goods increase with income and net wealth.

The EFF also includes information on expenditure, given the importance of its relationship to the distribution of household income, wealth and debt. Table 9 offers information on the distribution of different expenditure items according to household characteristics. Spending on food and other non-durable goods varies considerably with income and net wealth. Also spending on vehicles and other durables for households that purchase these goods during the year varies to some extent with income and wealth. In turn, the percentage of households that incur such expenditure varies to a greater extent with income than with wealth.

With respect to 2005 there has been an increase in the median expenditure by households on food and other non-durable goods. By type of household, median spending on non-durable goods other than food decreased significantly for households in the bottom part of the income distribution, those below age 45 and the unemployed and other inactive households (excluding the retired). Further, spending on cars (and other vehicles), and on other durable goods, decreased, owing to falls both in the percentage of households that incur this type of expenditure and in the median expenditure by households that incur this type of expenditure. The falls in the percentage of households acquiring a vehicle and in the percentage of households acquiring other durables are apparent at all levels of income and wealth.

Conclusion

The third wave of the EFF allows comparison of the financial position of households over what is now a fairly lengthy period. This report limits itself to describing the situation reflected in the EFF2008 and the changes since the previous wave. However, the possibili-

²⁴ Specifically, household furnishings, fittings and appliances are included in this category in the EFF.

ties of comparative analysis over time are wider. Moreover, the fact that the results of this third edition can be compared with the information collected in other similar surveys which all the euro area countries have begun to conduct will broaden the possibilities for analysis of the financial position of households.

20.12.2010.

REFERENCES

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