

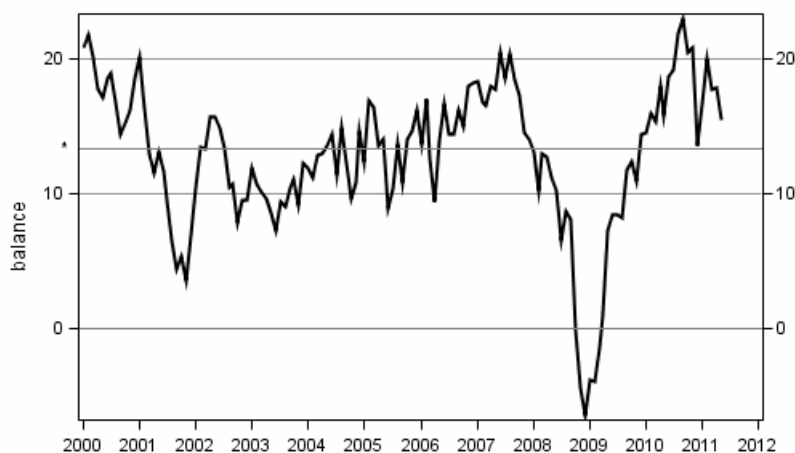
Consumer survey

2011, May

Consumer confidence weakened, but not concerning own economy

In May the consumer confidence indicator stood at 15.4, while in April it was 17.8 and in March 17.7. This May, confidence in the economy was at the same level as one year earlier and slightly above the long-term average. The data are based on Statistics Finland's Consumer Survey, for which 1,461 people resident in Finland were interviewed between 2 and 19 May.

Consumer confidence indicator



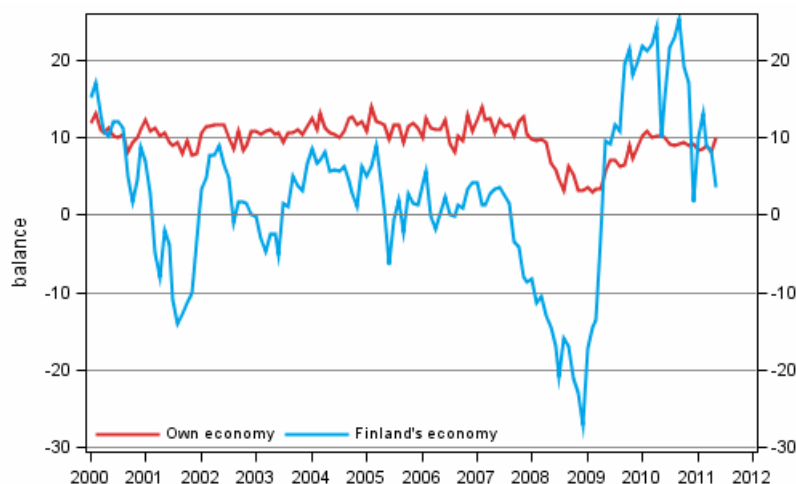
* average 10/1995 - 05/2011

Of the four components of the consumer confidence indicator, only the expectations concerning consumers' own economic situation improved somewhat in May from the month before. The other components deteriorated. Views on their own saving possibilities were still bright, however. In contrast, consumers' views of Finland's economy and development of unemployment fell in May even lower than the long-term average. Consumers did not much feel personally threatened by unemployment. In May consumers thought prices would rise fast and considered saving worthwhile instead of taking out a loan or making major purchases.

In May, 32 per cent of consumers believed that Finland's economic situation would improve in the coming twelve months, while 24 per cent of them thought that the country's economy would deteriorate. In April

the corresponding proportions were 36 and 19 per cent and in last year's May 43 and 21 per cent. In all, 29 per cent of consumers believed in May that their own economy would improve and 13 per cent of them feared it would worsen over the year. One month earlier these proportions were 27 and 12 per cent.

Consumers' expectations concerning their own and Finland's economy in 12 months' time



Altogether 34 per cent of consumers thought in May that unemployment would decrease in Finland over the year, and 30 per cent of them believed it would increase. In April the respective proportions were 35 and 23 per cent and twelve months ago gloomy at 28 and 38 per cent.

In May, 17 per cent of employed persons believed that their personal threat of unemployment had lessened over the past few months, whereas 12 per cent thought it had grown. Twelve months previously, these proportions were also still gloomy at 15 and 18 per cent. In May, 45 per cent of employed persons thought the threat of unemployment had remained unchanged, while 26 per cent felt that they were not threatened by unemployment at all.

Consumers predicted in May that consumer prices would go up by 3.4 per cent over the next 12 months. In May last year the predicted inflation rate was 2.3 per cent, and its long-term average is 2.1 per cent.

A total of 63 per cent of consumers considered saving worthwhile in May. Sixty-four per cent of households had been able to lay aside some money and 78 per cent believed they would be able to do so during the next 12 months.

In May, 54 per cent of consumers regarded the time good for raising a loan. In April the respective proportion was 61 per cent and one year earlier 67 per cent. However, as many households as previously, or 13 per cent, were planning in May to take out a loan within one year.

Only 38 per cent of consumers thought in May that the time was favourable for making major purchases. One month earlier the respective proportion was 45 per cent and one year earlier 51 per cent. Nevertheless, many households were planning in May to spend money on, for instance, home repairs and home furnishings or purchases of hobby equipment and domestic appliances during the next six months. Eighteen per cent of households were fairly or very certain to buy a car and more households than before, that is, 10 per cent, to buy a dwelling during the next 12 months. In last year's May the corresponding proportions were 17 and 7 per cent.

Consumers' views of the economy

| | Average 10/1995- | Max. 10/1995- | Min. 10/1995- | 05/2010 | 04/2011 | 05/2011 | Outlook |
|--|---------------------|------------------|---------------|---------|---------|---------|---------|
| A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4 | 13,4 | 22,9 | -6,5 | 15,8 | 17,8 | 15,4 | + |
| B2 Own economy in 12 months' time (balance) | 9,1 | 14,1 | 2,3 | 10,3 | 8,2 | 10,0 | + |
| D2 Household's saving possibilities in the next 12 months (balance) | 37,5 | 52,2 | 10,9 | 49,3 | 49,0 | 46,5 | + |
| B4 Finland's economy in 12 months' time (balance) | 5,4 | 25,3 | -27,1 | 10,0 | 8,3 | 3,7 | +/- |
| B7 Unemployment in Finland in 12 months' time (balance) | 1,5 | 27,6 | -51,1 | -6,5 | 5,9 | 1,6 | +/- |
| B8 Own threat of unemployment now (balance) | 1,0 | 7,6 | -18,8 | -0,8 | 6,0 | 6,2 | + |
| B6 Inflation in 12 months' time (per cent) | 2,1 | 4,6 | 0,6 | 2,3 | 3,3 | 3,4 | |
| C1 Favourability of time for buying durable goods (balance) | 21,2 | 41,8 | -14,2 | 25,8 | 20,1 | 8,8 | -- |
| C2 Favourability of time for saving (balance) | 11,3 | 36,8 | -19,6 | 16,5 | 16,7 | 18,0 | + |
| C3 Favourability of time for raising a loan (balance) | 18,4 | 42,0 | -47,1 | 22,2 | 13,3 | 6,7 | - |

The balance figures are obtained by deducting the weighted proportion of negative answers from that of positive answers. The consumer confidence indicator is the average of the balance figures for the CCI components. The balance figures and the confidence indicator can range between -100 and 100 - the higher the balance figure, the brighter the view on the economy.

Explanations for Outlook column: ++ Outlook is very good, + Outlook is good, +/- Outlook is neutral, - Outlook is poor, -- Outlook is very poor. Deviation of balance from average has been compared to standard deviation.

The (seasonally adjusted) Consumer Survey results for all EU countries will be later released on the European Commission website: European Commission, DG ECFIN, Business and Consumer Survey Results; http://ec.europa.eu/economy_finance/db_indicators/surveys/index_en.htm

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1. Method of the Consumer Survey

The Consumer Survey is a telephone interview survey by means of which it is possible to measure Finns' images - assessments and expectations - of the general economic development and the financial situation of one's own household and intentions to make major purchases, save money or take out a loan. In addition, the survey is a tool for finding out how common modern machines and equipment are in households.

The first Finnish Consumer Survey was conducted in November 1987. Until 1991 it was carried out twice a year, in May and November. In 1992 the survey times were rose to four: the survey months were February, May, August and November. Since October 1995 the Consumer Survey data have been collected monthly on assignment of the European Commission.

The Consumer Survey has a totally new individual sample each month. The same sample is also used for the data collection of the Finnish Travel Survey and some other surveys as well. The sample size of the Consumer Survey is 2,200 persons monthly. The non-response rate nowadays being between 30 and 35 per cent, more than 1,400 responses are gained every month. The non-response rate includes those who refused from the survey or were otherwise prevented from participating as well as those who could not be contacted.

The interviews are conducted from Statistics Finland's CATI Centre during the first two or three weeks of the month. The target area is the whole country and the respondents of the Consumer Survey represent the 15 to 74-year-old population in Finland, according to age, gender, province of domicile and native language.

All the response data of the Consumer Survey are weighted against the total population by means of sample weights. Weighting corrects the effects of non-response and improves the statistical accuracy of the data. The weights are established by using a calibration method and the probability of each observation to be included in the sample. The figures and series presented are not seasonally adjusted.

Appendix tables

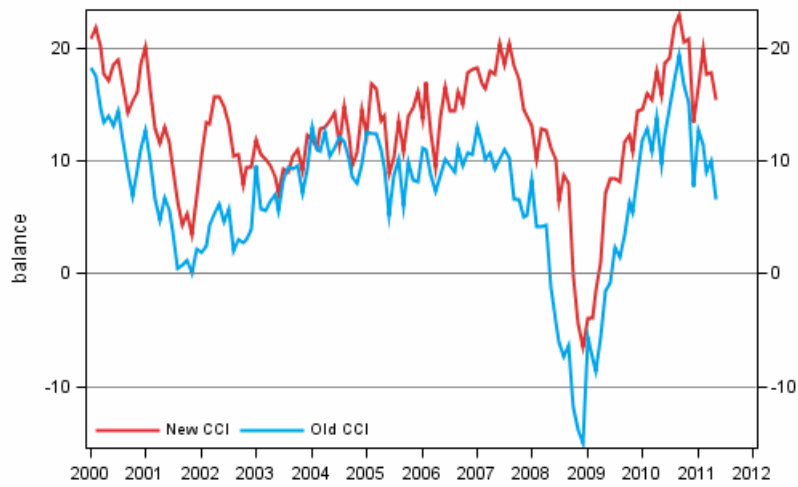
Appendix table 1. Consumers' views and intentions

| | Average 10/1995- | Max. 10/1995- | Min. 10/1995- | 05/2010 | 04/2011 | 05/2011 | Outlook |
|---|---------------------|---------------|---------------|---------|---------|---------|---------|
| A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4 | 13,4 | 22,9 | -6,5 | 15,8 | 17,8 | 15,4 | + |
| A2 Old CCI = (B1+B2+B3+B4+C1)/5 | 8,7 | 19,4 | -15,0 | 9,7 | 10,0 | 6,6 | - |
| A3 Micro indicator = (B2+D1+D2)/3 | 24,6 | 33,4 | 9,5 | 30,5 | 30,2 | 28,7 | + |
| A4 Macro indicator = (B4+B7)/2 | 3,4 | 22,8 | -39,1 | 1,7 | 7,1 | 2,6 | +/- |
| B1 Own economy now (balance) | 4,8 | 9,8 | -4,0 | 3,9 | 3,6 | 3,2 | - |
| - Better (%) | 24,3 | 30,6 | 16,7 | 22,9 | 23,9 | 23,3 | |
| - Worse (%) | 15,6 | 22,7 | 11,4 | 16,7 | 18,3 | 17,9 | |
| B2 Own economy in 12 months' time (balance) | 9,1 | 14,1 | 2,3 | 10,3 | 8,2 | 10,0 | + |
| - Better (%) | 26,3 | 33,4 | 18,2 | 27,9 | 26,9 | 28,6 | |
| - Worse (%) | 10,4 | 17,2 | 6,6 | 10,2 | 12,4 | 13,0 | |
| B3 Finland's economy now (balance) | 3,1 | 29,5 | -60,9 | -1,4 | 10,0 | 7,5 | +/- |
| - Better (%) | 30,4 | 62,1 | 2,0 | 36,4 | 42,1 | 38,2 | |
| - Worse (%) | 22,2 | 88,5 | 4,2 | 34,9 | 22,4 | 22,3 | |
| B4 Finland's economy in 12 months' time (balance) | 5,4 | 25,3 | -27,1 | 10,0 | 8,3 | 3,7 | +/- |
| - Better (%) | 31,9 | 57,3 | 11,6 | 43,1 | 35,8 | 32,1 | |
| - Worse (%) | 20,3 | 57,3 | 6,0 | 21,0 | 18,5 | 23,5 | |
| B5 Inflation now (per cent) | 2,2 | 5,8 | -2,0 | 1,9 | 3,7 | 3,8 | |
| B6 Inflation in 12 months' time (per cent) | 2,1 | 4,6 | 0,6 | 2,3 | 3,3 | 3,4 | |
| B7 Unemployment in Finland in 12 months' time (balance) | 1,5 | 27,6 | -51,1 | -6,5 | 5,9 | 1,6 | +/- |
| - Less (%) | 34,5 | 60,8 | 6,4 | 27,6 | 34,9 | 34,2 | |
| - More (%) | 29,3 | 83,3 | 6,9 | 37,5 | 22,6 | 30,0 | |
| B8 Own threat of unemployment now (balance) | 1,0 | 7,6 | -18,8 | -0,8 | 6,0 | 6,2 | + |
| - Decreased (%) | 13,9 | 20,0 | 5,3 | 14,5 | 17,5 | 16,9 | |
| - Increased (%) | 15,0 | 31,9 | 7,9 | 18,1 | 11,0 | 11,7 | |
| C1 Favourability of time for buying durable goods (balance) | 21,2 | 41,8 | -14,2 | 25,8 | 20,1 | 8,8 | -- |
| - Good time (%) | 45,7 | 62,4 | 29,6 | 50,5 | 44,6 | 38,2 | |
| - Bad time (%) | 24,5 | 45,7 | 17,7 | 24,7 | 24,5 | 29,4 | |
| C2 Favourability of time for saving (balance) | 11,3 | 36,8 | -19,6 | 16,5 | 16,7 | 18,0 | + |
| - Good time (%) | 58,7 | 80,7 | 33,4 | 63,2 | 62,9 | 63,3 | |
| - Bad time (%) | 35,4 | 58,5 | 15,5 | 33,7 | 32,1 | 31,2 | |
| C3 Favourability of time for raising a loan (balance) | 18,4 | 42,0 | -47,1 | 22,2 | 13,3 | 6,7 | - |
| - Good time (%) | 62,9 | 78,2 | 13,3 | 66,6 | 61,2 | 54,2 | |
| - Bad time (%) | 29,5 | 83,4 | 12,1 | 28,5 | 33,2 | 39,4 | |
| D1 Household's financial situation now (balance) | 27,3 | 35,1 | 14,7 | 32,0 | 33,5 | 29,6 | + |
| - Can save (%) | 57,9 | 70,0 | 38,6 | 65,8 | 67,9 | 63,6 | |
| - Uses savings or gets into debt (%) | 6,7 | 10,1 | 4,5 | 6,7 | 7,0 | 7,8 | |

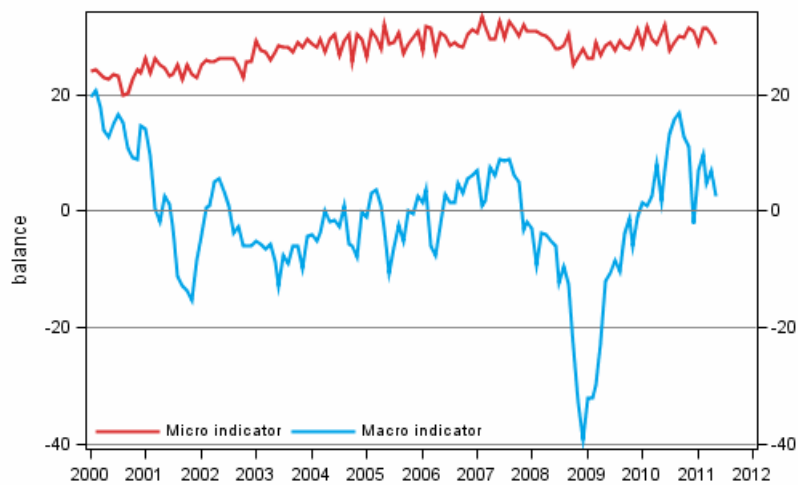
| | Average 10/1995- | Max. 10/1995- | Min. 10/1995- | 05/2010 | 04/2011 | 05/2011 | Outlook |
|---|---------------------|---------------|---------------|---------|---------|---------|---------|
| D2 Household's saving possibilities in the next 12 months (balance) | 37,5 | 52,2 | 10,9 | 49,3 | 49,0 | 46,5 | + |
| - Can save (%) | 72,7 | 82,3 | 56,6 | 80,2 | 80,4 | 78,4 | |
| - Cannot save (%) | 25,3 | 40,3 | 16,5 | 18,9 | 19,0 | 20,6 | |
| D5 Intentions to raise a loan in the next 12 months (% of households) | 13,5 | 17,8 | 9,1 | 13,4 | 12,5 | 13,4 | +/- |
| - Very likely (%) | 5,6 | 8,5 | 3,1 | 6,7 | 5,8 | 6,1 | |
| - Fairly likely (%) | 7,9 | 11,4 | 5,3 | 6,7 | 6,7 | 7,3 | |
| E1 Spending on durable goods, next 12 months vs last 12 months (balance) | -7,8 | -2,4 | -18,2 | -9,2 | -7,3 | -8,2 | +/- |
| - More (%) | 22,9 | 30,8 | 14,3 | 20,1 | 22,1 | 19,4 | |
| - Less (%) | 32,4 | 40,4 | 26,5 | 32,0 | 31,2 | 30,5 | |
| E2 Intentions to buy a car in the next 12 months (% of households) | 17,6 | 21,7 | 14,2 | 17,2 | 17,0 | 18,2 | + |
| - Very likely (%) | 9,1 | 12,1 | 6,3 | 8,7 | 8,7 | 8,9 | |
| - Fairly likely (%) | 8,5 | 10,4 | 6,2 | 8,5 | 8,3 | 9,2 | |
| E4 Intentions to buy a dwelling in the next 12 months (% of households) | 7,0 | 11,3 | 4,1 | 7,1 | 8,6 | 9,7 | ++ |
| - Very likely (%) | 3,1 | 5,2 | 1,3 | 3,1 | 3,6 | 4,2 | |
| - Fairly likely (%) | 4,0 | 6,2 | 2,2 | 4,0 | 5,0 | 5,5 | |
| E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households) | 18,4 | 27,0 | 9,8 | 24,2 | 26,1 | 24,7 | ++ |
| - Very likely (%) | 12,0 | 19,0 | 5,0 | 17,2 | 18,5 | 19,0 | |
| - Fairly likely (%) | 6,4 | 9,1 | 3,2 | 7,1 | 7,6 | 5,7 | |

Appendix figures

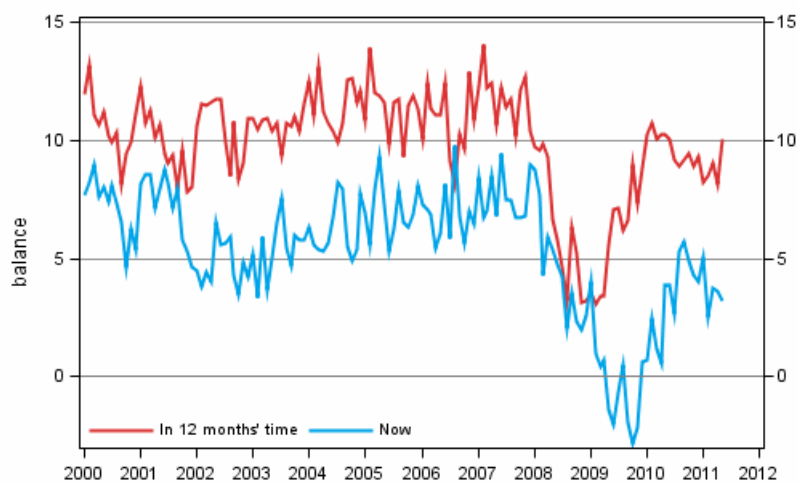
Appendix figure 1. Consumer confidence indicator (CCI)



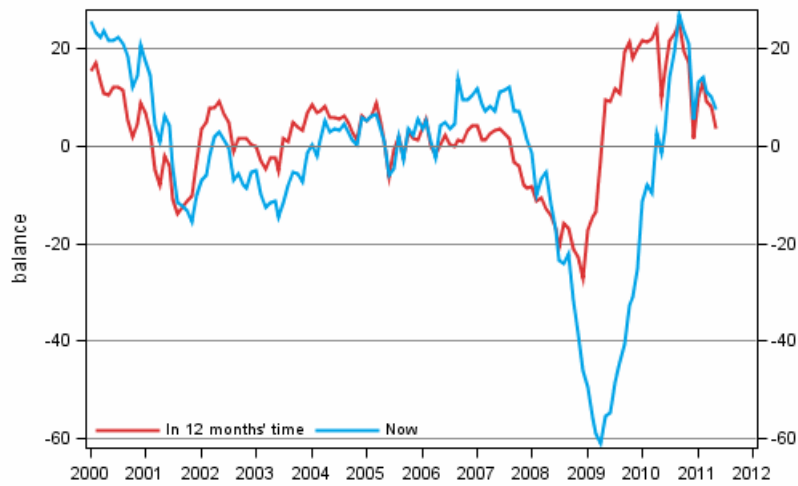
Appendix figure 2. Micro and macro indicators



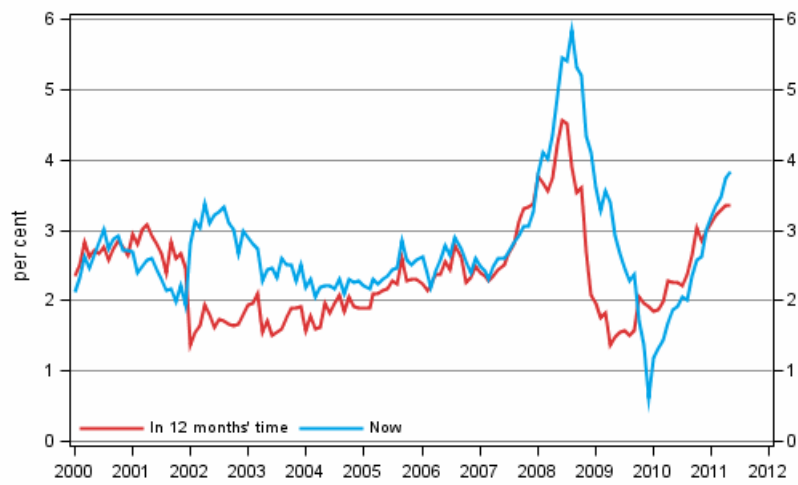
Appendix figure 3. Own economy



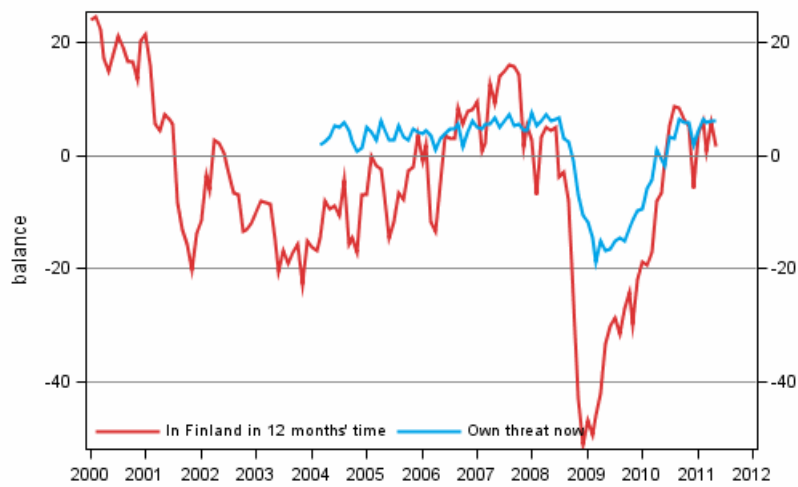
Appendix figure 4. Finland's economy



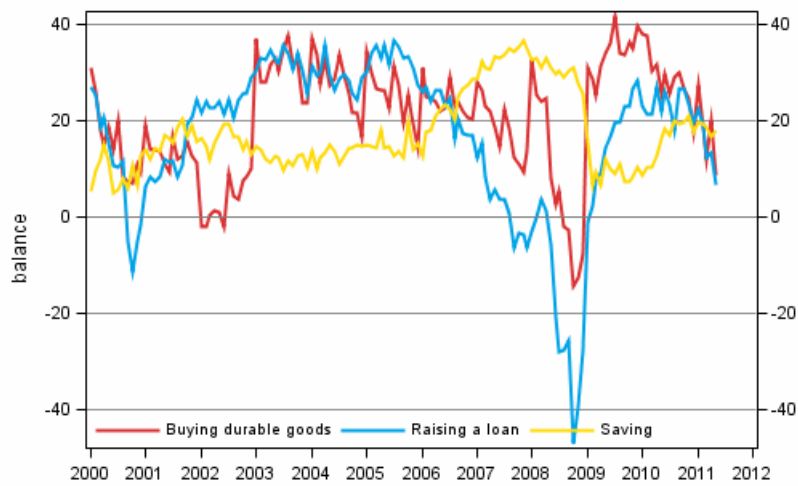
Appendix figure 5. Inflation



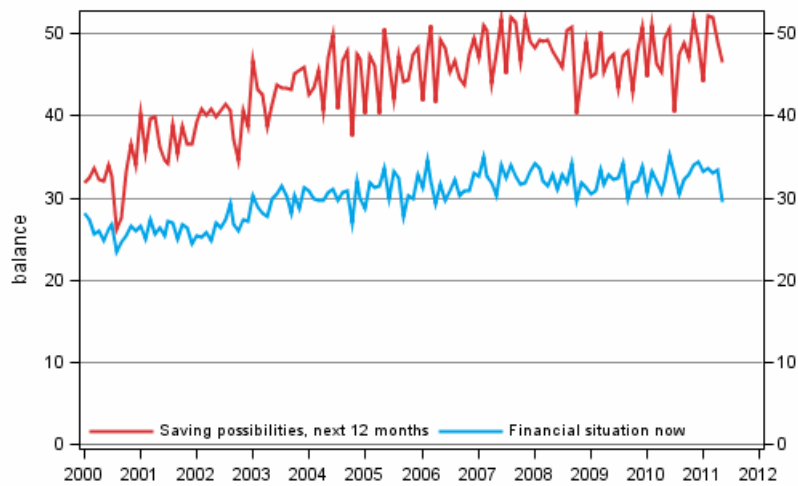
Appendix figure 6. Unemployment



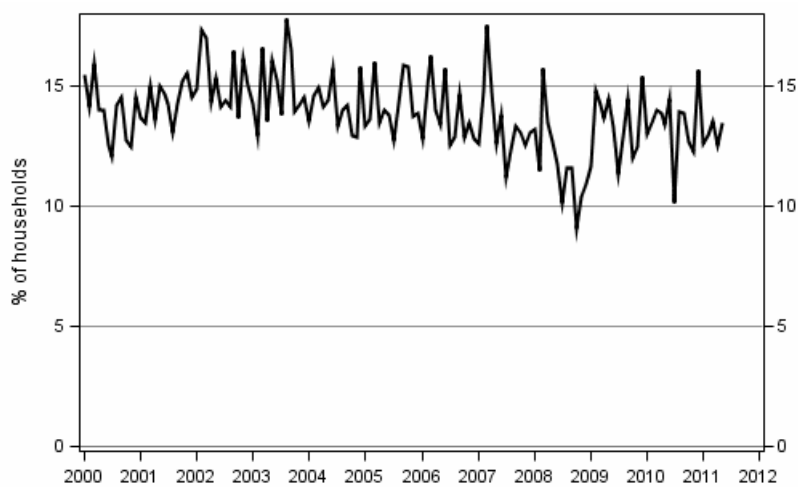
Appendix figure 7. Favourability of time for



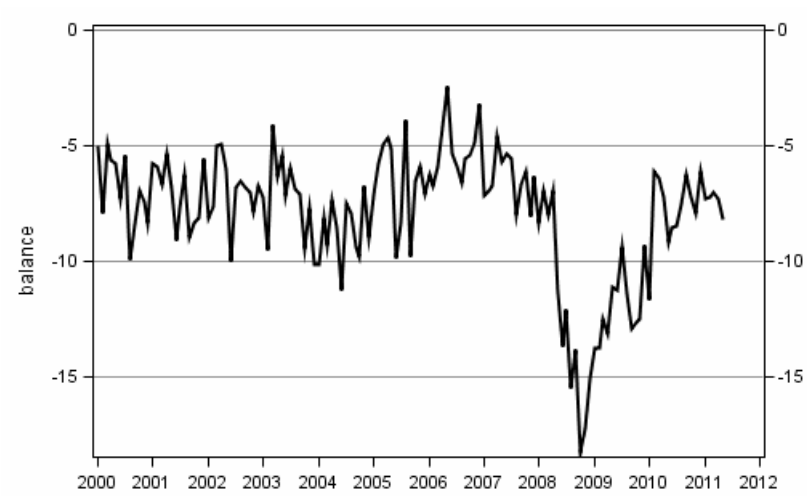
Appendix figure 8. Household's financial situation



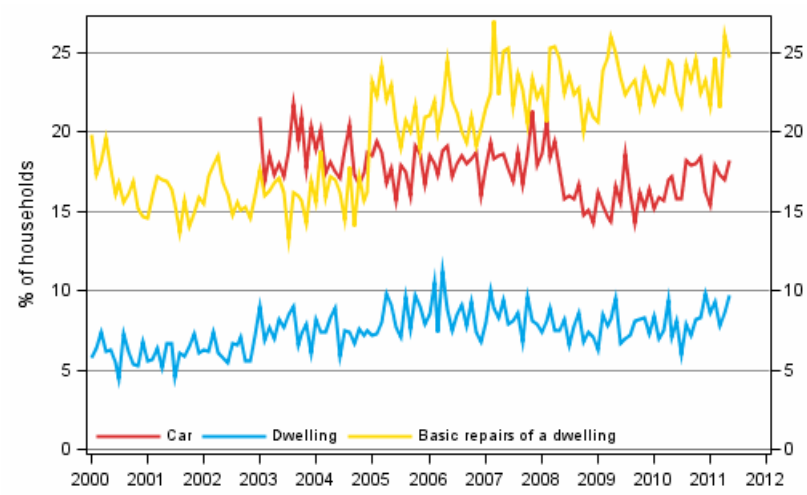
Appendix figure 9. Intentions to raise a loan, next 12 months



Appendix figure10. Spending on durable goods, next 12 months vs last 12 months



Appendix figure 11. Intentions to buy, next 12 months



Suomen virallinen tilasto
Finlands officiella statistik
Official Statistics of Finland

Income and Consumption 2011

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Source: Consumer Survey 2011, May. Statistics Finland