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The Impact of 2021 PPPs on the Analysis of Income and Poverty Using LIS Data

Gonçalo Marques

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Gonçalo Marques[1]

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Abstract

This technical paper examines the recent updates to the International Comparison Program's Purchasing Power Parity (PPP) rates and the World Bank's International Poverty Lines, and their implications for cross-country income and poverty comparisons. Using data from the LIS database, we analyze the effects of these updates on median equivalized disposable household income and absolute poverty rates across high and upper middle-income countries. Updating the base year generally raises median incomes in international dollars due to inflation, though PPP revisions can amplify or mitigate this effect, leading to shifts in cross-country rankings. Absolute poverty rates are sensitive to both income rebasing and the revised poverty thresholds: in upper-middle-income countries available in LIS, the higher poverty line often outweighs the rebasing effect, increasing measured poverty by up to 4 percentage points. These findings highlight the importance of carefully considering methodological updates when comparing income and absolute poverty indicators worldwide, as base-year and PPP revisions can substantially alter cross-country comparisons even in static time analyses.

Keywords: Purchasing Power Parity, Consumer Price Index, Median, Absolute Poverty Rate, International Dollars, Cross-country Comparison.

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Introduction

In May 2024, the International Comparison Program (ICP) released a revised set of Purchasing Power Parity (PPP) rates for the year 2021. Similarly, the World Bank announced an upward revision of the international poverty lines used to monitor poverty worldwide (Baah, S. K. T., et al., 2025).

The updated PPPs are part of the ICP's ongoing global effort to measure relative price levels across countries and to support more accurate and consistent international comparisons. Although market exchange rates allow incomes to be expressed in a common currency, they fail to account for differences in domestic price levels, particularly in non-tradeable goods and services, which tend to be cheaper countries with lower labor costs (Jolliffe et al., 2024).[2] PPPs address this limitation by adjusting for variations in the cost of living to reflect the real purchasing power of national currencies, thereby providing a more meaningful basis for comparing living standards across countries.

Computing PPP rates is a highly complex endeavor, not only technically but also in terms of international coordination. For this reason, the ICP releases PPP updates in multi-year rounds. The most recent round, covering PPPs for 2021, was released in May 2024; the previous round, covering 2017, was published in 2020. Although the 2021 PPPs were produced using the same core methodology as in the previous round, the ICP implemented enhanced data-collection procedures and other methodological refinements aimed at improving overall data quality (World Bank et al., 2024).[3]

The second update concerning the poverty lines, was communicated by the World Bank in June 2025. Compared to the previous thresholds based on 2017 prices and PPPs, all the poverty lines were revised upwards. For low-income countries the international poverty line increased from $2.15 to $3 per day (a 39.5% rise). For lower middle-income countries, it rose from $3.65 to $4.20 (15.1%), and for upper middle-income countries from $6.85 to $8.30 (21.2%).

These poverty lines are constructed by first grouping countries by income category and then computing the median value of national poverty lines (expressed in daily per capita terms), which is subsequently rounded to the nearest $0.10. As highlighted by Foster et al. (2025), the resulting international lines are shaped by four distinct forces: "(i) price changes from changes in PPPs and CPIs; (ii) the underlying national poverty lines; (iii) the income classification of countries; and (iv) the number of countries with available data".[4] In

[2] This phenomenon is also known as the Balassa-Samuelson effect.
[3] According to the ICP, three main developments were nevertheless implemented; (i) CIS treated as a sixth core region; (ii) hybrid housing-PPP method for Asia–Pacific; and (iii) regression-based PPP imputations for non-participating economies.
[4] Countries income classifications is based on their Gross National Income (GNI) per capita: Low income: $1,135 or less; Lower middle-income: $1,136 to $4,495; Upper middle-income: $4,496 to $13,935; High income: More than $13,935.

low-income countries, beyond an overall improvement in PPPs, improved household survey methodologies led to more accurate measurement of consumption, most notably in India. The resulting increase in estimated average consumption prompted these countries to raise their national poverty standards, which in turn became the primary driver of the World Bank's upward revision of the international poverty line for this income group.

For upper-middle-income countries, of which LIS has better coverage than low-income countries, the decomposition presented in Foster et al. (2025, Table 2) shows that PPP-related factors played a comparatively larger role in the adjustment of the international poverty line.[5]

In this article, we begin by examining revisions to the PPP rates and the evolution of the Consumer Price Index (CPI) across all countries with available data in LIS. This provides context for the subsequent analysis, which focuses on the implications of adopting a new base year and incorporating the revised PPP values. In particular, we assess how these changes affect country indicators such as the median income and absolute poverty rates, including the impact of updating the international poverty line for upper-middle-income countries. Taken together, these results offer LIS users an initial benchmark against which they can compare the effects of updating their own estimates to the most recent base year.

Changes in PPP and CPI in LIS Countries

Figure 1 presents two measures of price variation for every country in the LIS database.[6] The vertical bars show the percentage change between each country's 2021 PPP rate and its corresponding value from the previous ICP round expressed in 2017 base-year prices. The dots show the rate of change in the Consumer Price Index (CPI) over the same period.

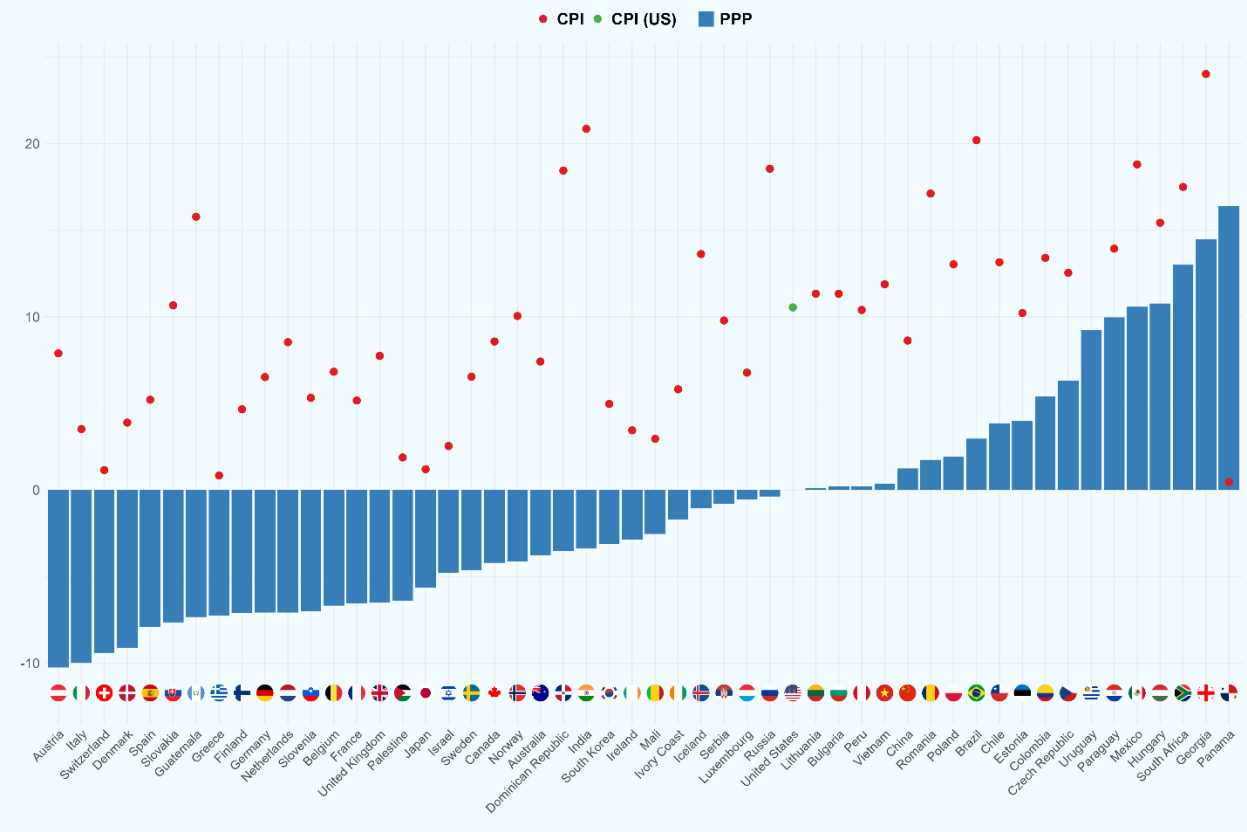
A positive PPP variation indicates that the country has become relatively more expensive compared with the benchmark country, in this case the United States. In practical terms, this means that more units of the local currency (e.g., euros, Mexican pesos) are required to match the purchasing power of one U.S. dollar spent in the United States.

It is important to note however, that changes in PPPs from one round to another, may reflect more than real shifts in relative purchasing power between two countries. They can also arise from statistical adjustments to expenditure weights, improvements in data collection, or even from the composition of the representative

[5] Income surveys are mostly available for high-income countries, whereas low-income countries are typically covered through consumption-based surveys.
[6] Purchasing Power Parities (PPP) are not reported for Taiwan.

basket of goods and services. As a result, PPP movements do not always map directly onto the day-to-day economic reality of households between 2017 and 2021.

Figure 1: Variation Rate in PPP and CPI between 2017 and 2021 - LIS Countries



Source: World Bank and ICP. **Note:** For scaling purposes, the data point for Uruguay's inflation rate between 2017 and 2021 (37.3%) has been omitted. In the United States, it was 10.5%, while for countries with positive PPP variation, the average inflation rate was 14.8%. By contrast, countries with negative PPP variation experienced a lower average inflation rate of 7.41%.

Nonetheless, it is possible to observe that, on average, countries with upward revisions in their PPP values exhibited higher inflation rates than the United States, while those with declining PPPs generally experienced lower inflation. From a geographical perspective, the countries that became relatively cheaper compared with the United States are predominantly located in Western and Northern Europe. In contrast, the largest relative price increases are observed among South American countries and among Central and Eastern European countries outside the euro area.[7]

[7] The Baltic nations of Estonia and Lithuania, are members of the euro area since 2011 and 2015, respectively.

Finally, all countries with no exception experienced positive inflation between 2017 and 2021. This implies that a nominal unit of currency in 2021 purchased less in real terms than the same amount did in 2017.

Impact of Base Year and PPP Revisions on Median DHI

For the remainder of this paper, our aim is to illustrate what LIS users can expect when updating their estimates using the new base year, the newly released PPP values, and the revised World Bank poverty line for upper middle-income countries.

To do so, we rely on the most recent datasets available in LIS for all high and upper middle-income countries, provided that their latest data point is from 2020 onwards. Our variable of interest is *equivalized disposable household income*, derived from household-level datasets, and prepared following the same procedures used to compute the LIS Inequality Key Figures.[8]

Before turning to the results, it is essential to clarify two aspects. First, the following analysis is *time-fixed*: one country, one year. The changes we document must therefore not be interpreted as trends or developments in median income or poverty over time. Instead, they show how the value of each indicator would differ solely as a result of using a different base year or PPP round.

Second, modifying the PPPs or changing the base year imposes a monotonic transformation on the underlying microdata. In practical terms, this shifts the entire income distribution for a given country-year to the right or left, while leaving the shape of the distribution unchanged. Consequently, inequality indicators such as the Gini coefficient, percentile ratios, or the relative poverty rate remain unaffected.[9]

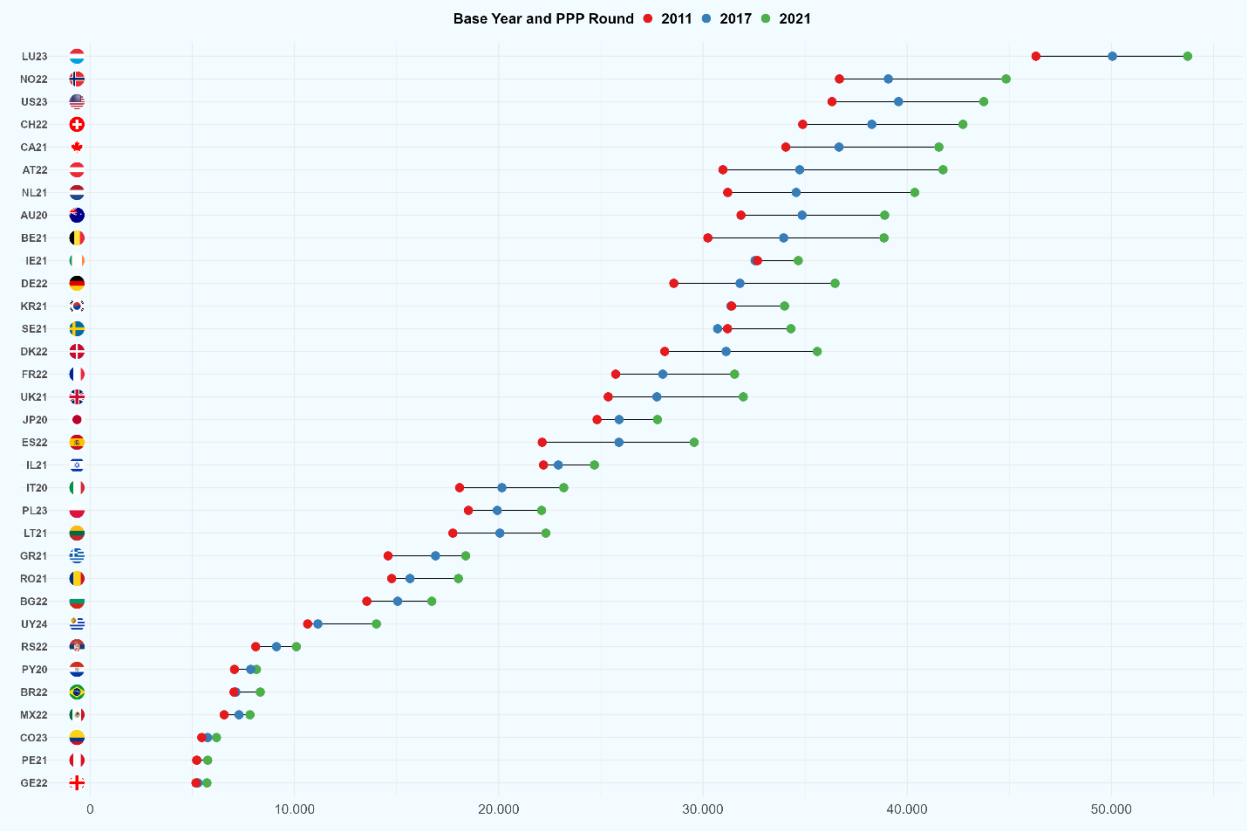
By contrast, indicators expressed in international dollars to allow comparisons across countries, are naturally affected by these transformations. This includes monetary measures such as average income and income percentile (e.g., the median), as well as absolute poverty rates, when they rely on a poverty threshold expressed in international dollars. For these indicators, revisions to the base year and the PPP round can materially alter cross-country comparisons.

In Figure 2, we plot the median equivalized disposable household income for each country–year pair across three distinct base years and PPP rounds. A clear pattern emerges: median values generally increase as the base year is updated to a more recent year. For the United States, which serves as the benchmark country,

[8] LIS Inequality Key Figures are expressed in national currency units. Check data preparation steps at: https://www.lisdatacenter.org/data-access/key-figures/methods/.
[9] The aforementioned shifts reflect a change in the units of measurement (local currency converted into international dollars).

the variation across specifications aligns exactly with the evolution of the CPI. Since inflation was positive in all countries between 2017 and 2021, it is unsurprising that nominal values tend to increase when the base year is updated, reflecting the decline in real purchasing power.[10] The pattern is not universally guaranteed, however, Sweden being one of the exceptions. In all countries, excluding the US, part of the variation is also driven by changes in their PPPs, which explains why some countries are more affected than others.

Figure 2: Median Equivalized DHI - international $



Source: Luxembourg Income Study (LIS). **Note**: PPP values for 2011 remain available on the LIS website. Households with missing values were excluded from the sample. Income was top- and bottom-coded and equivalized using the squared-root scale. See footnote 8.

In particular, some South American countries experienced high inflation over this period, but their incomes also lost purchasing power relative to the United States. As a result, when incomes are converted into

[10] Between 2011 and 2017 only two countries depicted in Figure 2 experienced a decline in their CPI: Greece (-2.20%) and Switzerland (-1.96%).

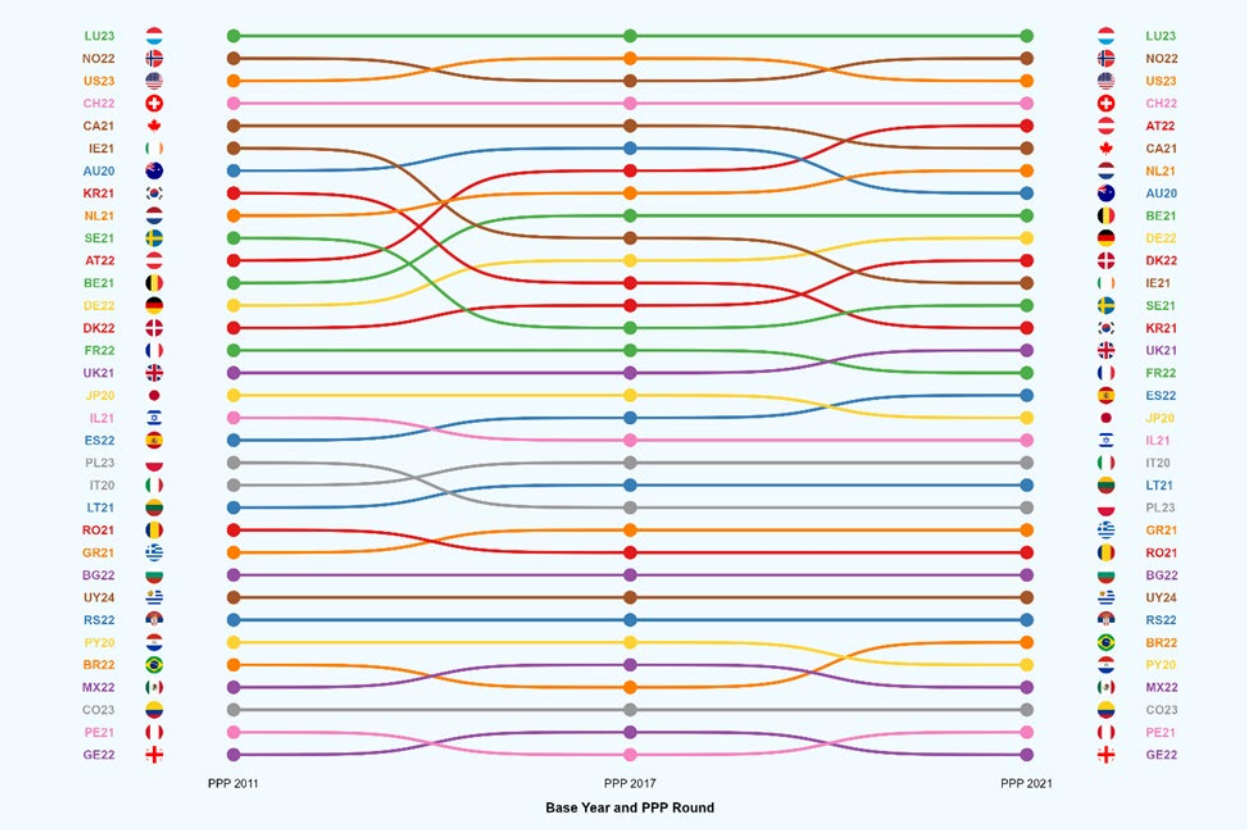
international dollars, the PPP revisions introduce a penalizing effect that offsets the one associated with updating the base year.

The different exposures of countries to inflation and to PPP revisions lead to varying degrees of change in the estimates plotted in Figure 2, as described above. Because of this, even though our analysis is static in time and the underlying household incomes remain unchanged, notable shifts in cross-country rankings can still be observed. Figure 3 shows these shifts and makes it possible to see which countries move ahead of others under each specification.

Countries with large downward revisions in their PPP rates, such as Austria and Denmark, now receive a more favorable conversion into international dollars, improving their position relative to the other countries in LIS. The opposite occurs for countries like Ireland and South Korea. Brazil illustrates yet another case.

Although its PPP increased by nearly 3%, this rise was modest compared with Mexico and Paraguay, whose PPPs grew roughly 10–11%. As a result, Brazil surpasses both countries when 2021 is used as the base year for adjusting median disposable household income (DHI). These examples highlight that the exercise is far from innocuous, as the choice of base year and PPP round can substantially influence how countries compare with one another.

Figure 3: LIS Ranking - Median Equivalized DHI - international $



Source: Luxembourg Income Study (LIS).

Absolute Poverty Rates and the Upward Revision of the Poverty Line

As noted earlier, updating the base year or converting incomes into international dollars applies a monotonic transformation to all household incomes, leaving the shape of the income distribution intact. Absolute poverty rates, however, depend on where a given cutoff intersects the income distribution. Hence, if the cutoff remains fixed but the distribution shifts to the left or to the right, some households may cross the threshold, causing poverty to rise or fall, respectively.

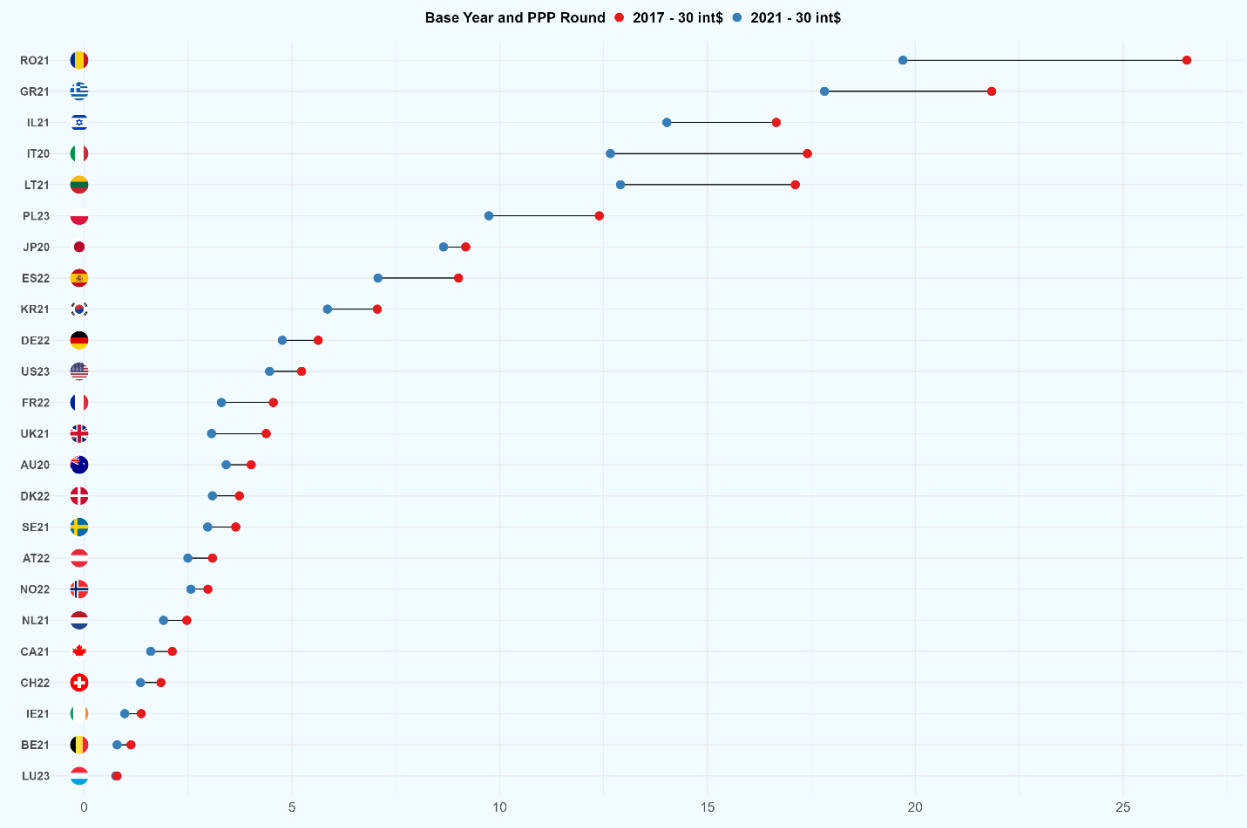
The sensitivity of these shifts does not depend solely on the PPP revisions or the inflation adjustments. It also varies across countries because the density of households in the income distribution around the poverty line. In countries where many households are clustered near the threshold, even a modest horizontal shift in the distribution can translate into a relatively large change in the poverty rate. In contrast, where fewer households are located near that cutoff, the same shift will have only a limited effect.

We begin by examining in Figure 4, how absolute poverty rates change for high-income countries while keeping the poverty line fixed at 30 international dollars. This isolates the impact of the updated PPPs and of the new base year from any change in the threshold itself. When moving from the 2017 to the 2021 specification we see a declining trend in absolute poverty rates. This happens because a 30-dollar threshold is tougher to meet in 2017 prices than in 2021 prices. After several years of inflation, the same nominal amount represents a lower real standard in 2021, making it easier for households to exceed it and resulting in lower poverty rates.

In addition, the magnitude of changes is higher, on average, in poorer countries, where the threshold of 30 international dollars lies closer to the (daily) median of the distribution where more households are clustered. In the richest countries, most households remain well above the threshold in both specifications, so the measured change is correspondingly small.

In a second step, we turn to upper middle-income countries, for which the World Bank has recently revised the poverty line upward from $6.85 to $8.30. This group includes most South American countries in the LIS database, alongside Georgia, Bulgaria and Serbia. In the analysis above, we showed that when a fixed cutoff is applied, updating the base year from 2017 to 2021 typically lowers poverty rates, because incomes are expressed in more recent (and higher) nominal terms. However, once the poverty line itself is raised, the net effect becomes less predictable: the rebasing of incomes pushes poverty down, while the higher threshold pushes it up.

Figure 4: Absolute poverty rates – $30 int. threshold.

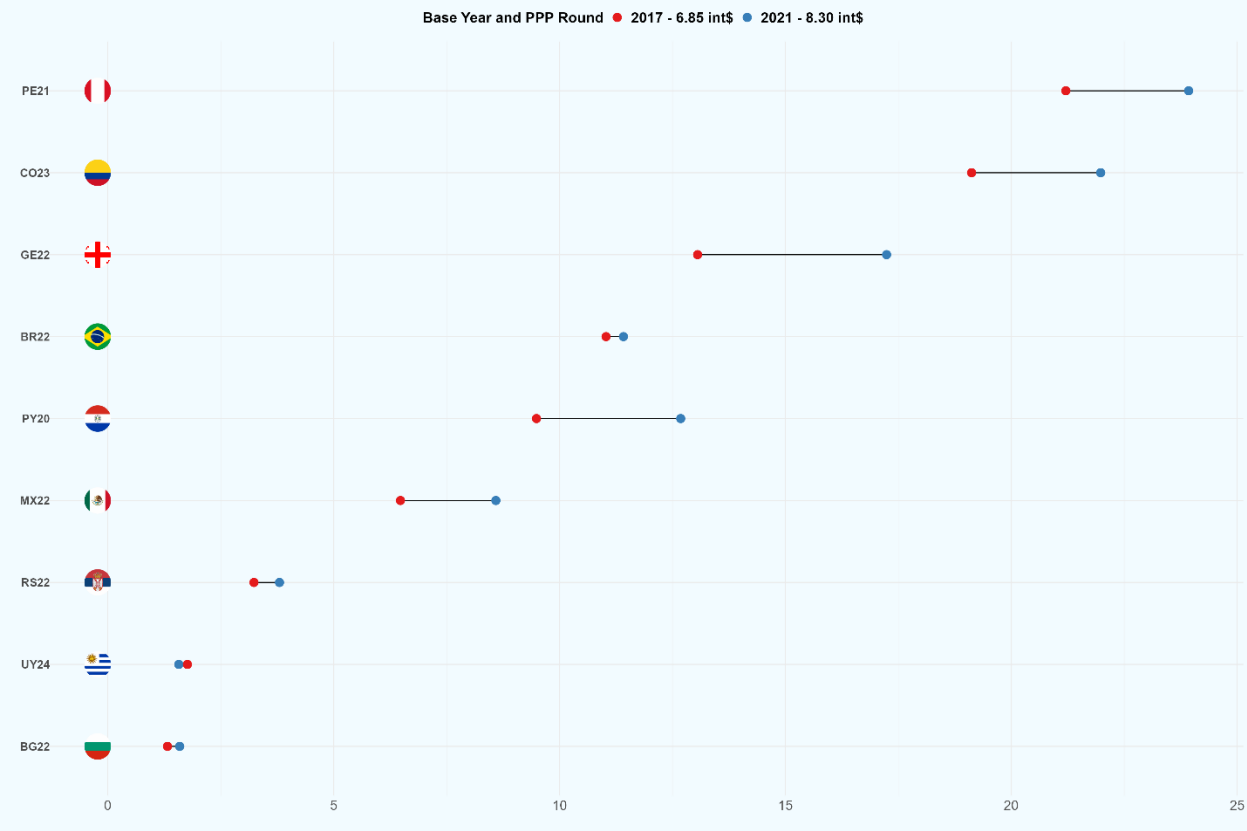


Source: Luxembourg Income Study (LIS). **Note**: Households with missing values were excluded from the sample. Income was top- and bottom-coded and equivalized using the squared-root scale. See footnote 8.

Figure 5 shows that in most cases the upward revision of the poverty line dominates, leading to higher poverty rates, in some instances by more than 4 percentage points. The new line represents a 21.2% increase, which exceeds the inflation recorded for most countries in this group (see Figure 1). Moreover, South American countries became relatively more expensive compared with the United States, adding an additional penalizing factor when converting household incomes into international dollars.

Uruguay, though formally classified as a high-income country, stands out as an exception. Even with a higher poverty line, its absolute poverty rate declines. The main reason is that Uruguay experienced the strongest inflationary increase among the countries shown in Figure 1 (see the note), so the effect of rebasing incomes to 2021 outweighs the rise in the poverty threshold.

Figure 5: Absolute poverty rates using old and new Poverty Line



Source: Luxembourg Income Study (LIS). **Note**: Uruguay is classified as a high-income country. Households with missing values were excluded from the sample. Income was top- and bottom-coded and equivalized using the squared-root scale. See footnote 8.

Overall, this analysis underscores the limitations of simultaneously revising both the poverty line and the base year across countries. When the upward adjustment of the line outpaces domestic inflation together with the penalization of an increased PPP, poverty rates can rise mechanically by large amounts. This highlights the need for carefully calibrated global thresholds to avoid introducing exaggerated distortions into cross-country poverty comparisons, so that poverty indicators remain comparable and continue to reflect real progress toward reducing poverty.

Conclusion

This article shows that updating the base year and adopting the newly released PPPs is far from innocuous for cross-country comparisons. While these revisions leave the shape of the income distribution unchanged and therefore do not affect inequality measures such as the Gini coefficient, percentile ratios, or relative poverty rates, they can substantially alter indicators expressed in international dollars, including median

income levels, absolute poverty rates, and country rankings. Even with unchanged underlying microdata, methodological updates alone can reshuffle countries' relative positions.

The analysis also highlights the sensitivity of absolute poverty measures to simultaneous changes in PPPs, base years, and poverty thresholds. Raising the international poverty line while rebasing incomes does not affect countries uniformly. Outcomes depend on domestic inflation, relative price dynamics, and how closely household incomes cluster around the threshold. As a result, poverty rates can rise mechanically in some countries even in the absence of real income losses.

At the same time, as emphasized by Mahler et al. (2024), keeping the international poverty line fixed in real terms while countries update national standards and improve survey methodologies risks understating poverty over time. Periodic revisions of the international poverty line are therefore necessary to maintain relevance, but they must be interpreted carefully. For LIS users, these findings underscore the importance of understanding how methodological choices shape cross-country comparisons and absolute poverty estimates, ensuring that observed changes reflect real economic conditions rather than statistical artifacts.

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Table A1: Income classification of LIS countries in 2021

Country	Classification
Australia	High-income
Austria	High-income
Belgium	High-income
Brazil	Upper-middle-income
Bulgaria	Upper-middle-income
Canada	High-income
Chile	High-income
China	Upper-middle-income
Colombia	Upper-middle-income
Cote d'Ivoire	Lower-middle-income
Czechia	High-income
Denmark	High-income
Dominican Republic	Upper-middle-income
Estonia	High-income
Finland	High-income
France	High-income
Georgia	Upper-middle-income
Germany	High-income
Greece	High-income
Guatemala	Upper-middle-income
Hungary	High-income
Iceland	High-income
India	Lower-middle-income
Ireland	High-income
Israel	High-income
Italy	High-income
Japan	High-income
Lithuania	High-income
Luxembourg	High-income
Mali	Low-income
Mexico	Upper-middle-income
Netherlands	High-income
Norway	High-income
Palestine	Lower-middle-income
Panama	High-income
Paraguay	Upper-middle-income
Peru	Upper-middle-income
Poland	High-income
Romania	High-income
Serbia	Upper-middle-income
Slovakia	High-income
Slovenia	High-income
South Africa	Upper-middle-income
South Korea	High-income
Spain	High-income
Sweden	High-income
Switzerland	High-income
Taiwan	High-income
United Kingdom	High-income
United States	High-income
Uruguay	High-income
Vietnam	Lower-middle-income

Source: World Bank (2025). **Note**: Only two countries were classified differently in 2017: Georgia - lower middle-income; Romania – upper middle-income country. Data accessed on the 4th December 2025.

Table A2: Purchasing Power Parity and Consumer Price Index

Country	PPP 21	PPP 17	PPP 11	CPI 2021	CPI 2017
Australia	1.50	1.56	1.53	120.3	112.0
Austria	0.75	0.84	0.85	119.1	110.4
Belgium	0.80	0.86	0.88	116.7	109.3
Brazil	2.45	2.38	1.65	175.5	146.0
Bulgaria	0.75	0.75	0.81	115.3	103.6
Canada	1.24	1.30	1.28	118.1	108.8
Chile	481.13	463.23	370.20	137.5	121.5
China	4.01	3.96	3.70	122.6	112.8
Colombia	1546.66	1467.28	1210.99	144.6	127.5
Czech Republic	14.80	13.93	14.59	122.4	108.8
Denmark	7.26	7.99	8.36	109.8	105.7
Dominican Republic	23.14	23.98	20.76	140.3	118.5
Estonia	0.63	0.61	0.59	121.2	110.0
Finland	0.87	0.94	0.97	111.3	106.4
France	0.79	0.85	0.88	110.1	104.7
Georgia	1.07	0.94	0.84	141.9	114.4
Germany	0.74	0.80	0.83	114.1	107.1
Greece	0.60	0.65	0.77	98.6	97.8
Guatemala	3.44	3.72	3.89	144.8	125.1
Hungary	169.34	152.88	139.57	127.1	110.1
Iceland	155.84	157.51	141.37	133.2	117.3
India	19.47	20.15	15.28	176.6	146.2
Ireland	0.96	0.99	0.96	106.0	102.5
Israel	4.05	4.25	4.27	105.5	102.8
Italy	0.70	0.78	0.82	109.5	105.8
Ivory Coast	238.54	242.66	243.46	113.4	107.2
Japan	109.44	115.98	116.10	105.5	104.2
Lithuania	0.50	0.50	0.52	120.4	108.2
Luxembourg	0.96	0.97	0.97	115.0	107.7
Mali	192.86	197.89	224.36	110.2	107.1
Mexico	11.21	10.14	8.94	149.6	125.9
Netherlands	0.80	0.86	0.88	117.8	108.5
Norway	9.96	10.38	9.78	124.5	113.1
Palestine	2.01	2.14	2.44	109.9	107.9
Panama	0.56	0.48	0.55	115.4	114.8
Paraguay	2754.51	2504.68	2242.10	141.7	124.3
Peru	1.92	1.91	1.58	134.1	121.4
Poland	1.91	1.88	1.92	118.9	105.2
Romania	1.91	1.88	1.85	126.2	107.7
Russia	25.76	25.85	18.91	183.9	155.1
Serbia	48.54	48.94	44.15	137.0	124.8
Slovakia	0.57	0.62	0.56	116.7	105.5
Slovenia	0.60	0.65	0.68	111.1	105.5
South Africa	7.52	6.66	5.03	163.5	139.1
South Korea	960.99	992.07	912.02	114.1	108.7
Spain	0.65	0.71	0.79	110.5	105.0
Sweden	9.05	9.48	9.03	110.2	103.4
Switzerland	1.24	1.37	1.54	99.2	98.0
United Kingdom	0.74	0.79	0.78	119.3	110.7
United States	1.00	1.00	1.00	120.5	109.0
Uruguay	28.01	25.64	16.61	222.0	161.7
Vietnam	7510.82	7484.67	7528.39	144.8	129.5

Source: World Bank. **Note**: Data accessed on the 4th December 2025 via the R package `wbstats`. PPP indicator code: `PA.NUS.PRVT.PP`; CPI indicator code: "FP.CPI.TOTL". In the Table above CPI values are rebased to 2011 = 100. Originally there were retrieved with 2010 as the base year.

Table A3: Summary of Equivalized DHI - LIS countries.

Country	Year	N	Average	p10	p25	Median	p75	p90
Australia	2020	15,011	44,836	17,769	25,674	38,901	55,757	76,302
Austria	2022	6,118	46,574	20,885	30,080	41,755	56,190	73,505
Belgium	2021	6,727	41,885	20,775	27,348	38,867	51,232	64,346
Brazil	2022	135,510	11,714	2,716	4,963	8,323	13,609	23,039
Bulgaria	2022	7,982	20,990	7,538	10,698	16,721	25,432	36,700
Canada	2021	39,243	47,296	21,008	29,415	41,555	57,746	77,316
Colombia	2023	293,511	9,674	1,660	3,345	6,180	11,249	19,882
Denmark	2022	301,449	40,157	19,293	25,714	35,598	47,728	62,003
France	2022	43,684	36,186	16,256	22,696	31,551	42,840	57,814
Georgia	2022	3,328	6,788	2,307	3,713	5,712	8,916	12,476
Germany	2022	19,182	41,047	16,402	25,600	36,469	49,632	65,466
Greece	2021	10,075	20,977	8,824	12,571	18,383	25,532	34,763
Ireland	2021	4,660	39,523	17,740	24,540	34,667	47,633	63,380
Israel	2021	6,057	28,610	9,314	15,053	24,686	37,399	52,178
Italy	2020	6,236	26,581	9,764	14,761	23,184	33,350	45,810
Japan	2020	4,514	31,005	12,380	18,782	27,772	39,092	52,420
Lithuania	2021	5,952	28,064	9,831	14,554	22,307	34,272	49,745
Luxembourg	2023	5,690	61,610	28,306	37,452	53,736	75,618	101,009
Mexico	2022	90,102	10,311	3,249	5,007	7,822	12,216	18,932
Netherlands	2021	14,356	43,829	20,731	28,190	40,371	52,756	68,681
Norway	2022	269,886	48,516	23,955	33,544	44,845	58,202	74,301
Paraguay	2020	4,842	11,105	2,659	4,588	8,138	13,505	21,793
Peru	2021	34,157	7,448	1,435	3,151	5,750	9,501	14,726
Poland	2023	27,434	24,471	11,054	16,113	22,099	29,279	38,526
Romania	2021	7,242	19,534	7,608	12,309	18,022	24,863	32,543
Serbia	2022	5,927	11,376	4,419	6,623	10,091	14,592	19,735
South Korea	2021	17,954	39,373	13,841	22,310	33,996	49,961	68,877
Spain	2022	27,227	33,334	12,998	19,646	29,572	41,665	57,872
Sweden	2021	8,491	37,854	17,259	23,623	34,308	46,086	60,112
Switzerland	2022	8,829	50,052	20,847	29,963	42,731	59,542	80,432
United Kingdom	2021	16,364	36,857	16,126	22,034	31,976	45,430	61,621
United States	2023	56,251	55,055	16,922	26,436	43,753	68,102	102,776
Uruguay	2024	23,292	18,114	5,950	8,996	14,010	22,061	33,774

Source: Luxembourg Income Study (LIS). **Note**: all monetary values in this Table were rebased to 2021 prices and expressed in international dollars. Observations correspond to households, not individuals.

Table A4: Estimates Figure 2 - Median Equivalized DHI

Country	Year	Base Year 2021	Base Year 2017	Base Year 2011
Australia	2020	38,900.6	34,855.6	31,863.6
Austria	2022	41,754.9	34,736.2	30,977.6
Belgium	2021	38,867.1	33,953.1	30,241.7
Brazil	2022	8,323.0	7,129.0	7,037.3
Bulgaria	2022	16,721.2	15,050.8	13,540.9
Canada	2021	41,554.8	36,663.9	34,057.3
Colombia	2023	6,180.3	5,744.4	5,458.0
Denmark	2022	35,598.3	31,134.1	28,128.6
France	2022	31,550.6	28,030.8	25,727.2
Georgia	2022	5,712.4	5,273.0	5,174.3
Germany	2022	36,469.1	31,815.2	28,574.6
Greece	2021	18,383.3	16,906.2	14,581.3
Ireland	2021	34,667.0	32,552.1	32,672.2
Israel	2021	24,686.1	22,917.8	22,192.0
Italy	2020	23,184.1	20,157.3	18,083.7
Japan	2020	27,771.9	25,895.3	24,814.5
Lithuania	2021	22,306.7	20,057.2	17,753.4
Luxembourg	2023	53,735.6	50,051.3	46,304.9
Mexico	2022	7,821.7	7,280.8	6,555.7
Netherlands	2021	40,371.5	34,565.6	31,213.3
Norway	2022	44,845.5	39,077.1	36,683.0
Paraguay	2020	8,138.2	7,855.2	7,056.9
Peru	2021	5,750.1	5,220.2	5,209.7
Poland	2023	22,098.7	19,928.3	18,516.3
Romania	2021	18,022.4	15,655.1	14,758.3
Serbia	2022	10,091.2	9,116.7	8,100.0
South Korea	2021	33,996.1	31,371.6	31,401.0
Spain	2022	29,571.5	25,887.4	22,127.6
Sweden	2021	34,308.3	30,715.4	31,204.0
Switzerland	2022	42,730.7	38,270.7	34,885.2
United Kingdom	2021	31,975.6	27,743.5	25,360.9
United States	2023	43,753.2	39,579.2	36,320.7
Uruguay	2024	14,009.9	11,146.5	10,640.9

Source: Luxembourg Income Study (LIS). **Note**: all monetary values in this Table were rebased to 2021 prices and expressed in international dollars. Households with missing values were excluded from the sample. Income was top- and bottom-coded and equivalized using the squared-root scale. See footnote 8.

Table A5: Estimates Figure 4 – Absolute Poverty Rates – $30 int. threshold.

Country	Year	Poverty Rate 2021 PPP	Poverty Rate 2017 PPP
Australia	2020	3.42	4.02
Austria	2022	2.50	3.09
Belgium	2021	0.80	1.13
Canada	2021	1.60	2.12
Denmark	2022	3.09	3.74
France	2022	3.31	4.55
Germany	2022	4.77	5.63
Greece	2021	17.82	21.84
Ireland	2021	0.98	1.38
Israel	2021	14.02	16.65
Italy	2020	12.66	17.40
Japan	2020	8.65	9.18
Lithuania	2021	12.91	17.11
Luxembourg	2023	0.76	0.80
Netherlands	2021	1.91	2.47
Norway	2022	2.57	2.98
Poland	2023	9.74	12.40
Romania	2021	19.70	26.53
South Korea	2021	5.86	7.06
Spain	2022	7.07	9.01
Sweden	2021	2.98	3.65
Switzerland	2022	1.36	1.85
United Kingdom	2021	3.07	4.38
United States	2023	4.47	5.23

Source: Luxembourg Income Study (LIS). **Note**: Analysis was focused on high-income countries. Threshold was expressed in distinct base years, but expressed in international dollars in both specifications. Households with missing values were excluded from the sample. Income was top- and bottom-coded and equivalized using the squared-root scale. See footnote 8. The number of days considered was 365.

Table A6: Estimates Figure 5 - Absolute Poverty Rates – Old and New Poverty Lines

Country	Year	Poverty Rate $8.30 - 2021	Poverty Rate $6.85 - 2017
Brazil	2022	11.41	11.03
Bulgaria	2022	1.59	1.32
Colombia	2023	21.98	19.12
Georgia	2022	17.24	13.06
Mexico	2022	8.59	6.48
Paraguay	2020	12.68	9.49
Peru	2021	23.93	21.21
Serbia	2022	3.80	3.23
Uruguay	2024	1.57	1.76

Source: Luxembourg Income Study (LIS). **Note**: Analysis was focused on upper middle-income countries. Threshold was expressed in distinct base years, but expressed in international dollars in both specifications. Households with missing values were excluded from the sample. Income was top- and bottom-coded and equivalized using the squared-root scale. See footnote 8. The number of days considered was 365.