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A Study on the Impact of Education Level on Household Financial Assets Investment Behavior

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Abstract: *Based on the data of Chinese Household Income Project Survey (CHIP), this paper comprehensively examines the impact of education level on the investment behavior of four types of household financial assets, namely, savings assets, bond assets, fund assets and stock assets, through Logit and Tobit models. The results show that: (1) the higher education level of the head of households, the smaller the possibility of participating in bond assets investment; the higher education level of the head of households are more likely to participate in savings assets, fund assets and stock assets investment, and have greater impact on the holding proportion of savings assets, fund assets and stock assets. (2)The head of households with secondary education level are more likely to participate in bond assets investment, and have a greater impact on the holding proportion of bond assets; The head of households with high education level are more likely to participate in stock assets investment, and have a greater impact on the holding proportion of stock assets. (3) Residents' subjective well-being, physical health, household disposable income, household living consumption expenditure, credit constraints and social trust also have significant impact on various types of household financial assets. The conclusion of the study has some implications for further optimizing the allocation of household financial assets.*

Keywords: *Financial Assets Investment; Logit Model; Tobit Model; Education Level*

1. Introduction

Household financial assets investment is an important way for residents to participate in the financial market and obtain family property income. Household financial assets investment behavior is incredibly important that not only affects the harmony and stability of society, but also reflects the development of social economy from the side. In the social individual with family as the unit, the assets that residents can dispose freely are increasing day by day, and the choice of household financial assets is also increasing and complex. Dealing with the allocation of household financial assets has gradually become the key to promote social and economic development and improve the living standards of residents. Nowadays, China is in the period of economic transformation, the level of financial development is relatively low, the participation of financial market is insufficient, and the investment path of residents' financial assets is single. In order to establish a sound financial market system, we need to further expand domestic demand, release household financial vitality and enhance financial participation.

Education level refers to a person's highest level of education. According to data from the sixth census of the National Bureau of Statistics of China, the illiterate population accounts for 4.88% of the population aged 15 years and over. The proportion of illiterate population in urban areas is 1.90%, while that in rural areas is 7.26%. Compared with the data of the fifth census, the proportion of illiterate population in the whole country, urban and rural areas have decreased by 4.2%, 2.67% and 20.64% respectively, which shows that the education level of China's population has improved significantly, but there is still room for improvement, and there is a big gap in the education level of the population in different regions, urban and rural areas, which is not conducive to balanced development. Household financial assets are the dynamic part of household assets, and there is a strong correlation between education level and financial assets investment [1-2]. The study of household financial assets investment behavior preference under different education levels has a certain role in promoting financial participation, and has importantly theoretical and practical significance for the design of financial instruments and the formulation of national macro-policies.

Combing the literature on household financial assets investment, we can see that there are few studies on the impact of education level on it, and the research object of household financial assets investment behavior is mainly urban residents [3-8]. Therefore, this paper uses nationwide urban and rural household

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financial data to comprehensively analyze the impact of the education level of the head of households on household financial assets investment behavior, which can further broaden the research scope of household financial assets investment. The following part of this paper is arranged as follows: the second part is the research design, the third part is empirical test, the fourth part is robustness test, and the fifth part is the conclusion and suggestions of the study.

2. Research Design

2.1 Data Sources

The data in this paper comes from the 5 wave survey data of Chinese Household Income Project (CHIP). CHIP uses a questionnaire survey, covering 1, 8948 household samples in 15 provinces, eliminating invalid and missing samples, and obtaining 8323 household samples combined with the research object of this paper. The data not only covers the demographic characteristics of urban and rural residents and their income and consumption, but also records the household financial assets investment behavior in detail, which provides a strong data support for this study.

2.2 Variable Selection

Table 1: Descriptive Statistics of Main Variables

Variable name	*Variable name*	*Observation*	*Mean value*	*Standard deviation*	*Minimum value*	*Maximum value*
Savings_fai	*Investment of participating savings assets (participation = 1)*	*8323*	*0.8033*	*0.3975*	*0*	*1*
Bond_fai	*Investment in participating bond assets (participation = 1)*	*8323*	*0.0112*	*0.1051*	*0*	*1*
Fund_fai	*Participation in investment of fund assets (participation = 1)*	*8323*	*0.0205*	*0.1419*	*0*	*1*
Stock_fai	*Participating equity assets Investment (Participation = 1)*	*8323*	*0.0273*	*0.1629*	*0*	*1*
Savings_fap	*Proportion of savings assets held*	*8323*	*0.6458*	*0.3696*	*0*	*1*
Bond_fap	*Proportion of bond assets held*	*8323*	*0.0033*	*0.0386*	*0*	*0.98*
Fund_fap	*Proportion of fund assets held*	*8323*	*0.0054*	*0.0492*	*0*	*1*
Stock_fap	*Proportion of stock assets held*	*8323*	*0.0092*	*0.0695*	*0*	*1*
Education_c	*Primary education level(Yes = 1)*	*8323*	*0.6725*	*0.4693*	*0*	*1*
Education_z	*Secondary education level (Yes = 1)*	*8323*	*0.1866*	*0.3896*	*0*	*1*
Education_g	*High education level (Yes = 1)*	*8323*	*0.1409*	*0.3480*	*0*	*1*
Income	*Household disposable income (Unit: 10000 RMB)*	*8323*	*6.2169*	*5.4730*	*0*	*202.17*
Consumption	*Household living expenditure (Unit: 10000 RMB)*	*8323*	*3.7275*	*3.4993*	*0*	*80.12*
Age	*Age of the head of household*	*8323*	*51.1659*	*12.3148*	*14*	*97*
Male	*Male or not (Yes = 1)*	*8323*	*0.8358*	*0.3705*	*0*	*1*
Marriage	*Married or not (Yes = 1)*	*8323*	*0.9078*	*0.2893*	*0*	*1*
Ethnic group	*Ethnic group (Han = 1, Other = 0)*	*8323*	*0.9396*	*0.2383*	*0*	*1*
Healthy	*Health (very poor = 1, poor = 2, fair = 3, good = 4, very good = 5)*	*8323*	*3.8328*	*0.9285*	*1*	*5*
Credit	*Is the credit constrained (Yes = 1)*	*8323*	*0.1724*	*0.3778*	*0*	*1*
Trust	*Social trust (very unreliable = 1, not very reliable = 2, average = 3, relatively reliable = 4, very reliable = 5)*	*8323*	*3.1133*	*0.8283*	*1*	*5*
Happiness	*Subjective well-being (very unhappy = 1, not very happy = 2, average = 3, somewhat happy = 4, very happy = 5)*	*8323*	*3.6615*	*0.8062*	*1*	*5*

(1) Core explanatory variables. Considering that the head of household is in the decision-making and leadership position in the investment of various assets of the household, the education level of the head of household is taken as the core explanatory variable. The education level is divided into primary education level, secondary education level and high education level, of which primary education is the control group, primary education level includes primary education. Secondary education level includes junior high school, senior high school, technical secondary school, vocational high school and technical school education, and high education level includes junior college, undergraduate and postgraduate

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education.

(2) Explained variables. The explained variables are the participation and holding proportion of various financial assets of households. The participation of various types of household financial assets indicates whether residents hold various types of financial assets, if so, the value is 1, otherwise the value is 0, reflecting the breadth of household investment in various types of financial assets. The proportion of various types of household financial assets refer to the proportion of various types of financial assets in the total household financial assets, reflecting the depth of household investment in various types of financial assets.

(3) Control variables. The following variables are selected as control variables based on various influencing factors of household assets allocation decision [9-15]: age, gender, marital status, health status, subjective living standard of residents, social trust, disposable income of household, living consumption expenditure of household and whether credit is constrained. The descriptive statistics of main variables are shown in Table 1.

2.3 Model Setting

2.3.1 Logit Model Setting

This paper first uses Logit model to study the relationship between education level and household participation in various financial assets. Assumptions $y^* = x'\beta + \varepsilon$, in order to make the predicted value of y between [0, 1], under the given situation of x, the selection range of y is shown in the formula (1).

$$\begin{cases} P(y=1 \mid x) = F(x,\beta) \\ P(y=0 \mid x) = 1 - F(x,\beta) \end{cases} \tag{1}$$

$$P(y=1 \mid x) = F(x,\beta) = \Lambda(x'\beta) = \frac{\exp(x'\beta)}{1+\exp(x'\beta)} \tag{2}$$

In the formula (1) and (2), the function $F(x,\beta)$ is a copula, function $F(x,\beta)$ is the cumulative distribution function of the logistic distribution, and the formula (2) is the Logit model. If $p \equiv P(y=1 \mid x)$, then $1-p \equiv P(y=0 \mid x)$. Due to $p = \frac{\exp(x'\beta)}{1+\exp(x'\beta)}$, $1-p = \frac{1}{1+\exp(x'\beta)}$, therefore

$$\frac{p}{1-p} = \exp(x'\beta),\ \ln(\frac{p}{1-p}) = x'\beta \tag{3}$$

$$Prob(Financeasset_i = 1) = \beta_0 + \beta_1 Education\_z + \beta_2 Education\_g + \beta_3 X_i + \varepsilon_i \tag{4}$$

In the formula (3), $p/(1-p)$ is defined as the odds ratio [16]. In the formula (4), the disturbance term $\varepsilon_i \sim N(0,\sigma^2)$, $Financeasset_i$ equal to 1 means that households participate in various types of financial assets investment, equal to 0 means that they do not participate; *Education_z*, *Education_g* is the head of household with secondary education level and high education level respectively.

2.3.2 Tobit Model Setting

Because the holding proportion of various financial assets by households are truncated, Tobit model is used in this paper. If $y^* = x'\beta + \varepsilon$, Perturbation term $\varepsilon_i \sim N(0,\sigma^2)$, Assuming that the cutoff point is c = 0, the value of y is shown in the formula (5), and then the conditional expectation of the whole sample is calculated. $E(y \mid x)$ is shown in the formula (6), the mixed distribution probability density function of the model is estimated by using the MLE method as shown in the formula (7).

$$y^* = \begin{cases} y^*, y^* > 0 \\ 0, \quad y^* \le 0 \end{cases} \tag{5}$$

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$$\begin{aligned} E(y \mid x) &= 0 \bullet P(y=0 \mid x) + E(y \mid x; y>0) \bullet P(y>0 \mid x) \\ &= E(y \mid x\,; y>0) \bullet P(y>0 \mid x) \end{aligned} \tag{6}$$

$$\begin{cases} P(y>0 \mid x) = P(y^*>0 \mid x) = P(y^* = x'\beta + \varepsilon > 0 \mid x) \\ \qquad = P(\varepsilon > -x'\beta \mid x) = P(\dfrac{\varepsilon}{\sigma} > -\dfrac{x'\beta}{\sigma} \mid x) \\ \qquad = 1 - \Phi(-\dfrac{x'\beta}{\sigma}) = \Phi(\dfrac{x'\beta}{\sigma}) \\ P(y=0 \mid x) = 1 - P(y>0 \mid x) = 1 - \Phi(-\dfrac{x'\beta}{\sigma}) \end{cases} \tag{7}$$

$$\begin{cases} Financeasset_i^{\,*} = \beta_0 + \beta_1 Education\_z + \beta_2 Education\_g + \beta_3 X_i + \varepsilon \\ Financeasset_i = \max(0, Financeasset_i^{\,*}) \end{cases} \tag{8}$$

Generally, the steps of the formula (5), (6) and (7) above are used to estimate the model in which the explanatory variable is truncated, and the model constructed by this type of method is the Tobit model [17-18], as shown in the formula (8), where $Financeasset_i$ represents the holding proportion of residents' investment in various financial assets to the total household financial asset; $Financeasset_i^*$ represents the observed value of the holding proportion of residents' investment in various financial assets to the total household financial assets within the range of (0,1); The meanings of *Education_z*, *Education_g* and X_i are the same as before and will not be repeated.

3. Empirical Test

3.1 The Education Level and the Participation of Various Types of Household Financial Assets

From column (1) to column (4) in Table 2, the probability ratio of education level to household participation in savings assets, bond assets, fund assets and stock assets is estimated in turn. LR Chi^2 is the likelihood ratio test statistic for the Logit model, and the values of LR Chi^2 for the four Logit models are 556.54, 171.91, 277.79, and 410.67 and are all significant at the 1% level; Pseudo R^2 is the goodness of fit of the binary model, and the Pseudo R^2 values of the four Logit models are 0.0674, 0.1684, 0.1666, 0.1972. Therefore, the joint significance of all the coefficients of the four Logit models is high. At the same time, the following results can be obtained:

The probability ratios of the head of households with secondary education level to participate in the investment of savings assets, bond assets, fund assets and stock assets are 1.1519, 1.9865, 1.7655 and 1.6223 respectively, which have passed the test of significance level. It shows that the probability of participating in all kinds of financial assets from large to small is bond assets, fund assets, stock assets and savings assets, and the probability of participating in bond assets investment is greater for the head of households with secondary education level. The probability ratios of the head of households with high education level to participate in the investment of savings assets, bond assets, fund assets and stock assets are 1.3887, 1.7509, 2.2588 and 2.5405 respectively, which have passed the test of significance level. It shows that the probability of participating in all kinds of financial assets from large to small is stock assets, fund assets, bond assets and savings assets, and the head of households with high education level are more likely to participate in stock assets investment.

The explained variable in column (1) is the dummy variable of participating in savings assets. The probability ratios of participating in savings assets investment of he head of households with secondary education level and high education are 1.1519 and 1.3887 respectively, which pass the test of significance level. The higher education level of the head of households are, the more likely they are to participate in savings assets investment. From the regression results of control variables, it can be found that the possibility of household disposable income to participate in savings assets investment is first rising and then falling, showing an inverted U shape. With the increasement of household consumption expenditure, the possibility of participating in the investment of household savings assets will decrease. Households headed by women are more likely to participate in the investment of savings assets. Households with credit constraints are less likely to participate in the investment of savings assets. The

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improvement of household subjective well-being will increase the possibility of household participation in savings assets investment.

The explained variable in column (2) is the dummy variable of participating in bond assets. The probability ratios of participating in bond assets investment of the head of households with secondary education level and high education are 1.9865 and 1.7509, respectively, which pass the significance level test. The lower education level of the head of households, the greater the possibility of investing in bond assets. Similar to column (1), the possibility of household disposable income to participate in bond assets investment rises first and then falls, showing an inverted U shape, and the possibility of households with credit constraints to participate in bond assets investment is smaller. Inconsistent with column (1), household consumption expenditure first increases and then decreases the possibility of household participation in bond assets investment, showing an inverted U shape.

Table 2: The Impact of Education Level on the Possibility of Participating in Household Investment in Various Financial Assets

Variables	*(1)*	*(2)*	*(3)*	*(4)*
	Savings_fai	*Bond_fai*	*Fund_fai*	*Stock_fai*
Education_z	*1.1519**	*1.9865****	*1.7655****	*1.6223****
	(0.0893)	*(0.5139)*	*(0.3607)*	*(0.2991)*
Education_g	*1.3887****	*1.7509***	*2.2588****	*2.5405****
	(0.1396)	*(0.4910)*	*(0.4616)*	*(0.4506)*
Income	*1.1860****	*1.4067****	*1.2978****	*1.3524****
	(0.0167)	*(0.1257)*	*(0.0638)*	*(0.0461)*
Income^2	*0.9992****	*0.9907****	*0.9947****	*0.9948****
	(0.0001)	*(0.0030)*	*(0.0014)*	*(0.0009)*
Consumption	*0.9621**	*1.4399****	*1.2124****	*1.0768***
	(0.0202)	*(0.1601)*	*(0.0793)*	*(0.0362)*
Consumption^2	*1.0001*	*0.9875***	*0.9943****	*0.9988*
	(0.0004)	*(0.0052)*	*(0.0026)*	*(0.0009)*
Age	*1.0003*	*1.0173**	*1.0086*	*0.9985*
	(0.0026)	*(0.0094)*	*(0.0071)*	*(0.0064)*
Male	*0.8406***	*1.2768*	*0.9509*	*0.8868*
	(0.0733)	*(0.3663)*	*(0.1912)*	*(0.1575)*
Marriage	*0.8621*	*0.7677*	*0.7437*	*1.0535*
	(0.0941)	*(0.2830)*	*(0.1932)*	*(0.2678)*
Ethnic group	*0.9712*	*0.9204*	*2.3289*	*2.5080***
	(0.1141)	*(0.4377)*	*(1.2060)*	*(1.1716)*
Healthy	*0.9974*	*1.0275*	*0.8530**	*0.8311***
	(0.0330)	*(0.1310)*	*(0.0799)*	*(0.0703)*
Credit	*0.4814****	*0.4045**	*0.3542****	*0.4565****
	(0.0325)	*(0.1889)*	*(0.1307)*	*(0.1302)*
Trust	*1.0012*	*0.8853*	*1.0160*	*0.7563****
	(0.0349)	*(0.1148)*	*(0.1004)*	*(0.0658)*
Happiness	*1.1140****	*1.0850*	*1.1140*	*0.9646*
	(0.0402)	*(0.1562)*	*(0.1219)*	*(0.0925)*
Constant	*1.9453***	*0.0001****	*0.0007****	*0.0049****
	(0.6024)	*(0.0002)*	*(0.0007)*	*(0.0044)*
LR chi^2	*556.54****	*171.91****	*277.79****	*410.67****
Pseudo R^2	*0.0674*	*0.1684*	*0.1666*	*0.1972*
N	*8323*	*8323*	*8323*	*8323*

Note: * * * indicates that the result is significant at the 1% level, * * indicates that the result is significant at the 5% level, and * indicates that it is at the 10% level. Values in brackets in the table are standard errors.

The explained variable in column (3) is the dummy variable of participating in the fund assets. The probability ratios of participating in the fund assets investment of the head of households have secondary education level and high education are 1.7655 and 2.2588, respectively, which pass the test of significance level. The higher education level of the head of households, the greater the possibility of participating in fund assets investment. The influence of household disposable income and living

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consumption expenditure on the possibility of household participation in fund assets investment is first rising and then falling, showing an inverted U shape. Households whose residents are credit-constrained are less likely to participate in the fund assets. The difference from (1) and (2) is that the probability ratio of the head of households' health status to the household's participation in the fund assets investment is 0.8530 and significant at the level of 10%, and the better the household's health status is, the less the household will participate in the fund assets investment.

The explained variable in column (4) is the dummy variable of household participation in stock assets. The probability ratios of household participation in stock assets investment of the head of households with secondary education level and high education are 1.6223 and 2.5405, respectively, which pass the test of significance level. The higher education level of the head of households, the greater the possibility of participating in stock assets investment. Household disposable income and living consumption expenditure first increase and then decrease the possibility of household participation in stock assets investment, showing an inverted U shape. Households whose residents are in better health are less likely to invest in stock assets. An increase in the age of the head of household and the presence of a male head of household both reduce the likelihood of participation in equity assets. Unlike columns (1), (2) and (3), households with higher social trust are less likely to invest in stock assets.

3.2 The Education Level and the Proportion of Various Financial Assets Held by Households

In Table 3, columns (1) to (4) estimate the impact of education level on the holding proportion of savings assets, bond assets, fund assets and stock assets. Sigma is the standard deviation of the Tobit regression model, and the Sigma values of the four Tobit models are 0.4496, 0.7710, 0.6289, 0.7436 and are all significant at the 1% level. LR Chi^2 values are 363.74, 158.90, 278.27, 410.79 and all are significant at 1% level, Pseudo R^2 values are 0.0289, 0.1627, 0.1796, 0.2012. Therefore, the joint significance of all the coefficients of the four Tobit models is high. At the same time, we can also get the following results:

The marginal effects of the head of households with secondary education level on the holding proportion of household savings assets, bond assets, fund assets and stock assets are 0.0303, 0.1715, 0.1425 and 0.1462, which have passed the test of significance level. It shows that the impact of the head of households with secondary education level on the holding proportion of various types of financial assets, from big to small, is bond assets, stock assets, fund assets and savings assets, and the head of households with secondary education level has a greater impact on the holding proportion of investment bond assets. The marginal effect of the head of households with high education level on the holding proportion of savings assets, bond assets, fund assets and stock assets are 0.0571, 0.1413, 0.2353 and 0.3264, respectively. Except for the marginal effect on the holding proportion of bond assets, other holding proportion of financial assets are significant. The head of households with high education level have a greater impact on the holding proportion of investment in stock assets.

The explained variable in column (1) is the holding proportion of household savings assets, and the marginal effects of the head of households with secondary education level and high education level on the holding proportion of household savings assets are 0.0303 and 0.0571 respectively, which all pass the significance level test, indicating that the higher education level of the head of households, the greater the impact on the holding proportion of investment savings assets. The explained variable in column (2) is the holding proportion of household bond assets, and the influence of the head of households with high education level on the holding proportion of household bond assets fails to pass the significance level test. The explained variable in column (3) is the holding proportion of household fund assets, and the marginal effects of the head of households with secondary education level and high education level on the holding proportion of household fund assets are 0.1425 and 0.2353 respectively, which pass the significance level test, indicating that the higher education level of the head of households, the greater the impact of households on the holding proportion of investment fund assets. The explained variable in column (4) is the holding proportion of household stock assets. The marginal effects of the head of households with secondary education level and high education level on the holding proportion of household stock assets are 0.1462 and 0.3264, which are significant at the level of 1%, indicating that the higher education level of the head of households, the greater the impact on the proportion of investment in stock assets. According to the regression results of each control variable, there are great differences in the impact of household health status, household disposable income, household living consumption expenditure, credit constraints and social trust on the holding proportion of household financial assets.

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Table 3: Marginal Effect of Education Level on the Proportion of Various Financial Assets Held by Households

Variables	(1)	(2)	(3)	(4)
	Savings_fap	Bond_fap	Fund_fap	Stock_fap
Education_z	0.0303**	0.1715**	0.1425**	0.1462**
	(0.0134)	(0.0839)	(0.0565)	(0.0621)
Education_g	0.0571***	0.1413	0.2353***	0.3264***
	(0.0156)	(0.0910)	(0.0591)	(0.0634)
Income	0.0164***	0.0959***	0.0688***	0.0941***
	(0.0018)	(0.0267)	(0.0133)	(0.0125)
$Income^2$	-0.0001***	-0.0025***	-0.0014***	-0.0016***
	(0.0000)	(0.0009)	(0.0004)	(0.0003)
Consumption	-0.0097***	0.0985***	0.0513***	0.0325***
	(0.0032)	(0.0341)	(0.0174)	(0.0112)
$Consumption^2$	0.0000	-0.0033**	-0.0013**	-0.0004*
	(0.0001)	(0.0016)	(0.0007)	(0.0002)
Age	0.0003	0.0052*	0.0031	0.0002
	(0.0005)	(0.0030)	(0.0019)	(0.0021)
Male	-0.0238*	0.0236	-0.0137	0.0339
	(0.0143)	(0.0886)	(0.0557)	(0.0608)
Marriage	-0.0215	-0.0257	-0.0767	0.0145
	(0.0183)	(0.1196)	(0.0720)	(0.0849)
Ethnic group	-0.0036	-0.0211	0.2697*	0.2599*
	(0.0212)	(0.1503)	(0.1415)	(0.1410)
Healthy	0.0025	0.0040	-0.0542**	-0.0649**
	(0.0059)	(0.0398)	(0.0257)	(0.0279)
Credit	-0.1648***	-0.2383*	-0.2690***	-0.2340***
	(0.0137)	(0.1304)	(0.0917)	(0.0867)
Trust	-0.0007	-0.0375	0.0002	-0.0799**
	(0.0061)	(0.0418)	(0.0274)	(0.0300)
Happiness	0.0219***	0.0200	0.0266	0.0197
	(0.0065)	(0.0458)	(0.0300)	(0.0320)
Constant	0.5008***	-2.9589***	-2.2177***	-1.9499***
	(0.0549)	(0.4857)	(0.3120)	(0.3083)
sigma	0.4496***	0.7710***	0.6289***	0.7436***
	(0.0042)	(0.0730)	(0.0430)	(0.0441)
LR chi^2	363.47***	158.90***	278.27***	410.79***
Pseudo R^2	0.0289	0.1627	0.1796	0.2012
N	8323	8323	8323	8323

Note: Same as note in Table 2.

4. Research Conclusions and Recommendations

Based on the data of Chinese Household Income Project Survey (CHIP), this paper uses Logit and Tobit models to comprehensively investigate the impact of education level on the investment behavior of four types of household financial assets, namely, savings assets, bond assets, fund assets and stock assets. It draws the following conclusions: First, from the perspective of the differences in the education level of the head of households, the higher the education level of the head of households, the smaller the possibility of participating in bond assets investment; the head of households with higher education level are more likely to invest in savings assets, fund assets and stock assets, and have a greater impact on the holding proportion of savings assets, fund assets and stock assets. Secondly, from the perspective of the subjects with the same education background, the head of households with secondary education level are more likely to participate in bond assets investment, and have a greater impact on the holding proportion of bond assets. The head of households with high education level are more likely to participate in stock assets investment, and have a greater impact on the holding proportion of stock assets. Thirdly, from the results of control variables, residents' subjective well-being, physical health, household disposable income, household living consumption expenditure, credit constraints and social trust also have a significant impact on various types of household financial assets.

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Based on the above conclusions, three policy recommendations are put forward: First, from the perspective of individual investment, because the education level of residents is closely related to financial investment knowledge, residents should strengthen the study of financial investment knowledge, and then better participate in various types of household financial assets investment. Secondly, from the perspective of employees in financial institutions, we should not only formulate financial products according to household disposable income, household consumption expenditure, gender, subjective well-being, social trust, credit constraints and other aspects of household investors, but also consider the differences in education level of residents and formulate more reasonable, innovative and differentiated financial products. Third, from the perspective of government policy makers, the education level of the head of household is one of the important human capital, we should pay attention to improving the level of human capital of residents, at the same time, we should actively improve the investment environment of financial products market according to the main differences of residents' education level, and promote residents to participate in various types of households. This is conducive to optimizing the allocation of various types of household financial assets, and helps to promote residents to transform savings assets into various types of high-yield financial assets.

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