

Coronavirus: saving differently, not equally

The pandemic has also influenced European saving activities. Just under half (44%) feel they are spending less overall and 30% say they are saving more. These changes will have been driven by both necessity and choice. Some are no longer working and so actively limiting their daily spending due to reduced earnings, while others are finding they have more left over at the end of each week simply because they don't have the opportunity to go out and spend.

Coronavirus impacts European saving activity

Although three in ten (30%) say they feel like they are saving more now compared to before the pandemic, financial fragility has stayed relatively consistent and lockdown is having quite different impacts based on whether households do, or do not have any savings. A third (33%) of those who have savings consider themselves to be saving more due to coronavirus, but the same proportion (33%) of households without savings say they are now saving less.

Of those households do have some savings stashed away, 1 in ten (9%) have less than one month's worth of take home pay, while a quarter (24%) have the equivalent of between 1 and 3 months' worth. It is a generally accepted rule of thumb in personal finance that an emergency fund should be equivalent to three months of take-home pay. Financial fragility remains common across Europe.

...and savings remain unequally distributed

Individuals and households have changed their daily spending practices since feeling the effects of coronavirus. Half (52%) of Europeans say they are now paying with card more often and 44% are spending more often online, rather than in-store.

Day to day spending feels different

But saving impacts are unequal...



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