ING

Press release

Economics Department
London, 00:01 Monday 25th January 2016

Europeans saving more, despite no pay rise

- A fifth (19%) of people in Europe grew their savings pot in the last 12 months
- Over a third (36%) of savers are making a deliberate decision to save more, despite receiving no pay rise in the past year
- Just under a third (30%) in the UK and Luxembourg grew their savings – the highest share across Europe, the US and Australia

Europeans are making a conscious effort to boost their savings. The ING *International Survey on Savings 2016*, which surveyed almost 15,000 people across 15 countries, reveals one in five (19%) people in Europe grew their savings over the last 12 months, with the UK and Luxembourg having the largest share putting money away (30%).

However, the source of this growth is not because people have more money. In fact, over a third (36%) of savers in Europe are making a deliberate decision to save more, despite *not* earning more.

Instead, people say they are cutting back on spending on non-essential items, such as clothing and grooming (9%) holidays (12%) and leisure and entertainment (15%) in order to boost their funds. Conversely, net spending on essentials such as utilities (33%), food (17%) and heath (13%) saw significant increases across the continent.

The study found that only a quarter (26%) of people in Europe are comfortable with the amount they have available in savings. Illustrating this, just under half (49%) of people in Europe have enough savings in place to cover three to six months of take-home pay - the widely recommended buffer level. And less than half (45%) do not have enough to cope with an emergency such as the car or home heating breaking down.

Interestingly, the countries most comfortable with their savings are those where people have increased the amount they save, and vice versa - for example, consumers in the Netherlands (43%), Luxembourg (40%) and the United Kingdom (39%). Conversely, consumers in Romania (19%), Italy (17%) and Poland (12%) were the least comfortable with the amount they have saved, and fell to the bottom of the table when it came to growing their savings over the last year (see Table 1).

Many may also realise how fragile finances can be – with over a third (36%) of those whose savings declined in the past year citing 'unexpected expenses' as a key reason.

Ian Bright, senior economist at ING, commented: "A number of people aren't necessarily where they want to be financially, but the good thing is that many are taking a deliberate decision to increase their savings stockpile, whether they have the extra income or not. Despite an environment of low interest rates, it seems some people are more interested in setting money aside for a rainy day than necessarily earning from it."

The report, 'ING International Survey on Savings 2016', is part of a series being produced for the Think Forward Initiative - a programme that brings together research and experts to gain a deeper understanding of the behavioural biases behind financial decision-making.

Table 1: ING International Savings Comfort League

Country	Percentage who are comfortable with their level of savings	Percentage whose savings grew over the last 12 months
The Netherlands	43%	26%
Luxembourg	40%	30%
United Kingdom	39%	30%
Germany	34%	24%
Austria	30%	25%
Czech Republic	25%	26%
Turkey	25%	17%
Belgium	24%	15%
Spain	20%	17%
Turkey	25%	17%
France	23%	16%
Spain	20%	17%
Romania	19%	16%
Italy	17%	8%
Poland	12%	16%
European average	*26%*	*19%*
United States	33%	28%
Australia	28%	27%

Ends

Note to editors

The ING International Survey of 14,664 people was conducted by Ipsos using internet-based polling. Fifteen countries were surveyed overall: Austria, Belgium, Czech Republic, France, Germany, Italy, Luxembourg, the Netherlands, Poland, Romania, Spain, Turkey, the United Kingdom, Australia and the USA. Polling took place between 8 October 2015 and 29 October 2015. The full report is available here.

The ING International Survey is produced three times a year by ING eZonomics. It is about money and life - combining ideas around financial education, personal finance and behavioural economics to produce regular and practical information about the way people manage their money - and how this can affect consumers' lives.

For further information on ING, please visit www.ing.com. Frequent news updates can be found in the Newsroom or via the @ING_news twitter feed. Photos of ING operations, buildings and its executives are available for download at Flickr. Footage (B-roll) of ING is available via videobankonline.com, or can be requested by emailing info@videobankonline.com. ING presentations are available at SlideShare.

For further information, please contact:

Press enquiries
Susanna Walker Robson / Rachel Finlay / Dan Thompson
Third City PR
+44 20 3174 1023
+44 7850 339727
INGteam@thirdcity.co.uk

Press enquiries
Carolien van der Giessen
+31 20 576 6386
Carolien.van.der.Giessen@ing.com

Investor enquiries
ING Group Investor Relations
+31 20 576 6396
Investor.Relations@ing.com

ING Profile

ING is a global financial institution with a strong European base, offering banking services through its operating company ING Bank and holding a significant stake in the listed insurer NN Group NV. The purpose of ING Bank is empowering people to stay a step ahead in life and in business. ING Bank's more than 52,000 employees offer retail and commercial banking services to customers in over 40 countries.

ING Group shares are listed (in the form of depositary receipts) on the exchanges of Amsterdam (INGA NA, ING.AS), Brussels and on the New York Stock Exchange (ADRs: ING US, ING.N).

Sustainability forms an integral part of ING's corporate strategy, which is evidenced by ING Group shares being included in the FTSE4Good index and in the Dow Jones Sustainability Index (Europe and World). where ING is among the leaders in the Banks industry group.

Important legal information

Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation: (1) changes in general economic conditions, in particular economic conditions in ING's core markets, (2) changes in performance of financial markets, including developing markets, (3) consequences of a potential (partial) break-up of the euro, (4) ING's implementation of the restructuring plan as agreed with the European Commission, (5) changes in the availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness, (6) changes affecting interest rate levels, (7) changes affecting currency exchange rates, (8) changes in investor and customer behaviour, (9) changes in general competitive factors, (10) changes in laws and regulations, (11) changes in the policies of governments and/or regulatory authorities, (12) conclusions with regard to purchase accounting assumptions and methodologies, (13) changes in ownership that could affect the future availability to us of net operating loss, net capital and built-in loss carry forwards, (14) changes in credit ratings, (15) ING's ability to achieve projected operational synergies and (16) the other risks and uncertainties detailed in the Risk Factors section contained in the most recent annual report of ING Groep N.V. Any forward-looking statements made by or on behalf of ING speak only as of the date they are made, and, ING assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason.

This document does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities in the United States or any other jurisdiction. The securities of NN Group have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States absent registration or an applicable exemption from the registration requirements of the Securities Act.