# Consumer Survey

2018, November

Consumer confidence strengthened slightly – confidence in Finland's economy fading

Consumers' confidence in the economy has improved slightly from last month. The consumer confidence indicator stood at 18.3 in November, having been 16.8 in October and 20.2 in September. The consumer confidence indicator (CCI) received the value 23.0 in last year's November. The long-term average for the CCI is 12.6. The data are based on Statistics Finland's Consumer Survey, for which 1,110 people resident in Finland were interviewed between 1 and 19 November.

Consumer confidence indicator (CCI)
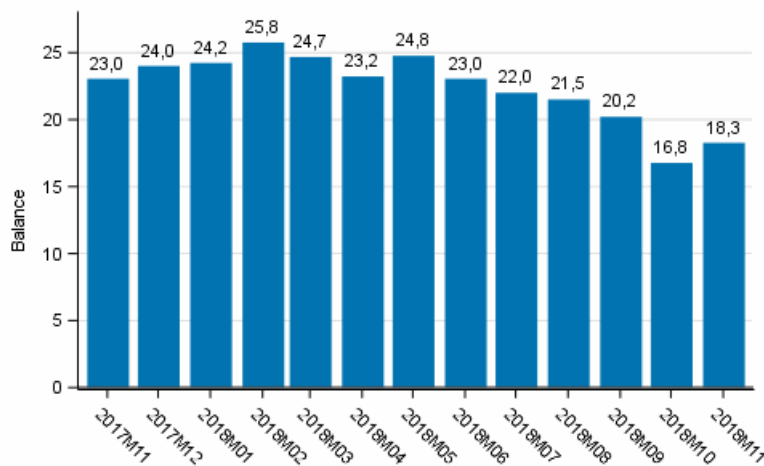
Of the four components of the consumer confidence indicator, consumers' expectations concerning Finland's economy weakened further in November compared with October. Views on the development of Finland's economy were poor, but expectations concerning unemployment development were brighter than before. Expectations concerning consumers' own economy and saving possibilities improved further in November.

Compared with the corresponding period of last year, confidence in Finland's economy and unemployment decreasing weakened in November. Views concerning their own economy and saving possibilities in turn improved over the one-year review period.

Consumers' expectations concerning their own and Finland's economy in 12 months' time
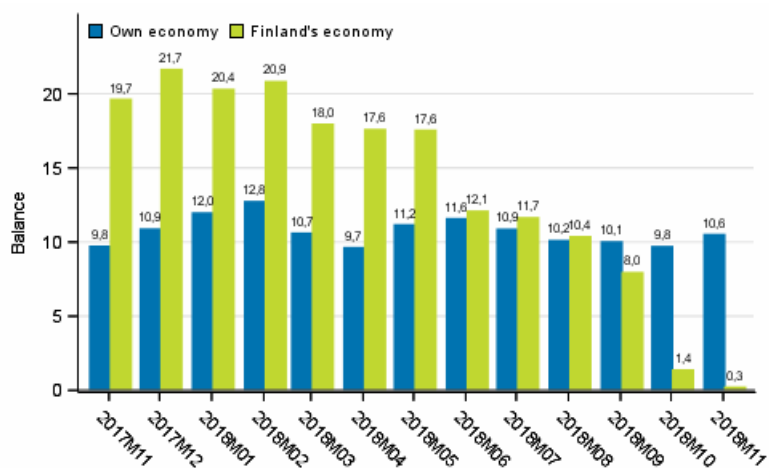
Consumers considered their household's financial situation very good in November. The time was regarded very favourable for saving but not for taking out a loan. The time was not regarded as either good or bad for buying of durable goods. Employed persons felt in November that their personal threat of unemployment had lessened.

Consumer confidence by major region and population group

In October, confidence in the economy was strongest in Greater Helsinki and Western Finland (consumer confidence indicator 20.8 and 18.7). Among population groups, upper-level salaried employees were clearly most optimistic (29.1). Pensioners (10.4) and unemployed persons (12.5) had the gloomiest expectations concerning economic development.

EU results

The (seasonally adjusted) Consumer Survey results for all EU countries are released monthly on the European Commission website: Press releases.

Concepts

The **balance figures** are obtained by deducting the weighted proportion of negative answers from that of positive answers (see Methodological description). The **consumer confidence indicator** (CCI) is the average of the balance figures for the CCI components. The components are: own economy, Finland's economy, general unemployment and household's saving possibilities (all concerning next 12 months). 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.

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Consumers' own and Finland's economy

In November, only 25 per cent of consumers believed that Finland's economic situation would improve during the next 12 months, while as many as 24 per cent of them thought that the country's economy would deteriorate. In October, the respective proportions were 27 and 23 per cent and in last year's November 47 and 8 per cent.

In all, 29 per cent of consumers believed in November that their own economy would improve and 11 per cent of them feared it would worsen over the year. One month earlier, the corresponding proportions were 28 and 12 per cent, and one year earlier 28 and 11 per cent.

Unemployment and inflation

Altogether 42 per cent of consumers thought in November that unemployment would decrease over the year, while 19 per cent of them believed it would increase. The proportions were 39 and 21 per cent in October and 48 and 16 per cent one year ago.

In November, 31 per cent of employed persons felt that they were not threatened by unemployment at all. Seventeen per cent of employed persons reckoned that their personal threat of unemployment had lessened over the past few months, while 12 per cent thought it had grown.

Consumers predicted in November that consumer prices would go up by 2.1 per cent over the next 12 months. One year ago, the predicted inflation rate was 1.7 per cent, and its long-term average is 2.1 per cent.

Saving and taking out a loan

A total of 73 per cent of consumers considered saving worthwhile this November. The long-term average proportion is 59 per cent. In November, 71 per cent of households had been able to lay aside some money and 80 per cent believed they would be able to do so during the next 12 months.

In November, 61 per cent of consumers regarded the time good for raising a loan. One year previously, the corresponding proportion was still 75 per cent. This November, 12 per cent of households were thinking of taking out a loan within one year.

Buying of durable goods

In November, 41 per cent of consumers considered the time favourable for buying durable goods. Intentions to spend money were mostly moderate. Sixteen per cent of households were fairly or very certain to buy a car during the next 12 months. Seven per cent of households considered purchasing a dwelling. In November, 18 per cent of households were planning to spend money on renovating their dwelling within a year.

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.

Sampling and data collection

The population of the Consumer Survey comprises 4.5 million persons aged 15 to 84 and their 2.7 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 are mainly conducted from Statistics Finland's Telephone Interview Centre (CATI), during the first two or three weeks of the month.

In November 2018, in all, 1,110 responses were gained, so the non-response rate of the survey was 52.8 per cent. 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. Possible over-coverage (dead, moved abroad etc.) is also included in non-response here.

Weighting

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 (Calmar) and the probability of each observation to be included in the sample. The figures and series presented are not seasonally adjusted.

For more information, see Methodological description.

Appendix tables

Appendix table 1. Consumers' views and intentions

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	11/2017	10/2018	11/2018	Outlook[1]
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	12.6	25.8	-6.5	23.0	16.8	18.3	+
A2 Old CCI = (B1+B2+B3+B4+C1)/5	6.9	20.6	-15.0	16.7	12.2	10.0	+
A3 Micro indicator = (B2+D1+D2)/3	25.9	33.4	9.5	29.8	31.1	33.0	++
A4 Macro indicator = (B4+B7)/2	1.0	22.8	-39.1	18.0	4.9	5.7	+
B1 Own economy now (balance)	3.9	9.8	-4.0	2.0	8.3	5.3	+
- Better (%)	23.4	30.6	16.4	21.2	28.2	25.1	
- Worse (%)	16.4	22.7	11.4	17.3	15.0	15.7	
B2 Own economy in 12 months' time (balance)	8.4	14.1	2.3	9.8	9.8	10.6	+
- Better (%)	25.9	33.4	18.2	27.7	28.3	29.0	
- Worse (%)	11.3	17.7	6.6	10.9	11.8	11.2	
B3 Finland's economy now (balance)	-1.1	29.5	-60.9	25.7	16.4	15.5	+
- Better (%)	28.1	62.1	2.0	56.7	44.3	42.1	
- Worse (%)	27.4	88.5	4.2	8.7	12.8	12.2	
B4 Finland's economy in 12 months' time (balance)	4.4	25.3	-27.1	19.7	1.4	0.3	-
- Better (%)	32.2	57.3	11.6	47.2	26.6	25.3	
- Worse (%)	22.0	57.3	6.0	7.9	23.1	24.2	
B5 Inflation now (per cent)	2.2	5.8	-2.0	1.2	1.9	2.0	
B6 Inflation in 12 months' time (per cent)	2.1	4.6	0.6	1.7	2.2	2.1	
B7 Unemployment in Finland in 12 months' time (balance)	-2.4	27.6	-51.1	16.3	8.4	11.2	+
- Less (%)	31.2	60.8	6.4	48.4	38.7	41.5	
- More (%)	33.3	83.3	6.9	15.9	21.3	18.7	
B8 Own threat of unemployment now (balance)	-0.6	9.8	-18.8	3.7	4.8	6.4	++
- Decreased (%)	13.4	20.4	5.3	17.1	16.6	17.3	
- Increased (%)	16.7	31.9	7.9	14.0	11.9	12.3	
C1 Favourability of time for purchasing durables (balance)	18.8	41.8	-14.2	26.6	25.1	18.3	=
- Favourable time (%)	44.6	62.4	29.6	45.4	45.2	40.6	
- Unfavourable time (%)	25.8	45.7	15.2	18.8	20.1	22.3	
C2 Favourability of time for saving (balance)	11.3	36.8	-19.6	19.8	31.3	32.0	++
- Good time (%)	58.5	80.7	33.4	64.1	73.0	73.3	
- Bad time (%)	36.0	58.5	15.5	29.2	22.2	21.5	
C3 Favourability of time for raising a loan (balance)	18.6	42.0	-47.1	36.1	21.7	16.2	=
- Good time (%)	62.8	78.2	13.3	75.0	65.1	60.7	
- Bad time (%)	30.1	83.4	12.1	17.1	27.3	32.2	
D1 Household's financial situation now (balance)	29.0	37.3	14.7	33.1	36.0	37.3	++
- Can save (%)	60.4	70.8	38.6	66.1	68.9	70.8	
- Uses savings or gets into debt (%)	6.8	10.1	4.5	6.4	5.1	6.2	

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	11/2017	10/2018	11/2018	Outlook[1]
D2 Household's saving possibilities in the next 12 months (balance)	40.2	52.2	10.9	46.5	47.5	51.1	++
- Can save (%)	74.4	82.3	56.6	78.4	78.8	80.1	
- Cannot save (%)	23.8	40.3	16.5	20.2	19.5	18.0	
D5 Household's intentions to raise a loan in the next 12 months (% of households)	13.1	17.8	9.1	11.5	13.3	11.6	-
- Yes, certainly (%)	5.6	8.5	3.1	4.8	6.5	5.0	
- Possibly (%)	7.5	11.4	5.0	6.7	6.8	6.7	
E1 Spending on durables, next 12 months vs last 12 months (balance)	-8.9	-2.4	-18.2	-9.8	-7.9	-10.1	-
- More (%)	21.3	30.8	13.9	18.9	20.1	18.4	
- Less (%)	32.6	40.4	25.6	31.3	31.0	33.2	
E2 Intentions to buy a car in the next 12 months (% of households)	16.8	21.7	12.7	17.2	17.3	16.4	=
- Very likely (%)	8.5	12.1	5.1	8.5	8.8	7.6	
- Fairly likely (%)	8.3	10.4	5.3	8.7	8.5	8.8	
E4 Intentions to buy a dwelling in the next 12 months (% of households)	7.0	11.3	4.1	6.6	7.4	7.0	=
- Yes, certainly (%)	3.0	5.2	1.3	2.7	2.6	3.5	
- Possibly (%)	4.0	6.2	2.2	3.8	4.8	3.5	
E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households)	18.8	27.0	9.8	16.0	19.0	17.7	-
- Very likely (%)	12.4	19.0	5.0	10.6	12.1	11.1	
- Fairly likely (%)	6.4	9.1	3.2	5.5	6.9	6.6	

1) Outlook: ++ very good, + good, = neutral, - poor, -- very poor; deviation of balance from average has been compared to standard deviation
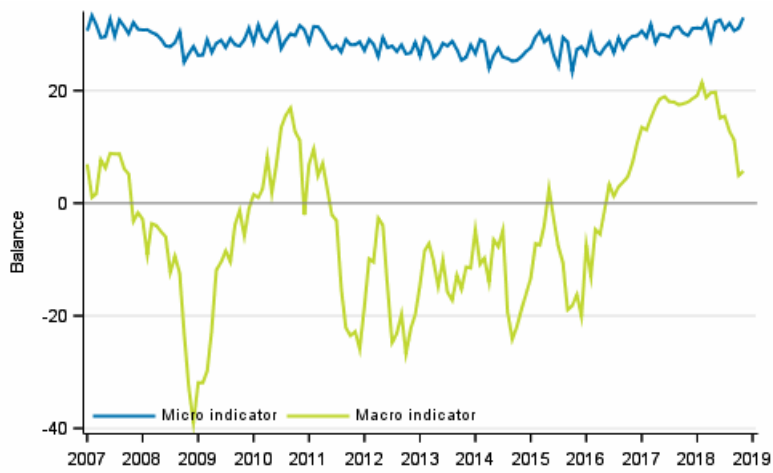
Appendix figures

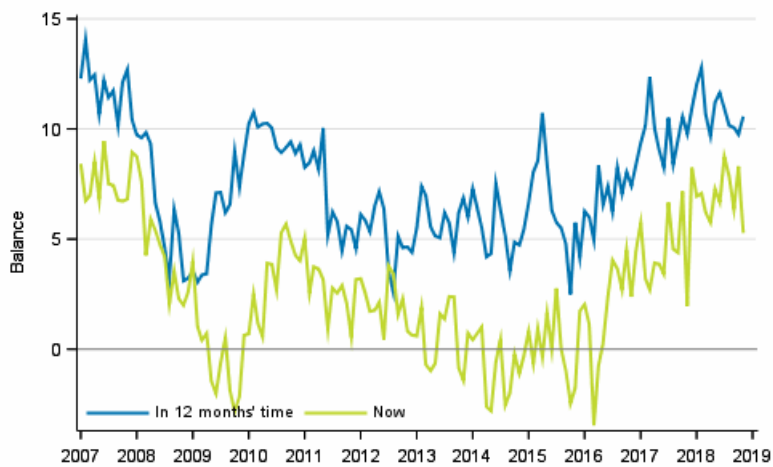**Appendix figure 1. Consumer confidence indicator (CCI)**
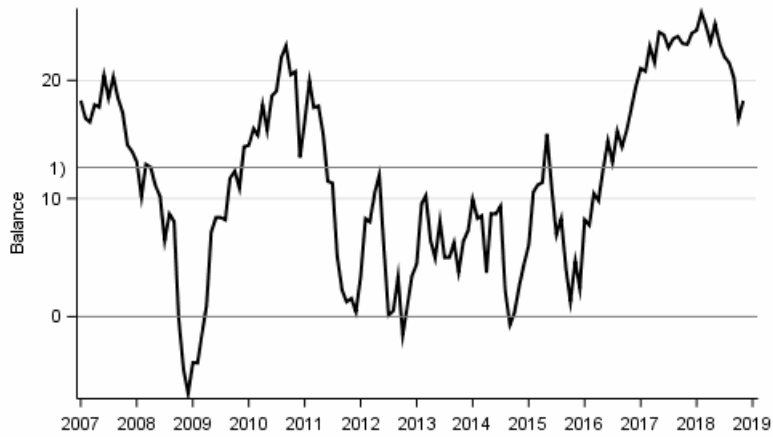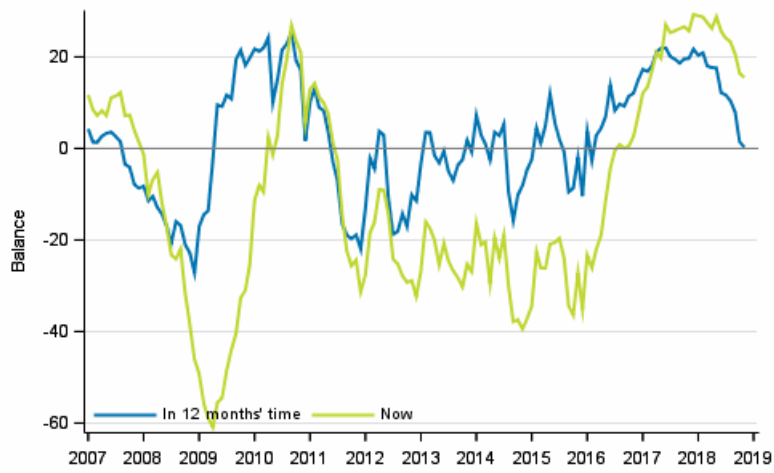

1) average 10/1995 - 11/2018

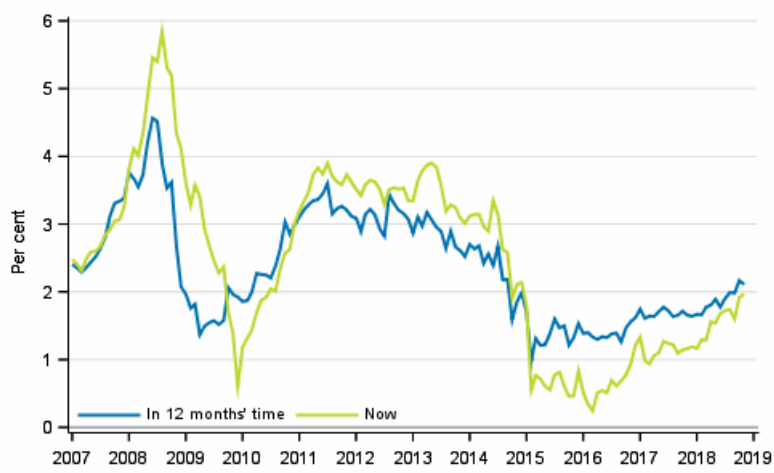**Appendix figure 2. Micro and macro indicators**

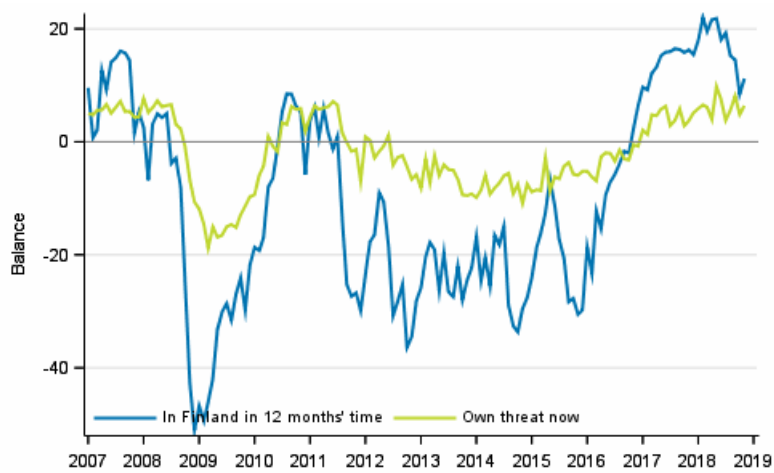**Appendix figure 3. Own economy**

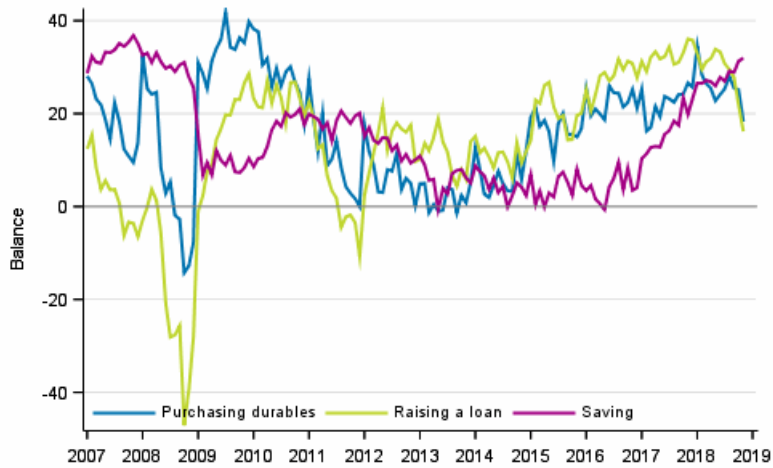## Appendix figure 4. Finland's economy
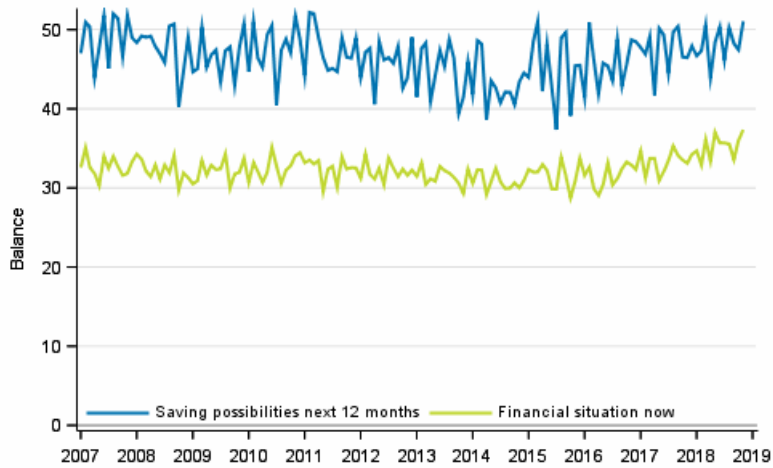

Appendix figure 5. Inflation
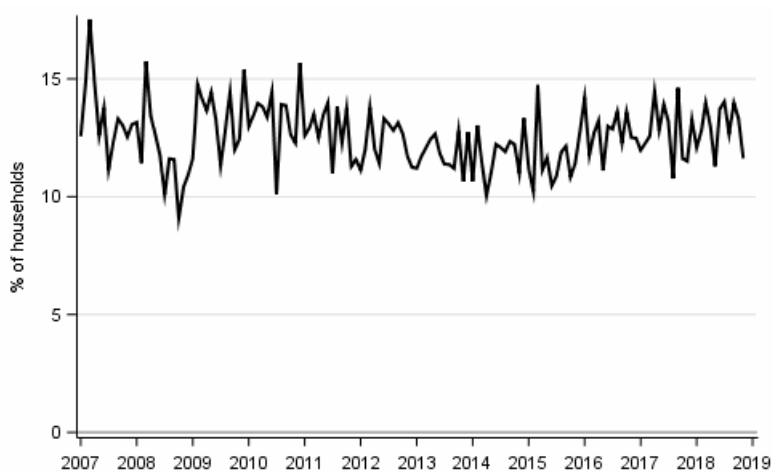

Appendix figure 6. Unemployment

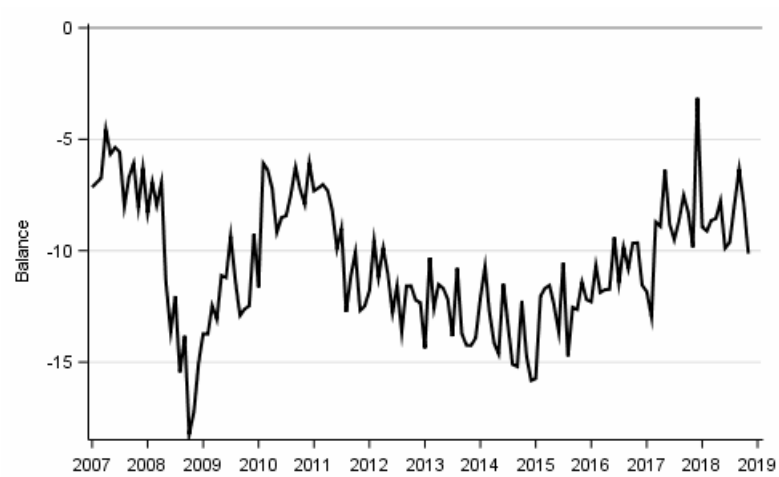**Appendix figure 7. Favourability of time for**

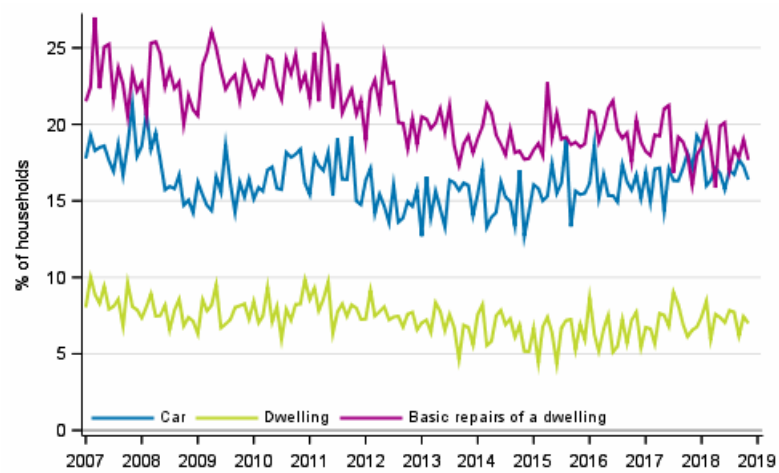**Appendix figure 8. Household's financial situation and saving possibilities**

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 2018, November. Statistics Finland