

## Abstract

We analyze the saving motives of European households using micro-data from the Household Finance and Consumption Survey, which is conducted by the European Central Bank. We find that the rank ordering of saving motives differs greatly depending on what criterion is used to rank them. We find that the precautionary motive is the most important saving motive of European households when the proportion of households saving for each motive is used as the criterion to rank them, but that the retirement motive is the most important saving motive of European households if the quantitative importance of each motive is taken into account. Moreover, the generosity of social safety nets seems to affect the importance of individual saving motives, with saving for the retirement motive being less important in countries with generous public pension benefits and saving for the precautionary motive being less important in countries with generous public health systems.