



Panel on Household Debt

Fores & EU Commission

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Household debt in Sweden: a summary

Problems

- High household debt
 - Little amortization
 - Tax incentives
- Housing
 - Rising prices
 - Rent control
 - Low construction
- Mortgage markets
 - Adjustable rates
 - Short, market-based, funding

Mitigating factors

- High household savings
- Strong public finances
- Current account surplus
- Low construction

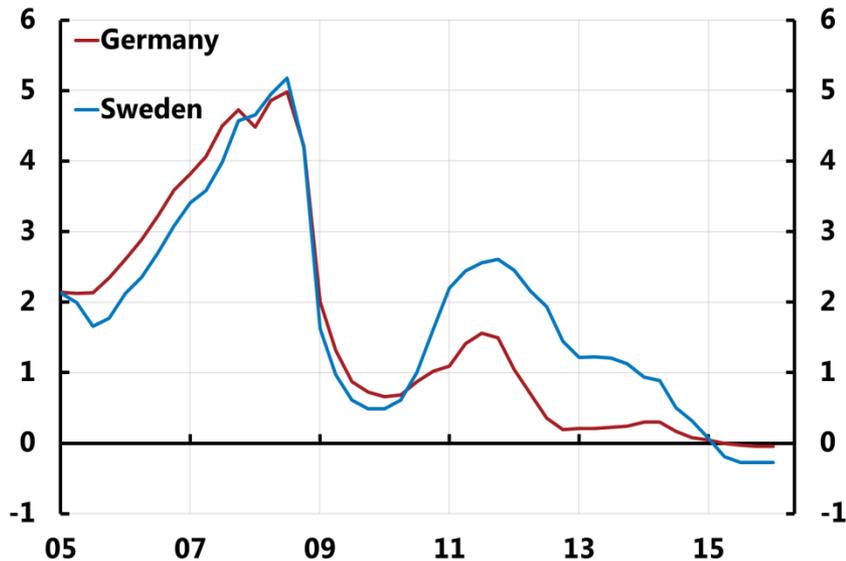


- Bloated balance sheets
 - Maturity mismatch
 - ...

Central banks are not the only game in town

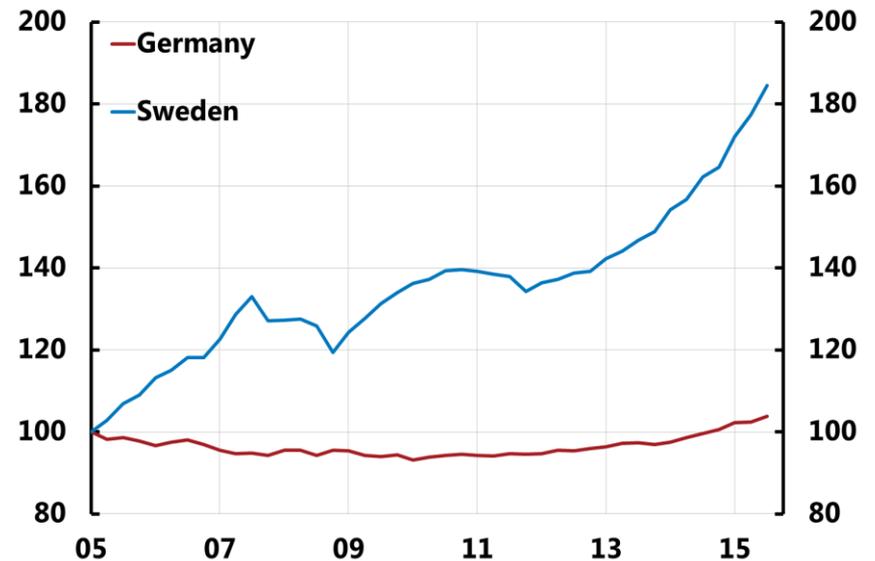
Short term interest rates

Percent



Real house prices

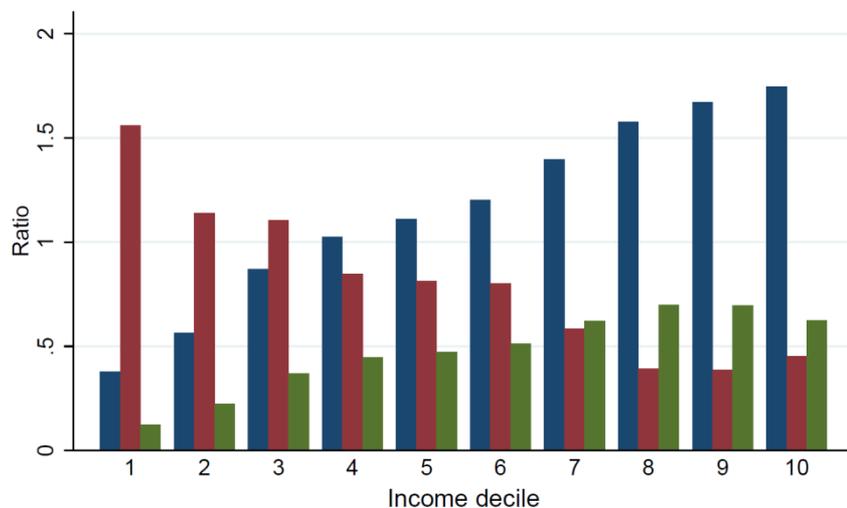
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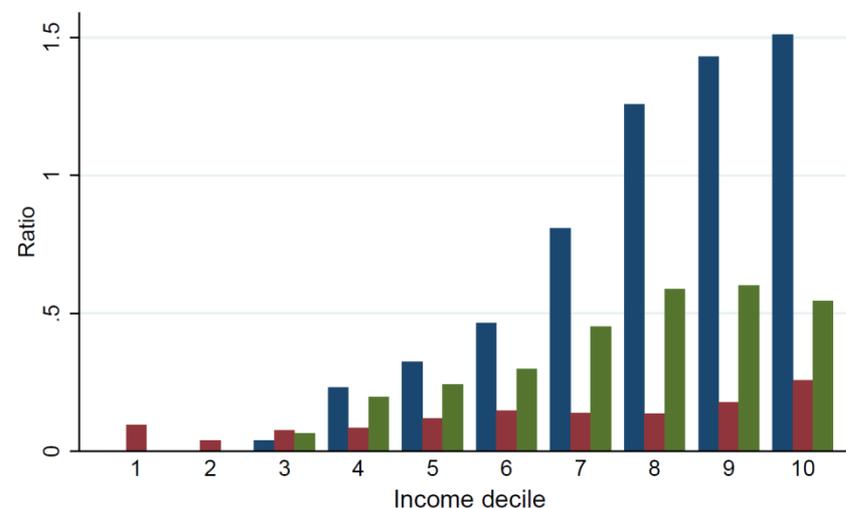
High household savings? Assets are unevenly distributed

Homeowners with positive debt

Mean

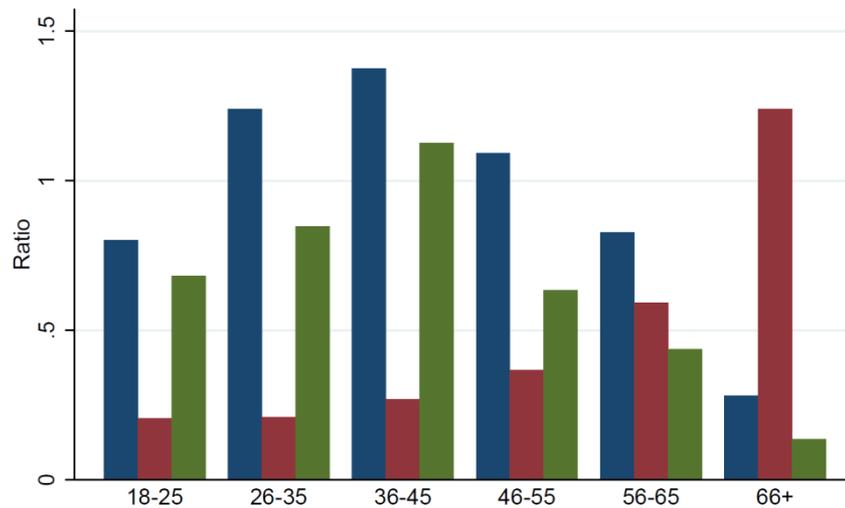


Median

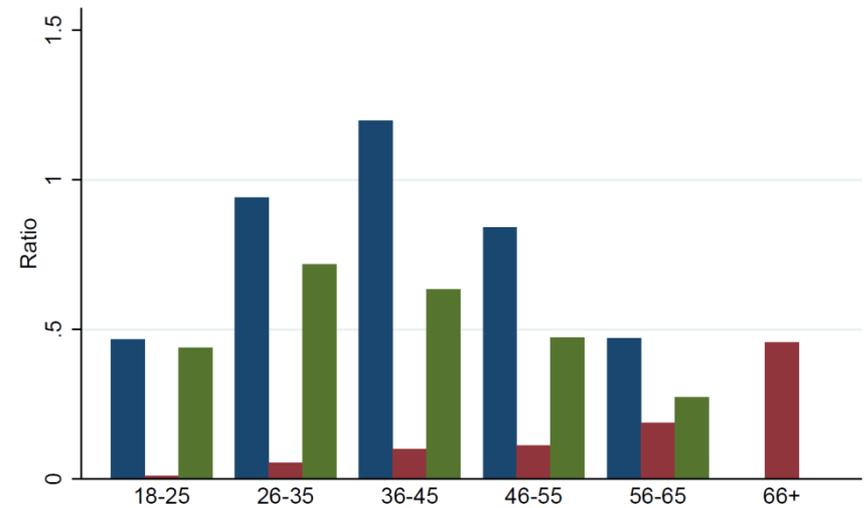


High household savings? Assets are unevenly distributed

Mean



Median



■ Debt-to-income ■ Liquid assets-to-income
■ Loan-to-value

Thanks!
