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BUILDING FINANCIAL LITERACY DURING THE COVID-19 PANDEMIC*

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Abstract. The main objective of the present research is to identify importance of financial literacy is growing in such economically and socially difficult situations. The aim of the study was to find out how a COVID-19 pandemic affects people's decisions regarding personal financial management in Latvia. The research is based on the analysis of the theoretical literature and quantitative analysis based on structured questionnaire was used to obtain empirical data. Empirical data processing and analysis were carried out in SPSS statistical package. The article findings trends, in Latvian households before COVID-19 over the last decade, the risk of poverty has increased convincingly certain groups in society. Affected by pandemic people's shopping habits have changed. Pandemic time led to changes in consumer attitudes and behavior, society's lifestyles and on the financial position of households. Under the restrictions imposed on preventing epidemic spread, household consumption decreased and create unplanned savings. Savings ensure the financial stability of households during the economic downturn.

Keywords: COVID-19; savings; consumption; Latvians' personal finance

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JEL Classifications: D1, D14

1. Introduction

Today the COVID-19 pandemic has changed the daily lives of people in many countries. It has affected the level and forms of the employability of an individual, freedom of movement and the way how income is spent. In such economically and socially difficult situations, the importance of financial literacy is being increased because these adverse circumstances which do not depend on a citizen significantly affect people who make financial decisions and change their behavior.

The pandemic exacerbated the economic crisis and showed how many people are financially vulnerable and how they are not prepared for the current situation (Allianz Research, 2020) and highlighted the low level of the

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financial literacy of households (Niu et al., 2020). Also, the issues raised on financial management skills in investment (Jiang et al., 2020), financial literacy and its relation with demand for life insurance products (Wang et al., 2021).

Financial well-being is a subjective vision for each individual, but in the short-term period it should take the form of an individual's ability to satisfy everyday needs and manage own finances successfully (Intrum, 2020). On the other hand, in the context of the human life cycle financial welfare concerns both the current financial security and the security of financial situation in the future (Lind et al., 2020). There are a number of important directions in the management of personal finance: the ability of a person to generate income, to make thoughtful decisions on own costs when if necessary there is a reasonable decision to raise funding by borrowing and finally to create a successfully balanced personal budget without forgetting about savings.

The goal of the research was to find out how the pandemic affects people's decisions on the management of personal finance answering such questions:

- What is a person's vision of risks during the pandemic?
- Is a household able to service credit obligations if its income is critically decreased or even lost?
- And finally, what is the trend in household savings?

The reality requires to review very important areas of personal finance planning: income generation opportunities, spending priorities, and closest financial goals. This is quite important because goal achievement depends on the level of savings.

2. Methodology

The research is based on the analysis of theoretical literature on COVID-19 issues relating to household finances particularly linking this to the impact of the pandemic on the Latvian household savings and consumption. A quantitative analysis based on a structured questionnaire was used to obtain empirical data. The questionnaire was worked out within the National Research Programme "Towards the Post-pandemic Recovery: Economic, Political and Legal Framework for Preservation of Latvia's Growth Potential and Increasing Competitiveness (reCOVeRY-LV)". The questionnaire was conducted between 11 September 2020 and 22 September 2020 using the method of direct interview surveying 1,011 respondents aged 18-75. The questionnaire consisted of two parts: demographic un measurement units assessed by a five-point Likert scale. Empirical data processing and analysis were carried out in SPSS statistical package.

3. Literature Review

The COVID-19 pandemic still spreads affecting all countries and their citizens. In general, approximately each fifth person would be in the risk group after being infected by COVID-19. However, this health risk varies significantly depending on age (Clark et al., 2020).

So far, many studies showed the negative impact of the pandemic on the country's GDP growth (König & Winkler, 2021; Coccia, 2021; Chowdhury et. al., 2021; Greve et al., 2021). Countries impose restrictions on movement and other measures aimed to curb the pandemic (Vasiljeva et al., 2020) suffering the economy as a result. There are adverse effects on public finances (Heald & Hodges, 2020), tax revenues are decreased (Clemens & Veuger, 2020), necessity to increase state aid and social benefits (Greve et al, 2021; Aidukaite et al., 2021). Each country develops its own compensation mechanisms according to the level of threat in order to maintain the viability of companies. If a company is unable to provide job for its employees, it impacts people's income.

Lower household incomes affect people's quality of life leading to mental health disorders and social problems (Sujadi, et al., 2020). There are also other risks arising from the pandemic that may influence the person:

- 1) Risk of social isolation. This group may include elderly people or people with mental health problems if they live separately and use online communication less frequently.
- 2) Employment risk. This can be typical of women providing childcare during school closures or self-employed in certain sectors (Douglas et al, 2020). There is evidence that financial knowledge makes a significant difference between genders: women know less than men (Alessie et al., 2021).

In modern society, people often struggle with financial problems and face different personal crises (Kadoya & Khan, 2020). National citizens can apply different action strategies to overcome the COVID-19 crisis (Priedola, 2020):

- Ostrich tactics or Ostriches – such people have an elusive and indifferent attitude toward the overall situation, don't feel the impact of the virus on their lives.
- Distant attitude or Que Seras – in general, confident in their safety and health, try to preserve common sense and not to lose the sense of reality.
- Wait-and-see approach or Hibernators – cautious, follow the rules, but not too concerned about the current situation and their own future.
- Following the rules or Good Citizens – they support strict enforcement, distant attitude toward the overall situation without panicking.
- Rely on some solution or Distressed Dreamers – concerned and genuinely alarmed by the current situation, place all trusts in the government, convinced that the government is doing everything possible to solve the crisis.
- Action requesting or Precarious Worriers – excited and scared, think that everything is bad, emotional difficulties in dealing with the situation, a high level of stress, dramatize the situation.

There are many studies showing that financial knowledge can reinforce the impact of personal traits that tend to be associated with positive financial behaviour (Cude, 2020), and this is very important because the pandemic has affected the economy and intensified financial instability (Lusardi et al., 2020). OECD gives the definition of financial literacy (Atkinson & Messy, 2012): a combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial well-being. Knowledge is not enough to make better financial decisions, but they are influenced by the individual's own interest in financial matters, the desire to take responsibility for long-term decisions relating to his or her finances (Gustman et al., 2012; Fernandes et al., 2014). In addition, it should be noted that people have objective and subjective financial knowledge (Lind et al., 2020). Under uncertainty it is very important to be able to make intelligent financial decisions for the benefit of own future and family needs (Allianz Research, 2020). The decline in disposable income creates a deficit between income and expenditure for lower-income households. Among these households, 70 percent likely won't have enough assets to sustain their spending for even a week (Adams-Prassl, 2020). For many consumers, their incomes are declining and they aren't optimistic about their country's economic prospects in the future. In studies conducted in the Great Britain and Sweden, for example, people are very pessimistic about future economic prospects, but they are less pessimistic about their private economic situation compared with the country's economy as a whole (Barrafrem, 2020).

4. Results

4.1. Trends in Latvian households before COVID-19

In October of 2020, the International Monetary Fund (IMF) estimated that the global economy will shrink 4.4% in 2020, the eurozone will contract by 8.3%. The IMF pointed out that the pandemic will have a particularly

negative impact on low-income households and this will hinder progress in reducing poverty in the world. In 2020, the Latvian GDP decreased by 3.6% compared with the previous year. In the GDP structure, private consumption accounted for 55% in 2020, 58.8% in 2019, and 57.8% in 2018. In 2020, compared to the previous year, total household expenditure fell by 10.3% (Central Statistical Bureau, 2020). It was mainly affected by the spread of COVID-19 virus in society which started at the end of the first quarter.

The situation and trends in Latvian households before COVID-19 are described in Table 1.

Table 1. Household composition, income, expenditure, and social inequality (2010- 2019)

Indicator	2010	2015	2018	2019
Average gross wages and salaries (euro)	633	818	1004	1076
Average net wages and salaries (euro)	450	603	742	793
Average size of household (persons)	2.5	2.44	2.33	2.31
Household ability to make ends meet (%)				
Easily or very easily	55.6	45.1	35.7	28.6
With some difficulty or fairly easy	42.6	49.5	56.8	62.4
With difficulty or great difficulty	1.8	5.1	7.4	9
At risk of poverty rate by age group (%)				
0-17	24.7	18.6	14.5	15.8
18-64	20.2	17.7	17.2	16.9
65+	9.1	38.1	47.9	40.9

Source: Central Statistical Bureau, 2019.

Over the last decade, the risk of poverty has increased convincingly (from 9.1% to 40.9%) for the members of society over 65 years of age. The share of society for which subsistence is easy or very easy has decreased and the share of which it is difficult or great difficult has increased from 1.8% to 9%.

According to the assessment of the respondents themselves, 23.7 per cent of them are in the risk group for which COVID-19 may cause severe health problems or even fatal outcome. The highest risk is among the elderly: in the age group from 64-75, there were 64.8% of respondents.

4.2. Impact of pandemic on shopping habits

The events of the last year have led to changes in consumer attitudes and behaviour, society's lifestyles and consumer spending.

The impact of the pandemic on people's purchasing habits and financial literacy was also examined and compared to the situation prior to the COVID-19 pandemic. People's shopping habits have also changed. Now, researchers distinguish between two effects: immediate effect and effect expressed later. The immediate effect is expressed in several ways (Sheth, 2020):

- 1) Hoarding – reaction to decrease uncertainty regarding future supply of products with aim to meet basic needs;
- 2) Improvisation – under established restrictions, current habits are changed and new consumption patterns are being developed;
- 3) Pent-up Demand – in time of crisis and uncertainty, purchases of durable goods are postponed;
- 4) Embracing Digital Technology – for own needs consumers have adopted a number of new technologies and their applications;
- 5) Store Comes Home – if everything is closed, the home becomes the place where people work, study, train, consume and go shopping online;
- 6) Blurring of Work – Life Boundaries – if needs and desires remain, they must be provided under limited

- resources in order to save the boundaries between work and home;
- 7) Reunions with Friends and Family – implementation of social contacts via social media like Facebook, Instagram, WhatsApp, Twitter, and Zoom;
 - 8) Discovery of Talent – using more flexible time at home promotes more effective process of creation of new ideas and encourages to try new ways to go shopping online more effectively.

The survey shows that nearly half of the population surveyed during the pandemic (49.9%) have not changed their shopping habits. Meanwhile, among those who have noted that shopping habits have changed, 38.5 percent visited stores less frequently without shopping on the Internet, and 9.3 percent preferred Internet purchases. In the group of respondents who indicated that they were in the risk group (people whom COVID-19 could cause severe health problems or even be fatal), the share of people who visited shops less frequently was slightly higher – 45.7%, but in this group Internet shopping was less popular – only 5.5%. This dynamic of changing habits can be explained by the fact that older people (55-75 years old) who are in the risk group do not have advanced skills in Internet shopping and do not use Internet connection very often unlike the younger people do. Thus, these people have been forced to either continue to shop in traditional shops as they have done, or to opt out of shopping.

As for payment habits, the survey also shows that more than a half (53.5%) of the population have not changed their habits. 33.3 percent indicated that they use a bank card or an Internet-bank as a payment method. In 2020, the number of payments increased by 5% compared to the previous year of 2019. In the second half of 2020, when the national emergency was cancelled for a while the number of public payments showed more than a 10% growth. In spring of 2020, a significant drop in activity was observed in e-commerce (number of payments fell by 9%), but in the second half of 2020 it rapidly grew by 26% (Bank of Latvia, 2020).

Banking services are actively used by people in young and middle age, with higher education, wealthy, of manager or specialist level. 10.1% of respondents noted that cash is being used for settlements more often. The highest rate of cash users is represented by people with basic education and low income. Unemployed, pensioners, and housewives also used more cash. Comparing data on changing shopping habits and on the habits of settlements it can be seen that these changes are not associated with vulnerable social groups.

4.3. The impact of pandemic on the financial position of households

In the European Consumer Payment Report 2020 Special Edition White Paper, the financial impact of COVID-19 on private households in 24 European countries is outlined. The results of the research show that household expenditure is declined in Latvia. In this context, the Latvian economy is impacted by the global pandemic in the same way as it happened in the other members of the European Union and other countries of the world. This is reflected in the negative dynamic of GDP (Intrum, 2020).

Almost one third of the Latvian households (29.3%) did not have any savings at the beginning of 2020. Savings of the majority (40.9%) of households would allow them to maintain the same standards of living for up to three months compared to only 29.8 % of households' savings whereof would allow to maintain the same standards of living for 3 months or more (Central Statistical Bureau, 2020). 69% of the Latvian citizens understand the importance of accumulating savings for hard times but the main reason why they do not do it is insufficient income (75% of the respondents without any financial reserves pointed out this reason) (Finance Latvia Association, 2020).

In 2020, the Luminor bank conducted a survey about accumulating savings among approximately 1,000 Latvian respondents aged 18-74. The survey results signalized about controversial trend – most often, people with high

income recognized the need to accumulate savings on a regular basis than people with low income for whom the financial airbag would be much more important (Luminor bank, 2020).

Euro area households' financial wealth consists mostly of liquid assets, such as currency and deposits. It also includes pension savings and insurance instruments. At the end of the second quarter of 2020, financial wealth per capita in Latvia reached 11,000 EUR against the average value of 53,000 EUR within the EU (European Central Bank, 2020).

Businesses in certain sectors cannot continue their activities because of restrictions imposed by the government, their employees are idle, and even if the state grants some benefits - they are, however, below the level of income generated before the pandemic. 26.1% of respondents indicated that they experienced a reduction in their incomes during the pandemic. Restrictions are one of many options to reduce the spread of the virus but this means that social isolation measures taken by many countries created new consumer trends such as the abolition of public events and traveling, changes in family habits (because parents have to work remotely while children learn subjects in online platforms from home). All this leads to a reduction in spending – it was noted by 17.3% of respondents.

Most broadly, the revenue cuts have been experienced by middle-generation residents (33.3% of respondents). Having asked about the impact of the pandemic on the ability to meet financial obligations, 26.9% indicated that their households had no financial obligations and 46.5% answered that they did not experience financial difficulties during the pandemic crisis. Only 23.4 percent faced temporary and long-term financial difficulties. Another 22.7 percent of respondents confessed that losing their monthly incomes they could be able to cover current expenses without borrowing for more than three months. Nearly half (47.7%), in turn, answered that they could hold only one month or less. The most financially unsecured are single-living people (53 to 62 percent), with basic education (61.4 percent). Thinking about hard times in the future, 35.7 percent of respondents consider an opportunity to start accumulating savings and 16.5 percent have already decided to do it. The survey also shows that the longer the respondent is able to survive without income, the higher probability that the respondent is among those who have decided to make savings for hard times (see Appendix A).

Under the restrictions imposed on preventing epidemic spread, household consumption decreased and unplanned savings (called forced savings) were created (Dossche & Zlatanov, 2020).

If the total Latvian household savings in commercial banks reached EUR 7.42 billion in January 2020, it grew up to EUR 8.57 billion at the end of February 2021 representing 54.6% of total resident deposits. Table 2 displays the growth of household savings during the restrictions imposed by the government: March 14 – June 9 of 2020 and November 9, 2020 – April 6, 2021.

Table 2. Household savings (2020-2021)

Indicator	2020												2021	
	01	02	03	04	05	06	07	08	09	10	11	12	01	02
Household savings (billion euros)	7.42	7.46	7.53	7.72	7.74	7.80	7.81	7.84	7.92	8.03	8.12	8.40	8.45	8.57
Changes to the previous year, %		0.7	0.9	2.4	0.3	0.8	0.1	0.5	1.0	1.4	1.1	3.4	0.7	1.4

Source: Bank of Latvia (Bank of Latvia, 2021)

In many sectors directly affected by the restrictions, the income of workers decreased, but the overall financial stability of all households has improved. A large proportion of state and local government employees continued to work and receive salary. On the other hand, households' ability to spend their income during the Covid-19 pandemic was significantly limited. Household savings and their habits of accumulating savings play an important role in the national economy as savings ensure the financial stability of households during the economic downturn (Bank of Latvia, 2009).

The survey showed that eight percent of respondents received the state emergency aid, the highest ratio of 13.5 percent is among respondents aged 45-54. Due to the COVID-19 pandemic economic activity in Latvia was limited in 2020, as a result the official unemployment rate grew rapidly from 6.3% in February to 8% in April and to 8.6% in July (Central Statistical Bureau, 2021).

In April 2020, citizens were critically interested in the opportunity to postpone principal payments, and Latvian commercial banks granted leasing and credit holidays to more than 2,550 private clients during national emergency postponing principal payments on 124.7 million euros. For example, five percent of Luminor mortgage borrowers have used the possibility of postponing credit payments (Kubliņš, 2020).

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5. Discussion

Due to the experience of the COVID-19 pandemic, part of the population has decided to save money for greater safety in the future. During the summer months of 2020, the Latvian economy slightly recovered from spring restrictions, but the virus has returned in October and the impact of various restrictions is still continuing and it is not clear what the far-reaching consequences will be in the future. The pandemic continues to affect consumer behaviour, altitude and expectations. *Kantar Group*'s latest study in Latvia was conducted from 26 to 28 January 2021 surveying 800 Latvian residents aged 18 to 74. The survey data show that the national emergency situation caused by coronavirus affects 61% of Latvian residents (for comparison, in June 38%, in August 31%, in November 46%). More and more citizens feel the impact on their household income (34%) especially in the group of respondents aged 35-44 (Priedola, 2020).

More than 7,000 Latvian residents participated in the "Financial IQ test" organized by *Swedbank* for the period from 15 February to 22 March 2021. Six percent of test participants answered that they don't plan their budget at all. However, insurance is still considered as a mandatory bank requirement without binding it on family budget

security. In the context of the annual credit rate which is an important indicator of making decision on borrowing only 23% of participants marked this answer correctly. It means, households do not understand or understand only partly the role of the interest rate in the monthly payments on a loan.

A very actual question is when a person aspires to get additional knowledge: by himself or the pandemic acts as an incentive motivator. Human behaviour is much studied in the social anthropology industry, and financial activities are on of the processes of individual behaviour. As an important social aspect in the context of financial literacy, researches highlight the linkage between the causes of adult behaviour and child experience in the family (Christiansen et al., 2008; Klapper, 2013). It means that at this moment family adults, are able to influence the future behaviour of their children on financial matters, as researches note this experience will arise from a number of factors: the level of parental financial literacy, the level of family well-being (Behrman, 2010; Van Rooij et al., 2011), information from family on budgeting and savings (Webley & Nyhus, 2013).

The current results of the studies are explained by a number of prevailing global trends that have a specific impact on the current attitudes to this problem. In the *Intrum* study, approximately two-thirds (63%) of Latvian consumers believe that their education on financial matters is sufficient to manage their daily finances as 68% of consumers were able to choose correct definitions for basic financial terms. The population of any country should be familiar with the fundamentals of financial planning and be able to create a balanced private/household budget. It is a challenge to make people with low financial literacy and perhaps with reluctance to improve it at least passive supporters of financial literacy understanding its benefits. All OECD members tend to increase the level of financial literacy of their citizens by developing their national strategies where the steps of strategic approach to increase the level of financial literacy are already announced. The priority “Work and Income” of the National Development Plan of Latvia for 2021-2027 is intended to motivate citizens to manage their financial assets knowledgeably, to reduce the debt burden, and to accumulate savings more actively (Cross-sectoral Coordination Centre Republic of Latvia, 2020). In order to achieve these goals, it is intended to promote a culture of financial and savings investment by increasing financial literacy and curbing irresponsible lending. Two indicators will be used to assess this progress:

- 1) Market sophistication;
- 2) Debt service-to-income ratio (2nd quintile of netwealth).

Market sophistication is the place in the rating of Global Innovation Index. In 2019, Latvia took the 40th place of 129 countries. By 2027, Latvia is planning to move to the 21st place. Market sophistication depends on Credit, Investment and Trade, competition, and market scale. The Bank of Latvia Latvijas determines the second indicator in percentage. In 2018 (base year), it was 34.1 with a plan to reduce the value of the indicator below 30% by 2027.

6. Conclusion

Financial literacy relates to knowledge, skills and confidence in responsible financial decision-making. The aim is to stimulate people to be better acquainted with the fundamentals of financial planning and to be able to build a balanced household budget, to accumulate savings, and to be secured from potential risks in the future. People should be independent of state aid such as social benefits. For example, the mission of the Finlandian financial literacy strategy is to make people understand the role of finance in their lives and to consider the ethics in financial affairs making them sustainable in long-term perspective (Bank of Finland, 2021).

Financial expertise should be developed especially for groups at high risk of social exclusion. This study did not include any demographic characteristics describing the affiliation of respondents to any of the following groups: unemployed and job seekers, persons diagnosed as mentally disturbed or families with such persons, families in

which parents have insufficient skills in childcare, orphans who started an independent life after an orphanage, people who did not complete basic or secondary education, prisoners, elderly (with limited family support).

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Appendix A

Table A1. Respondents' answer: Belong to risk group

Indicator	All respondents	By gender		By age					
		Male	Female	18 - 24	25 - 34	35 - 44	45 - 54	55 - 63	64 - 75
Belong to risk group	23.7	20.3	26.8	1.9	4.1	7.5	19.7	39.6	64.8

Table A2. During the covid-19 pandemic, people were asked to limit the frequency of going to shops and make more purchases on the Internet. Compared to the situation before the Covid-19 pandemic, how have your shopping habits changed?

Possible answers	Total	Among those at risk
I visit shops less frequently, but I don't go shopping more frequently on the Internet	38.5	45.7
I visit shops less frequently preferring home-delivery purchases	9.3	5.5
Nothing changed, I visit shops as usual	49.9	47

Table A3. Compared to the situation before the Covid-19 pandemic, how have your shopping habits changed?

Indicator	No changes in shopping habits	No changes in the habits of settlement
All respondents	49.9	53.5
Male	52.6	58.7
Female	47.5	48.6
18 - 24 years old	54.8	56.3
25 - 34 years old	51.5	50.9
35 - 44 years old	46.9	49.8
45 - 54 years old	47.6	52.7
55 - 63 years old	46.5	57.2

64 - 75 years old	55.5	56.5
Married or living with a partner	47.0	49.5
Divorced or living separately from a partner	50.7	59.7
Unmarried	54.6	57.7
Widower/widow	59.4	62.8
Basic education	59.4	68.5
Secondary or professional education	50.1	54.5
Higher education	45.8	44.8
Low income (up to 249 Eur)	53.8	60.1
Middle-low income (250 Eur - 310 Eur)	53.8	60.4
Middle income (311 Eur - 430 Eur)	50.3	57.4
High-middle income (431 Eur - 600 Eur)	50.3	47.4
High income (601 Eur and more)	45.5	45.8
Don't know	45.1	50.6

Table A4. During the Covid-19 pandemic, have you/your household experienced difficulties in settling past financial commitments (e.g. credit, leasing, billing)?

Possible answers	Total	Among those who received aid
Households without financial obligations	26.9	23
No trouble occurred	46.5	46.3
Yes, there were short-term troubles	17.3	23.3
Yes, there were long-term troubles	6.1	7.4

Table A5. Compared to the situation before the Covid-19 pandemic, how has your working load changed overall?

Possible answers	Total	Among those who worked remotely
Decreased	12.7	18.3
Increased	12.3	19.5
Not changed	69.1	59.5

Table A6.

Compared to the situation before the Covid-19 pandemic, your household income is ...?

Compared to the situation before the Covid-19 pandemic, how has your household expenditure changed?

During the Covid-19 pandemic, have you/your household experienced difficulties in settling past financial commitments (e.g. credit, leasing, billing)?

If you lose your monthly income, how long would you be able to cover your current expenses without borrowing?

In the light of the experience of the Covid-19 pandemic, have you decided to accumulate savings for greater security in the future?

Compared to the situation before the Covid-19 pandemic, how have your habits changed when shopping?

	Income decreased	Expenditures decreased	Difficulties in settling liabilities	Reserves for one month or less	Haven't thought about creating reserves	Banking services are more used for settlements
All respondents	26.1	17.3	23.4	47.7	41.0	33.3
Male	27.1	17.2	23.2	43.3	41.7	28.9
Female	25.1	17.3	23.5	51.8	40.3	37.4
Aged 18 - 24	29.3	19.2	26.4	42.7	43.1	32.6
Aged 25 - 34	29.6	18.0	27.3	47.9	37.2	37.8
Aged 35 - 44	33.3	18.5	26.2	50.2	38.6	37.7
Aged 45 - 54	29.2	17.8	24.9	48.0	38.9	37.2

Aged 55 - 63	25.1	21.7	19.7	41.9	41.3	29.9
Aged 64 - 75	9.0	8.8	16.1	52.8	49.3	22.4
Married or living with a partner	26.7	16.9	22.1	44.6	39.9	38.3
Divorced or living separately from a partner	25.3	16.2	29.2	53.6	44.3	25.8
Unmarried	27.9	20.7	24.2	46.6	39.3	28.5
Widower/widow	19.3	14.9	22.0	62.1	46.6	20.2
Basic education	18.1	13.3	24.2	61.4	58.7	14.3
Secondary or professional education	27.2	17.4	24.3	50.7	40.5	30.1
Higher education	26.6	18.7	20.8	34.8	34.9	48.8
Low income (up to 249 Eur)	25.0	12.4	27.8	75.8	55.8	20.9
Middle-low income (250 Eur - 310 Eur)	24.0	15.7	21.5	52.8	45.6	27.6
Middle income (311 Eur - 430 Eur)	21.9	19.7	23.7	48.2	42.0	29.9
High-middle income (431 Eur - 600 Eur)	26.4	19.3	26.2	38.7	35.1	39.9
High income (601 Eur and more)	26.4	14.2	20.0	29.5	29.3	44.6
Don't know	33.2	21.3	19.7	41.5	38.5	36.6

Table A7. If you lose your monthly income, how long would you be able to cover your current expenses without borrowing?

Possible answers	Total	Among those who decided to accumulate savings for bad times
Less than 1 month	24.8	7.1
1 month	22.9	12.6
2 months	17.3	20.2
At least 3 months	13.9	30.0
At least 6 months	8.8	31.7

Table A8. In the light of the experience of the Covid-19 pandemic, have you decided to accumulate savings for greater security in the future?

Possible answers	Total	Among those who agree that state benefits should be much higher
I haven't thought about it	41.0	39.4
I consider this opportunity	35.7	38.4
I have decided to do it	16.5	16.5
No comments	6.9	5.7

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