

PERU

Financial health shapes consumer welfare



Financial vulnerability

Capacity to deal with financial shocks relying solely on their own resources.

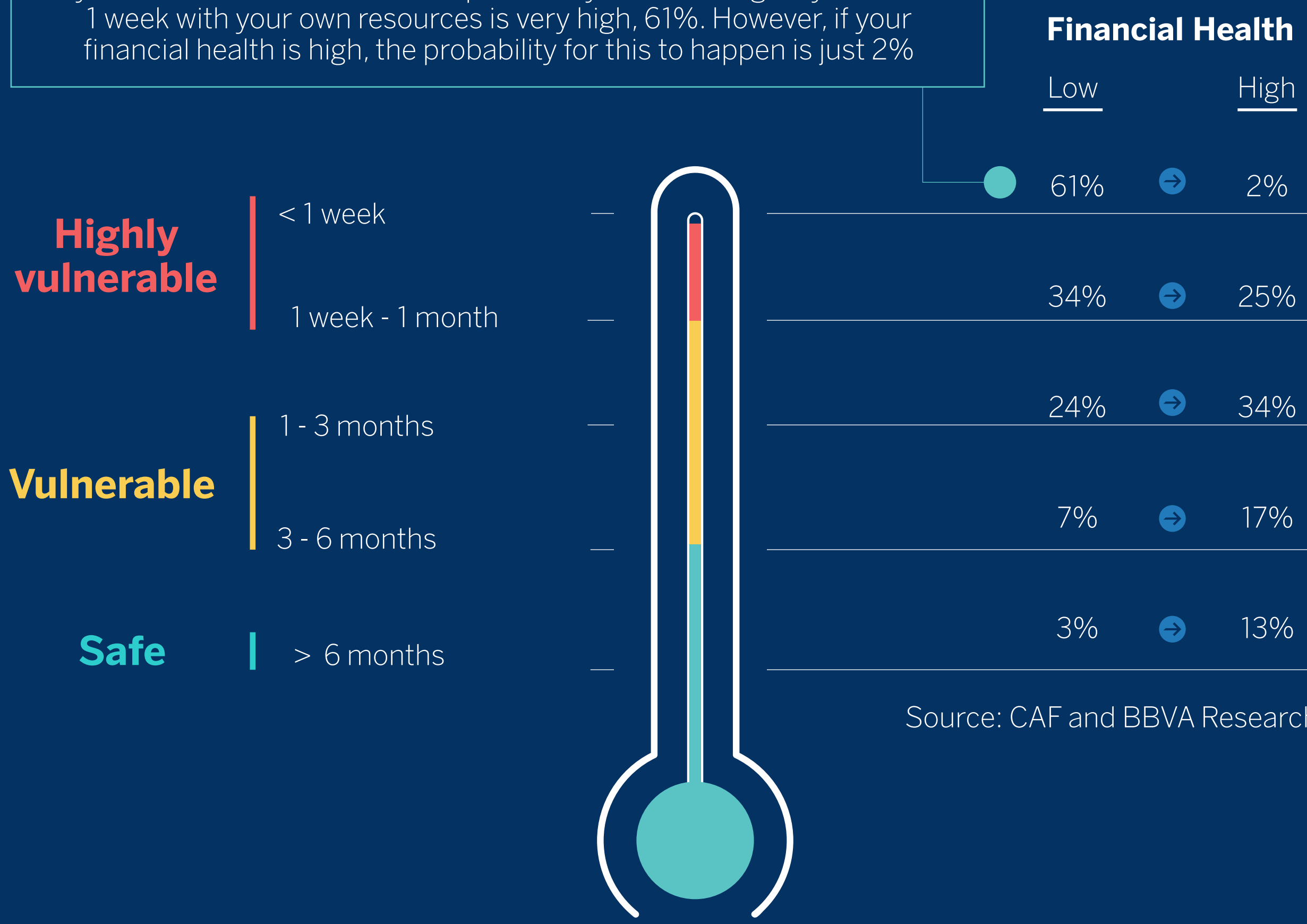
A way of measuring financial vulnerability is the length of time individuals are able to cover their costs of living in the event that they find themselves without their main income source and without asking for a loan.



Source: CAF and BBVA Research

How does financial health impact on financial vulnerability?

If your financial health is low, the probability of subsisting only less than 1 week with your own resources is very high, 61%. However, if your financial health is high, the probability for this to happen is just 2%



Source: CAF and BBVA Research

To keep in mind

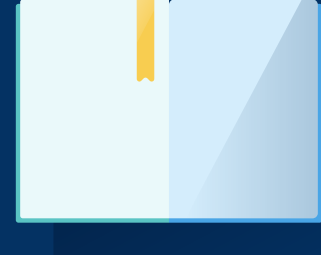
Other factors affecting financial vulnerability



People living in **rural areas** have higher financial vulnerability than those living in urban areas



If you increase your **education level**, your financial vulnerability will be reduced



If you increase your **financial literacy**, your financial vulnerability will be reduced



Women have higher vulnerability than men



Younger people have higher risk of being financial vulnerable

Further details in:

Disentangling Vulnerability through Consumer Behavior: The Role of Financial Health