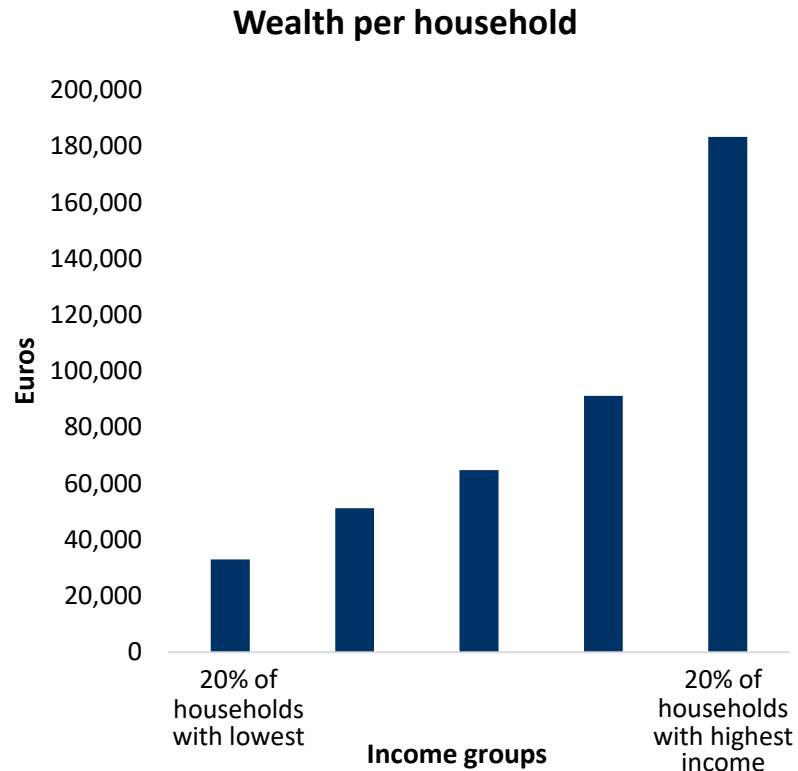


## Wealth and income: how do they relate?



Source: ISFF 2017.

Notes: The value of wealth per household corresponds to the median value. Households are ordered by gross annual income. Each bar is associated with a group of 20% of the total number of households living in Portugal.

**In Portugal, wealth per household increases with income.**

**The wealth of a household in the top 20% income group is more than twice the wealth of a household in the middle income group.**

**Income = labour income + income from assets + transfers**

**Wealth = real assets + financial assets - liabilities**

The wealth of a household is the value of all real and financial assets the household holds less the value of all their liabilities.

Real assets include all valuables (e.g. houses, land, vehicles, works of art, jewellery) and participation in non-publicly traded businesses.

Financial assets include all financial investments (e.g. deposits, savings certificates, retirement savings plans, mutual funds, listed shares).

Debt includes loans (e.g. for home or car purchases) and all other types of debt (e.g. credit cards, overdrafts).