The Price of a Comfortable Life

Europe's most and least affordable capitals in 2026

Written by **Michael Fisher**, | Updated: June 30, 2026

Across Europe, **the cost of a comfortable life has been gradually increasing**, often faster than the average wage can keep up. In 2026, groceries, amenities, rent, transport, and basic personal care items seem to get more expensive by the month. And while some European capital cities still offer residents enough purchasing power to adequately cover everyday expenses, living comfortably in others is becoming increasingly difficult to afford, even for people earning the average wage.

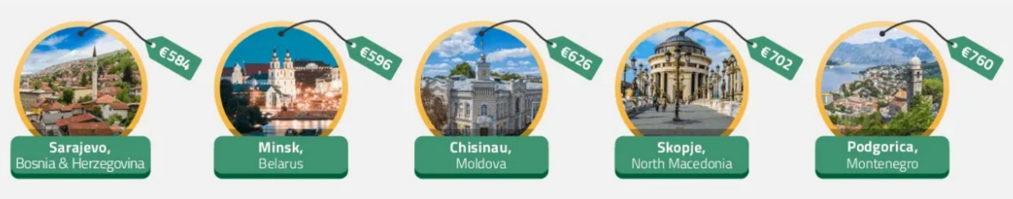
To better understand where salaries stretch the furthest in 2026, the team at Tradingpedia analysed **living expenses and local wages across 37 European nations**, focusing on their capital cities. We compared basic monthly costs for a single person and for a family of four, including food, housing, transport, personal care, and entertainment. Using this data, we estimated the monthly income needed to live somewhat comfortably in each location and how much could potentially be saved by making thoughtful lifestyle adjustments in Europe's most iconic capitals.

How We Calculated Living Costs

- **Food** – Monthly costs for a minimum amount of local cheese, boneless chicken breast, eggs, Coca-Cola, apples, tomatoes, potatoes, whole milk, and bread (exact amounts can be found in the Methodology).
- **Housing** – Monthly rent for a furnished 45m² studio for a single person or an 85m² apartment outside expensive or central areas for a family of 4, including utilities, internet, and basic household supplies such as laundry detergent.
- **Transport** – A monthly public transport pass for a single person and average fuel prices for families travelling by car.
- **Personal Care** – A standard man's haircut, deodorant, tampons, shampoo, toothpaste, and toilet paper.
- **Entertainment** – Cinema and theatre tickets, restaurant meals, pub dining, cocktails, beer, coffee, and a monthly gym membership.

The cheapest EU capitals

Ranked by basic monthly expenses



Data Sources: Numbeo, Expatistan

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Sarajevo ranks as the cheapest European capital in 2026, with average monthly living expenses for a single person totalling just **€584**. The monthly housing costs for a single person renting a 45m² studio in the city, alongside typical utilities, Internet, and household supplies, come up to just €337 on average per month, the cheapest among all European capitals.

Minsk follows closely with average monthly expenses of **€596**. The Belarusian capital stands out for its exceptionally balanced affordability, particularly when it comes to housing and transport. Monthly public transport costs amount to just €14, among the lowest in Europe, while typical housing expenses come up to €356 a month, only 43.6% of the average wage in the city, making it on the more affordable side for residents.

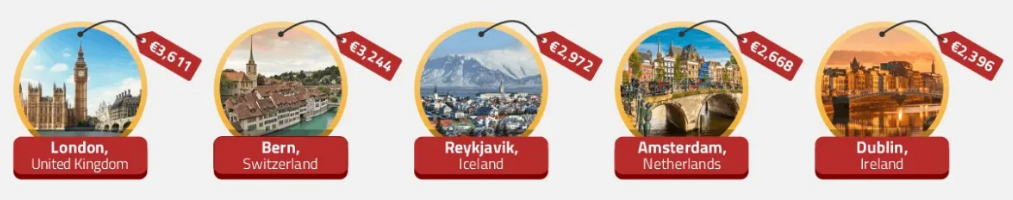
Living comfortably in Moldova's capital city, **Chisinau**, costs roughly **€626** per month, making it **the third-cheapest capital in Europe overall**. Typical monthly groceries are the least expensive in Europe, with a basic shopping basket totalling just €71. Travelling around the city is also not going to break your bank, as typical monthly expenses for public transport cost only €10, less than a single Uber ride in London or Paris, which can easily cost you €12-15.

Skopje also ranks amongst the most budget-friendly European capitals, with average monthly expenses for a single person averaging **€702**. Housing in the North Macedonian capital is relatively affordable at €416 per month on average, while entertainment expenses reach €146 a month. Public transport is also among the cheapest in Europe, with monthly passes costing approximately €24.

Podgorica rounds out Europe's cheapest capitals with estimated monthly living expenses totalling **€760**. Montenegro's capital combines moderate housing costs of roughly €443 per month with comparatively affordable food prices, where a basic grocery basket averages around €110 per month. Despite rising prices across Europe, Podgorica remains one of the continent's cheapest capitals.

The most expensive EU capitals

Ranked by basic monthly expenses



Data Sources: Numbeo, Expatistan

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London emerges as Europe's most expensive capital in 2026, with estimated monthly living expenses reaching **€3,611 for a single resident**, topping the rankings for housing, entertainment, and transport. Housing is the biggest drain on the wallet, with a 45m² studio costing €2,459 per month including utilities and Internet, while a busy social life involving restaurants, cafes, cinema, and theatre comes to €719.56 a month, €223 more than Reykjavik, the second most expensive European capital for entertainment. Transport adds another €231 to the monthly bill, which is unsurprising given that London's fare system is zone-based rather than a flat monthly pass like most European cities, meaning a monthly travelcard covering just the two central Underground zones already costs around €120, and commuters travelling from outer zones pay significantly more on top of that.

Bern, Switzerland's capital, follows with **€3,244 in average monthly living expenses**. Since Switzerland is not a member of the European Union, the country isn't subject to the same trade agreements that help keep prices competitive across the EU. Paired with the Franc being one of the strongest currencies in the world, this pushes up the cost of everything, including imports. An average food basket for a single person in Bern costs €332.94 a month, while typical monthly personal care necessities such as shampoo, deodorant, and toothpaste cost an average of €80.60 per month, the highest in Europe.

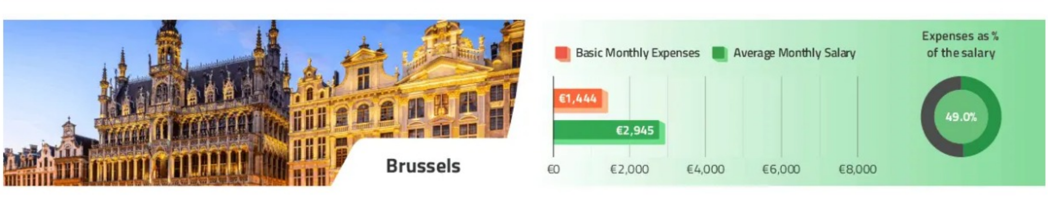
Reykjavik ranks third, with average monthly expenses approaching **€2,972**. Iceland's capital has **some of Europe's steepest living costs**. While groceries average €258 per person a month, even moderate entertainment such as dining out and going to the movies will set you back €497, the second most expensive in Europe. The reason lies in Iceland's geographic isolation, which means almost everything has to be shipped in from abroad, with all transport and logistics costs passed directly onto consumers. Housing is another major burden, with monthly expenses exceeding €2,000, while everyday essentials like transport and personal care remain considerably more expensive than in most other European capitals, reflecting the broader reality of living on a remote island outside the EU with a population of just 380,000.

Amsterdam is the fourth most expensive capital city in Europe, with estimated monthly living expenses totalling **€2,668**. Housing costs in the Dutch capital remain particularly elevated at around €1,908 per month, driven by a severe housing shortage that has been building up for decades. The city is geographically constrained by its canal network and reclaimed land, meaning expansion is slow and complicated while demand from international workers and tourists continues to surge. Entertainment spending averages more than €427 monthly, reflecting a city that attracts millions of visitors a year and where businesses can charge a premium to match.

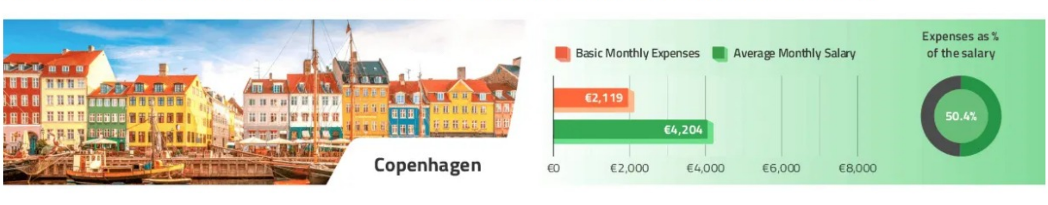
Ireland's Dublin is the fifth most expensive European capital, with average monthly living expenses of **€2,396**. Housing is the biggest pressure point, with rent and utilities for a furnished studio averaging €1,639 per month. Entertainment costs are also among the highest in Europe at €483 monthly, partly a reflection of Dublin's pub-centric social culture and a booming tourism industry that keeps prices at a premium.

Most Affordable European Cities for a Single Person

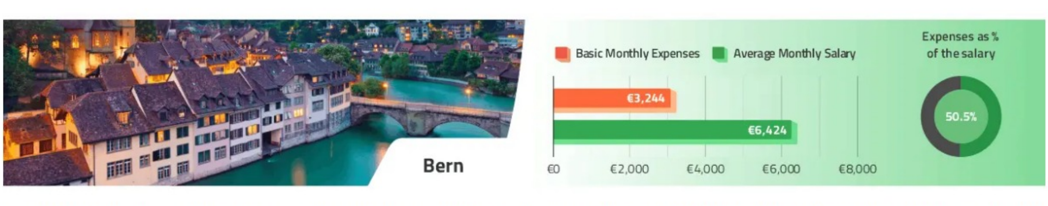
> Comparing prices alone can be misleading because the real impact of living costs depends on how much people earn locally. A city may appear *"cheap"* on paper, but if average salaries are low, everyday expenses can still consume a large share of residents' income. Looking at local income alongside prices measures affordability – showing how accessible housing, food, transport, or leisure actually are for people living there. In Europe, in particular, this is extremely important because while consumer prices in many sectors are now very similar across the continent, wages vary dramatically.



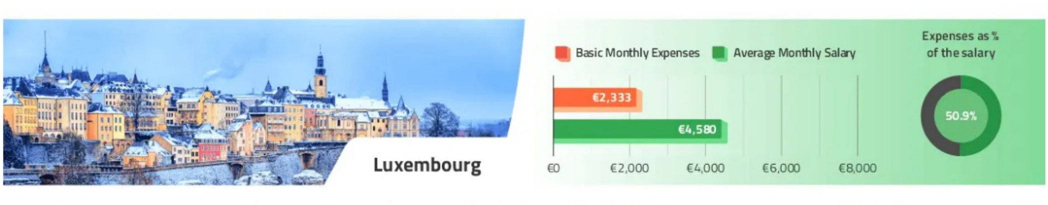
Despite the high standard of living and high prices, **Brussels emerges as the most affordable European capital for residents in 2026**. Although the monthly living expenses for a single person total €1,444, they represent just **49%** of the city's average monthly salary after taxes, €2,945. As the administrative heart of the EU, the city keeps public services well-funded and infrastructure costs relatively distributed. Brussels has also managed to avoid the runaway housing inflation seen in cities like Dublin or Amsterdam, with housing costs for a 45m² studio apartment alongside utilities and Internet averaging a modest €894 per month, leaving residents with around €1,502 to save or spend each month freely.



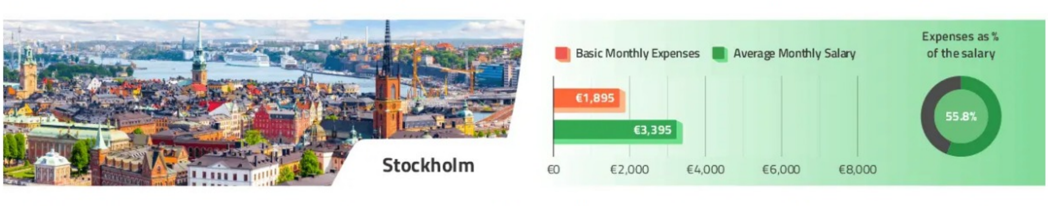
Copenhagen is the second most affordable European capital for citizens, with average monthly expenses of €2,119. This may seem like a lot, but when earning the city's generous average wage of €4,204, these expenses come to roughly **50.4% of the typical Danish paycheck**. Housing expenses average €1,355 per month, reasonable by Nordic standards, and residents are left with just over €2,084 at the end of each month, enough to comfortably enjoy a city and all it has to offer without stressing about savings.



Despite Switzerland's reputation for being expensive, its capital **Bern ranks among the most affordable cities in Europe for residents earning the average local wage**. Monthly living expenses for a single person total around €3,244, yet with average take-home pay reaching €6,424, these costs account for **just 50.5% of monthly income**. Housing is by far the largest expense, with a furnished 45m² studio apartment and utilities costing approximately €2,263 per month. Still, after covering all essential expenses, the average resident is left with nearly €3,180 in disposable income, a sum that exceeds the entire monthly living budget in most other European capitals.

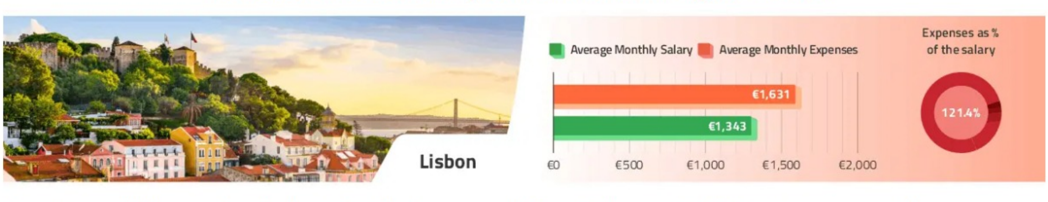


Typical living expenses for a single person in **Luxembourg** reach €2,333, **roughly 50.9%** of the average wage of €4,580. As one of the world's wealthiest countries per capita, Luxembourg's high salaries are driven by its outsized financial sector and its role as a hub for European institutions. Average housing costs for a furnished studio outside the more expensive areas are roughly €1,774 per month, significant but manageable given the income backdrop, and the city's relatively low transport costs of just €36 a month, the cheapest of any Western European capital, help keep overall expenses down. This leaves residents earning the average monthly wage with around €2,248 each month to spend or save as they please.

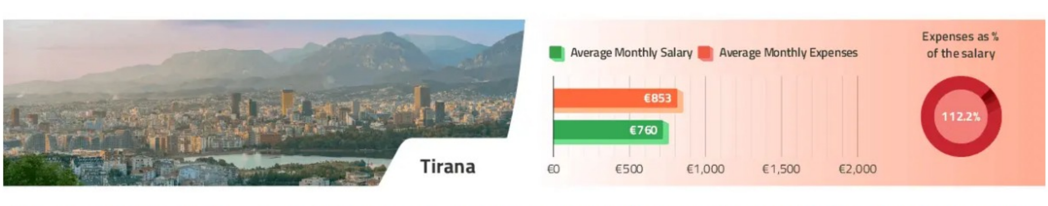


Stockholm has long been regarded as one of Europe's more expensive capitals, driven largely by high housing and transport costs. Renting a furnished 45m² studio apartment with utilities and Internet costs around €1,188 per month on average. The city also has the third most expensive monthly public transport pass in Europe at €92, behind only London and Amsterdam. Entertainment expenses are similarly steep, with residents spending roughly €390 per month on dining out, leisure, and nightlife, nearly enough to cover an entire month of living expenses in many Eastern and Southeastern European capitals. For those earning the average Swedish salary of €3,395 per month, however, the picture looks very different. A single resident spends an estimated €1,895 on monthly living costs, amounting to **just 55.80% of monthly earnings** and leaving plenty of breathing room for saving at the end of the month.

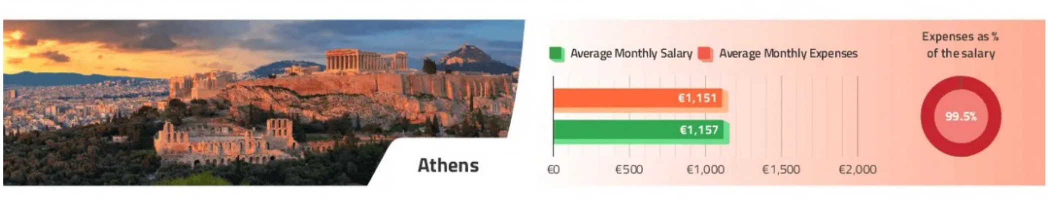
Least Affordable European Cities for a Signle Person



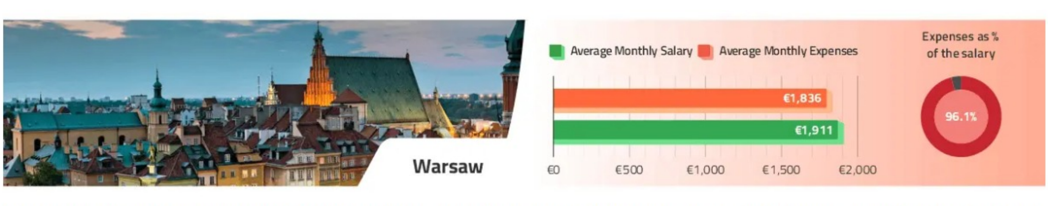
Portugal's capital, **Lisbon, ranks as the least affordable European capital for a single person in 2026**. Despite average monthly wages reaching €1,343, higher than in cities such as Athens (€1,157) and Belgrade (€1,084), residents face estimated living expenses of €1,631, **roughly 121.4% of the typical monthly pay in the city**. Housing is by far the city's greatest financial strain, with a furnished 45 m² studio apartment and utilities costing around €1,226 per month, more than double the housing costs seen in many European capitals with similar wage levels. **Rent alone consumes over 91% of the average local salary before accounting for food, transport, or other everyday expenses**. Despite Lisbon's growing appeal among digital nomads and international workers, rapidly rising living costs continue to place significant pressure on residents.



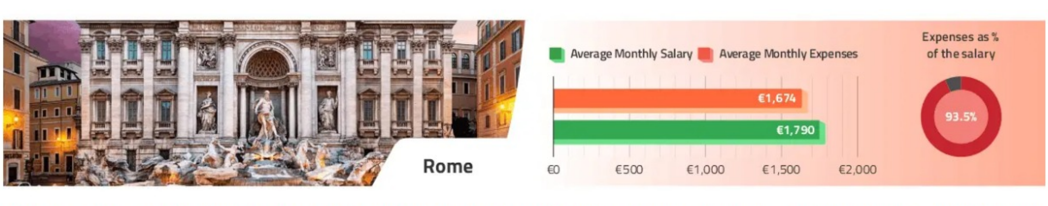
In addition to **Tirana** ranking as the seventh cheapest of the 37 European capitals analysed, it is also **the second least affordable for residents**, largely due to exceptionally low wages. The average monthly salary in Albania's capital stands at just €760, while estimated living expenses reach €853 per month. Housing is the biggest financial burden, with a furnished studio apartment and utilities costing around €504 a month, more than two-thirds of the average wage. Food and entertainment expenses also consume a disproportionately large share of income compared to most other European capitals. As a result, **the average salary falls roughly €93 short of covering the cost of a comfortable lifestyle**, forcing many residents to prioritise essentials over leisure and leaving little to nothing for saving.



Athens follows closely behind, with estimated monthly living expenses of €1,151, **entirely consuming the city's average monthly salary of €1,157**. Housing remains relatively expensive compared to local incomes, costing around €685 per month, while the costs of dining out and entertainment are among the highest in Southern Europe at roughly €249 monthly. Despite the Greek capital's enduring appeal and comparatively moderate prices by Western European standards, local purchasing power remains heavily constrained.



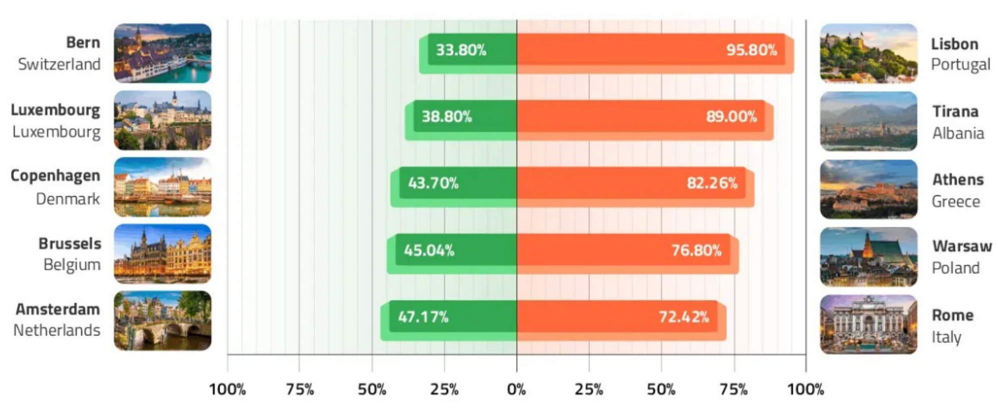
Warsaw remains among the most unaffordable European capitals for single residents, though the city's situation has improved considerably compared to last year. Average monthly living expenses in 2026 total €1,836 against wages of approximately €1,911, leaving residents with **only around €74 remaining at the end of the month**. Housing continues to take up a significant share of the monthly wage, with rent and utilities for a furnished studio apartment averaging €1,300 per month. While the Polish capital remains one of Central Europe's strongest economic hubs, rising living costs continue to limit disposable income for many residents.



Rome also earns a spot in the five least affordable European capitals in 2026. A single resident earning the average local wage of €1,790 spends an estimated €1,674 each month on living expenses, leaving **only around €116** after covering essentials as **monthly living costs consume 93.5% of average monthly earnings**. Typical rent for a small studio exceeds €1,120 per month, while entertainment spending in the Italian capital averages over €300 monthly. Although Rome remains cheaper than many major Western European capitals in absolute terms, relatively modest local wages make comfortable city living increasingly difficult for citizens earning the average wage.

Most and least affordable EU capital cities for families of four

Basic monthly expenses as % of monthly income (includes two monthly salaries)



Data Sources: Numbeo, Expatistan

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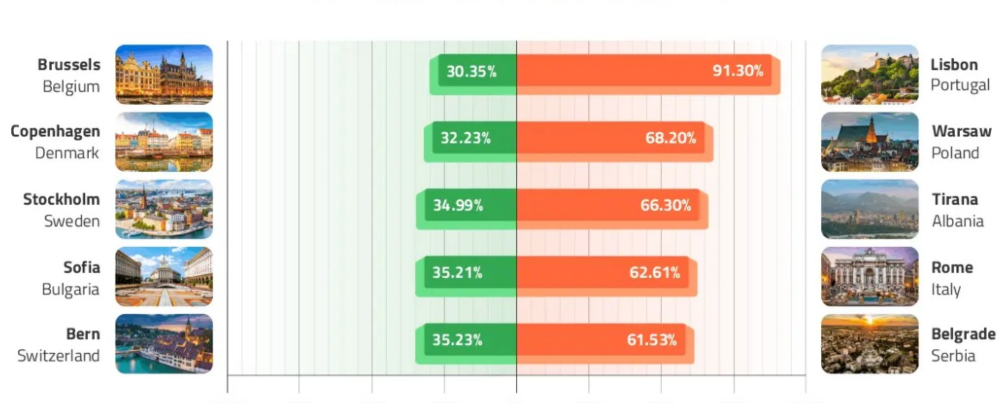
For families, the affordability picture across Europe changes significantly. In cities such as **Bern**, **Luxembourg**, and **Copenhagen**, two average salaries are **more than enough to comfortably support a family of four while still leaving substantial room for savings**. In Bern, estimated family expenses account for just **33.8% of combined household income**, leaving families with more than €8,500 to save or spend as they please after essentials are taken care of each month. Luxembourg follows at 38.8%, while in Copenhagen, **family living costs consume 43.7% of combined earnings**, still leaving households with roughly €4,734 in disposable income. Brussels and Amsterdam also rank among Europe's most affordable capitals for families, where **expenses account for 45% and 47.2% of dual-income household budgets**, respectively, despite relatively high rents and day-to-day costs.

At the other end of the ranking, even two average salaries struggle to provide financial comfort in several Southern and Eastern European capitals. **Lisbon ranks as Europe's least affordable capital for families**, with monthly expenses consuming **95.8%** of combined household income. **Tirana follows at 89%**, while in **Athens** family living costs absorb **82.3% of dual incomes**, largely due to weak local wages failing to keep pace with rising housing and food costs. **Rome** and **Warsaw** round out the bottom five, where average family expenses consume **72.4%** and **76.8%** of combined wages, respectively, highlighting how rents and everyday costs continue to outpace income growth across parts of Southern and Eastern Europe.

European Capitals With The Most and Least Affordable Housing

Typical housing expenses as a share of the average salary, including rent, utilities, and home supplies for a 45m2 furnished apartment



Data Sources: Numbeo, Expatistan

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Housing affordability remains one of the clearest dividing lines between Europe's capitals in 2026. **Lisbon ranks as the least affordable city for renters**, with housing costs for a furnished 45m² studio apartment, including utilities and Internet, **averaging €1,226 per month**, equivalent to **91.3%** of the city's average monthly wage of €1,343. In **Warsaw**, the same studio alongside utilities and essential house supplies costs **€1,303 a month, 68.2%** of average local earnings. **Tirana also places among the least affordable cities for housing**, where rent and utilities costs on average **€504** a month, consuming **66.3%** of the average wage. **Rome** and **Belgrade** place 4th and 5th, where housing costs account for **62.6%** and **61.5%** of average salaries, respectively, leaving residents with far less disposable income once rent and utilities are covered.

At the opposite end of the ranking, **Brussels stands out as Europe's most affordable capital for housing relative to local wages**. Renting a furnished 45m² studio apartment with utilities costs around **€894 per month**, just **30.4%** of the city's average salary of €2,945. **Copenhagen follows at 32.2%**, where higher housing costs of €1,355 are balanced by monthly wages exceeding €4,200. **Stockholm** and **Bern** also rank among Europe's most affordable capitals for renters relative to earnings, with housing costs accounting for roughly **35%** of local wages in both cities. Sofia, however, stands out as the clear outlier. Unlike the wealthier Northern and Western European capitals surrounding it in the ranking, the Bulgarian capital achieves its affordability through comparatively low rents rather than exceptionally high salaries. A small furnished studio apartment with utilities costs just **€504 per month**, keeping housing expenses at **35.2%** of the city's average wage of €1,431.

European Capitals Where The Cost of Living Increased The Most

Living expenses as a share of the average monthly salary in 2025 and 2026

City	2025	Change	2026
1 **Luxembourg** Luxembourg	40.03%	+10.90%	50.93%
2 **Bern** Switzerland	40.57%	+9.92%	50.49%
3 **Rome** Italy	83.60%	+9.87%	93.50%
4 **Lisbon** Portugal	111.60%	+9.84%	121.44%
5 **Helsinki** Finland	50.08%	+7.67%	57.75%

Data Sources: Numbeo, Expatistan

Presented by: tradingpedia

Luxembourg recorded the most significant increase in living costs relative to local wages between 2025 and 2026. Last year, a single resident earning the average salary spent around 40% of their income on everyday expenses, with this figure climbing **10.9 percentage points to 50.9% in 2026**. Typical living costs for a single person rose moderately, but the sharp deterioration in affordability came as a direct result of slower wage growth and reduced net pay following changes to the country's pension contribution system and a prolonged pause in automatic wage indexation. At the same time, housing costs climbed from €1,675 to €1,774 per month, further increasing pressure on household budgets.

Bern followed closely behind, where **living costs rose from 40.6% to 50.5%** of average local wages. Switzerland's capital saw **one of the sharpest increases in housing costs among Europe's wealthiest cities**, with average rent and utilities jumping by nearly €700 year-on-year to €2,263 a month, while food and transport prices also edged higher.

Italy also became less affordable over the past year. In **Rome**, monthly living costs rose from 83.6% to **93.5% of the average wage**, driven largely by typical housing costs for a single person increasing from €948 to **€1,121 per month** alongside higher entertainment and grocery prices. **Lisbon experienced a similarly steep jump**, with living expenses climbing from 111.6% to **a nearly unbearable 121.4% of average monthly earnings**. Rent costs for a small furnished studio in the capital surged from €991 to €1,226 per month in just a year, by far the biggest factor behind the worsening affordability crisis.

In **Helsinki**, living costs rose **from 50.1% to 57.8%** of average wages over the past year. Housing costs for a single person climbed from €889 to €994 per month, primarily due to higher financing and maintenance costs. Transport rose from €62 to €70, most likely due to rising energy prices, which have remained volatile across Finland's wider transport network.

Methodology

To compare affordability across major European capitals, the team at **Tradingpedia** used the latest data from Expatistan's **Cost of Living Index** and average salary figures from **Numbeo**. We analysed 37 capitals, calculating the average monthly basic expenses for both single individuals and families of four, and compared these figures against local salaries to assess affordability. We also compared 2025 and 2026 datasets to provide a year-on-year view of how affordability has evolved across European cities.

We identified the most and least expensive EU capitals based purely on prices. For affordability, we compared median wages to essential living costs, covering food, housing, transportation, personal care, and entertainment, to determine the percentage of income spent in each category.

Food expenses were based on a weekly grocery basket of staple foods, including: 500g local cheese, 1kg boneless chicken breast, 12 large eggs, 1kg tomatoes, 2 L Coca-Cola, 1kg apples, 4 loaves of bread, 1kg potatoes, and 1 L whole milk. These were multiplied by four to estimate monthly costs per person.

Housing costs for individuals were based on average rent prices for a 45m² studio and utility bills. For families, we used data for 85m² apartments and corresponding utility costs. Transport costs for individuals reflected the average price of a monthly public transit pass. For families, we estimated the cost of driving 10 km per day using current gasoline prices.

To estimate average monthly entertainment expenses for an individual, we used the cost of a basic dinner for two at a neighbourhood pub, two cinema tickets, two theatre tickets, dinner for two at an Italian restaurant, a cocktail at a downtown club, a cappuccino in the city's expat area, a beer at a neighbourhood pub, and a monthly gym membership in the business district. For families, entertainment costs were based on the price of two cinema and two theatre tickets, then doubled to reflect typical monthly spending for a family of four. This approach enabled detailed comparisons of affordability across all European capitals in our analysis.

Data Sources: Numbeo, Expatistan

Presented by: tradingpedia