

Consumer Survey

2017, October

No end in sight for strong consumer confidence in October

Consumers' confidence in the economy has been very strong soon for one year. The consumer confidence indicator (CCI) stood at 23.1 in October, having been 23.7 in September and 23.5 in August. In last year's October the CCI received the value 15.8. The long-term average for the CCI is 12.2. The data are based on Statistics Finland's Consumer Survey, for which 1,184 people resident in Finland were interviewed between 2 and 19 October.

Consumer confidence indicator (CCI)



1) average 10/1995 - 10/2017

Of the components of the CCI, expectations on own and Finland's economy improved slightly in October compared with September. Expectations concerning the development of unemployment remained more or less unchanged and estimates on households' saving possibilities weakened a little. Compared with the corresponding period last year, all CCI components improved in October.

In October, consumers' expectations concerning Finland's economy and unemployment were very optimistic. Consumers' assessments about their own economic situation and saving possibilities were also bright.

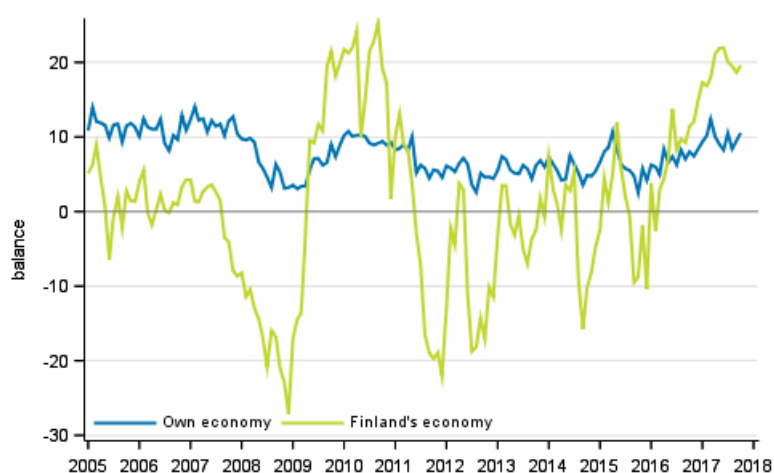
Consumers regarded the time very favourable for taking out a loan and for a long time also for saving. Buying of durable goods was also considered worthwhile. Employed consumers felt in October that their personal threat of unemployment has decreased in recent months.

Consumers' own and Finland's economy

In October, 48 per cent of consumers believed that Finland's economic situation would improve in the coming twelve months, while 10 per cent of them thought that the country's economy would deteriorate. In September, the respective proportions were 46 and 9 per cent and in last year's October 41 and 17 per cent.

In October, 29 per cent of consumers believed that their own economy would improve and 10 per cent of them feared it would worsen over the year. One month earlier, the corresponding proportions were 27 and 11 per cent, and one year earlier 26 and 13 per cent.

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



Unemployment and inflation

Altogether 48 per cent of consumers thought in October that unemployment would decrease over the year, while 16 per cent of them believed it would increase. One year ago, the corresponding proportions were slightly pessimistic at 29 and 32 per cent.

Sixteen per cent of employed persons reckoned in October that their personal threat of unemployment had lessened over the past few months, while 13 per cent thought it had grown. Thirty per cent of employed persons felt that they were not threatened by unemployment at all.

Consumers predicted in October that consumer prices would go up by 1.7 per cent over the next 12 months. In October last year, the predicted inflation rate was 1.5 per cent, and its long-term average is 2.2 per cent.

Buying of durable goods

In October, 46 per cent of consumers thought the time was favourable for buying durable goods. General intentions to spend money were moderate in October. Eighteen per cent of households were fairly or very certain to buy a car during the next 12 months. Six per cent of households considered buying a dwelling. In October, 18 per cent of households were planning to spend money on renovating their dwelling within a year.

Saving and taking out a loan

In all, 67 per cent of consumers considered saving worthwhile in October. One month ago the respective proportion was 63 per cent and one year ago 57 per cent. In October, 67 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 October, households mainly planned on saving for a rainy day or for a holiday trip. Next to various bank accounts, the most planned investment targets were investment funds.

In October, 74 per cent of consumers regarded the time good for raising a loan. The long-term average proportion is 62 per cent. This October, 12 per cent of households were thinking of taking out a loan within one year.

Consumer confidence by major region and population group

In October, consumers' confidence in the economy was strongest in Northern Finland and Greater Helsinki, weakest in Eastern Finland. Among population groups, upper-level salaried employees were clearly most optimistic. Pensioners and unemployed persons had the gloomiest expectations concerning economic development.

Consumers' views of the economy

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	10/2016	09/2017	10/2017	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	12.2	24.1	-6.5	15.8	23.7	23.1	++
B2 Own economy in 12 months' time (balance)	8.3	14.1	2.3	8.0	9.5	10.6	+
B4 Finland's economy in 12 months' time (balance)	3.9	25.3	-27.1	11.4	18.6	19.6	++
B6 Inflation in 12 months' time (per cent)	2.2	4.6	0.6	1.5	1.7	1.7	
B7 Unemployment in Finland in 12 months' time (balance)	-3.4	27.6	-51.1	-2.0	16.3	15.8	++
B8 Own threat of unemployment now (balance)	-1.1	7.6	-18.8	-3.2	5.8	2.9	+
C1 Favourability of time for purchasing durables (balance)	18.5	41.8	-14.2	22.4	24.1	24.2	+
C2 Favourability of time for saving (balance)	10.5	36.8	-19.6	8.3	17.5	23.3	++
C3 Favourability of time for raising a loan (balance)	18.0	42.0	-47.1	31.3	31.0	33.1	++
D2 Household's saving possibilities in the next 12 months (balance)	39.8	52.2	10.9	45.6	50.4	46.5	+

The **balance figures** are obtained by deducting the weighted proportion of negative answers from that of positive answers. The **consumer confidence indicator** (CCI) 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 (positive) 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.

EU results

The (seasonally adjusted) Consumer Survey results for all EU countries are released on the European Commission website: European Commission, DG ECFIN, [Business and Consumer Survey Results](#).

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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 equipment are in households. For the Consumer Survey, answers are given by means of answer options (qualitative survey).

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

The population of the Consumer Survey comprises 4.5 million persons aged 15 to 84 and their 2.6 million households in Finland. A sample of 2,350 persons is drawn for the survey for every month. The same sample is also used for the data collection of the Finnish Travel Survey. The target area is the whole country and the respondents of the survey represent the population in Finland, according to age, gender, region of domicile and native language.

The interviews of the Consumer Survey are conducted from Statistics Finland's Telephone Interview Centre (CATI) during the first two or three weeks of the month. In October 2017, in all, 1,184 responses were gained, so the non-response rate of the survey was 49.6 per cent (incl. over-coverage). 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 response data of the Consumer Survey are expanded to the whole population with weighting coefficients. 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

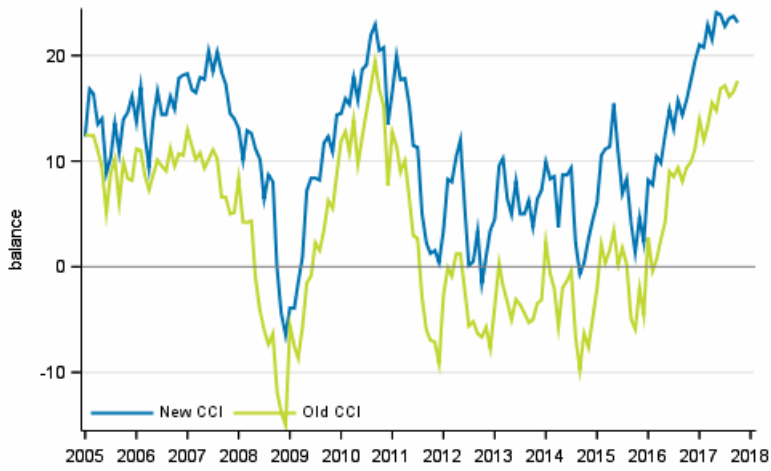
Appendix table 1. Consumers' views and intentions

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	10/2016	09/2017	10/2017	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	12.2	24.1	-6.5	15.8	23.7	23.1	++
A2 Old CCI = (B1+B2+B3+B4+C1)/5	6.4	19.4	-15.0	9.4	16.6	17.6	++
A3 Micro indicator = (B2+D1+D2)/3	25.6	33.4	9.5	29.0	31.3	30.2	+
A4 Macro indicator = (B4+B7)/2	0.3	22.8	-39.1	4.7	17.5	17.7	++
B1 Own economy now (balance)	3.8	9.8	-4.0	4.5	4.4	7.2	++
- Better (%)	23.3	30.6	16.4	24.9	25.6	26.9	
- Worse (%)	16.4	22.7	11.4	17.5	16.6	15.3	
B2 Own economy in 12 months' time (balance)	8.3	14.1	2.3	8.0	9.5	10.6	+
- Better (%)	25.8	33.4	18.2	26.1	27.0	28.8	
- Worse (%)	11.4	17.7	6.6	12.8	10.9	10.1	
B3 Finland's economy now (balance)	-2.4	29.5	-60.9	0.5	26.2	26.6	++
- Better (%)	26.8	62.1	2.0	29.0	58.8	58.0	
- Worse (%)	28.3	88.5	4.2	25.5	9.7	9.3	
B4 Finland's economy in 12 months' time (balance)	3.9	25.3	-27.1	11.4	18.6	19.6	++
- Better (%)	31.8	57.3	11.6	40.8	46.2	48.0	
- Worse (%)	22.5	57.3	6.0	16.8	9.2	9.9	
B5 Inflation now (per cent)	2.2	5.8	-2.0	0.8	1.1	1.1	
B6 Inflation in 12 months' time (per cent)	2.2	4.6	0.6	1.5	1.7	1.7	
B7 Unemployment in Finland in 12 months' time (balance)	-3.4	27.6	-51.1	-2.0	16.3	15.8	++
- Less (%)	30.3	60.8	6.4	29.5	47.9	48.0	
- More (%)	34.2	83.3	6.9	31.9	15.7	16.1	
B8 Own threat of unemployment now (balance)	-1.1	7.6	-18.8	-3.2	5.8	2.9	+
- Decreased (%)	13.1	20.0	5.3	12.9	16.6	15.6	
- Increased (%)	17.1	31.9	7.9	18.2	11.3	13.4	
C1 Favourability of time for purchasing durables (balance)	18.5	41.8	-14.2	22.4	24.1	24.2	+
- Favourable time (%)	44.6	62.4	29.6	46.8	44.5	45.7	
- Unfavourable time (%)	26.1	45.7	17.7	24.4	20.4	21.5	
C2 Favourability of time for saving (balance)	10.5	36.8	-19.6	8.3	17.5	23.3	++
- Good time (%)	57.9	80.7	33.4	56.8	62.5	66.9	
- Bad time (%)	36.6	58.5	15.5	38.8	31.6	26.9	
C3 Favourability of time for raising a loan (balance)	18.0	42.0	-47.1	31.3	31.0	33.1	++
- Good time (%)	62.4	78.2	13.3	72.7	72.1	73.9	
- Bad time (%)	30.5	83.4	12.1	22.3	20.3	18.3	
D1 Household's financial situation now (balance)	28.7	35.3	14.7	33.3	34.1	33.5	+
- Can save (%)	60.0	70.0	38.6	67.6	68.3	66.5	
- Uses savings or gets into debt (%)	6.8	10.1	4.5	7.0	7.3	7.1	

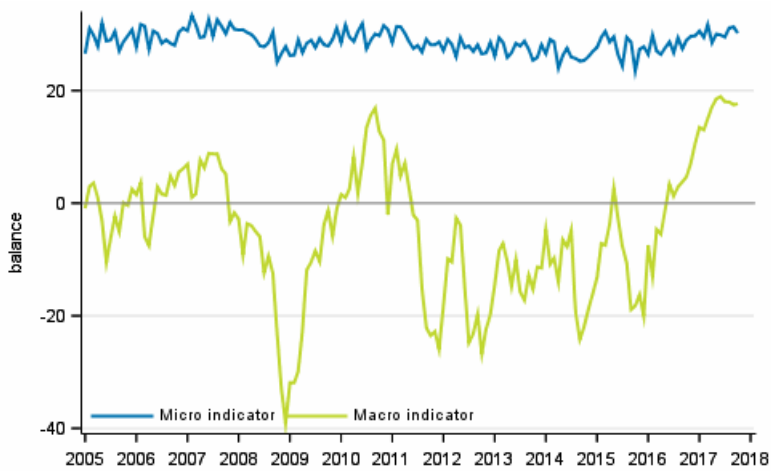
	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	10/2016	09/2017	10/2017	Outlook
D2 Household's saving possibilities in the next 12 months (balance)	39.8	52.2	10.9	45.6	50.4	46.5	+
- Can save (%)	74.2	82.3	56.6	77.9	80.8	78.3	
- Cannot save (%)	24.0	40.3	16.5	20.3	17.5	20.1	
D5 Household's intentions to raise a loan in the next 12 months (% of households)	13.1	17.8	9.1	13.6	14.6	11.6	-
- Yes, certainly (%)	5.6	8.5	3.1	5.7	6.7	5.6	
- Possibly (%)	7.6	11.4	5.0	7.9	7.9	6.0	
E1 Spending on durables, next 12 months vs last 12 months (balance)	-8.9	-2.4	-18.2	-9.7	-7.5	-8.3	=
- More (%)	21.3	30.8	13.9	19.1	19.3	20.7	
- Less (%)	32.7	40.4	26.5	31.9	28.3	30.2	
E2 Intentions to buy a car in the next 12 months (% of households)	16.7	21.7	12.7	15.7	17.1	18.1	+
- Very likely (%)	8.5	12.1	5.1	7.9	8.9	8.5	
- Fairly likely (%)	8.2	10.4	5.3	7.8	8.3	9.6	
E4 Intentions to buy a dwelling in the next 12 months (% of households)	7.0	11.3	4.1	7.2	7.0	6.1	-
- Yes, certainly (%)	3.0	5.2	1.3	2.8	2.4	2.0	
- Possibly (%)	4.0	6.2	2.2	4.4	4.5	4.2	
E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households)	18.8	27.0	9.8	17.6	18.9	18.0	=
- Very likely (%)	12.5	19.0	5.0	11.4	12.0	10.5	
- Fairly likely (%)	6.4	9.1	3.2	6.2	6.9	7.5	

Appendix figures

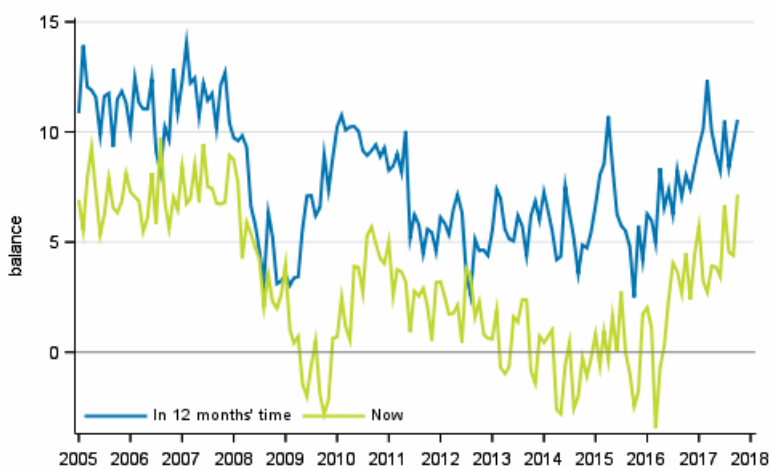
Appendix figure 1. Consumer confidence indicator (CCI)



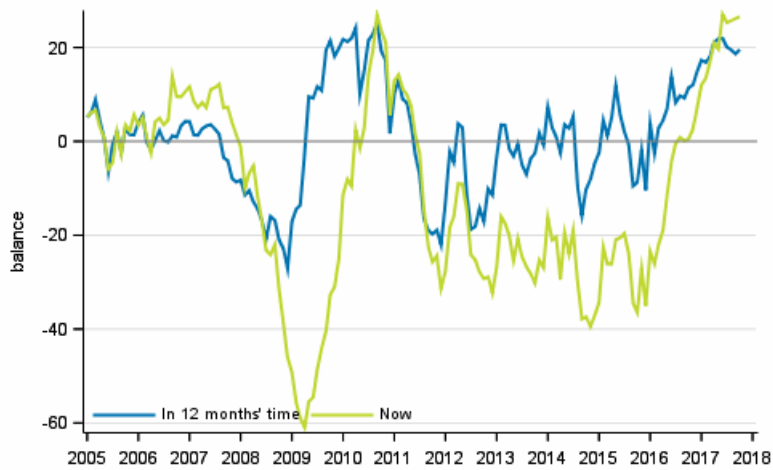
Appendix figure 2. Micro and macro indicators



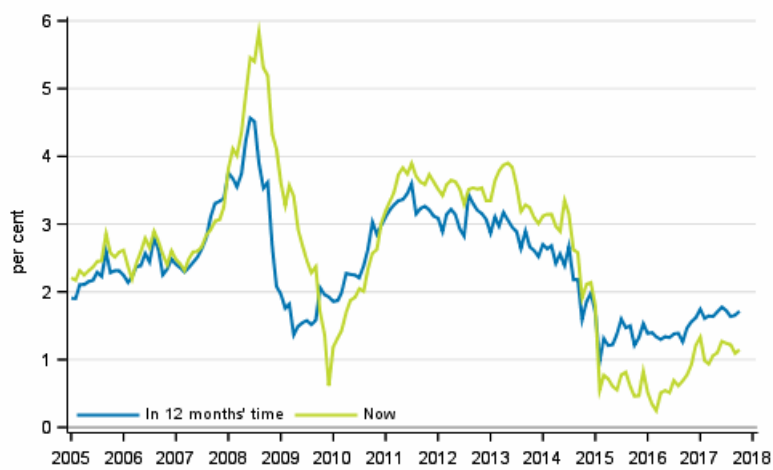
Appendix figure 3. Own economy



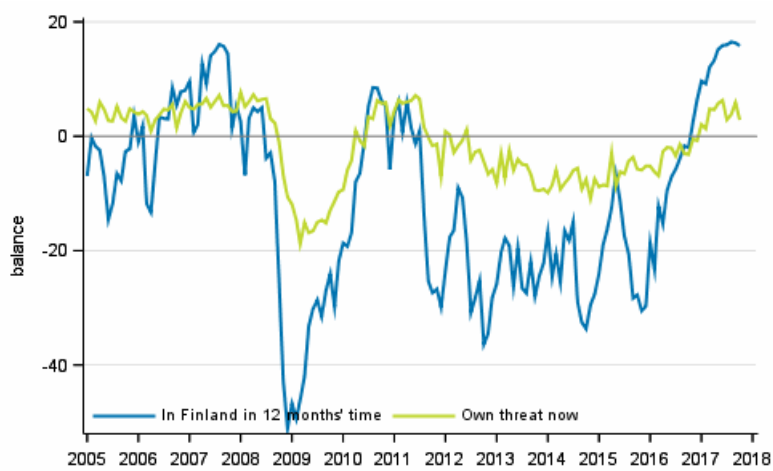
Appendix figure 4. Finland's economy



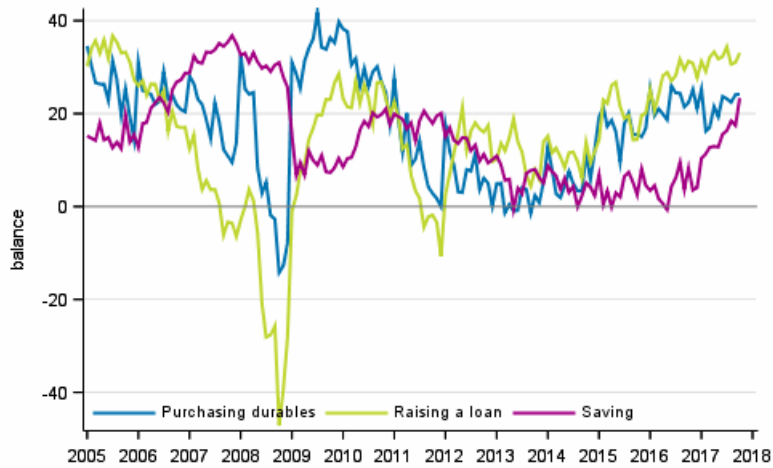
Appendix figure 5. Inflation



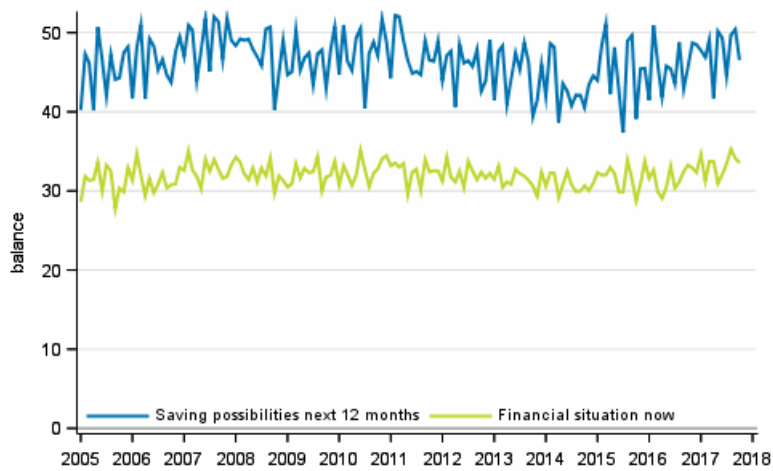
Appendix figure 6. Unemployment



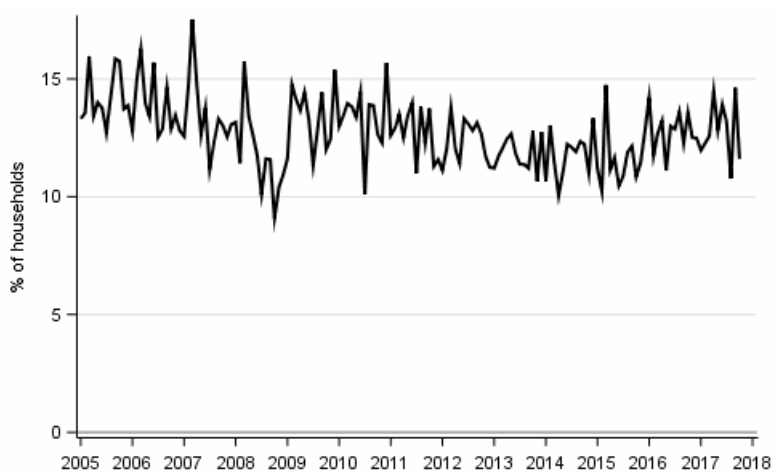
Appendix figure 7. Favourability of time for



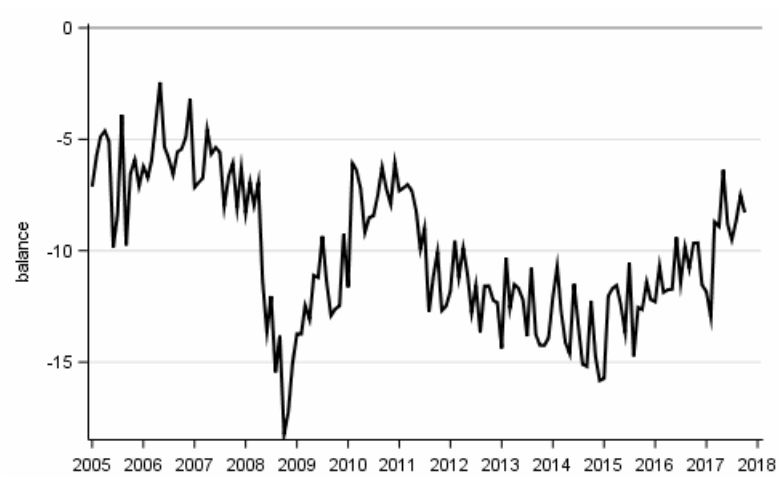
Appendix figure 8. Household's financial situation and saving possibilities



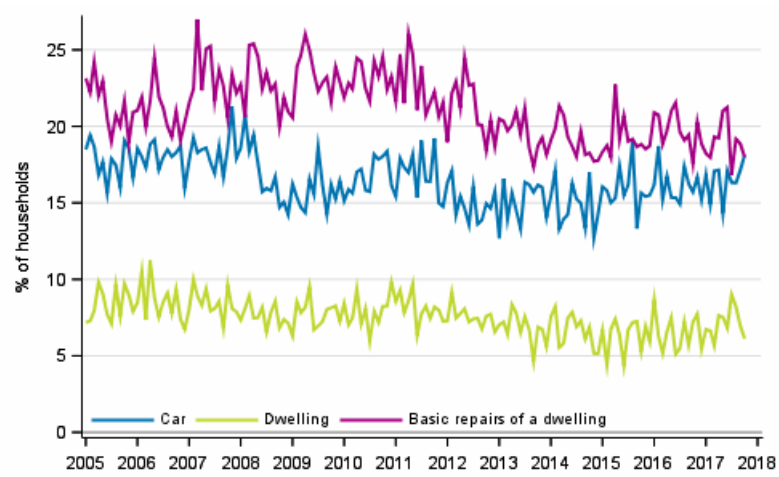
Appendix figure 9. Household's intentions to raise a loan, next 12 months



Appendix figure10. Spending on durables, next 12 months vs last 12 months



Appendix figure 11. Household's intentions to buy, next 12 months



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Source: Consumer Survey 2017, October. Statistics Finland