

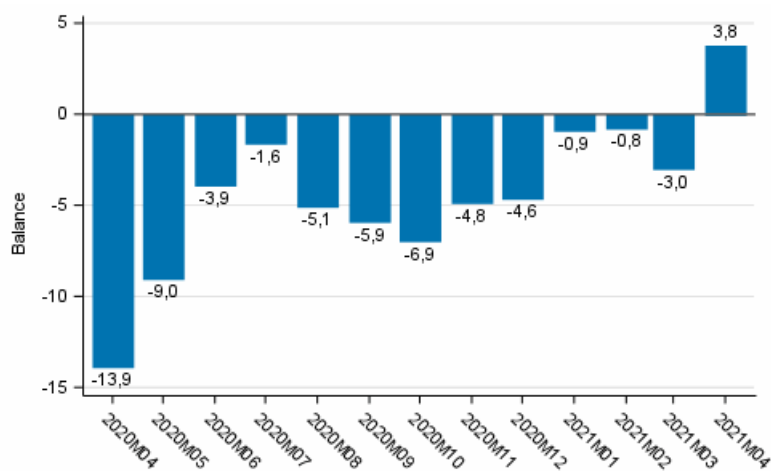
Consumer Confidence

2021, April

Consumer confidence strong and partly record high in April

The consumer confidence indicator (CCI) stood at 3.8 in April, having been -3.0 in March and -0.8 in February. Confidence in the economy has last been on level with April or stronger in May 2018 (4.1). Last year in April, the CCI received the value -13.9. The long-term average for the CCI is -1.8. The data are based on Statistics Finland's Consumer Confidence Survey, to which 1,010 persons resident in Finland responded between 1 and 19 April.

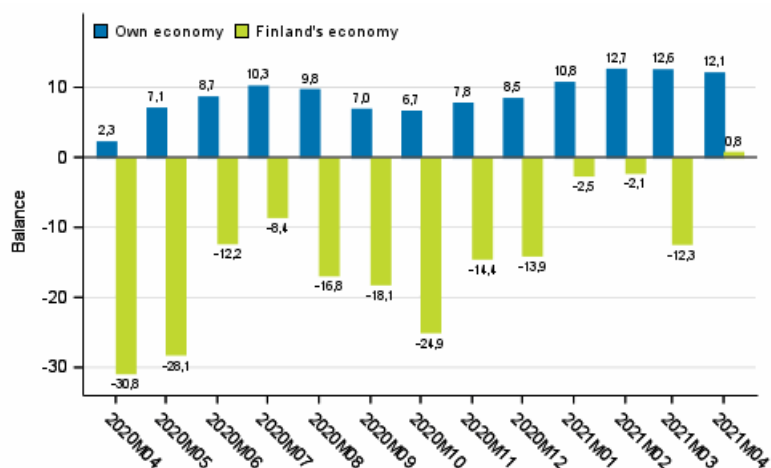
Consumer confidence indicator (CCI)



Of the four components of the CCI, only expectations concerning consumers' own economic situation in twelve months' time did not improve in April compared to March. The other components improved briskly. Compared to last year's April, all four components of the CCI were now clearly on a better level.

Of the components of the CCI, consumers' views on the present state of their own economy and intentions to spend money on durable goods in the coming twelve months were on the strongest level in their measuring history 1995 to 2021 in April. In addition, also expectations concerning the development of their economy were very bright. In April, expectations concerning Finland's economy in twelve months' time were optimistic, too.

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



Consumers also considered their own financial situation in April the best ever during the measuring history. The time was regarded very good for saving and also fairly favourable for taking out a loan and buying durable goods. Again, record many were intending to take out a loan within one year. As in the past few months, consumers also had considerably plenty of plans to buy a dwelling in April. Very many were also considering renovating their dwelling or buying a car during the next 12 months.

Consumers' expectations concerning the development of the general unemployment situation in Finland also became slightly brighter in April. This was also the case for estimates of the personal threat of unemployment or temporary lay-off experienced by employed, that is, wage and salary earners and self-employed persons at the time of the survey. Consumers' expectations of the growth rate of consumer prices in the coming months remained unchanged in April and below its long-term average.

Consumer confidence by major region and population group

In April, consumer confidence in the economy was strongest in Greater Helsinki (CCI 9.8) and weakest in Eastern Finland (-1.4). Among population groups, upper-level salaried employees were most optimistic (11.0). Pensioners had the most pessimistic views concerning economic development (-4.8). The confidence indicator received the value 7.2 among self-employed persons in April.

Consumer confidence in the economy usually decreases with the person's age, and correspondingly the confidence typically increases as income grows. Men are likely to have better confidence in the economy than women. More detailed information is available in the [Database tables](#).

EU results

The (seasonally adjusted) survey results concerning economic expectations 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. The **consumer confidence indicator** (CCI/A1) is the average of the balance figures for the CCI components. The components of the CCI are: consumer's own economy now (B1), consumer's own economy in 12 months (B2), Finland's economy in 12 months (B4) and consumer's spending money on major purchases in the next 12 months compared to the past 12 months (E1). The balance figures and

the confidence indicator can range between -100 and +100 – the higher balance figure, the brighter the view on the economy.

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1. Examination of response distributions

Consumers' own and Finland's economy

As many as 71 per cent of consumers thought in April that Finland's economy was now worse than a year ago and only seven per cent of consumers felt that it was better. Fifteen per cent of consumers thought that their own economy is at the moment worse than one year ago. Clearly more consumers or 29 per cent considered their own economy stronger than one year ago. The proportions concerning consumers' own economy were 19 and 24 per cent in March and 21 and 20 per cent one year ago.

In April as many as 38 per cent of consumers believed that Finland's economic situation would improve in the coming twelve months, while 32 per cent of them thought that the country's economy would deteriorate. One month previously, the corresponding proportions were 27 and 42 per cent and in last year's April 27 and 61 per cent.

In all, 29 per cent of consumers believed in April that their own economy would improve and only 10 per cent of them feared it would worsen over the year. In March, the respective proportions were 32 and 11 per cent and twelve months ago 24 and 21 per cent.

Unemployment and inflation

As many as 31 per cent of consumers expected in April that general unemployment in Finland would decrease over the next year, while 46 per cent of them believed it would increase. The corresponding proportions were 20 and 62 per cent in March and 10 and 82 per cent one year ago.

In April, nine per cent of employed persons believed that their personal threat of unemployment or temporary lay-off had lessened over the past few months, whereas 22 per cent thought it had grown. On the other hand, 44 per cent of employed persons felt that they were not threatened by unemployment or temporary lay-off at all. One month earlier these three proportions were 5, 25 and 38 per cent, and in April last year 2, 41 and 33 per cent.

Consumers predicted in April that consumer prices would go up by 2.5 per cent over the next 12 months. One year ago, the predicted inflation rate was 2.4 per cent and its long-term average is 2.9 per cent.

Saving and taking out a loan

In April, 62 per cent of consumers thought the time was favourable for saving. Twelve months ago, the proportion was only 40 per cent. In April, 65 per cent of households had been able to lay aside some money and 79 per cent believed they would be able to do so during the next 12 months.

In April, 57 per cent of consumers regarded the time good for taking out a loan. One year earlier, the corresponding proportion was only 28 per cent. In April more consumers than ever, 24 per cent, were planning to raise a loan within one year. The average long-term proportion is 15 per cent.

Use of money

In April, 33 per cent of consumers considered the time favourable for buying durable goods. One year ago, only 20 per cent of consumers held this view. Nineteen per cent of consumers planned on increasing and 28 per cent on reducing their spending on durable goods over the next 12 months.

In April, more consumers than usual, or 16 per cent, were either definitely or possibly going to buy a car during the next 12 months. In April, considerably many also considered buying a dwelling within a year: 17 per cent of consumers. The long-term average for intentions to buy a dwelling is 13 per cent. In addition, as many as 23 per cent of consumers were planning in April to spend money on renovating their dwelling within a year.

2. Method of the Consumer Confidence Survey

The Consumer Confidence Survey measures Finnish consumers' confidence in the economy, that is, views and expectations about the development of their own and Finland's general economic situation. The survey also examines consumers' intentions of making major purchases, saving and raising loans. The survey is carried out with a mixed-mode data collection method, i.e. with a web questionnaire and by telephone interviews (CATI). For the Consumer Confidence Survey, answers are given by means of answer options (qualitative survey).

The former name of the Consumer Confidence Survey was the Consumer Survey. Earlier the survey was carried out by means of telephone interviews only. The first 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 confidence data have been collected monthly on assignment from and partial financing of the [European Commission](#).

Sampling and data collection

The population of the Consumer Confidence Survey comprises 3.9 million persons aged 18 to 74 in Finland. A rotating panel design is applied in the survey. Participants are meant to respond twice within six months. Each month, the target is a random sample of about 2,200 persons, of whom one half are first-timers and one half participate for the second time. The target area of the survey is the whole country and the respondents represent the population in Finland, according to age, gender, area of residence and native language. The data collection period for the survey is the first two or three weeks of the month.

In April 2021, in all, 1,010 responses were gained. Of responses, 77 per cent came from the web questionnaire. The non-response rate of the survey was 53.6 per cent. This 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, inmates of institutions, moved abroad, etc.) is also included in non-response here.

Weighting

The response data of the Consumer Confidence 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.

Appendix tables

Appendix table 1. Consumers' views and intentions¹⁾

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	04/2020	03/2021	04/2021	Outlook ²⁾
A1 Consumer confidence indicator, CCI = (B1+B2+B4+E1)/4	-1.8	6.8	-13.9	-13.9	-3.0	3.8	++
B1 Own economy now (balance)	3.1	9.0	-5.3	-0.3	2.7	9.0	++
- Better (%)	.	.	.	20.2	24.0	28.6	
- Worse (%)	.	.	.	20.8	18.5	15.2	
B2 Own economy in 12 months' time (balance)	8.1	13.5	1.2	2.3	12.6	12.1	++
- Better (%)	.	.	.	23.6	32.1	28.7	
- Worse (%)	.	.	.	20.6	11.1	9.7	
B3 Finland's economy now (balance)	-7.7	25.9	-66.5	-59.8	-49.6	-42.5	--
- Better (%)	.	.	.	4.0	4.1	7.2	
- Worse (%)	.	.	.	82.5	77.3	70.8	
B4 Finland's economy in 12 months' time (balance)	-2.1	20.3	-32.8	-30.8	-12.3	0.8	+
- Better (%)	.	.	.	27.1	27.5	38.2	
- Worse (%)	.	.	.	61.0	42.0	31.9	
B5 Inflation now (per cent)	3.1	6.9	-2.7	2.1	2.3	2.3	
B6 Inflation in 12 months' time (per cent)	2.9	5.3	1.7	2.4	2.5	2.5	
B7 Unemployment in Finland in 12 months' time (balance)	-10.9	20.3	-59.5	-55.1	-28.5	-11.7	=
- Less (%)	.	.	.	10.2	20.3	30.5	
- More (%)	.	.	.	82.0	61.9	45.9	
B8 Own threat of unemployment now (balance)	-6.5	4.7	-26.6	-26.6	-12.9	-8.4	-
- Decreased (%)	.	.	.	2.3	4.9	8.6	
- Increased (%)	.	.	.	41.3	25.3	21.5	
C1 Favourability of time for purchasing durables (balance)	19.5	43.5	-14.3	-14.3	13.3	18.1	=
- Good time (%)	.	.	.	20.4	30.7	32.9	
- Bad time (%)	.	.	.	34.7	17.3	14.8	
C2 Favourability of time for saving (balance)	4.4	29.4	-28.5	-12.0	9.1	17.0	++
- Good time (%)	.	.	.	39.7	55.7	62.5	
- Bad time (%)	.	.	.	59.2	42.6	36.1	
C3 Favourability of time for raising a loan (balance)	7.4	31.7	-60.4	-29.1	1.0	10.9	=
- Good time (%)	.	.	.	28.1	49.6	57.5	
- Bad time (%)	.	.	.	69.8	48.0	41.2	
D1 Own financial situation now (balance)	21.8	32.9	6.4	29.4	31.2	32.9	++
- Money is saved (%)	.	.	.	62.4	63.8	65.3	
- Uses savings or gets into debt (%)	.	.	.	10.6	10.2	9.9	
D2 Own saving possibilities in the next 12 months (balance)	40.0	53.6	9.8	41.9	50.2	51.9	++
- Can save (%)	.	.	.	73.9	77.4	78.9	
- Cannot save (%)	.	.	.	25.6	21.9	20.6	
D5 Intention to raise a loan in the next 12 months (% of consumers)	15.5	24.2	10.5	16.9	21.2	24.2	++
- Yes, absolutely (%)	.	.	.	3.8	5.8	6.5	

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	04/2020	03/2021	04/2021	Outlook ²⁾
- Possibly (%)	.	.	.	13.1	15.4	17.7	
E1 Spending on durables, next 12 months vs. last 12 months (balance)	-16.2	-6.9	-26.7	-26.7	-14.9	-6.9	++
- More (%)	.	.	.	9.2	15.0	19.5	
- Less (%)	.	.	.	45.5	33.2	27.8	
E2 Intention to buy a car in the next 12 months (% of consumers)	14.3	19.2	10.1	11.6	15.6	16.1	++
- Very likely (%)	.	.	.	3.1	5.1	5.2	
- Quite likely (%)	.	.	.	8.5	10.5	10.8	
E4 Intention to buy a dwelling in the next 12 months (% of consumers)	12.7	18.1	9.1	12.4	16.5	16.8	++
- Yes, absolutely (%)	.	.	.	4.0	5.4	5.7	
- Possibly (%)	.	.	.	8.4	11.1	11.2	
E5 Intention to spend money on basic repairs of dwelling in the next 12 months (% of consumers)	17.5	26.0	8.1	16.9	21.5	23.0	++
- Very likely (%)	.	.	.	5.5	7.1	9.7	
- Quite likely (%)	.	.	.	11.4	14.4	13.2	

1) Long-term average, maximum and minimum figures cannot be presented for response distributions.

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

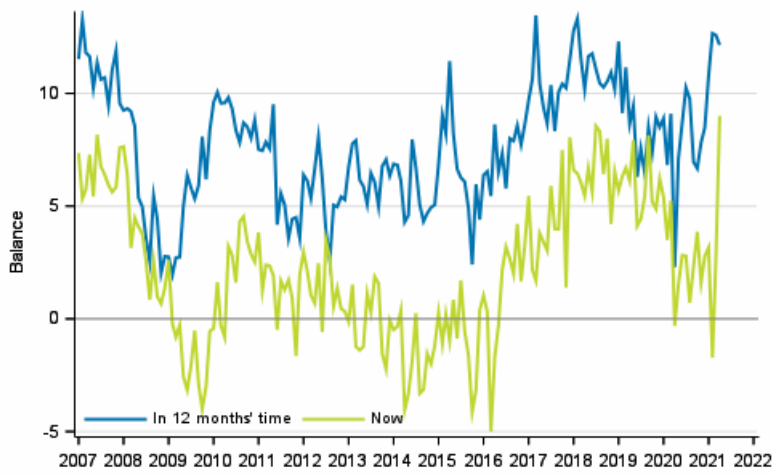
Appendix figures

Appendix figure 1. Consumer confidence indicator (CCI)

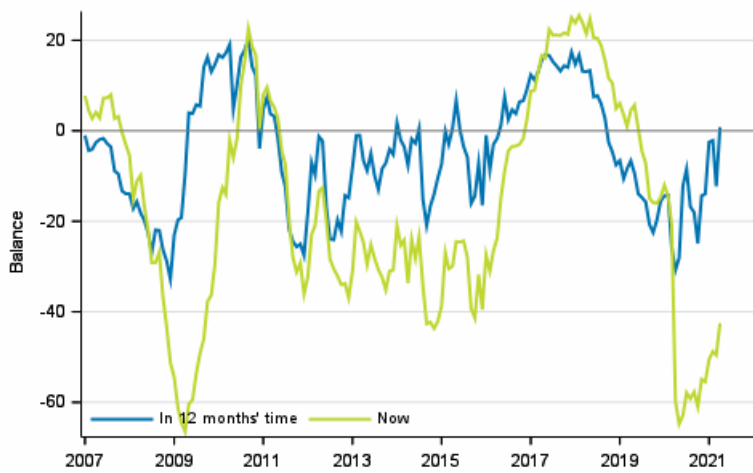


1) average 10/1995 - 04/2021

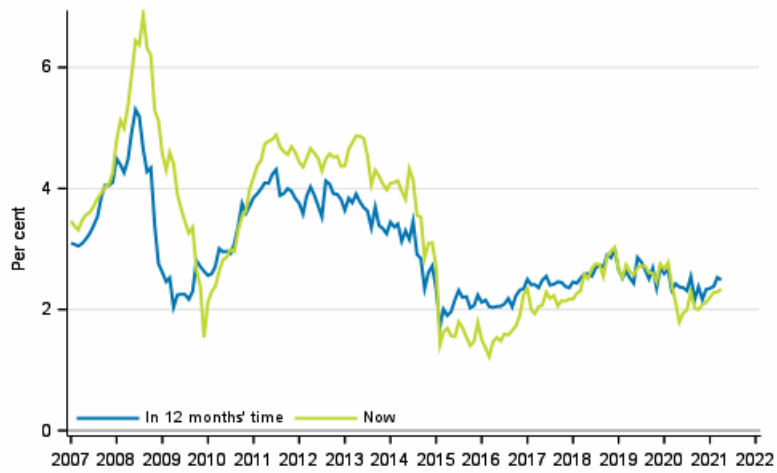
Appendix figure 2. Own economy



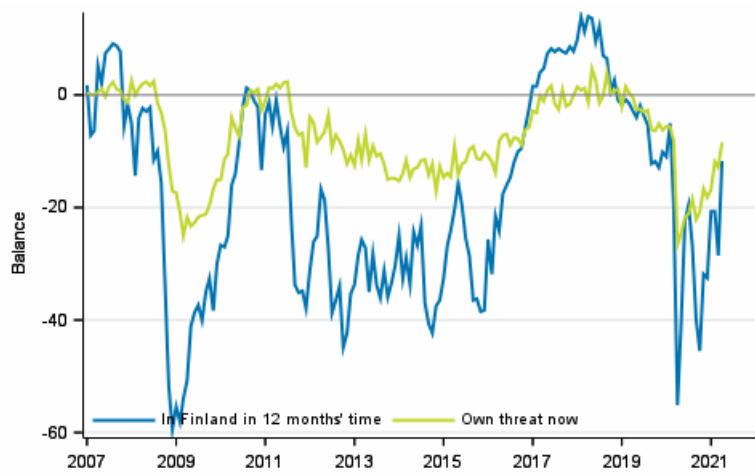
Appendix figure 3. Finland's economy



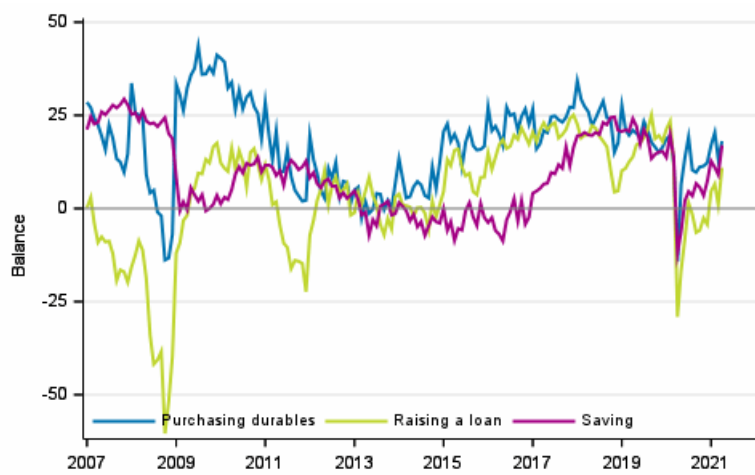
Appendix figure 4. Inflation



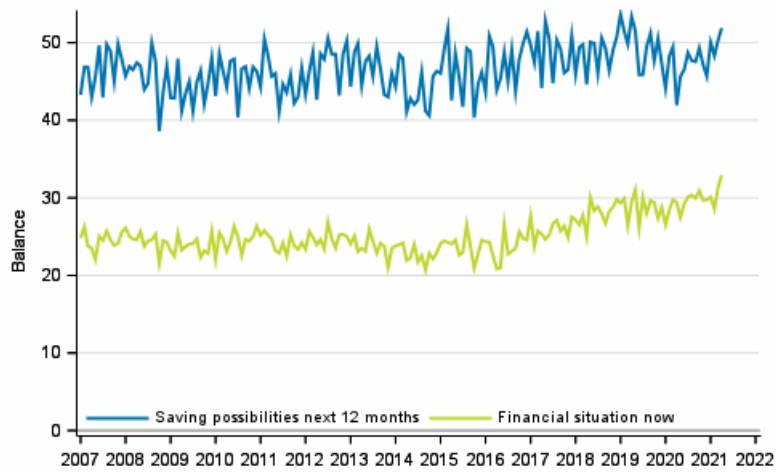
Appendix figure 5. Unemployment



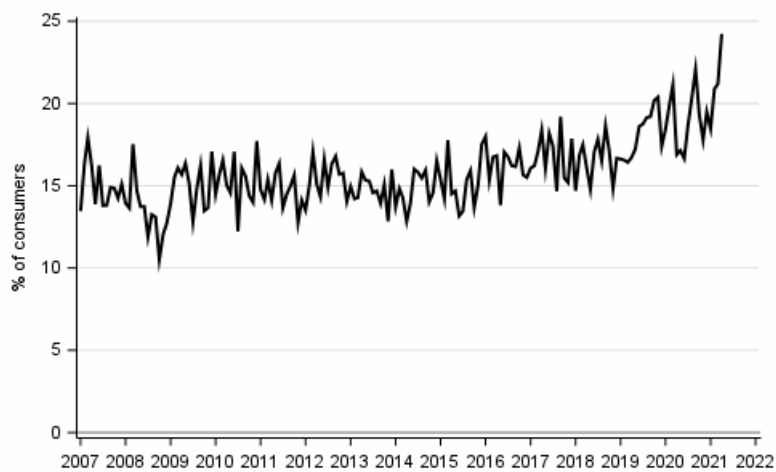
Appendix figure 6. Favourability of time for



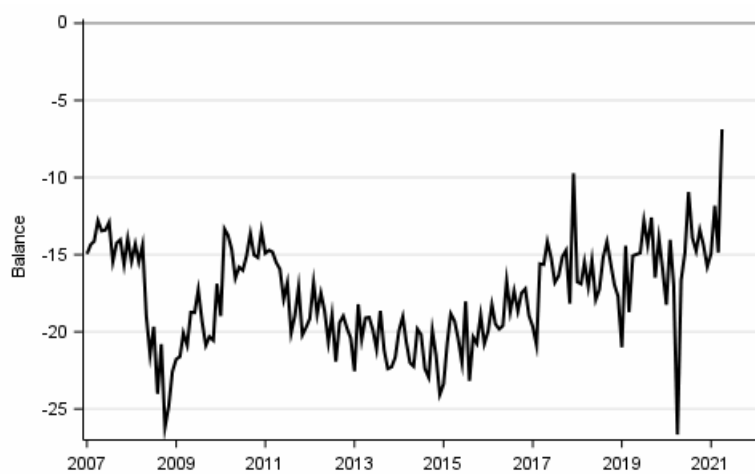
Appendix figure 7. Own financial situation and saving possibilities



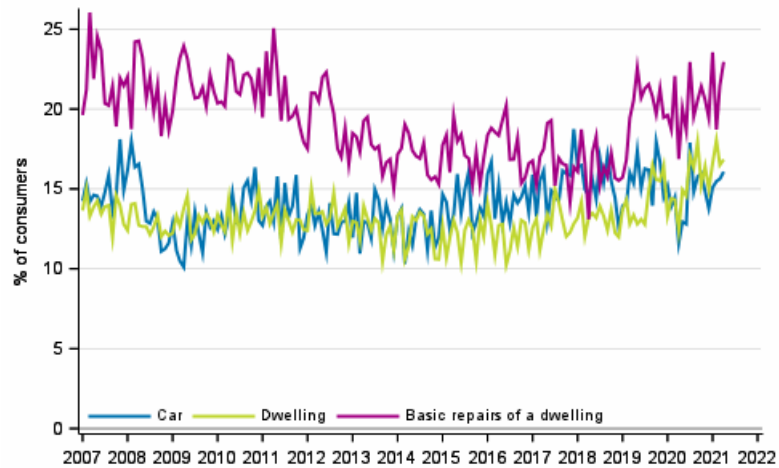
Appendix figure 8. Intention to raise a loan, next 12 months



Appendix figure 9. Spending on durables, next 12 months vs. last 12 months



Appendix figure10. Intentions to buy, next 12 months



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Source: Consumer Confidence 2021, April. Statistics Finland