



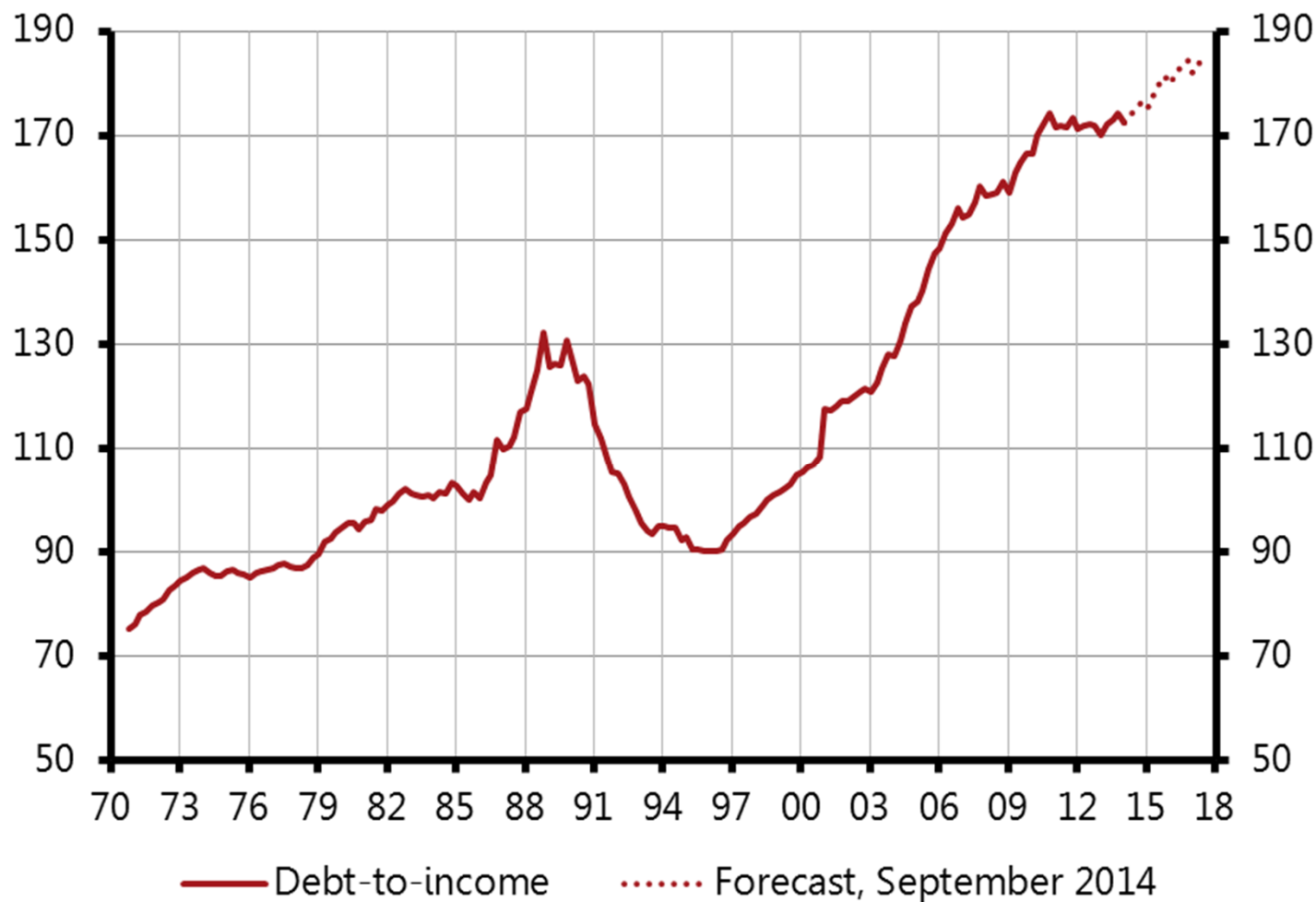
Household debt in Sweden

Jakob Winstrand

Debt to disposable income has been on the rise since the mid-nineties...

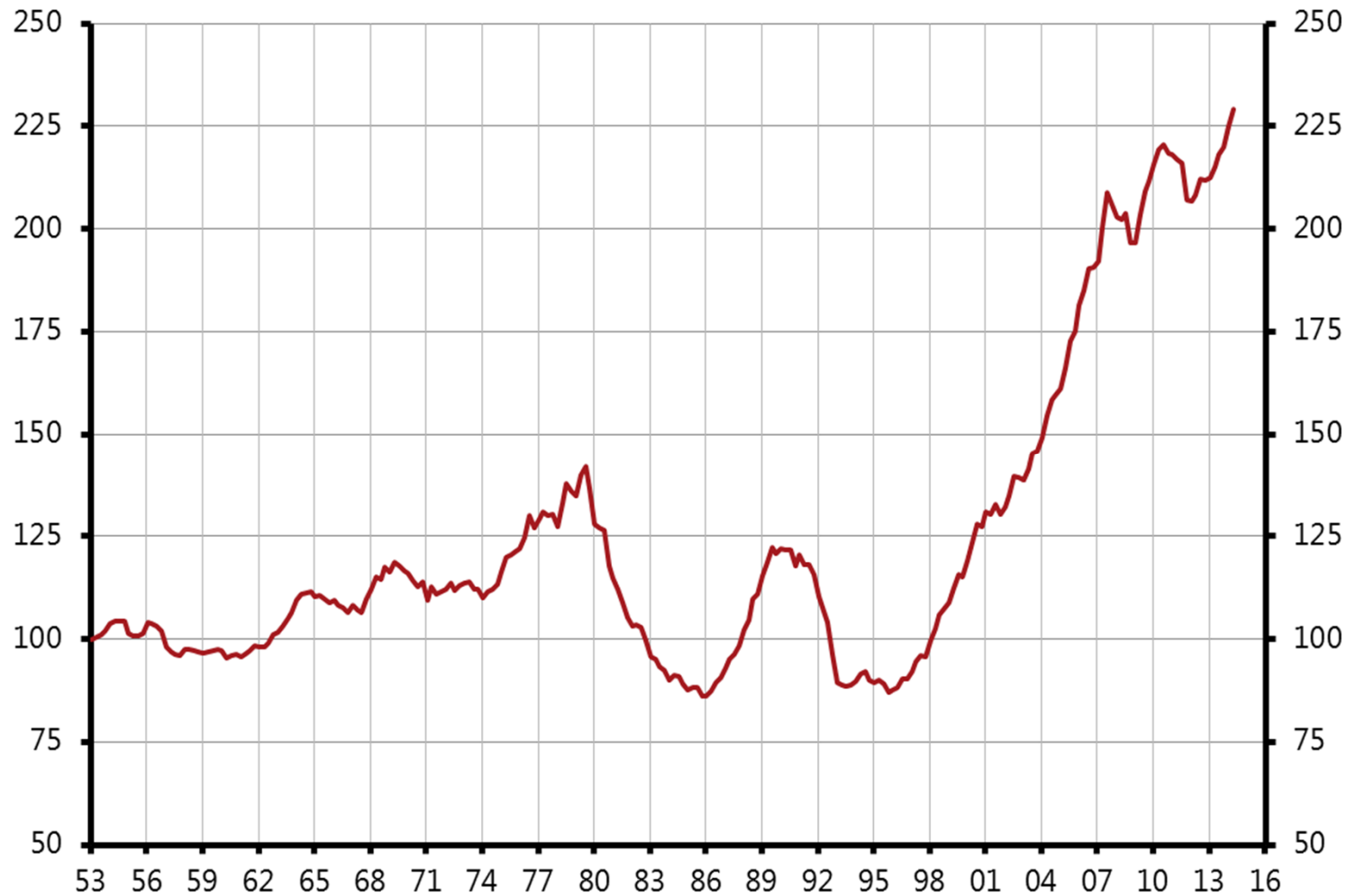


Per cent



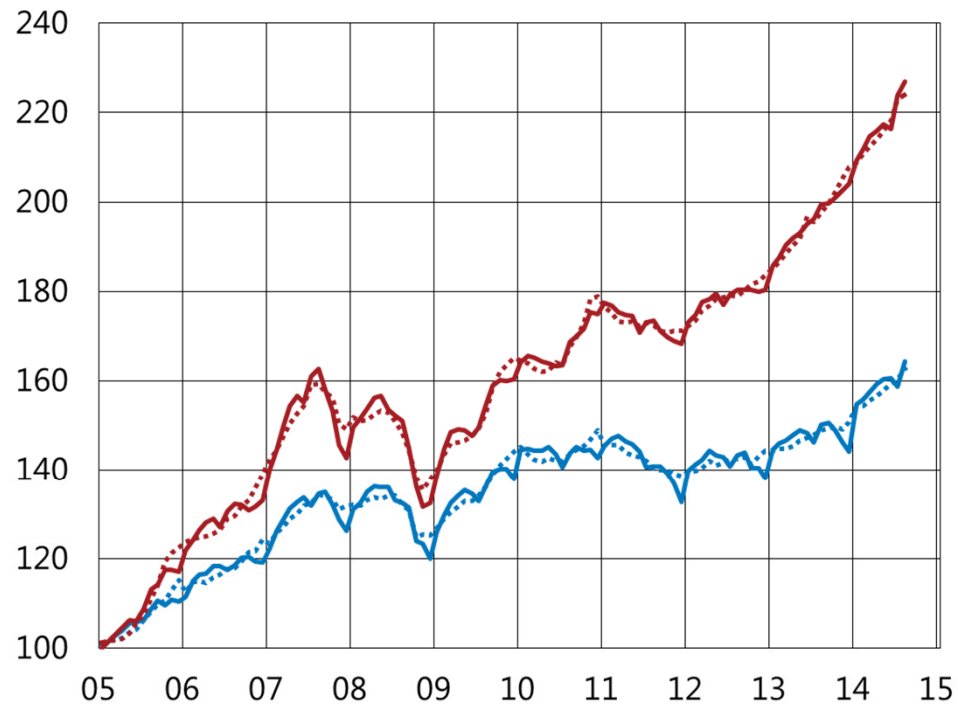
... just as real house prices

Index, 1953 Q1 = 100



Housing prices – August 2014

Index, January 2005 = 100



- Tenant-owned apartments
- Tenant-owned apartments, seasonally adjusted
- Single-family houses
- Single-family houses, seasonally adjusted

Growth rate (%)

	Tenant-owned apartments		Single-family houses	
	m/m*	y/y	m/m*	y/y
Sweden	0,5	13,7	1,4	9,4
Stockholm	1,2	14,7	1,2	10,9
Gothenburg	-1,1	11,8	2,2	6,9
Malmö	1,6	5,8	2,4	6,7

* Seasonally adjusted



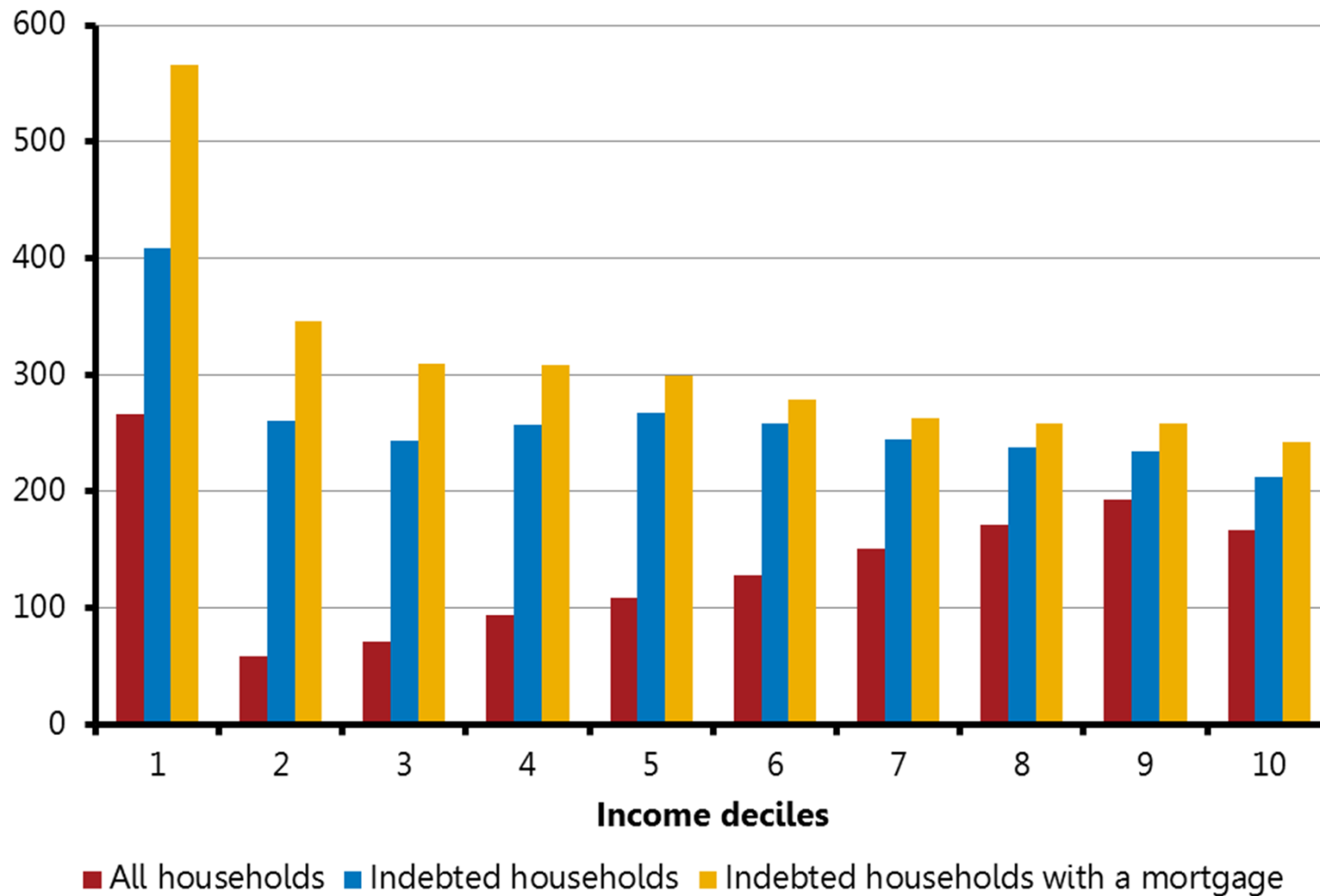
Micro data

- Loan-level data
 - Covers approximately 80 per cent of all household credit and approximately 94 per cent of all mortgages
 - 4 million individuals
 - No assets

 - Economic Commentary with descriptive statistics:
<http://www.riksbank.se/en/Press-and-published/Notices/2014/Economic-Commentary-How-indebted-are-Swedish-households/>
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Debt-to-income ratios are higher among low- and middle-income borrowers

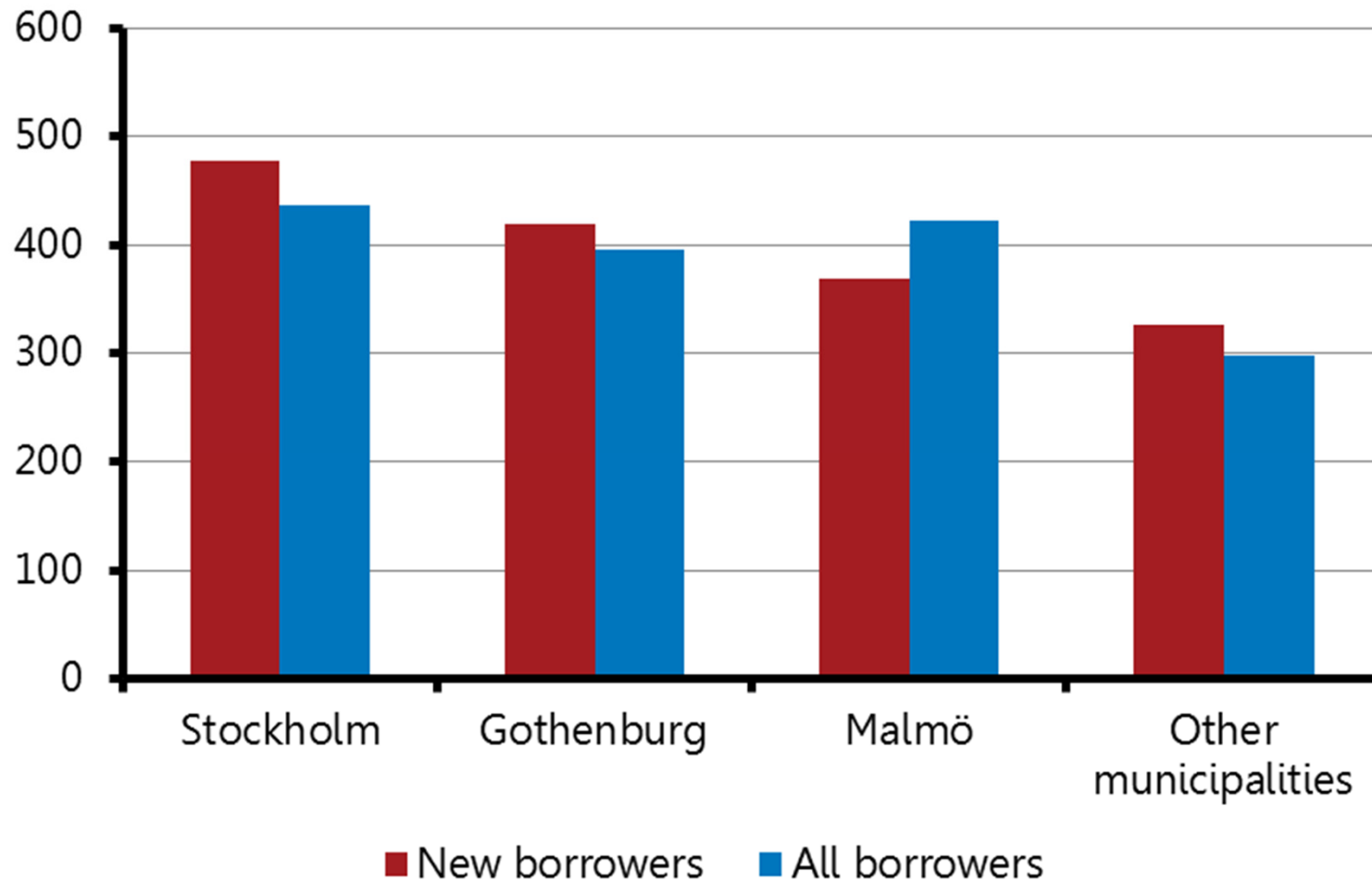
Per cent



Debt-to-income ratios almost as high in the stock as among new borrowers

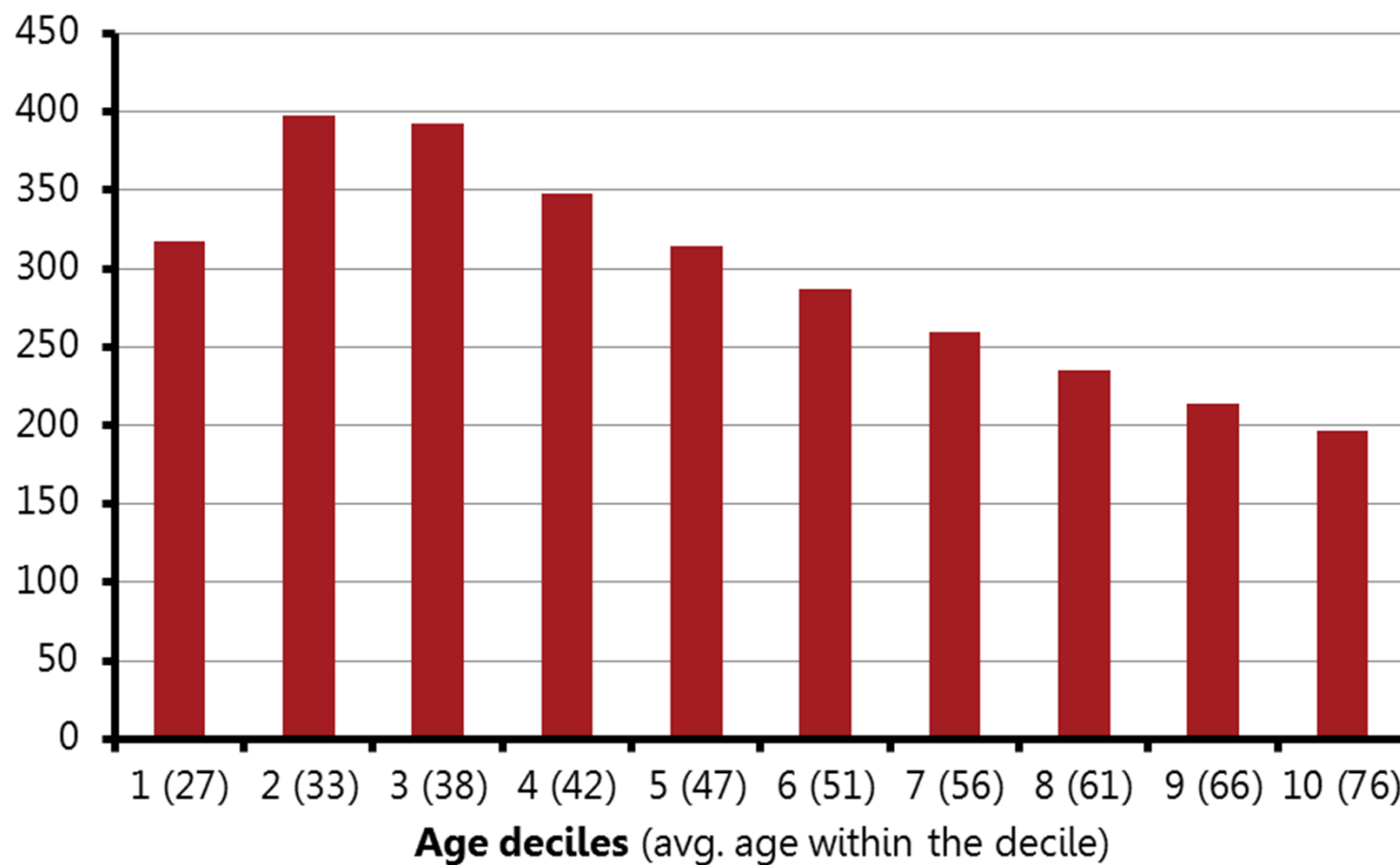


Per cent



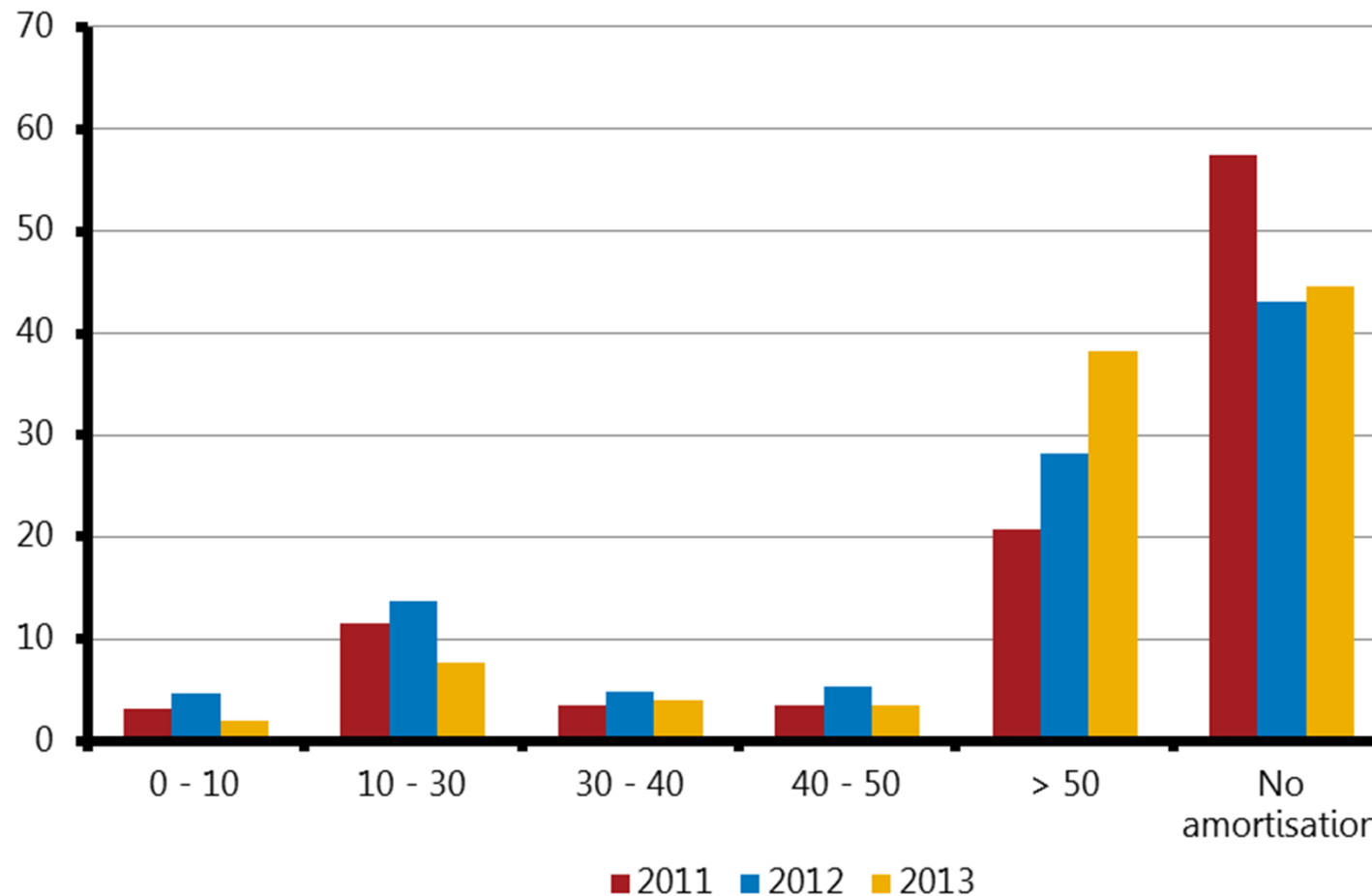
Debt-to-income ratio in different age groups

Per cent



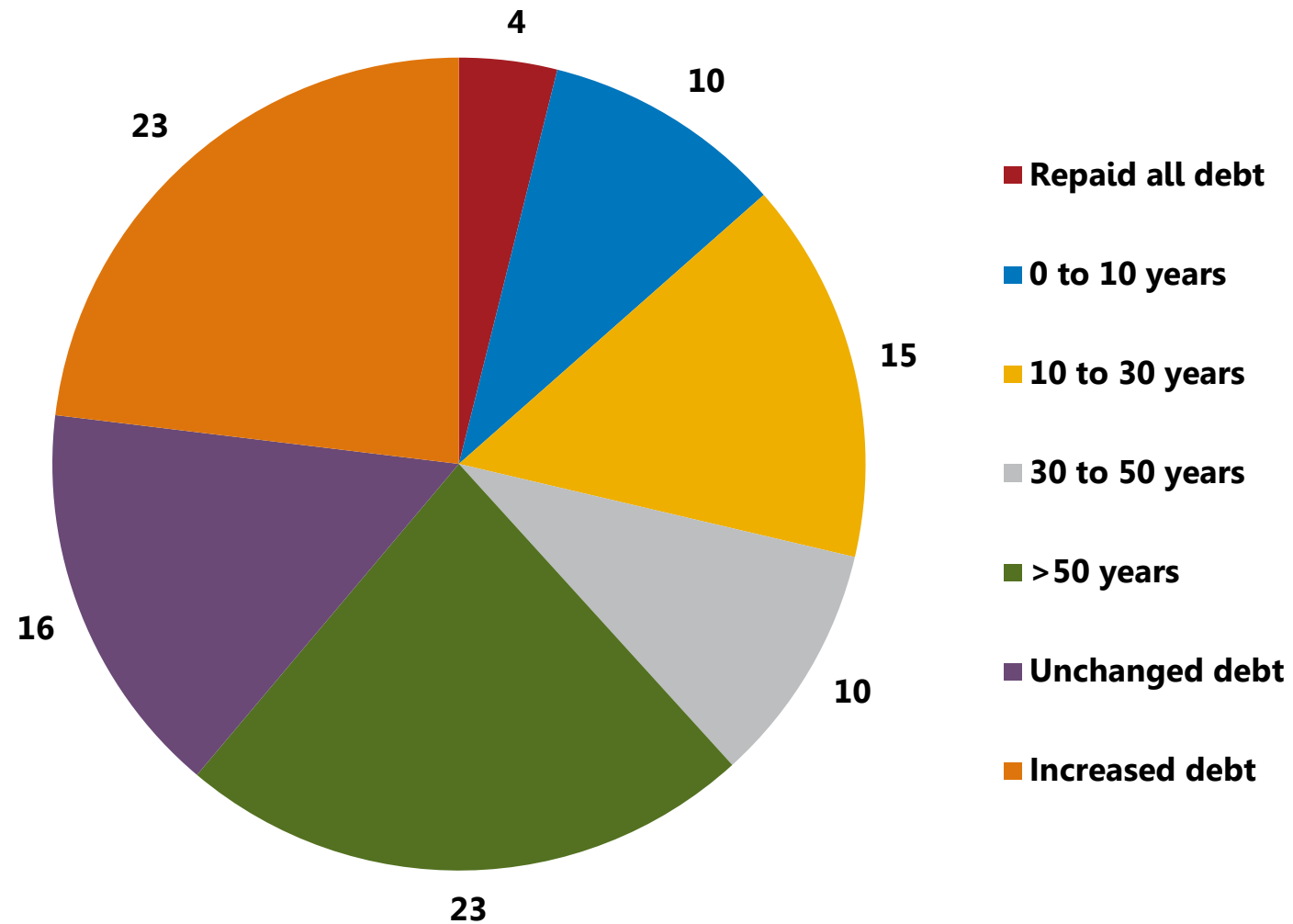
Amortisation free loans (interest-only) are common among new borrowers

Percentage, amortisation period in years



Almost 40 per cent of mortgage borrowers had the same, or larger, debt in 2013 as in 2012

Percentages



Conclusions from micro data

- Debt-to-income ratios are higher among low- and middle-income individuals and households
 - The difference between new and existing mortgage borrowers is smaller than expected
 - High debt-to-income ratios also among elderly and outside the three large cities
 - Four out of ten have increased or unchanged debt
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