

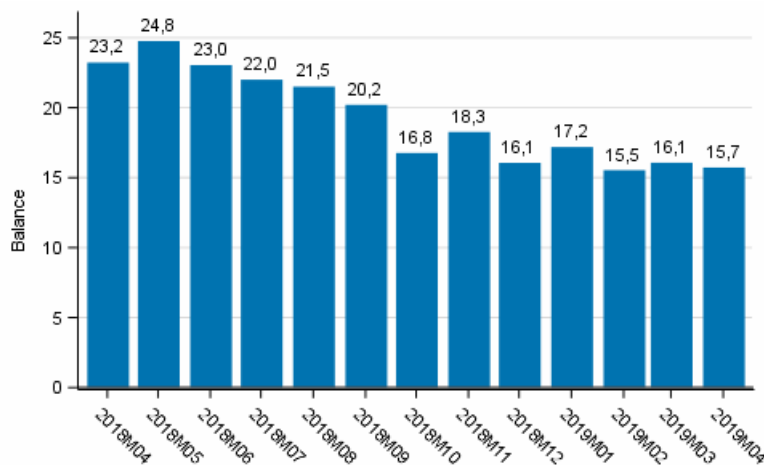
# Consumer Survey

2019, April

## Consumer confidence unchanged in April

Consumers' confidence in the economy has already stayed for about six months on the same moderate level. The consumer confidence indicator (CCI) stood at 15.7 in April, having been 16.1 in March and 15.5 in February. The long-term average for the CCI is 12.7. One year earlier in April, the CCI received a clearly higher value, 23.2. The data are based on Statistics Finland's Consumer Survey for which 1,143 persons resident in Finland were interviewed between 1 and 17 April.

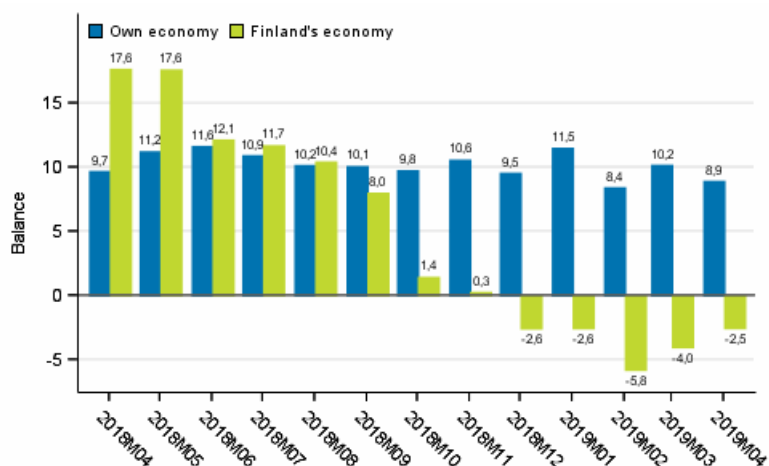
### Consumer confidence indicator (CCI)



Of the four components of the CCI, only consumers' expectations concerning Finland's economy improved slightly in April compared to March. However, the picture of the country's economic development was still fairly gloomy. However, each of the three other components of the CCI weakened slightly in April. The estimate of one's own economy still remained reasonable and views on saving possibilities excellent. Expectations concerning the decrease of unemployment were still positive.

Compared with the corresponding period last year, only views on saving possibilities improved in April. The other CCI components deteriorated in a year, expectations concerning Finland's general economy significantly.

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



In April consumers considered their household's financial situation to be very good. Employed consumers felt that their personal threat of unemployment has still decreased somewhat in recent times. The time was regarded very favourable for saving and also good for taking out a loan and buying durable goods. Intentions to spend money on durable goods within one year showed small signs of picking up especially compared to March.

### Consumer confidence by major region and population group

In April, consumers' confidence in the economy was strongest in Greater Helsinki (CCI 17.0) and Northern Finland (16.9) and weakest in Eastern Finland (10.4). Among population groups, upper-level salaried employees were most optimistic (25.0). Pensioners had the gloomiest expectations concerning economic development (4.3).

### Several changes to the Consumer Survey in May

The name, data collection method, sample design and data content of the Consumer Survey will change starting from May. More information about the changes can be found on the [web pages](#) of the statistics.

### 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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# Review

## **Consumers' own and Finland's economy**

In April 21 per cent of consumers believed that Finland's economic situation would improve in the coming twelve months, while 25 per cent of them thought that the country's economy would deteriorate. In March, the corresponding proportions were 21 and 28 per cent and in last year's April optimistic 43 and 9 per cent.

In all, 27 per cent of consumers believed in April that their own economy would improve, while 12 per cent of them feared it would worsen over the year. One month earlier, the corresponding proportions were 28 and 11 per cent, and one year earlier 26 and 10 per cent.

## **Unemployment and inflation**

Altogether 34 per cent of consumers thought in April that unemployment would decrease over the year, while 23 per cent of them believed it would increase. The shares were 36 and 23 per cent in March and very confident 54 and 11 per cent one year ago.

In April, as many as 36 per cent of employed persons felt that they were not threatened by unemployment at all. Fourteen per cent of employed persons reckoned that their personal threat of unemployment had lessened over the past few months, while ten per cent thought it had grown.

Consumers predicted in April that consumer prices would go up by 1.8 per cent over the next 12 months. The predicted long-term average inflation rate is 2.1 per cent.

## **Saving and taking out a loan**

In April 73 per cent of consumers thought the time was favourable for saving. The long-term average proportion is 59 per cent. In April 69 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. The long-term averages of these proportions were 61 and 75 per cent.

In April 69 per cent of consumers regarded the time good for taking out a loan. Thirteen per cent of households considered raising a loan within one year.

## **Buying of durable goods**

Forty-two per cent of consumers considered the time favourable for buying durable goods in April. The long-term average proportion is 45 per cent. Twenty-one per cent of consumers planned on increasing and 31 per cent planned on reducing their spending on durable goods over the next 12 months. The corresponding proportions in March were 19 and 34 per cent.

In April 17 per cent of consumers were either definitely or possibly going to buy a car during the next 12 months. Seven per cent of households considered buying a dwelling. As each spring, more households than usual, or 21 per cent, 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. In addition, the survey is a tool for finding out households' intentions to make major purchases, save money or take out a loan. 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 April 2019, in all, 1,143 responses were gained, so the non-response rate of the survey was 51.4 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**

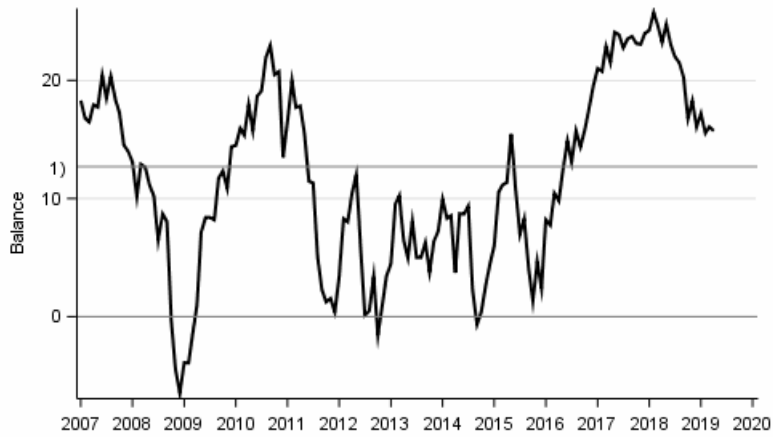
	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	04/2018	03/2019	04/2019	Outlook <sup>1)</sup>
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	12.7	25.8	-6.5	23.2	16.1	15.7	+
A2 Old CCI = (B1+B2+B3+B4+C1)/5	6.9	20.6	-15.0	16.9	7.5	8.9	+
A3 Micro indicator = (B2+D1+D2)/3	26.0	34.0	9.5	29.0	32.2	31.6	++
A4 Macro indicator = (B4+B7)/2	1.0	22.8	-39.1	19.6	1.1	1.4	=
B1 Own economy now (balance)	4.0	9.8	-4.0	5.8	8.0	7.0	+
- Better (%)	23.5	30.6	16.4	25.4	28.9	27.1	
- Worse (%)	16.4	22.7	11.4	15.1	15.9	15.4	
B2 Own economy in 12 months' time (balance)	8.5	14.1	2.3	9.7	10.2	8.9	=
- Better (%)	25.9	33.4	18.2	26.4	28.3	27.0	
- Worse (%)	11.3	17.7	6.6	9.7	11.1	12.1	
B3 Finland's economy now (balance)	-1.0	29.5	-60.9	26.2	5.1	9.3	+
- Better (%)	28.2	62.1	2.0	56.2	29.3	31.5	
- Worse (%)	27.2	88.5	4.2	8.3	17.8	13.6	
B4 Finland's economy in 12 months' time (balance)	4.2	25.3	-27.1	17.6	-4.0	-2.5	-
- Better (%)	32.0	57.3	11.6	43.2	20.7	21.0	
- Worse (%)	22.1	57.3	6.0	8.9	28.3	25.4	
B5 Inflation now (per cent)	2.2	5.8	-2.0	1.6	1.7	1.6	
B6 Inflation in 12 months' time (per cent)	2.1	4.6	0.6	1.8	1.9	1.8	
B7 Unemployment in Finland in 12 months' time (balance)	-2.3	27.6	-51.1	21.6	6.3	5.4	+
- Less (%)	31.2	60.8	6.4	53.9	35.8	34.2	
- More (%)	33.1	83.3	6.9	11.4	22.5	22.8	
B8 Own threat of unemployment now (balance)	-0.4	9.8	-18.8	4.0	6.0	4.9	+
- Decreased (%)	13.5	20.4	5.3	15.7	18.6	13.7	
- Increased (%)	16.5	31.9	7.9	12.4	11.9	10.2	
C1 Favourability of time for purchasing durables (balance)	18.8	41.8	-14.2	25.4	18.2	21.8	+
- Favourable time (%)	44.5	62.4	29.6	44.5	38.9	42.0	
- Unfavourable time (%)	25.7	45.7	15.2	19.1	20.6	20.2	
C2 Favourability of time for saving (balance)	11.6	36.8	-19.6	26.9	27.9	31.2	++
- Good time (%)	58.7	80.7	33.4	70.4	70.9	73.0	
- Bad time (%)	35.7	58.5	15.5	22.8	24.1	21.2	
C3 Favourability of time for raising a loan (balance)	18.6	42.0	-47.1	31.9	23.6	27.2	+
- Good time (%)	62.9	78.2	13.3	74.0	67.7	68.7	
- Bad time (%)	30.0	83.4	12.1	18.2	25.0	22.1	
D1 Household's financial situation now (balance)	29.1	37.3	14.7	33.4	34.7	34.9	++
- Can save (%)	60.6	72.2	38.6	67.3	69.6	68.9	
- Uses savings or gets into debt (%)	6.8	10.1	4.5	7.5	8.0	7.6	

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	04/2018	03/2019	04/2019	Outlook <sup>1)</sup>
D2 Household's saving possibilities in the next 12 months (balance)	40.4	53.6	10.9	43.9	51.8	51.1	++
- Can save (%)	74.6	82.3	56.6	76.4	79.7	79.7	
- Cannot save (%)	23.7	40.3	16.5	22.2	18.2	18.4	
D5 Household's intentions to raise a loan in the next 12 months (% of households)	13.1	17.8	9.1	13.0	13.3	12.7	-
- Yes, certainly (%)	5.6	8.5	3.1	6.4	6.5	5.9	
- Possibly (%)	7.5	11.4	5.0	6.5	6.8	6.8	
E1 Spending on durables, next 12 months vs last 12 months (balance)	-8.9	-2.4	-18.2	-8.6	-11.2	-7.5	+
- More (%)	21.3	30.8	13.9	19.4	19.4	21.5	
- Less (%)	32.6	40.4	25.6	29.9	33.6	31.0	
E2 Intentions to buy a car in the next 12 months (% of households)	16.7	21.7	12.7	17.1	17.4	17.3	+
- Very likely (%)	8.5	12.1	5.1	8.1	7.8	8.4	
- Fairly likely (%)	8.2	10.4	5.3	9.0	9.6	8.8	
E4 Intentions to buy a dwelling in the next 12 months (% of households)	7.0	11.3	4.1	7.6	7.1	6.9	=
- Yes, certainly (%)	3.0	5.2	1.3	2.7	2.5	2.9	
- Possibly (%)	4.0	6.3	2.2	4.9	4.6	4.1	
E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households)	18.8	27.0	9.8	15.9	20.7	21.4	+
- Very likely (%)	12.4	19.0	5.0	8.9	12.2	12.5	
- Fairly likely (%)	6.4	9.1	3.2	6.9	8.5	9.0	

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

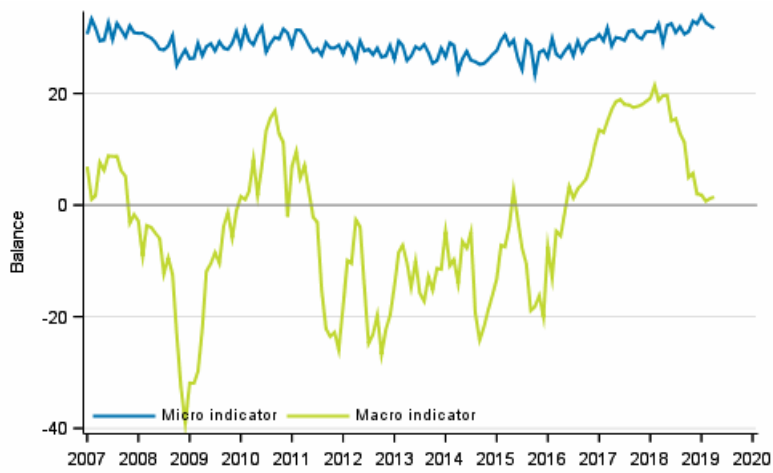
# Appendix figures

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

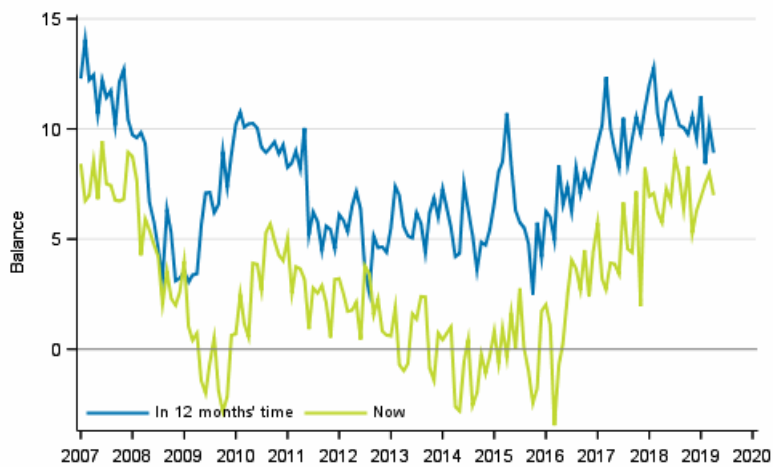


1) average 10/1995 - 04/2019

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

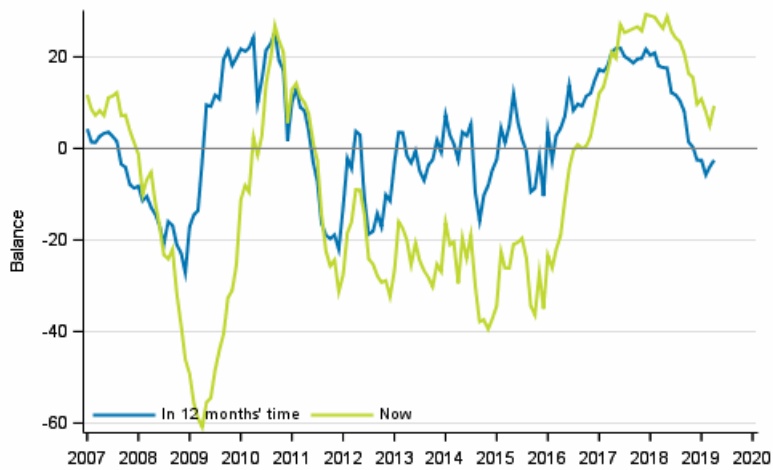


**Appendix figure 3. Own economy**





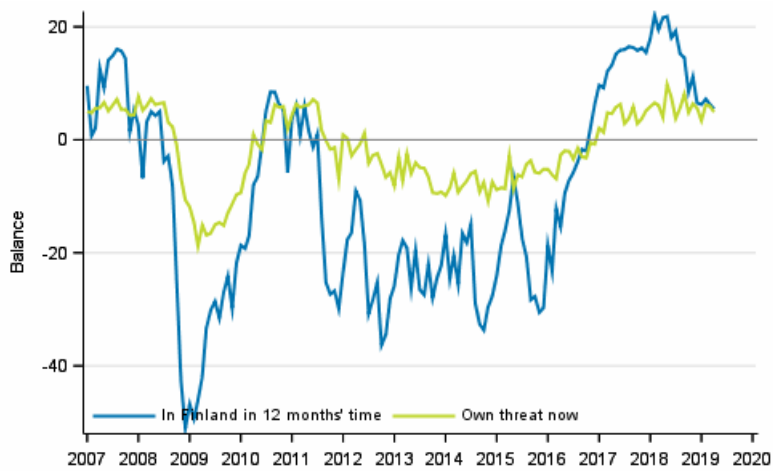
**Appendix figure 4. Finland's economy**



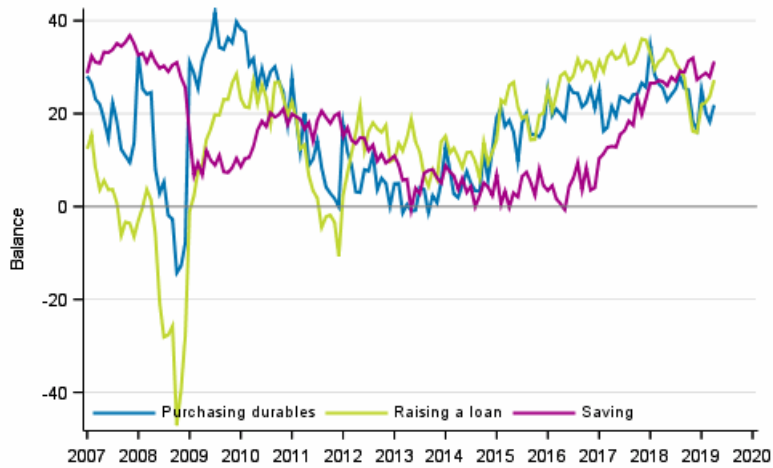
**Appendix figure 5. Inflation**



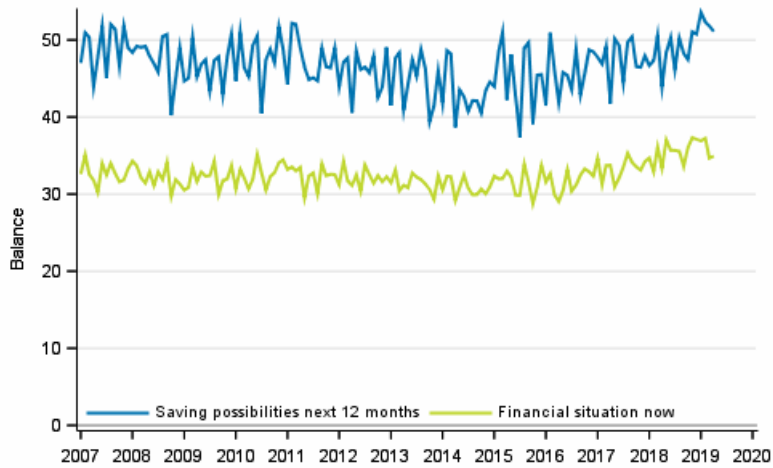
**Appendix figure 6. Unemployment**



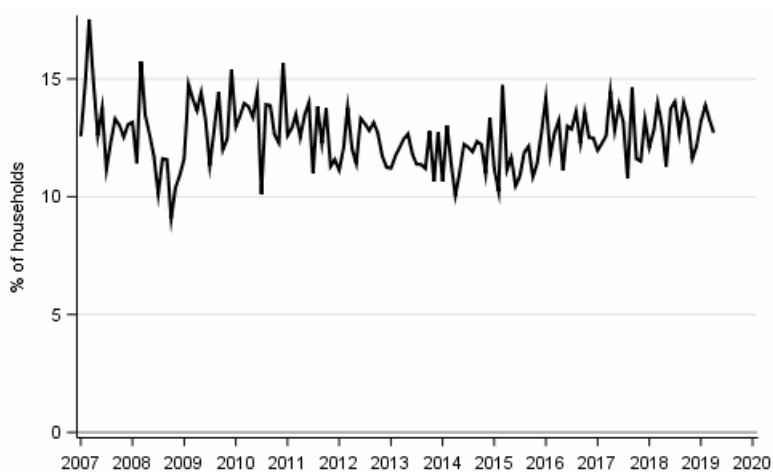
**Appendix figure 7. Favourability of time for**



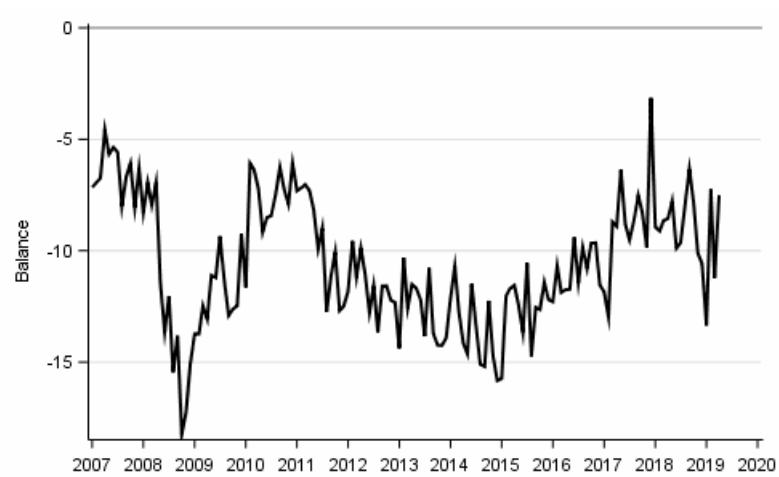
**Appendix figure 8. Household's financial situation and saving possibilities**



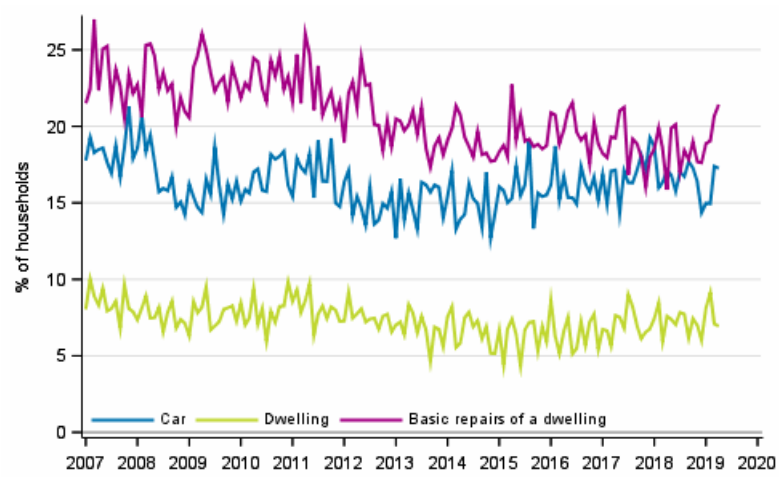
**Appendix figure 9. Household's intentions to raise a loan, next 12 months**



**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 2019, April. Statistics Finland