REPORT

Household savings in Sweden

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Contents

Summary 3

Savings fulfil multiple functions 4

FI's savings data.. 6

Assets are unevenly distributed 11

Many mortgagors hold a small amount of assets in their mortgage bank .. 13

Small number of rich men behind the gender differences in assets 15

Economic situation affects new savings.................................. 18

Higher costs result in many saving less.. 18

Amortisation payments' share of new savings increases during economic downturns 21

Different savings forms, different risks 24

Differences in risk taking by group 24

Appendix 29

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Summary

Swedes' holdings of financial assets have increased sharply over the past 20 years. Assets in the form of, for example, savings accounts, funds and shares provide individuals with financial security and the possibility to smooth their consumption across their lifetime. But Swedes also have large loans. Those that have large loans and small holdings of assets are vulnerable to adverse economic events. Assets also affect the resilience of the financial system. Therefore, how assets and liabilities are distributed between individuals is important.

Finansinspektionen (FI) is tasked with promoting a stable financial system and a high level of consumer protection. This assignment includes monitoring assets and savings. In this report, we describe how financial assets are distributed in Sweden and how different groups choose to save over time.

Swedes hold a large amount of financial assets, but the distribution of these assets is very uneven. Most Swedes hold a small amount of financial assets, while 5 per cent of the population holds approximately half of all assets. Few have direct savings in shares or funds. Those with large loans can be vulnerable to weakened economic conditions and therefore in general have a greater need for a financial buffer. FI's data indicates that many mortgagors hold a small amount of assets, at least with the same bank where they have their mortgage.

In general, the differences between men and women are small. Overall, men held a larger percentage of assets in 2024, but this appears to be primarily because the largest holdings are unevenly distributed. Men held two-thirds of all holdings over SEK 1 million. For holdings of less than SEK 1 million, in general the assets are evenly distributed between men and women. However, men and women often choose different savings forms. Both hold most of their assets in savings accounts, but men hold a larger percentage in shares while women hold a larger percentage in funds. This indicates that men take greater risks in their saving, a pattern found in many other surveys.

New savings follow the general economic trend. In 2021, total new savings amounted to approximately SEK 400 billion. In 2022 and 2023, inflation rose and the Riksbank raised the policy rate several times. Costs thus went up for many Swedes, and their new savings decreased sharply. In 2022, new savings decreased to just under SEK 280 million. The decrease in new savings was driven by those that hold a smaller amount of assets.

How individuals distribute their new savings differs by age. The youngest and oldest age groups mainly save in their savings accounts, while a larger portion of new savings for middle-aged Swedes is in shares and funds. Amortisation payments represent a significant portion of new savings, primarily for groups where many have (large) mortgages, and amortisation payments' proportion of savings increased when individuals experienced a deterioration in economic conditions in 2023. This was due to both borrowers amortising more when the interest rates were high and a decrease in other savings.

Savings fulfil multiple functions

Financial assets provide, among other things, financial security and the possibility of achieving financial goals. This is important for individuals and provides society with better resilience to economic disruptions. Finansinspektionen (FI) is tasked with contributing to a high level of consumer protection and counteracting financial imbalances. Analysing the size and distribution of savings is important for both of these assignments. This report aims to improve the understanding of how Swedes save and how their assets are distributed.

Individuals with assets have greater financial security than those without. This is because, among other things, assets provide resilience to negative economic events, such as unexpected expenses or loss of income. By saving during certain periods in life, individuals can also smooth out their consumption over time. Furthermore, long-term savings enable individuals to achieve their financial goals – such as buying a home, studying, or saving for a stable pension. Savings also contribute to the economic development in society since household savings give firms the possibility to finance investments.

Assets are important for consumer protection and financial stability

We use the word *savings* to describe the money individuals set aside to use later. And we use the word *assets* to describe their wealth – which is the result of savings and the return (on the assets). Knowledge about individuals' savings and assets contributes to a better understanding of household finances.[1] One key piece of the puzzle in FI's assignment to promote a high level of consumer protection is therefore financial stability and the prevention of the build-up of financial imbalances. Assets can protect individuals from finding themselves in difficult economic situations. If individuals have (large) loans and do not have financial assets, a shock to their finances could lead to them decreasing their consumption and, in a worst-case scenario, having difficulty in paying their loans. If many borrowers experience payment problems, this could have an adverse impact on financial stability.

This report primarily aims to *describe* how Swedes save money. The report discusses mainly liquid financial savings, which consist of assets in bank accounts, funds, shares or other savings that generate a cash return. Savings are liquid if it is possible to terminate them and turn them into money that can be used, for example, for consumption or to buy a home. We

[1] With *assets*, we are referring to financial assets. We exclude tenant-owned housing, which is classified as a financial asset in Statistic Sweden's Financial Accounts. Pension assets are not included in this analysis.

also include some information about amortisation payments, even if they cannot be turned into money in the same way as liquid assets.[2]

[2] Amortisation payments are a form of savings since they increase net assets (assets minus loans) by decreasing loans. Given some circumstances, they can also increase the capacity for taking new loans and thus contribute to greater resilience.

FI's savings data

This report is based largely on the data FI gathers as part of its in-depth analysis of households' loans and savings. This data includes the loans and assets of residents of Sweden. The survey conducted to collect this data, which FI conducted for the first time in 2021, replaces FI's previous consumer credit survey.

A survey in two parts

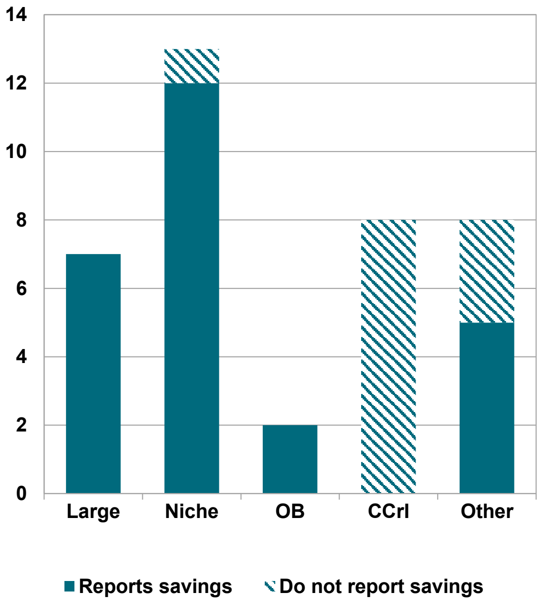
FI gathers data about the loans and savings of residents of Sweden.[3] The survey includes information from almost 40 firms, of which 26 offer some form of savings products (Diagram 1). Only the firms that offer savings serve as a basis for this report. FI breaks the institutions down into different groups. Large banks have a broad product range – offering different types of loans and multiple savings forms.[4] Niche banks have a more limited product range, for example unsecured loans and savings accounts. Online brokers offer different types of savings and investments – such as shares and funds – online. Other types of firms are also included in the survey, but they are smaller or not relevant for savings.[5]

The majority of Swedes' assets in terms of both volume and the number of holdings is located at the large banks (Diagram 2). However, a large share of the number of holdings is also found at the online brokers.

[3] This survey defines Swedes as natural persons residing in Sweden.
[4] According to this definition, the group includes more than the four largest banks in Sweden.
[5] Some companies in the survey – primarily consumer credit institutions – lend money but do not offer savings since their authorisation does not include deposits.

1. Firms in FI's survey

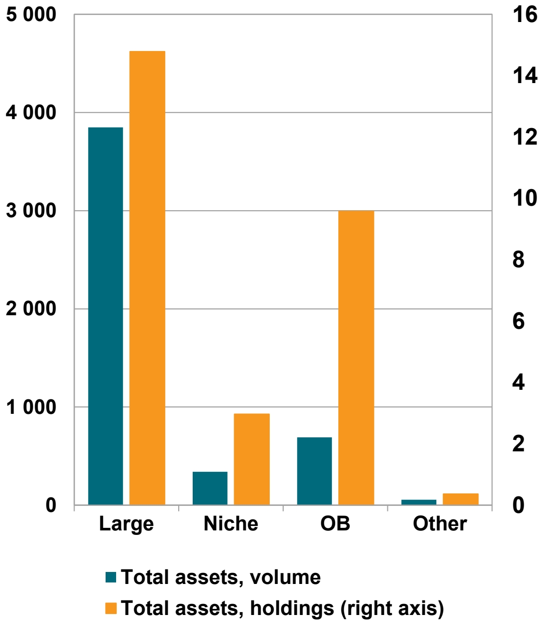
Number



Source: FI.
Note: *Large* and *Niche* are banks, *OB* is online brokers and *CCrl* is consumer credit institutions. *Other* includes credit card companies, non-property-backed financing companies, and sales-financing companies.

2. Assets broken down by type of firm

SEK billion and holdings (millions)



Source: FI, aggregate data.
Note: One individual can have several holdings – in both different asset classes and different institutions. Refers to June 2024.

The report is based on two parts of the survey:

- *Aggregate data.* The aggregate assets are broken down into savings accounts (bank deposits), funds, shares and other savings. Funds and shares include savings in both investment savings accounts and custody accounts. The data consists of both volumes (in SEK) and the number of individuals (per firm and savings form). In addition, the data is broken down by gender, age and size of the individuals' savings in each savings form. Compared to Statistics Sweden's savings barometer, FI's survey covers approximately 80 per cent of each category's savings accounts, funds and shares (for investment savings accounts and custody accounts) measured in SEK. The *Other* category covers approximately 70 per cent of other savings in Statistics Sweden's data (when we have excluded private pensions savings in funds). The aggregate data consists of monthly data from 2020 to June 2024.
- *Customer sample (microdata).* The sample contains a selection of individuals who are customers of the reporting institutions and covers approximately 16 per cent of the firms' customers.[6] This amounts to almost four million customers in

[6] The sample consists of customers born during the 11th–15th of each month.

2023. This does not mean that the sample includes four million *unique* individuals since some are customers at several banks and lenders. Some institutions do not offer a savings product, and the sample that we use in this report is thus significantly smaller. The sample refers to data as per 31 December 2023.

Information about customers – not individuals

Because 16 per cent of the population older than 18 corresponds to approximately 1.3 million people, the sample's four million customers indicate that Swedes on average are customers at three different firms. Many are certainly customers at significantly more than that. For example, a person could have a salary account and payment card with one firm, a mortgage with another, a savings account with a third, and funds and shares with a fourth.

We cannot combine data about individuals from several firms. This means that the same individuals may be present several times, which limits the analyses we can make. For example, we cannot analyse specific individuals' total assets. However, we can analyse savings volumes (in SEK) in total or broken down into groups of individuals. In some cases, we can also talk about the number of accounts or the number of holdings – with the understanding that this is not the same as talking about the number of individuals.[7]

FI's survey does not include information about savings in capital insurance or other insurance-based savings.[8] This means that the survey does not include occupational or premium pensions.[9] However, private pensions savings is included if they are in an investment savings account or a custody account.

FI's survey does not cover everything included in Statistics Sweden's Savings Barometer, but FI's data does enable us to describe and analyse how men and women of different ages save. This has not been possible in Sweden since 2007 when the government at that time abolished the wealth tax and the tax authority subsequently stopped gathering data on the size of loans and assets.

Different types of assets in FI's survey

There are many different forms of savings. In the report, we focus on the three most common forms: savings accounts, funds and shares. We also dedicate one section to amortisation payments.

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[7] Other assumptions we have made are presented in the text and in the notes to the diagrams.
[8] This is because pension and capital insurance are often not provided by the banks themselves, but rather by independent pension and insurance companies, often within the same group.
[9] Pension savings constitutes a large portion of Swedes' total savings, but it is an illiquid form of savings – the money is locked until retirement age. The part of the general and occupational pension that is elective is also small and reflects the individual's savings behaviour. In addition, FI does not have data about occupational pensions, individual pension savings, or premium pensions.

Savings accounts, or bank deposits, are simply savings in an account at the bank. These savings are largely risk free and have a fixed nominal value.[10] In addition, the state deposit insurance covers the assets in the accounts.[11]

A *fund* consists of several different underlying securities, for example shares or bonds. Saving in funds thus automatically spreads the risk since the investment is not being made in a single security. There are many different types of funds, primarily broken down into the fund's primary type of underlying security. There are also funds with different focuses, risk profiles, and degrees of activity.

A *share* is a participation in a limited liability company. In this report, *shares* refer to directly owned (listed) shares where the individual invests in individual shares. It is also possible to own shares indirectly through, for example, and equity fund. Shares, just like funds, can increase or decrease in value. Shares are typically associated with more risk (vary more in value) than funds.

In addition to bank accounts, funds and shares, there are many other savings products that are included to some extent in FI's survey, such as bonds, crypto assets, and other types of derivatives and structured products. We refer to these products collectively as *other savings*. Even if there are individuals investing directly in these assets, the investments are relatively small.[12] They therefore account for a very small share of total savings – around 1 per cent in FI's survey – but they can constitute significant risks for individuals. Some of these products can also be included in various funds – and then the risk is often lower. This report does not discuss direct investments in these savings products.

Amortisation payments – loan repayments – are also a form of savings, where the return corresponds to the interest expenses saved as the loan shrinks in size. Amortisation payments differ from the other forms of saving in the report since they cannot be sold to release the money and therefore are less liquid than many other forms of savings.[13]

Different types of accounts

Most individuals who save in funds and shares do so via a custody account or an investment savings account. In a custody account, you pay tax on the profit when you sell the security. In an investment savings account, you instead pay a yearly flat tax rate.[14] This tax applies

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[10] A fixed nominal value entails that the assets do not decrease in SEK but that inflation could reduce the actual buying power.
[11] Deposit insurance entails a payout from the state to depositors if the bank or institution enters into bankruptcy. The deposit insurance is currently SEK 1,050,000 per person and institution. All of the companies in the survey are covered by the deposit insurance, but other companies are not covered.
[12] See, for example, Lien Oskarsson (2024), "Svenskarnas handel med kryptocertifikat", FI Analysis 44, which shows that the average per-person investment in cryptocertificates was SEK 9,800.
[13] Amortisation payments can allow individuals to take new loans, for example via a so-called equity withdrawal. However, this requires more extensive action – including a credit check – than withdrawing money from a savings account. Amortisation payments are thus considered less liquid.
[14] As of 2025, investment savings accounts and capital insurance have a tax-free basis of up to SEK 150,000. In 2026, this limit will be raised to SEK 300,000.

regardless of whether the investment has had a positive return or not. At the large banks, approximately 40 per cent of the assets are in investment savings accounts (Table 1). At online brokers, this percentage is just over 80 per cent. Share- and fund-related assets are relatively evenly distributed between investment savings accounts and custody accounts, while other savings products are largely held only in investment savings accounts. See Table B1 in the appendix for information about assets in investment savings accounts and custody accounts broken down the age of the individuals.

Tabell 1. Distribution of assets in investment savings accounts and custody accounts

Per cent (of volume in SEK)

Type of firm	**Funds**		**Shares**		**Other**		**Total**	
	Inv. Sav.	*Custody*	*Inv. Sav.*	*Custody*	*Inv. Sav.*	*Custody*	*Inv. Sav.*	*Custody*
Large banks	56.1	43.9	35.8	64.2	94.2	5.8	42.2	57.8
Online brokers	86.0	14.0	77.5	22.5	93.2	6.8	81.2	18.8
Total	**59.7**	**40.3**	**48.9**	**51.1**	**94.0**	**6.0**	**50.5**	**49.5**

Source: FI, sample of individuals.
Note: The data refers to 2023. There can be (institution-specific) limitations on which products may be held or traded in investment savings accounts and custody accounts. *Other* refers to savings products that are not categorised as savings accounts, funds or shares. See Table B1 for further details.

Assets are unevenly distributed

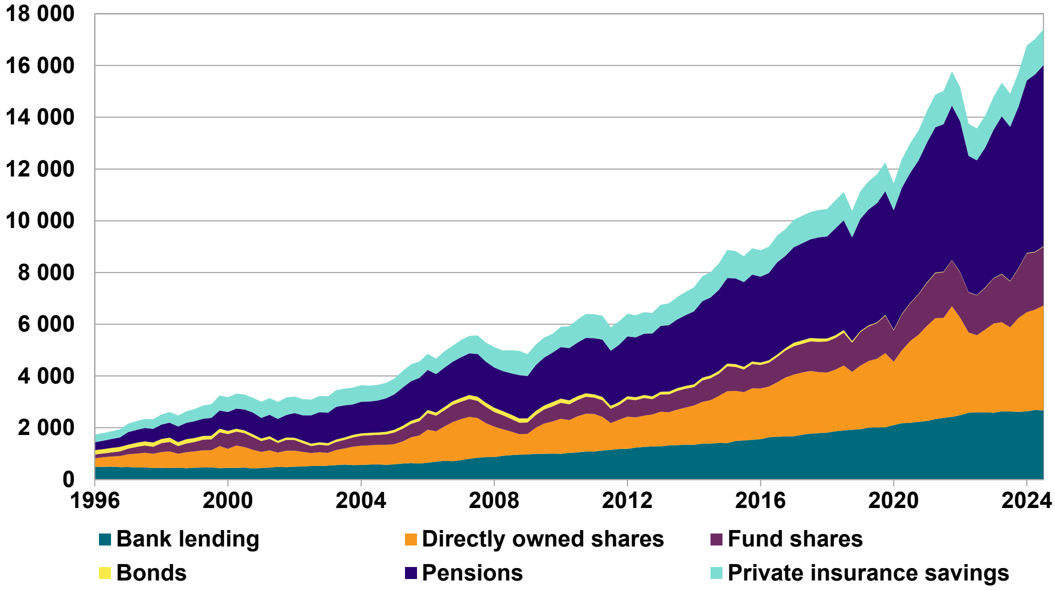
Assets provide individuals with a buffer during financial shocks. Assets in Sweden are large, but they are unevenly distributed. Many individuals have small or no buffers. It is important to assess the effects of unexpected events on both individuals and the economy at large. If we disregard the most wealthy, who are often men, there are only small differences in assets held by men and women.

Swedes' assets have increased sharply

Swedes' total assets have increased by more than a factor of eight (in nominal terms) since 1996, and their growth trajectory has been particularly strong over the past 20 years (Diagram 3).[15] This also applies to each individual form of savings.[16] Money held in bank accounts has steadily increased. Assets in shares have increased more but also varied more in value. Fund assets have also increased, but to less of an extent than bank deposits and shares. Pensions and other insurance-based savings also account for a large part of Swedes' assets.[17]

3. Swedes' financial assets over time

SEK billion



Source: Statistics Sweden.

Note: The diagram shows households' positions. Data up to and including Q3 2024. *Deposit* includes bank deposits, capital investments in tax accounts, the previous savings form Riksgäldsspar, and other

[15] At the same time, prices in general have increased by 60 per cent. This means that, in real terms, the assets have increased by a factor of five.
[16] The growth of the assets is due to both new savings and the increase in value of existing assets.
[17] Information about pensions and insurance-based savings is available in Statistics Sweden's data, but not the data that FI collects.

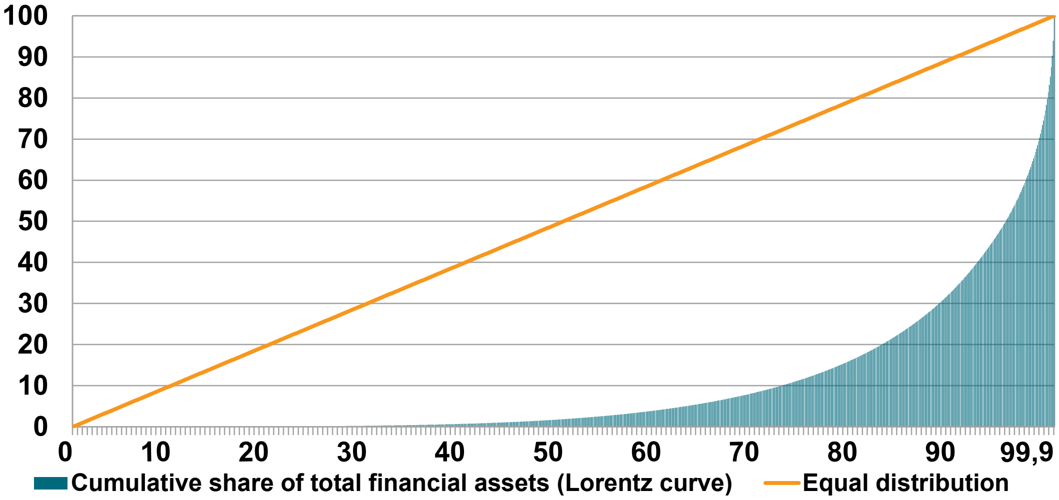
deposits according to Statistics Sweden's definition. *Pensions* refer to occupational and premium pensions.

Half of all assets are held by a few individuals.

Swedes' assets correspond today to almost SEK 1,000,000 per person. But the distribution of the assets is very uneven. Approximately 5 per cent of Swedes own half of all assets (Diagram 4).[18] And every other Swede has no, or few, assets.

4. Distribution of financial assets

Percentiles



Source: FI, sample of individuals.

Note: If the assets had been evenly distributed, the Lorentz curve would have followed the equal distribution line in the diagram.

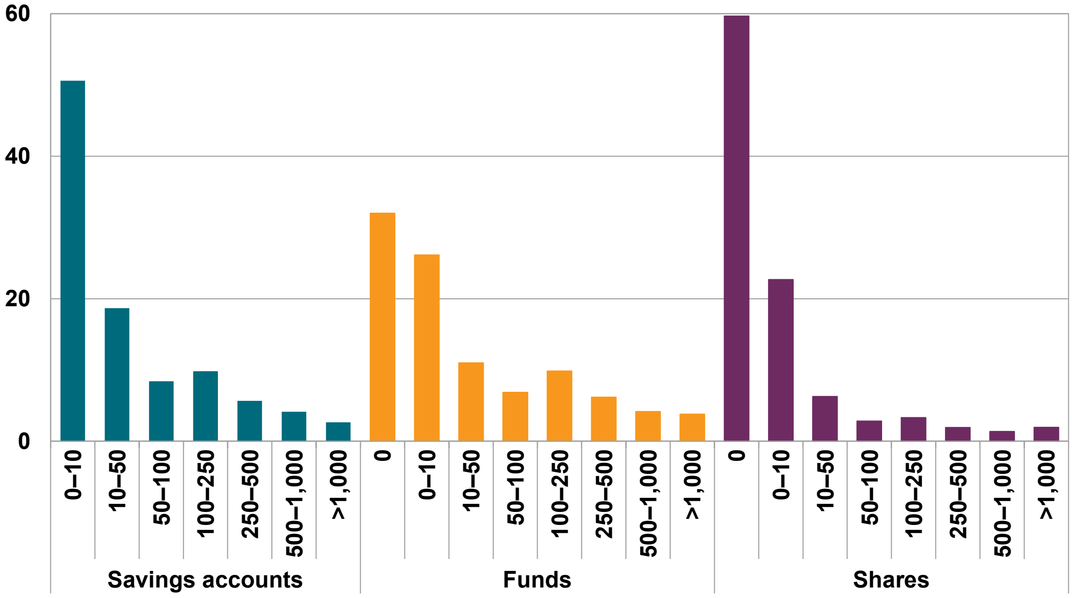
Because assets are unevenly distributed, the average (or total) of the assets is a poor measurement for assessing the economic resilience to unexpected events. The percentage of individuals with no or few assets is a better measure. Basically, all Swedes have some form of savings account – and many have more than one; on average, each Sweden in our sample has holding in savings accounts at 2.5 institutions, even if the holdings in most savings accounts are small. However, all of them do not have (direct) holdings in funds or shares.[19] We estimate that almost 60 per cent have less than SEK 10,000 in funds (Diagram 5). At the same time, a small percentage of individuals account for the large fund holdings. Approximately 4 per cent of the individuals have more than SEK 1 million in fund holdings. Share holdings are distributed even more unevenly. The survey shows that four out of five individuals do not hold any shares at all or less than SEK 10,000 in shares. The survey also shows that just under 2 per cent of the individuals have more than SEK 1 million in shares.

[18] If we also consider housing assets, more people have significant assets (see Andersson and Vestman (2021), “Svenska hushållens likvida tillgångar”, FI Analysis 28, Finansinspektionen). However, these assets are more difficult to use as a buffer.

[19] Basically, all Swedes have indirect holdings via the public pension system.

5. Distribution of accounts broken down by form of savings and size

Per cent



Source: FI, aggregate data.

Note: The diagram shows the distribution broken down in TSEK on the X axis. For savings accounts, we show the distribution of holdings. For funds and shares, we assume that each customer only has investments savings accounts and custody accounts with one firm and therefore refer to individuals for these forms of saving instead of holdings.

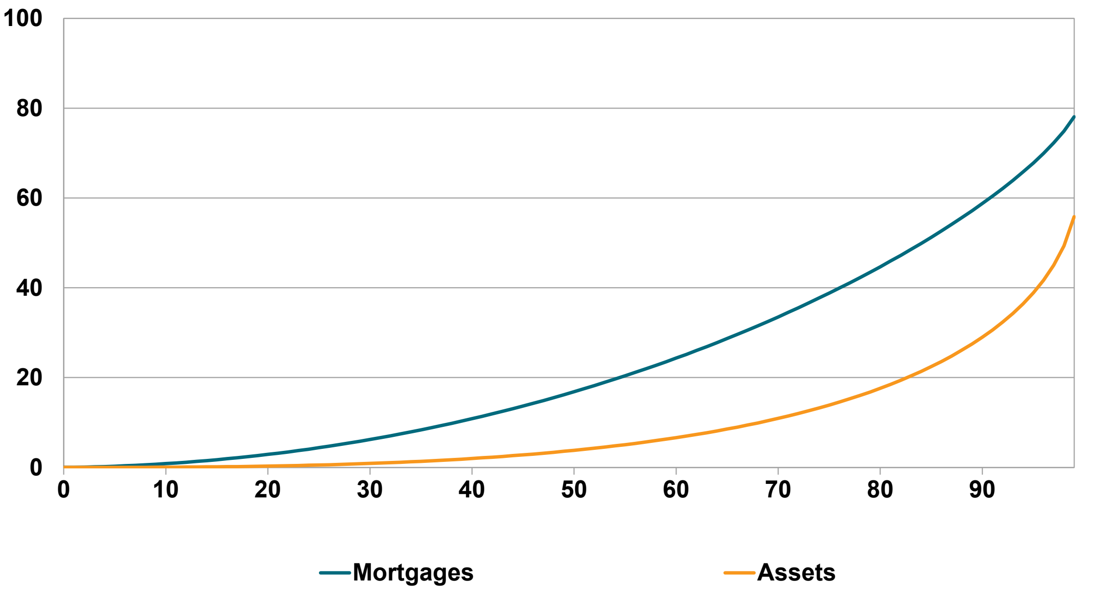
Many mortgagors hold a small amount of assets in their mortgage bank

Assets make individuals less sensitive to, for example, a loss of income. Mortgagors are also sensitive to higher interest rate expenses. This means that individuals with large mortgages in relation to their income, or the value of the home, could be particularly vulnerable to weaker financial conditions. In order to also ensure that the financial system as a whole is resilient to financial shocks, it is healthy for mortgagors with small margins to have financial assets.

Mortgages are more evenly distributed among mortgagors than assets (Diagram 6). For example, 9 out of 10 mortgagors account for 60 per cent of the mortgage volume but only 30 per cent of the assets. This indicates that many mortgagors have limited assets that they can use if their finances deteriorate.

6. Distribution of mortgagors' mortgages and assets in the mortgage bank

Percentiles



Source: FI, sample of individuals.

Note: The diagram shows mortgagors in 2023. The X axis shows percentiles in the distribution, and the Y axis shows the values in SEK that correspond to the percentiles. The diagram does not show the 100th percentile, which is 30 million for both mortgages and savings.

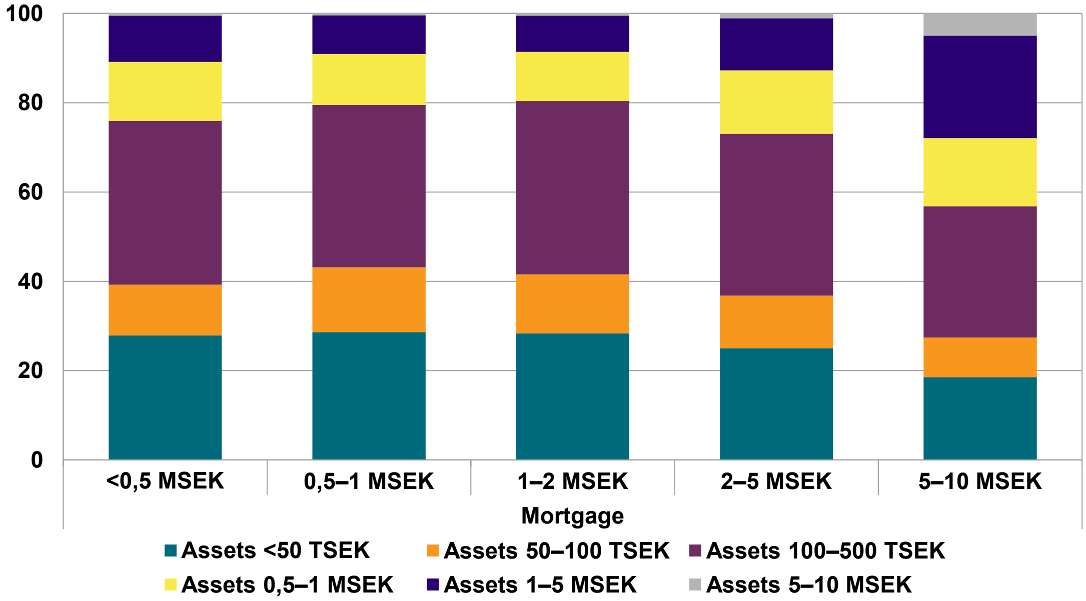
Many individuals hold a small amount of assets, at least in the same bank (Diagram 7).[20] Around 30 per cent of the mortgagors hold less than SEK 50,000 in assets in the mortgage bank.[21] Because many buy a home and take out a mortgage with another person, it is the household's loans and savings that matter. We may therefore underestimate the household's collective resilience in some cases. Those with the largest mortgages generally also have more assets, which is good for both consumer protection and financial stability. Of those that have a mortgage larger than SEK 5 million, more than half have more than SEK 500,000 in assets in the mortgage bank.

[20] Here, we can only see assets in the same company as the mortgage. Therefore, some individuals have more assets than what we can see in the survey. However, the assets we use as our basis here represent around 80 per cent of all assets.

[21] Size of mortgage per borrower.

7. Distribution of mortgagors' assets broken down by mortgage size

Per cent



Source: FI, sample of individuals.

Note: The diagram is based on 1.5 million customers with mortgages and shows mortgagors' assets at the same major bank where they have their loan.

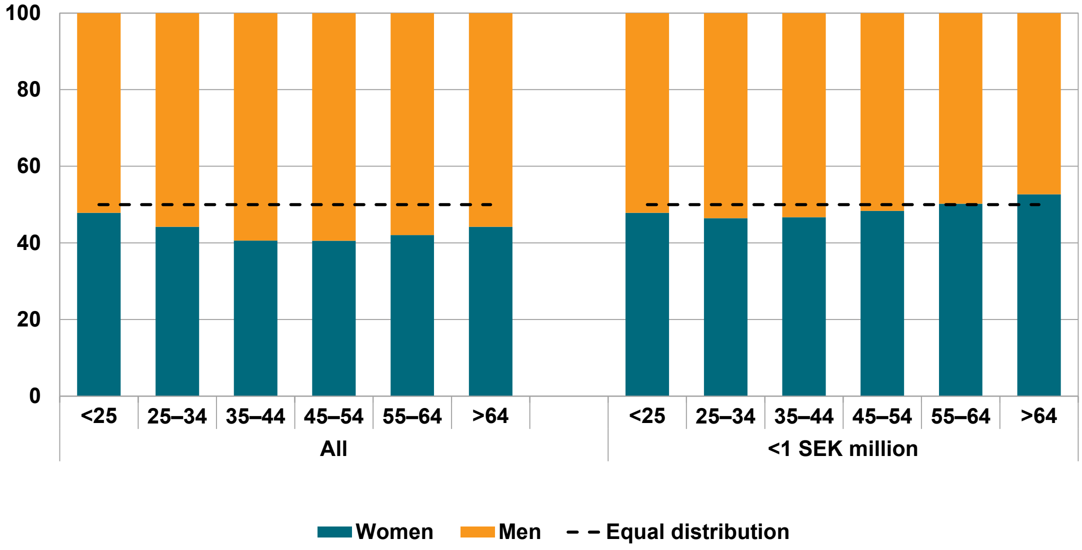
Small number of rich men behind the gender differences in assets

When we study how the total assets are distributed between women and men, we see that the men own 57 per cent of the assets measured in SEK. That men own more than women appears primarily to be because the assets are unevenly distributed among the wealthiest. Around 4 per cent of the holdings in our survey are larger than SEK 1 million. Together they constitute 60 per cent of all assets. Of these assets, men own two-thirds. For holdings of less than SEK 1 million, in general the assets are evenly distributed between genders (Diagram 8).

In terms of all individuals, the differences between women and men are relatively small in the youngest age groups but then increase and are largest among those in the age group 35–54 (Diagram 8). In this age group, men own 60 per cent of the assets. The differences then decrease between women and men. Among those that are older than 64, men own 55 per cent of the assets. When we instead only look at the assets that are less than SEK 1 million, the differences are significantly smaller between women and men.

8. Distribution of assets by gender and age group

Per cent



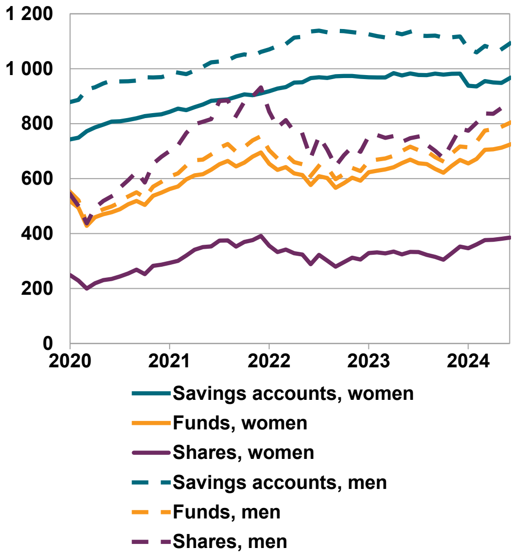
Source: FI, aggregate data.

Women have more of their money in funds, and men more in shares.

Women's and men's assets followed a similar trend during the period 2020–2023 (Diagram 8). However, broken down by savings form, there are large differences in how much of the assets are owned by women and men, respectively. And the differences hold over time. The difference is largest for shares, where men own 70 per cent of the total value. Among assets that are less than SEK 1 million, where the total assets are almost evenly distributed, women own a larger value in funds and men a larger value in shares (Diagram 9). Women and men have basically had equal amounts of assets in savings accounts with less than SEK 1 million over the past five years (Diagram 10).

9. Women's and men's assets in total, broken down by savings form

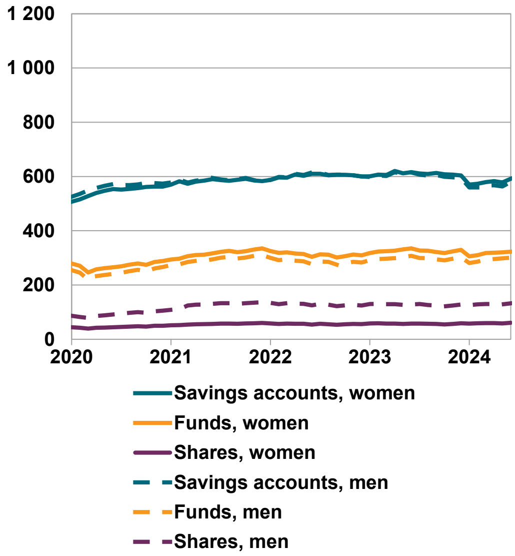
SEK billion



Source: FI, aggregate data.

10. Women’s and men's assets of less than SEK 1 million, broken down by savings form

SEK billion



Source: FI, aggregate data.

State of the economy affects new savings

In 2021, total new savings amounted to approximately SEK 400 billion. During the years 2022 and 2023, when inflation and interest rates new savings decreased sharply. Amortisation payments are a significant part of new savings, and their share increased in 2023 when households experienced increased costs. It is primarily age groups with a large share of mortgages that amortise a lot compared to other savings.

The value of different savings forms fluctuates to varying extents over time. Diagram 1 (in the first chapter) shows the development in Swedes' savings in different asset classes.[22] The change in value over time is due to both the return or the decrease in value of existing savings and to new savings (deposits minus withdrawals). The one that has the greatest impact on value differs depending on different types of savings and different time periods. New savings tend to follow the business cycle; during upswings there is greater capacity for saving while many save less or use their existing assets during downturns.

Higher costs result in many saving less

In 2020, total new savings in savings accounts, funds, shares, the category other savings and amortisation payments amounted to SEK 330 billion (Diagram 11).[23] In both 2020 and 2021, the COVID-19 pandemic meant there were fewer possibilities to spend money. In addition, inflation and the interest rates were low. Overall, this meant that many households had good opportunities for saving in 2020 and 2021. In 2021, savings increased (including amortisation payments) to more than SEK 390 billion.

In 2022, the pandemic restrictions were eased. At the same time, prices increased rapidly and the Riksbank started to raise the interest rate. Households thus had less money for savings. In addition, it is probable that some households were forced to use their savings to meet their payments. As a result, new savings decreased to approximately SEK 300 billion and SEK 320 billion, respectively, in 2022 and 2023.

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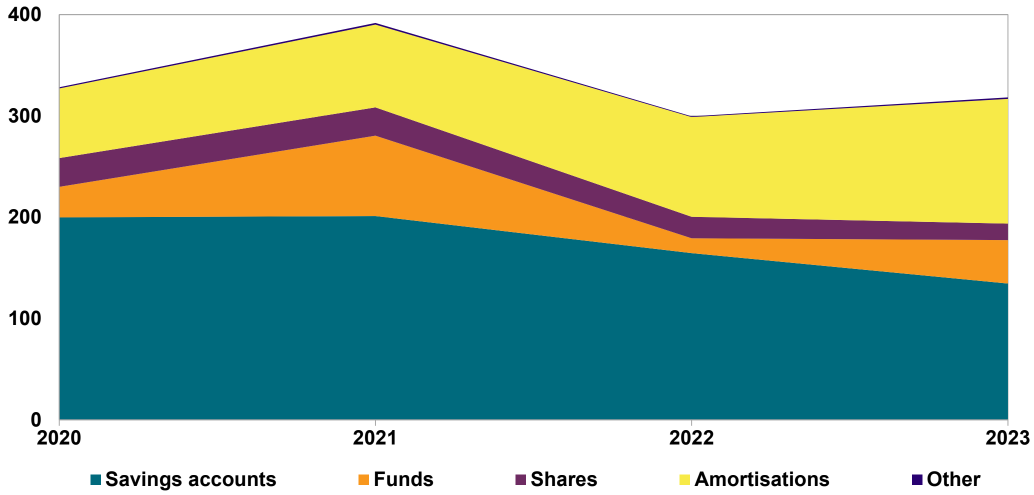
[22] Savings or new saving refer to the net of deposits and withdrawals or purchases and sales during a certain period.
[23] We have used as the basis new savings (deposits and purchases minus withdrawals and sales), excluding amortisation payments, in FI's survey, multiplied by 6 – since the sample includes every sixth customer – and adjusted (multiplied by 6) the data because it covers approximately 80 per cent of the assets in the savings barometer. We only multiplied amortisation payments by 6 since the companies in the data compilation cover basically the entire mortgage market.

11. Swedes' new savings over time

SEK billion



Source: FI, sample of individuals.
Note: New savings (deposits minus withdrawals or purchases minus sales) during the year. The categories funds, shares and other refer to market value of new savings in both investment savings accounts and custody accounts. Amortisation payments refer to the flow during the year for mortgages and other loans.

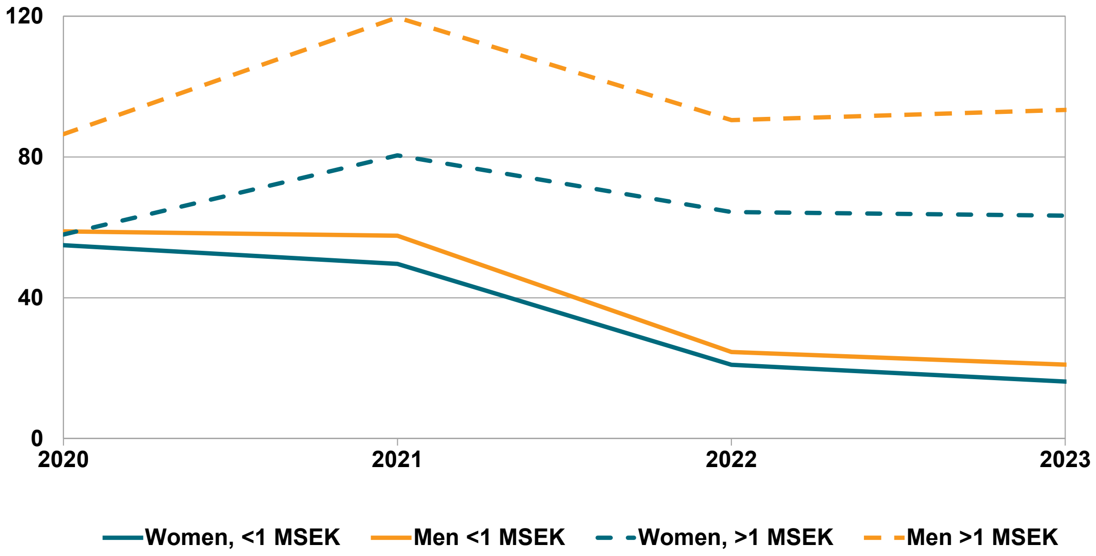
When we disregard amortisation payments, women saved SEK 80 billion and men SEK 115 billion in 2023 (Diagram 12). The variation in new savings was large between 2020 and 2023. However, the distribution between men and women was relatively equal over time; women accounted for just over 40 per cent of new savings in all four years.

Most wealthy able to save a lot during the pandemic

There are large differences between those that have a large amount of assets and those that do not even when it comes to new savings. Those that had more than SEK 1 million in assets saved almost 40 per cent more in 2021 than in 2020. And they saved almost 10 per cent more in 2023 than in 2020 despite the higher costs. These rates of increase apply to both women and men. Those with less than SEK 1 million i assets saved in 2023 approximately one-third of what they saved in 2020. In other words, it appears that the higher costs in 2022 and 2023 led to a sharp decrease in savings for these individuals. This applies to both women and men.

12. New savings 2020–2023, broken down by gender

SEK billion

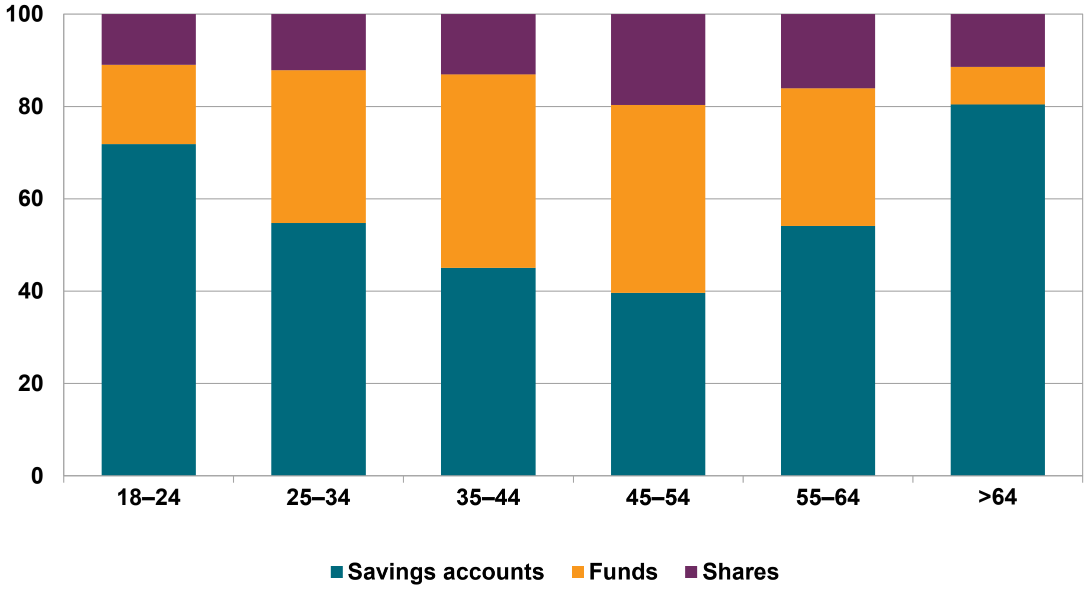


Source: FI, sample of individuals.
Note: New (net) savings in savings accounts, funds and shares during the year.

There are differences in how each age group chooses to distribute their new savings. The youngest (ages 18–24) largely save in savings accounts (Diagram 13). The share of funds and shares then increases by age, until the individuals reach the age of 54 (according to our age groups). After the age of 55 – and even more so after the age of 65 – the individuals choose to save more in savings accounts again. It is likely that the stable value is important for many pensioners. This also aligns with theories about how risk in savings should change over a lifetime. But another explanation could be that many in the older age groups already have large fund and share holdings and choose to let their income stay in their bank accounts. Earlier in this report we have shown that a large share of the assets among the older age groups are in shares and funds.

13. Distribution of new savings, broken down by age and savings products

Per cent



Source: FI, sample of individuals.
Note: Refers to 2023. The diagram shows all savings larger than SEK 10,000 and smaller than SEK 10 million.

Amortisation payments' share of new savings increases during economic downturns

Most loans require amortisation, which the borrower usually pays every month or every quarter together with the interest. Amortisation payments depend on the size of the loan, the repayment period, the amortisation model the lender is using and – for mortgages – FI's amortisation requirements.[24] Amortisation payments for mortgages account for the largest share of amortisation payments and amounted to SEK 85 billion in 2023. Amortisation payments for other loans amounted to SEK 38 billion.

On average, amortisation payment account for just under 30 per cent of the total savings during the period 2020–2023 (Diagram 14). However, amortisation payments' share of savings varies significantly from year to year and is dependent on how much the borrower is amortising and how much each individual chooses to save in other forms of savings. In 2020 and 2021, amortisation payment constituted a smaller share of savings. This is in part due to the temporary exemption from the amortisation requirements that was in place between 1 April 2020 and 31 August 2021 due to the COVID-19 pandemic but also due to Swedes saving more in savings accounts, funds and shares during this period.

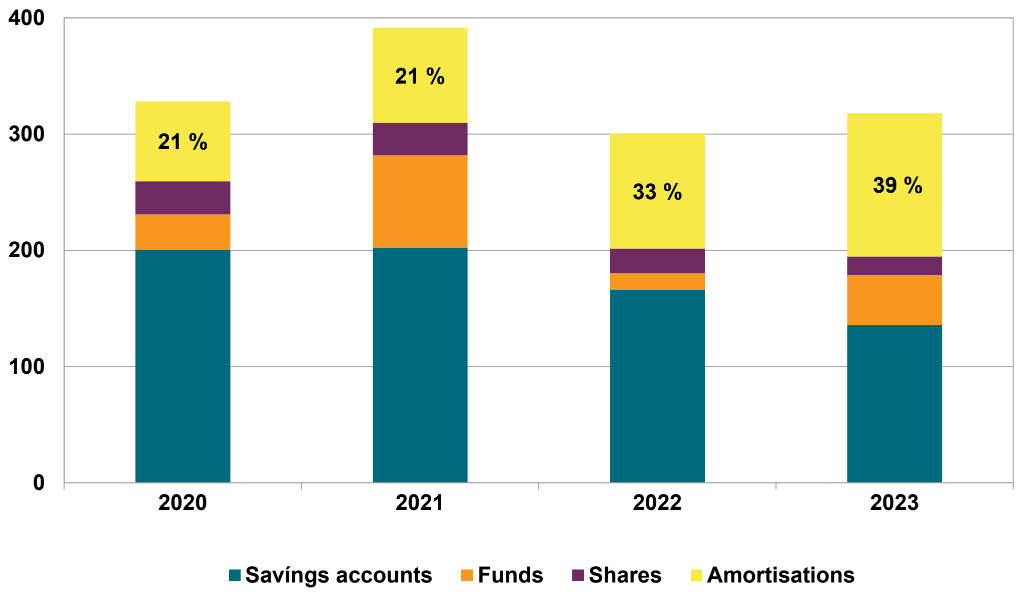
[24] Since 1 June 2016, Finansinspektionen's regulations (FFFS 2016:16) regarding amortisation of loans collateralised by residential property have been in effect. This means that households with large loans in relation to income or the value of the home must amortise between 1 and 3 per cent of the original loan every year.

In 2022 and 2023, the Swedish economy experienced a downturn at the same time as interest rates and prices increased sharply. The higher interest rate put pressure on households, particularly those with large loans. In 2023, amortisation payments increased to 39 per cent of the total savings. This higher share is due in part to the decrease in the volume of new savings in savings accounts, funds and shares. In 2023, many households most likely needed to use their assets to meet rising costs. When costs increase and the economy is under pressure, it can be easier to use assets first than to get exemptions from amortisation. However, the banks can grant temporary exemption to the amortisation requirements following a strong deterioration in economic conditions.[25] It is also common for households to reduce riskier savings, for example shares, during economic downturns. In 2023, new savings in shares was very small.

But the larger share of amortisation payments is also due to an increase in the volume of amortisation payments. Incentives to make (extra) amortisation payments increases when interest rates are high since the size of the loan, and thus interest expenses, decreases. The share of lump-sum amortisation was larger in 2023 than in previous years.[26]

14. New savings (net), broken down by savings form

SEK billion



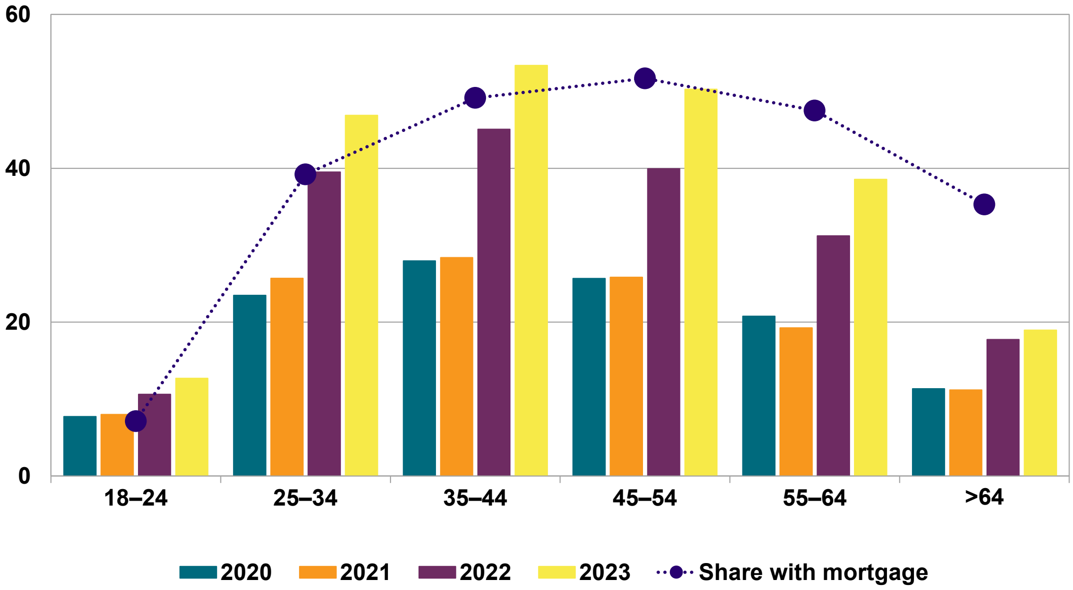
Source: FI, sample of individuals.
Note: Refers to new (net) savings in savings accounts, funds and shares and amortisation payments on mortgages and other loans. Also includes individuals without loans.

[25] See section 11 of Finansinspektionen's regulations (FFFS 2016:16) regarding amortisation of loans collateralised by residential property. Banks granted approximately 24,000 exemptions during the first three quarters of 2023.
[26] We define probable extra or lump-sum amortisation as annual amortisation payments that are greater than 5 per cent of the loan’s size. The share in 2023 and during the period 2020–2022 differed by approximately three percentage points.

The share of amortisation payments is largest among (younger) middle-aged individuals. In 2023, amortisation payments account for, for example, just over half of the savings in the age group 35–44 compared to just below 30 per cent in 2020 and 2021 (Diagram 15). The differences between the age groups are largely due to it being significantly more common for individuals of certain ages to have a mortgage. For example, around 50 per cent of the major bank customers in the age group 35–54 had a mortgage in 2023 compared to just under 10 per cent of those under the age of 25.

15. Amortisation payments as a share of new savings (net), broken down by age

Per cent



Source: FI, sample of individuals.

Note: Refers to amortisation payments on mortgages and other loans. Also includes individuals without loans. *Share with mortgage* refers to customers in major banks in 2023.

Different savings forms, different risks

The size of the risks an individual is willing to take impacts the choice of assets and the expected return. In general, men take larger risks than women. There are also differences between age groups, where the older age groups often choose to reduce their financial risk-taking.

Return and risk are key concepts when describing and analysing different savings forms. Return is how much the value of an asset increases (and the potential payments that the asset generates). *Risk* is how much the value of the asset varies or the degree of uncertainty about what an asset is actually worth over time. Return and risk normally go hand in hand – higher returns typically require greater risks. At the same time. greater risk leads to greater losses.

In general, assets can be broken down into two main categories: assets with a stable value and risky assets. The value of savings accounts is stable. Assuming that the bank is stable, the money in savings accounts holds its (nominal) value and therefore often have a low return. This makes savings accounts a safe alternative for those who want to have low risk in their savings. In contrast, the value of assets with larger risks, for example shares, can decrease. The risk is also impacted by whether the assets are purchased as individual assets or via a fund. Risk decreases in a fund since the fund spreads the investments across several different types of assets. Savers with a large amount of assets can spread risks on their own by owning many different shares, but for savers with a smaller amount of assets a fund is one way to achieve the same aim.

Differences in risk taking by group

Individuals have different levels of risk associated with their assets. The risk an individual chooses to take can depend, for example, on their savings horizon and willingness to take risk along with knowledge and interest. In addition, the size and purpose of the savings can impact the risk choice. Since the expected return is related to the risks, it is probable that differences in risk-taking lead to differences in the value of the assets over time.

Women generally take less risk

There are both similarities and differences in how women and men save, but in general women take fewer risks in their savings.[27] Savings accounts are the largest form of savings for both genders. However, women have a larger share of their assets in savings accounts, 46 per cent, compared to men, 39 per cent (Diagrams 16 and 17). Men, on the other hand, have a larger portion of their assets in shares – 30 per cent compared to women’s 18 per cent – which indicates greater risk-taking. Funds account for a significant part of the assets of both men and women, but a larger share of women’s savings. Women hold 34 per cent of their assets in funds, and men 20 per cent. Both genders have 2 per cent in other assets. In other

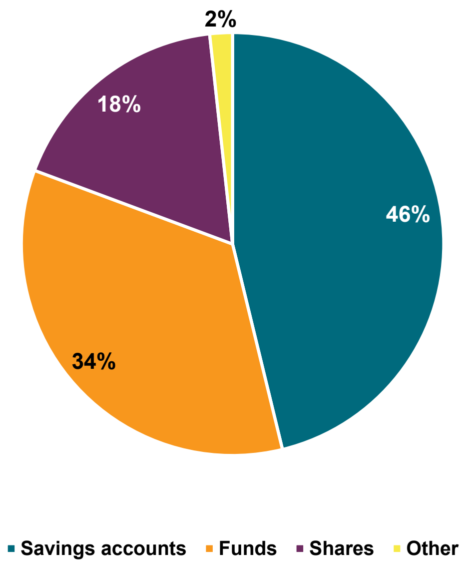
[27] Lien Oskarsson (2024), ”Skillnader mellan kvinnors och mäns beteende på börsen”, FI Analysis 42, Finansinspektionen.

words, women have a smaller percentage of shares than men and instead have a larger share of their assets in savings accounts and funds.

However, the rough breakdown into savings accounts, funds and shares does not provide a comprehensive overview of Swedes' risk-taking. Savings accounts at different companies have different interest rates, different funds have different risks, and shares differ. Because there are many types of funds, this break-down can underestimate or overestimate the risk-taking. There can also be differences in how active individuals are and how they divide (diversify) their savings.

16. Women's assets, distribution

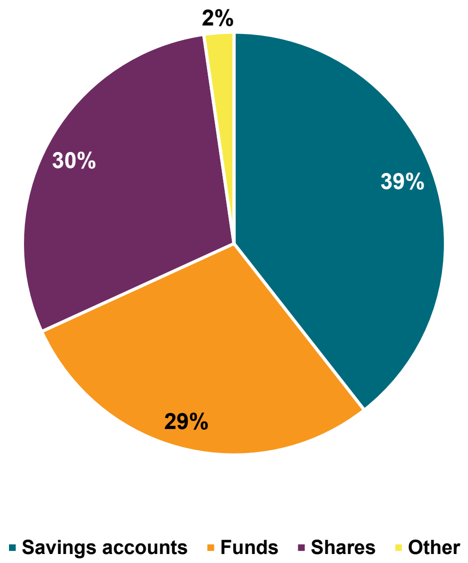
Percentage of volume in SEK



Source: FI, aggregate data.
Note: The data refers to June 2024.

17. Men's assets, distribution

Percentage of volumes



Source: FI, aggregate data.
Note: The data refers to June 2024.

Risk-taking varies over a lifetime

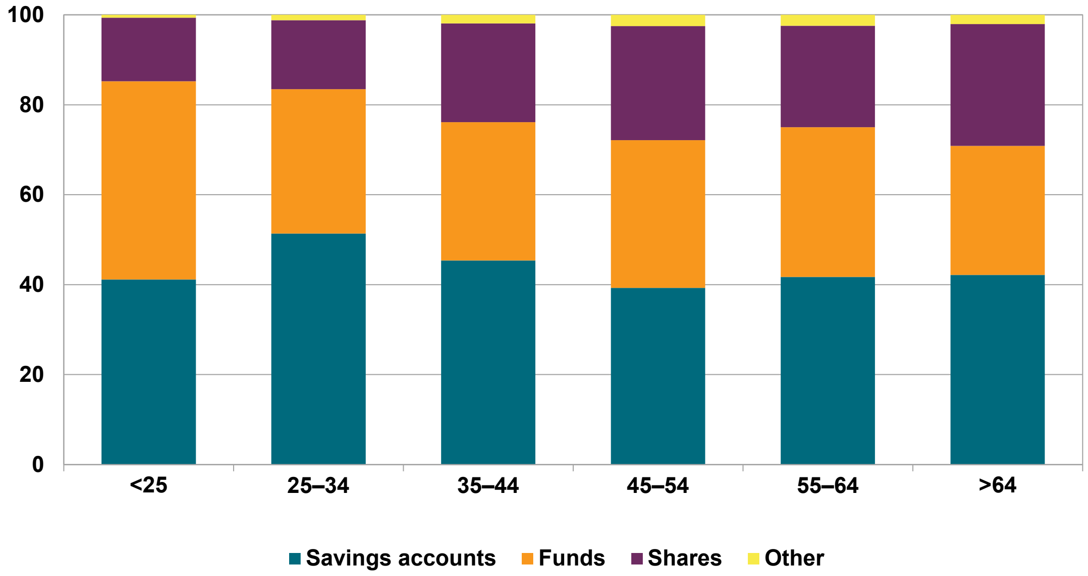
The distribution of assets between savings accounts, funds and shares differs by age group. According to economic theory, younger individuals have a greater share of their savings in riskier assets and then decrease their risk-taking.[28] This is because younger individuals have longer time horizons and thus greater possibilities for managing short-term losses in value. As the age increases, the distribution gradually shifts towards safer forms of savings, such as savings accounts, as the time available to recover from a loss in value becomes shorter.

[28] This explanation is based on the lifecycle hypothesis from Modigliani & Brumberg (1954). This hypothesis
describes how a rational economic agent tries to keep its consumption constant throughout its lifetime.

The data in our survey does not align well with this theory, at least in terms of total asset volumes. Younger age groups appear to have a larger share of their assets in savings accounts (see the categories under the age of 35 in Diagram 18). This can be because their savings horizons are short in practice since many young individuals are saving to buy their first home. The share of fund assets is relatively similar for each age group, except for the youngest. But it is not possible to study individually the assets broken down by age group. On average, assets in funds and shares are growing faster than assets in savings accounts. It is therefore natural for the portion of total assets that consists of funds in savings accounts to decrease over time and for the portion of shares to increase. To better understand risk-taking in various age groups, we also need to look at new savings. We do this above in the chapter, Economic situation affects new savings.

18. Distribution of different savings forms (volume), broken down by age

Per cent



Source: FI, aggregate data.
Note: Refers to June 2024.

Individuals in younger age groups hold a large share of their assets in savings accounts, but there are different types of savings accounts. Fixed-rate accounts have a fixed interest rate over a certain period of time, and early withdrawals can generate fees. Variable savings accounts do not have a fixed term, offer free withdrawals, and have a variable interest rate. Fixed-rate accounts often have a higher interest rate, but this is dependent on the market and how long the fixed term is.[29]

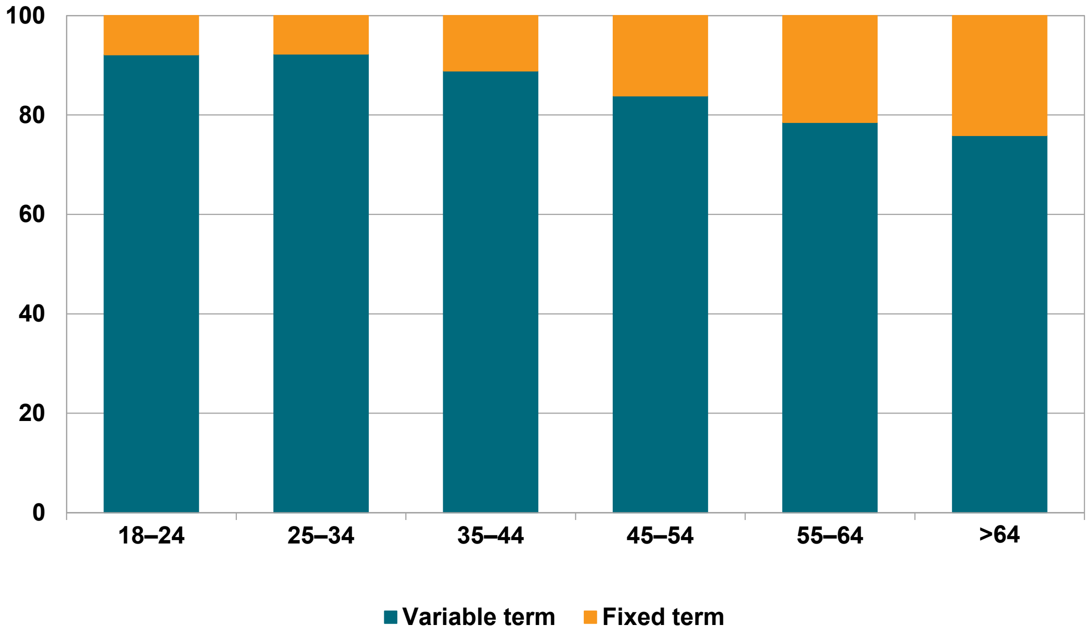
[29] The bank pays a premium for the customer to commit to providing the money for a certain amount of time. This gives the bank greater predictability about the deposits at its disposal.

Fixed-rate accounts are more common among older age groups.

Older age groups had a larger share of their holdings in a fixed-rate account than younger age groups (Diagram 19). The age group 65 and older invested one-fourth of their holdings in fixed-rate savings accounts, while the corresponding share for the age group 35–44, for example, was approximately 10 per cent. Savings accounts with and without a fixed term most likely fulfil different functions for savers. Customers probably use the funds in a variable savings account primarily for unforeseen expenses or for short-term savings. Fixed-rate accounts are instead used as an alternative for riskier savings in funds and shares. We can therefore hypothesise that younger individuals are more likely to primarily choose a savings account because these accounts offer easily accessible savings that maintain a stable value, for example for a buffer of a home. For many older individuals, savings accounts are probably part of a more long-term savings portfolio and an active measure to mitigate risk.

19. Savings accounts with and without a fixed term, share of volume

Per cent



Source: FI, sample of individuals.

Note: Does not include cash and cash equivalents in investment savings accounts or custody accounts. Refers to 2023.

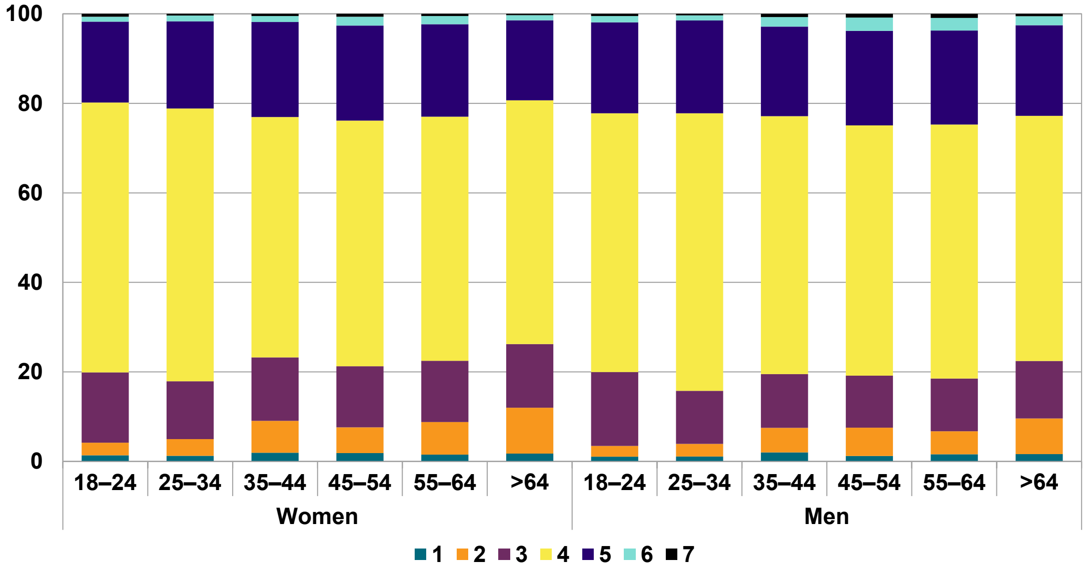
Risk classes make choosing a fund easier

Risk classes are a breakdown that show how much risk a fund has based on historical changes in value and other risks. The risk classes are graded from 1 to 7, with 1 being the lowest risk and 7 the highest risk. They make it easier for individuals with limited financial knowledge to understand and choose funds.[30]

The majority of those that invest in funds have funds in risk class 4 (Diagram 20). This class includes broad Sweden funds and global funds that invest in shares. Funds in risk class 3 and 5 are also common. A small share of the owned funds is in risk class 1 or 2, approximately 9 per cent. An even smaller share has a high risk class; approximate 2 per cent are funds in risk classes 6 or 7. We observe similar shares regardless of gender in all age groups.

Even if there are large similarities between men and women in different age groups, there are also indications that both age and gender impact the choice of risks in fund savings. The share that has funds in risk class 2 (including long-term fixed income funds) increases with age, and the age group 65 and older have 10 per cent of their funds in this category. In general, older individuals, and women in the age group 65 and older in particular, invest a larger portion of their fund savings in funds with risk class 1–4. This is in line with theories that risk taking will decrease with age. Even if the differences are small, men choose to invest in funds in the higher risk classes more often than women in the same age group. Also, this is in line with previous research, which indicates that men generally are more willing to take risk.[31]

20. Distribution of risk classes in fund savings, broken down by age and gender
Per cent



Source: FI.
Note: Risk class 1 has lowest risk, and risk class 7 has highest risk.

[30] The risk classes come from the PRIIP regulation (PRIIPs Regulation, EU 1286/2014), which entered into force in 2018. This applies to all of the EU and aims to harmonise the information about investment products to increase transparency and consumer protection.
[31] Jianakoplos, N. A., & Bernasek, A. (1998).

Appendix

Table B1. Distribution of assets in investment savings accounts and custody accounts

Per cent (volume in SEK)

Age	Type of firm	Funds		Shares		Other		Total	
		Inv. Sav.	*Custody*	*Inv. Sav.*	*Custody*	*Inv. Sav.*	*Custody*	*Inv. Sav.*	*Custody*
18–24	Large banks	32.2	67.8	40.9	59.1	87.2	12.8	13.6	86.4
	Online brokers	87.3	12.7	86.1	13.9	98.0	2.0	87.0	13.0
25–34	Large banks	56.2	43.8	41.9	59.0	93.0	7.0	43.3	56.7
	Online brokers.	94.9	5.1	91.7	8.3	99.0	1.0	93.5	6.5
35–44	Large banks	70.9	29.1	48.0	52.0	96.0	4.0	60.3	39.7
	Online brokers.	92.4	7.6	86.2	13.8	97.2	2.8	89.3	10.7
45–54	Large banks	65.1	34.9	45.8	54.2	94.6	5.4	54.6	45.4
	Online brokers.	83.9	16.1	78.1	21.9	87.9	12.1	80.6	19.4
55–64	Large banks	62.0	38.0	41.9	58.1	94.6	5.4	50.6	49.4
	Online brokers.	81.8	18.2	73.9	26.1	90.0	10.0	77.0	23.0
>64	Large banks	50.2	49.8	30.4	69.6	93.9	6.1	34.1	65.9
	Online brokers.	75.0	25.0	68.0	32.0	84.3	15.7	70.3	29.7
Total	*Large banks*	56.1	43.9	35.8	64.2	94.2	5.8	42.2	57.8
	Online brokers.	86.0	14.0	77.5	22.5	93.2	6.8	81.2	18.8
	All	59.7	40.3	48.9	51.1	94.0	6.0	50.5	49.5

Source: FI, sample of individuals.
Note: The data refers to 2023. There can be (institution-specific) limitations on which products may be held or traded in investment savings accounts and custody accounts. *Other* refers to savings products that are not categorised as savings accounts, funds or shares.