

Expert Roundtable on Latest Developments of European Household Indebtedness

21. November 2006, 14.00 – 17.00 h, European Credit Research Institute,
1 Place du Congrès, 1000 Brussels

Household indebtedness is rising all over Europe and especially fast in the new EU member countries. The household debt-to-assets ratio for the Euro area has reached historical levels with 33 percent in 2004 (European Central Bank, June 2006). Indebtedness continues to increase from already historical levels. Although the repayment burden of European households has remained fairly stable, the main question is what impact a rise in the interest rates or adverse income shocks would have. Moreover, over the past five years, Euro area residential property prices have increased by 5 percent per annum – house price inflation bears the risk of overvaluation and correction. What macroeconomic impact do these developments have? We discuss these and other pressing questions at a half-day expert round table of the European Credit Research Institute in Brussels. At this roundtable, we put a spotlight on the latest developments in Europe. We invited academics and officials from different Central Banks across Europe to discuss with us these developments and to present their latest research.

- | | |
|--------------|--|
| 13:30 | Registration |
| 14:00 | Karel Lannoo (Chief Executive Officer, Centre for European Policy Studies CEPS)
<i>Introduction</i> |
| 14:20 | Philippe Moutot (Deputy Director General Economics, European Central Bank)
<i>“Household indebtedness in the euro area: trends and prospects”</i> |
| 14:50 | Fernando Restoy (Director of the Department of Monetary and Financial Studies, Banco de España)
<i>“Recent changes in household finances in Spain: some economic implications”</i> |
| 15:20 | Coffee Break |
| 15:35 | Nathalie Girouard (OECD, Department of Economics)
<i>“Has the rise in debt made households more vulnerable?”</i> |
| 16:10 | Christoph Walkner (DG ECFIN, European Commission)
<i>“Euro area household debt sustainability – macroeconomic implications”</i> |
| 16:40 | Nicola Jentzsch (Head of Research, European Credit Research Institute)
<i>“Latest developments in consumer credit markets – ECRI Statistical Package 2006”</i> |
| 17:00 | End of workshop |