

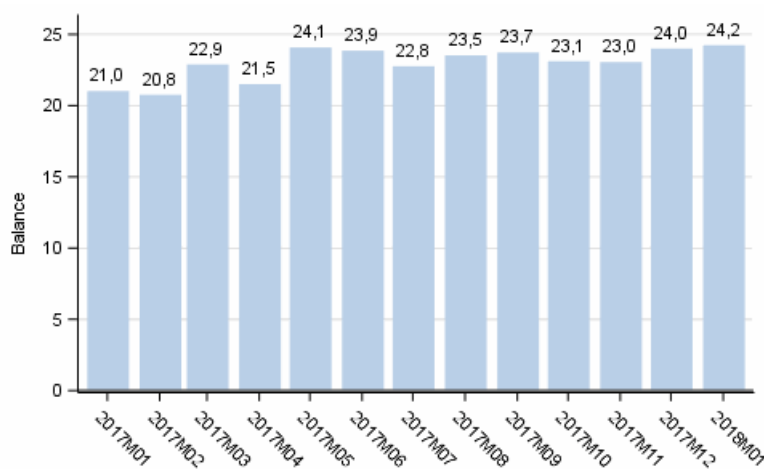
# Consumer Survey

2018, January

## Consumer sentiment brighter than ever

The consumer confidence indicator (CCI) stood at 24.2 in January, having been 24.0 in December. The figure for January is highest in recorded history. Last year in January, the CCI received the value 21.0. The long-term average for the CCI is 12.3. The data are based on Statistics Finland's Consumer Survey, for which 1,195 people resident in Finland were interviewed between 2 and 19 January.

### Consumer confidence indicator (CCI)

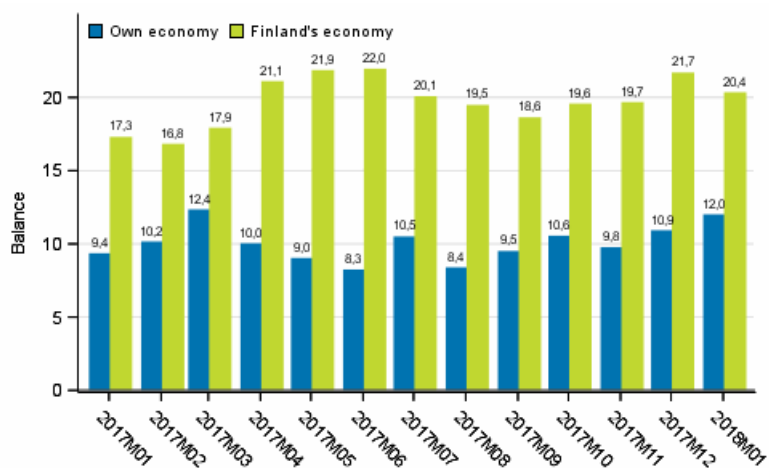


Of the components of the CCI, expectations of consumers' own economy and the general development of unemployment improved in January compared with December. In contrast, estimates of Finland's economy and households' saving possibilities weakened slightly. Compared with the corresponding period last year, all the CCI components apart from saving possibilities improved.

In January, consumers' expectations concerning their own and Finland's economy and unemployment were very bright. Views on one's own saving possibilities were also good.

In January, consumers regarded the time very favourable for buying durable goods, taking out a loan and saving. Employed consumers felt in January that their personal threat of unemployment has decreased much in recent months.

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



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 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 January, 48 per cent of consumers believed that Finland's economic situation would improve in the coming twelve months, while only seven per cent of them thought that the country's economy would deteriorate. In December, the corresponding proportions were 51 and 8 per cent and in last year's January 49 and 14 per cent.

In all, 29 per cent of consumers believed in January that their own economy would improve and only eight per cent of them feared it would worsen over the year. One month earlier, the corresponding proportions were 30 and 11 per cent, and one year earlier 29 and 12 per cent.

## **Unemployment and inflation**

Altogether, 50 per cent of consumers thought in January that unemployment would decrease over the year, while 14 per cent of them believed it would increase. The shares were 47 and 16 per cent in December and 41 and 22 per cent one year ago.

Seventeen per cent of employed persons reckoned in January that their personal threat of unemployment had lessened over the past few months, while 11 per cent thought it had grown. Twenty-seven per cent of employed persons felt that they were not threatened by unemployment at all.

In January, consumers predicted that consumer prices would go up by 1.7 per cent over the next 12 months. The predicted long-term average inflation rate is 2.2 per cent.

## **Buying of durable goods**

In January, 50 per cent of consumers thought the time was favourable for buying durable goods. The long-term average proportion is 45 per cent. Nineteen per cent of households were either very or fairly certain to buy a car during the next 12 months. Seven per cent of households considered purchasing a dwelling. In January, 19 per cent of households were planning to spend money on renovating their dwelling within a year.

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

In January, 70 per cent of consumers considered saving worthwhile. Twelve months ago, the respective proportion was 57 per cent. In January, 68 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 January, 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 January, 74 per cent of consumers regarded the time good for raising a loan. The long-term average proportion is 63 per cent. This January, 12 per cent of households were thinking of taking out a loan within one year.

## **Consumer confidence by major region and population group**

In January, consumers' confidence in the economy was strongest in Greater Helsinki and weakest in Eastern Finland. Among population groups, upper-level salaried employees and entrepreneurs were most optimistic. Pensioners and unemployed persons 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](#).

## **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 January 2018, in all, 1,195 responses were gained, so the non-response rate of the survey was 49.1 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 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-	01/2017	12/2017	01/2018	Outlook <sup>1)</sup>
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	12.3	24.2	-6.5	21.0	24.0	24.2	++
A2 Old CCI = (B1+B2+B3+B4+C1)/5	6.6	20.6	-15.0	13.9	19.2	20.6	++
A3 Micro indicator = (B2+D1+D2)/3	25.6	33.4	9.5	30.6	31.0	31.1	++
A4 Macro indicator = (B4+B7)/2	0.5	22.8	-39.1	13.5	18.6	19.1	++
B1 Own economy now (balance)	3.8	9.8	-4.0	5.7	8.2	6.9	++
- Better (%)	23.3	30.6	16.4	24.9	27.4	26.7	
- Worse (%)	16.4	22.7	11.4	15.5	15.3	14.5	
B2 Own economy in 12 months' time (balance)	8.4	14.1	2.3	9.4	10.9	12.0	++
- Better (%)	25.8	33.4	18.2	28.9	29.6	28.8	
- Worse (%)	11.4	17.7	6.6	11.8	11.1	8.2	
B3 Finland's economy now (balance)	-2.1	29.5	-60.9	12.1	29.3	29.0	++
- Better (%)	27.2	62.1	2.0	42.1	60.8	60.2	
- Worse (%)	28.1	88.5	4.2	17.1	7.8	6.6	
B4 Finland's economy in 12 months' time (balance)	4.1	25.3	-27.1	17.3	21.7	20.4	++
- Better (%)	32.0	57.3	11.6	48.8	51.0	47.8	
- Worse (%)	22.4	57.3	6.0	14.0	8.2	7.4	
B5 Inflation now (per cent)	2.2	5.8	-2.0	1.3	1.2	1.2	
B6 Inflation in 12 months' time (per cent)	2.2	4.6	0.6	1.7	1.6	1.7	
B7 Unemployment in Finland in 12 months' time (balance)	-3.1	27.6	-51.1	9.7	15.4	17.9	++
- Less (%)	30.5	60.8	6.4	41.4	47.0	49.5	
- More (%)	34.0	83.3	6.9	21.6	16.1	13.5	
B8 Own threat of unemployment now (balance)	-1.0	7.6	-18.8	2.1	5.1	5.9	++
- Decreased (%)	13.2	20.0	5.3	14.4	19.6	17.2	
- Increased (%)	17.0	31.9	7.9	13.3	12.9	11.2	
C1 Favourability of time for purchasing durables (balance)	18.6	41.8	-14.2	25.2	25.7	34.5	++
- Favourable time (%)	44.6	62.4	29.6	49.4	45.7	49.8	
- Unfavourable time (%)	26.1	45.7	15.2	24.2	20.0	15.2	
C2 Favourability of time for saving (balance)	10.7	36.8	-19.6	10.4	23.1	26.6	++
- Good time (%)	58.0	80.7	33.4	57.2	67.8	69.6	
- Bad time (%)	36.4	58.5	15.5	38.7	26.3	23.4	
C3 Favourability of time for raising a loan (balance)	18.2	42.0	-47.1	31.2	35.8	33.0	++
- Good time (%)	62.6	78.2	13.3	72.7	76.3	73.6	
- Bad time (%)	30.4	83.4	12.1	21.5	17.4	18.7	
D1 Household's financial situation now (balance)	28.7	35.3	14.7	34.6	34.2	34.7	++
- Can save (%)	60.1	70.0	38.6	68.1	66.8	68.3	
- Uses savings or gets into debt (%)	6.8	10.1	4.5	6.0	6.0	6.7	

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	01/2017	12/2017	01/2018	Outlook <sup>1)</sup>
D2 Household's saving possibilities in the next 12 months (balance)	39.9	52.2	10.9	47.7	47.9	46.7	+
- Can save (%)	74.3	82.3	56.6	78.8	79.5	78.4	
- Cannot save (%)	23.9	40.3	16.5	20.0	19.4	20.8	
D5 Household's intentions to raise a loan in the next 12 months (% of households)	13.1	17.8	9.1	12.0	13.3	12.1	-
- Yes, certainly (%)	5.6	8.5	3.1	5.7	5.8	6.3	
- Possibly (%)	7.5	11.4	5.0	6.3	7.4	5.8	
E1 Spending on durables, next 12 months vs last 12 months (balance)	-8.9	-2.4	-18.2	-11.8	-3.1	-8.9	=
- More (%)	21.3	30.8	13.9	18.6	22.9	18.9	
- Less (%)	32.6	40.4	25.6	33.8	25.6	30.6	
E2 Intentions to buy a car in the next 12 months (% of households)	16.8	21.7	12.7	16.9	19.3	18.7	++
- Very likely (%)	8.5	12.1	5.1	7.1	9.4	9.5	
- Fairly likely (%)	8.2	10.4	5.3	9.7	9.8	9.2	
E4 Intentions to buy a dwelling in the next 12 months (% of households)	7.0	11.3	4.1	6.7	6.8	7.4	+
- Yes, certainly (%)	3.0	5.2	1.3	2.9	2.6	3.1	
- Possibly (%)	4.0	6.2	2.2	3.8	4.2	4.3	
E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households)	18.8	27.0	9.8	18.2	18.0	18.5	=
- Very likely (%)	12.4	19.0	5.0	11.6	11.2	11.0	
- Fairly likely (%)	6.4	9.1	3.2	6.6	6.8	7.6	

1) ++ 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.

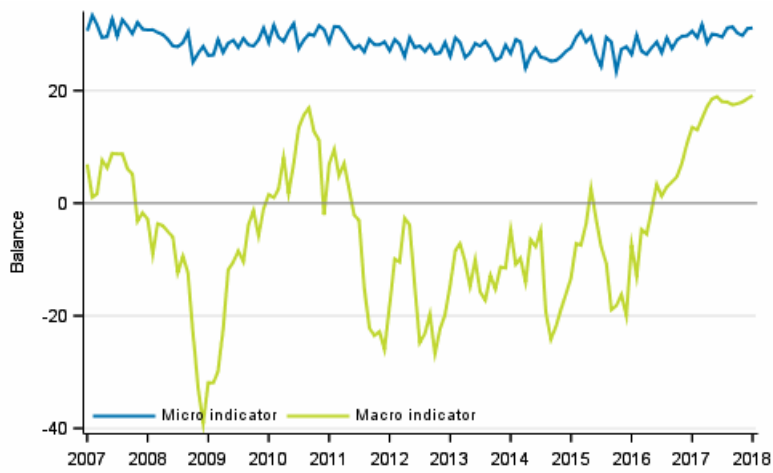
# Appendix figures

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

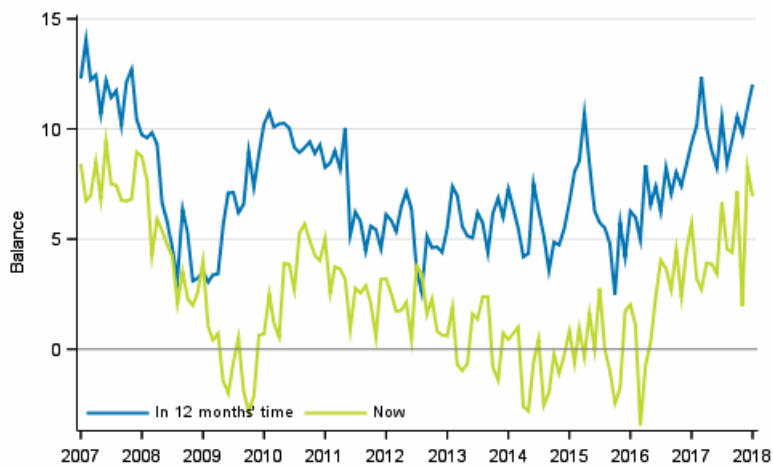


1) average 10/1995 - 01/2018

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

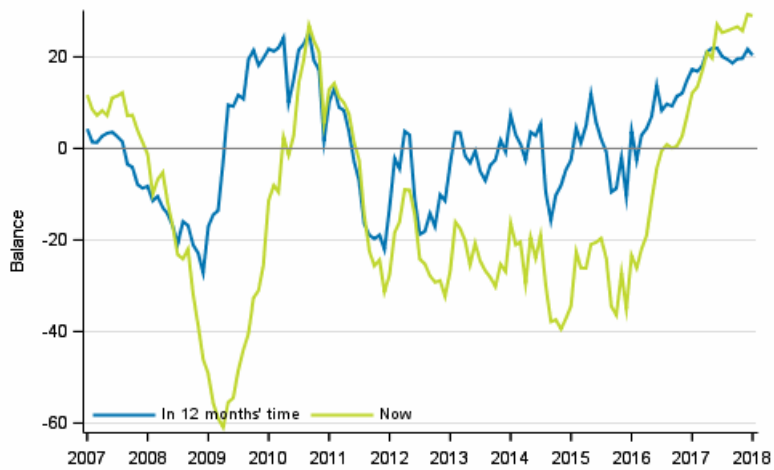


**Appendix figure 3. Own economy**

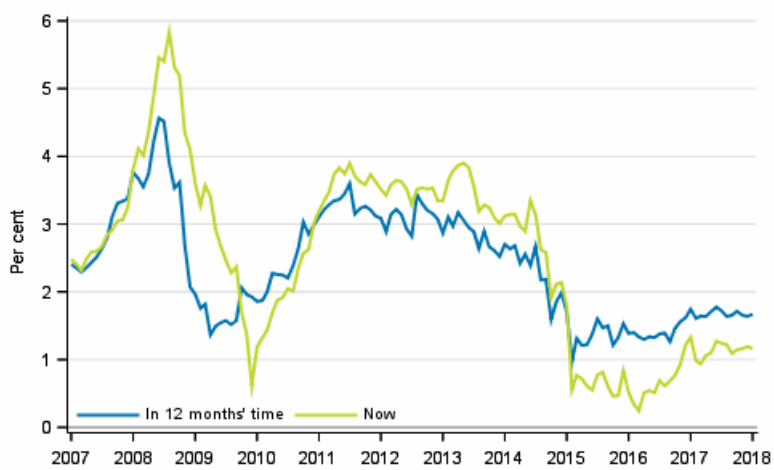




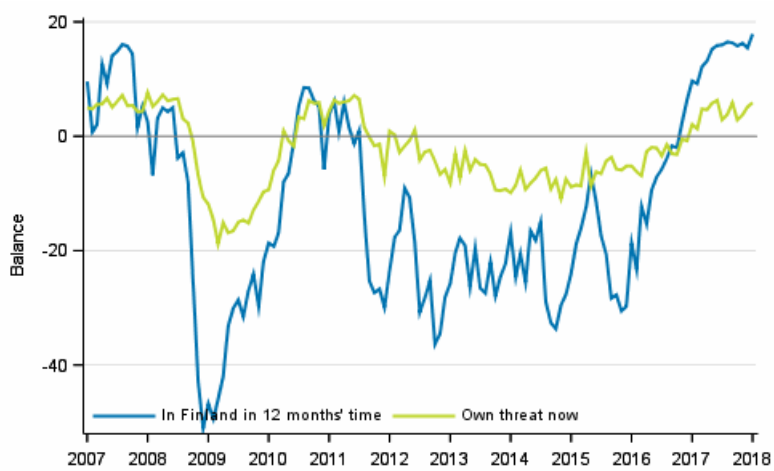
**Appendix figure 4. Finland's economy**



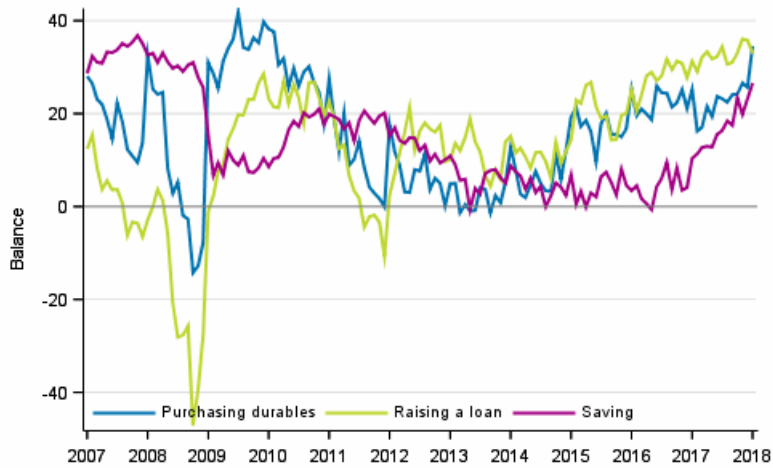
**Appendix figure 5. Inflation**



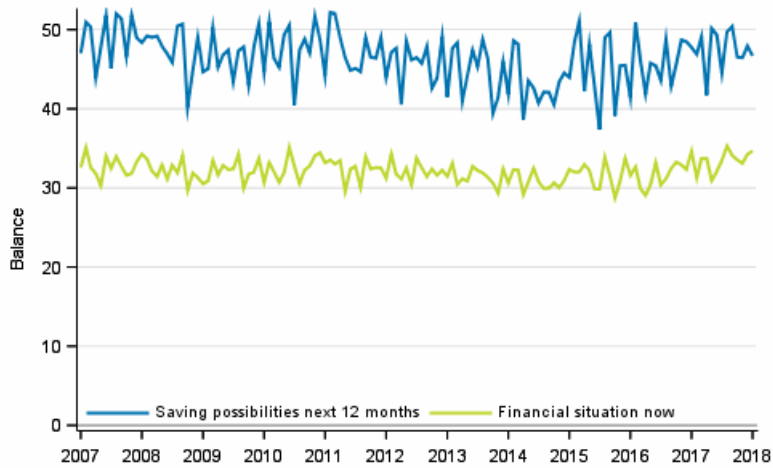
**Appendix figure 6. Unemployment**



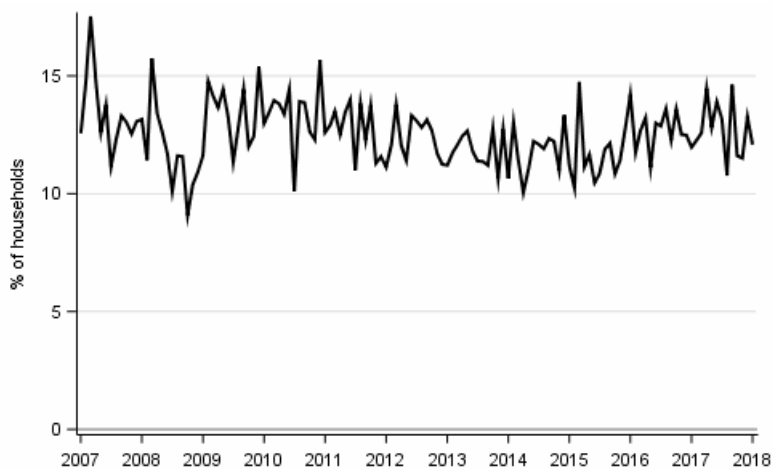
**Appendix figure 7. Favourability of time for**



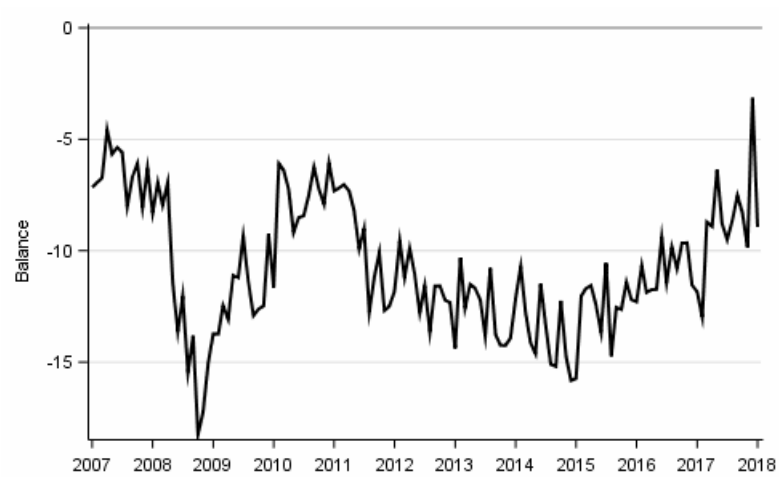
**Appendix figure 8. Household's financial situation and saving possibilities**



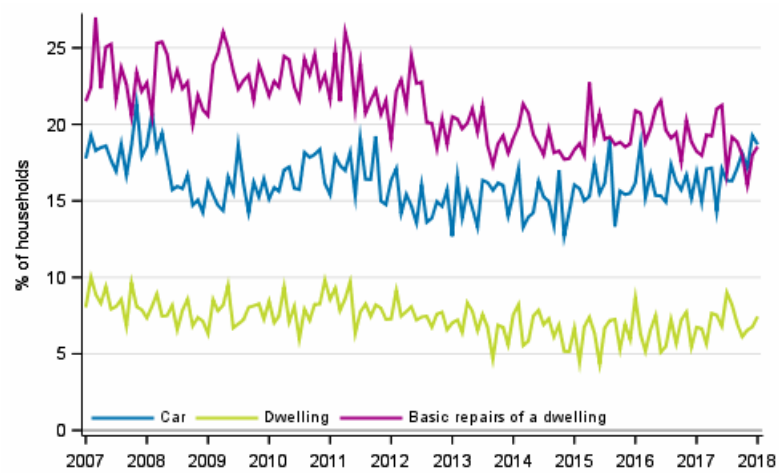
**Appendix figure 9. Household's intentions to raise a loan, next 12 months**



**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, January. Statistics Finland