

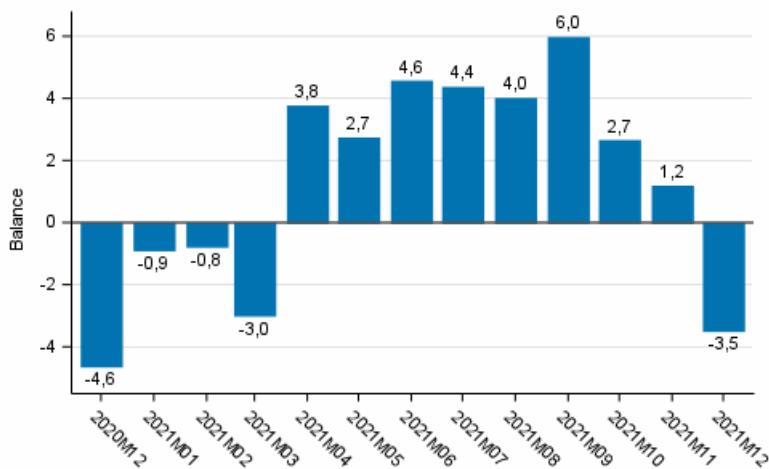
Consumer Confidence

2021, December

Consumer confidence dropped well below zero before Christmas

The consumer confidence indicator (CCI) stood at -3.5 in December whereas in November it was 1.2 and in October 2.7. Last year in December, the CCI received the value -4.6. The long-term average for the CCI is -1.7. The data are based on Statistics Finland's Consumer Confidence Survey, to which 913 persons resident in Finland responded between 1 and 16 December.

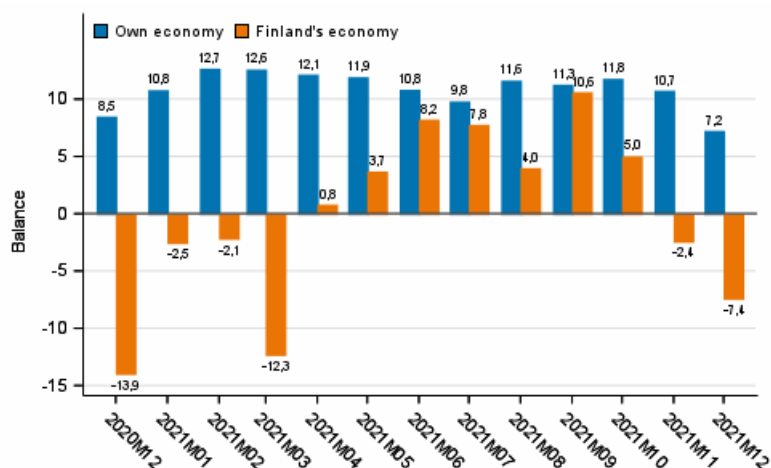
Consumer confidence indicator (CCI)



All four components of the CCI weakened clearly in December when compared to November. Compared to December last year, expectations concerning Finland's economy in 12 months strengthened and the other components remained more or less unchanged.

In December, expectations of consumers' own and, in particular, Finland's economy were subdued. Consumers' views of their own economy at present and intentions to buy durable goods were in line with their long-term average level.

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



Consumers' expectations concerning the development of the general unemployment situation in Finland weakened slightly in December but remained relatively bright. This was more or less the case for views of the personal threat of unemployment or temporary lay-off experienced by the employed, that is, wage and salary earners and self-employed persons at the time of the survey. In December, consumers' estimates and expectations concerning the growth rate of consumer prices, i.e. inflation, remained unchanged and clearly higher than their long-term average.

As in previous months, consumers regarded their own financial situation to be excellent in December. The time was still considered fairly favourable for saving, reasonable also for raising a loan but already very poor for buying durable goods. Saving possibilities were expected to be still high in the coming months.

In December, consumers still had fairly plenty of intentions to buy or build a dwelling. In addition, very many consumers had plans for home repairs. Many were also considering buying a car during the next 12 months. As in the past few months, interest in raising a loan was also very common in December.

Consumer confidence by major region and population group

In December, consumers' confidence in the economy was, as usual, clearly strongest in Greater Helsinki (CCI -0.1). This time, confidence was weakest in Eastern Finland (-7.6). Among population groups, upper-level salaried employees were most optimistic (5.3) in December. Pensioners had the gloomiest expectations concerning economic development (-10.5).

Consumer confidence 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.

Contents

1. Examination of response distributions.....	5
2. Method of the Consumer Confidence Survey.....	6

Tables

Appendix tables

Appendix table 1. Consumers' views and intentions.....	7
--	---

Figures

Appendix figures

Appendix figure 1. Consumer confidence indicator (CCI).....	9
Appendix figure 2. Own economy.....	9
Appendix figure 3. Finland's economy.....	9
Appendix figure 4. Inflation.....	10
Appendix figure 5. Unemployment.....	10
Appendix figure 6. Favourability of time for.....	10
Appendix figure 7. Own financial situation and saving possibilities.....	11
Appendix figure 8. Intention to raise a loan, next 12 months.....	11
Appendix figure 9. Spending on durables, next 12 months vs. last 12 months.....	11
Appendix figure 10. Intentions to buy, next 12 months.....	12

1. Examination of response distributions

Consumers' own and Finland's economy

As many as 45 per cent of consumers thought in December that Finland's economy was now worse than a year ago and 23 per cent of consumers felt that it was better. Nineteen per cent of consumers thought that their own economy is at the moment worse than one year ago. Slightly more, or 24 per cent of consumers considered their own economy stronger in December than one year ago. The proportions concerning consumers' own economy were 15 and 28 per cent in November and 20 and 24 per cent one year ago.

In December, only 25 per cent of consumers believed that Finland's economic situation would improve during the next 12 months, while 34 per cent of them thought that the country's economy would deteriorate. One month previously, the corresponding proportions were 29 and 29 per cent and in last year's December 28 and 44 per cent.

In all, 27 per cent of consumers believed in December that their own economy would improve in future and more of them than before, or 15 per cent, feared it would worsen over the year. In November, the respective proportions were 29 and 11 per cent and twelve months ago 27 and 13 per cent.

Unemployment and inflation

Fewer consumers than before, or 31 per cent expected in December that general unemployment in Finland would decrease over the next year, while 28 per cent of them believed it would increase. The corresponding proportions were 40 and 23 per cent in November, and gloomy 19 and 64 per cent one year ago.

In December, 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 14 per cent thought it had grown. On the other hand, as many as 47 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 10, 13 and 48 per cent, and in December last year gloomy 5, 33 and 36 per cent.

Consumers estimated in December that consumer prices have risen by 3.9 per cent from the year before and would go up by 3.6 per cent over the next 12 months. Twelve months previously, these inflation estimates were 2.1 and 2.3 per cent, and their long-term averages are 3.1 and 2.9 per cent. In December, 43 per cent of consumers thought that prices have risen much or quite much, and as many as 73 per cent of them predicted prices to go up at least at the same rate during the coming months as well. The corresponding proportions were 12 and 55 per cent in last year's December.

Saving and taking out a loan

In December, 61 per cent of consumers thought the time was favourable for saving. The proportion was 67 per cent still in November and 55 per cent one year ago. In December, 63 per cent of consumers had been able to lay aside some money and 76 per cent believed they would be able to do so during the next 12 months.

In December, 55 per cent of consumers regarded the time good for taking out a loan. One year earlier, the corresponding proportion was only 45 per cent. In December, 19 per cent of consumers were planning to take out a loan within one year. The average long-term proportion is 16 per cent.

Use of money

In December, just 25 per cent of consumers considered the time favourable for buying durable goods. Both one year and month earlier the proportion was 30 per cent. Twelve per cent of consumers planned on increasing and 33 per cent on reducing their spending on durable goods over the next 12 months. In November, the latter proportions were 14 and 29 per cent and in last year's December 13 and 34 per cent.

In December, 15 per cent of consumers were either definitely or possibly going to buy a car during the next 12 months. Slightly fewer households than before, or 14 per cent, considered purchasing a dwelling or building a house within one year. As many as 22 per cent of consumers were planning in December to spend money on renovating their dwelling within a year. The long-term average for intentions to buy a car is 14 per cent, to buy a dwelling 13 per cent and to make renovations 18 per cent.

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 December 2021, in all, 913 responses were gained. Of responses, 77 per cent came from the web questionnaire. The non-response rate of the survey was 58.1 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-	12/2020	11/2021	12/2021	Outlook ²⁾
A1 Consumer confidence indicator, CCI = (B1+B2+B4+E1)/4	-1.7	6.8	-13.9	-4.6	1.2	-3.5	-
B1 Own economy now (balance)	3.2	9.5	-5.3	2.8	7.6	2.9	=
- Better (%)	.	.	.	24.0	27.9	24.0	
- Worse (%)	.	.	.	19.5	15.2	19.2	
B2 Own economy in 12 months' time (balance)	8.2	13.5	1.2	8.5	10.7	7.2	-
- Better (%)	.	.	.	27.2	29.1	27.1	
- Worse (%)	.	.	.	13.0	11.5	14.7	
B3 Finland's economy now (balance)	-7.9	25.9	-66.5	-55.5	-14.5	-15.5	-
- Better (%)	.	.	.	2.2	24.0	22.7	
- Worse (%)	.	.	.	83.9	44.5	45.4	
B4 Finland's economy in 12 months' time (balance)	-2.0	20.3	-32.8	-13.9	-2.4	-7.4	-
- Better (%)	.	.	.	28.1	28.7	24.5	
- Worse (%)	.	.	.	43.5	29.0	33.8	
B5 Inflation now (per cent)	3.1	6.9	-2.7	2.1	3.8	3.9	
- Prices have risen much or quite much (%)	.	.	.	11.6	43.3	43.0	
- Prices have stayed the same or have fallen (%)	.	.	.	41.8	8.5	9.5	
B6 Inflation in 12 months' time (per cent)	2.9	5.3	1.7	2.3	3.6	3.6	
- Prices will rise faster or at the same rate (%)	.	.	.	55.0	75.6	73.0	
- Prices will stay the same or will fall (%)	.	.	.	21.6	6.2	6.0	
B7 Unemployment in Finland in 12 months' time (balance)	-10.5	20.3	-59.5	-32.5	7.7	-0.0	+
- Less (%)	.	.	.	18.7	39.5	31.3	
- More (%)	.	.	.	64.2	22.9	28.0	
B8 Own threat of unemployment now (balance)	-6.3	4.7	-26.6	-18.2	-1.5	-2.1	+
- Decreased (%)	.	.	.	5.1	9.7	8.6	
- Increased (%)	.	.	.	32.6	13.3	13.5	
C1 Favourability of time for purchasing durables (balance)	19.4	43.5	-14.3	12.3	14.6	7.0	--
- Good time (%)	.	.	.	29.9	30.1	24.9	
- Bad time (%)	.	.	.	17.6	15.6	17.9	
C2 Favourability of time for saving (balance)	4.8	29.4	-28.5	7.2	21.2	15.1	+
- Good time (%)	.	.	.	54.5	67.4	61.2	
- Bad time (%)	.	.	.	43.8	31.5	37.8	
C3 Favourability of time for raising a loan (balance)	7.5	31.7	-60.4	-4.3	11.9	5.8	=
- Good time (%)	.	.	.	45.4	60.3	54.9	
- Bad time (%)	.	.	.	52.0	37.6	43.1	
D1 Own financial situation now (balance)	22.1	33.1	6.4	29.7	30.9	29.1	++
- Money is saved (%)	.	.	.	62.9	64.2	62.7	
- Uses savings or gets into debt (%)	.	.	.	9.5	11.0	11.0	
D2 Own saving possibilities in the next 12 months (balance)	40.3	53.6	9.8	45.7	47.2	48.1	+

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	12/2020	11/2021	12/2021	Outlook ²⁾
- Can save (%)	.	.	.	75.7	75.8	76.4	
- Cannot save (%)	.	.	.	24.0	23.6	23.1	
D5 Intention to raise a loan in the next 12 months (% of consumers)	15.6	24.2	10.5	19.5	19.4	19.5	++
- Yes, absolutely (%)	.	.	.	5.1	4.5	6.6	
- Possibly (%)	.	.	.	14.4	14.9	12.9	
E1 Spending on durables, next 12 months vs. last 12 months (balance)	-16.1	-6.9	-26.7	-15.8	-11.2	-16.6	=
- More (%)	.	.	.	13.4	14.4	12.1	
- Less (%)	.	.	.	33.7	29.4	33.1	
E2 Intention to buy a car in the next 12 months (% of consumers)	14.4	19.2	10.1	13.8	15.7	15.3	+
- Very likely (%)	.	.	.	4.0	3.8	5.0	
- Quite likely (%)	.	.	.	9.8	11.9	10.3	
E4 Intention to buy a dwelling in the next 12 months (% of consumers)	12.8	18.5	9.1	15.0	16.6	13.5	+
- Yes, absolutely (%)	.	.	.	3.9	4.5	4.0	
- Possibly (%)	.	.	.	11.1	12.1	9.5	
E5 Intention to spend money on basic repairs of dwelling in the next 12 months (% of consumers)	17.6	26.0	8.1	19.4	24.0	22.1	++
- Very likely (%)	.	.	.	6.8	7.9	7.8	
- Quite likely (%)	.	.	.	12.7	16.1	14.3	

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.

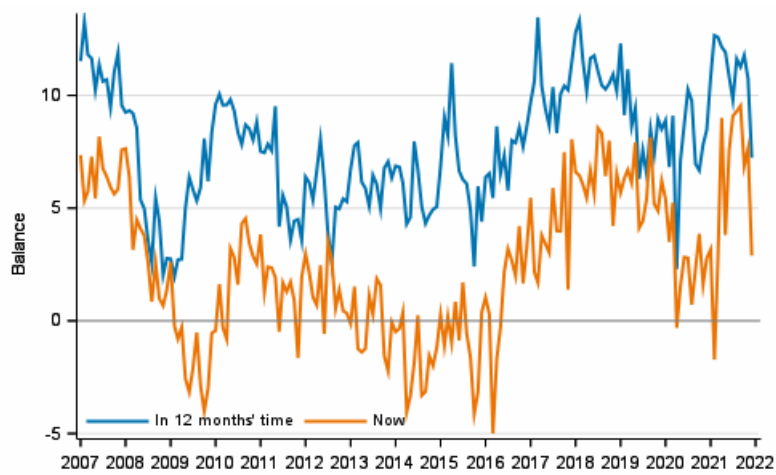
Appendix figures

Appendix figure 1. Consumer confidence indicator (CCI)

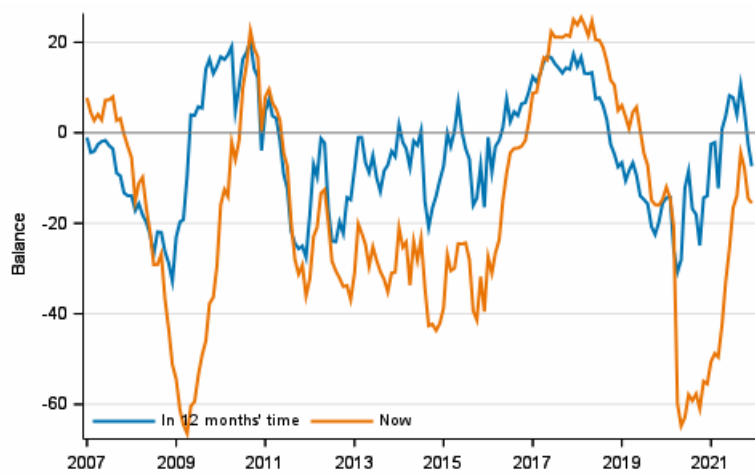


1) average 10/1995 - 12/2021

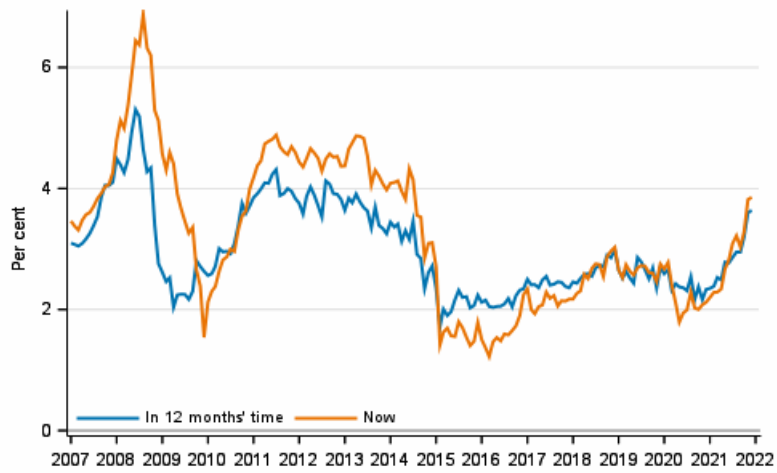
Appendix figure 2. Own economy



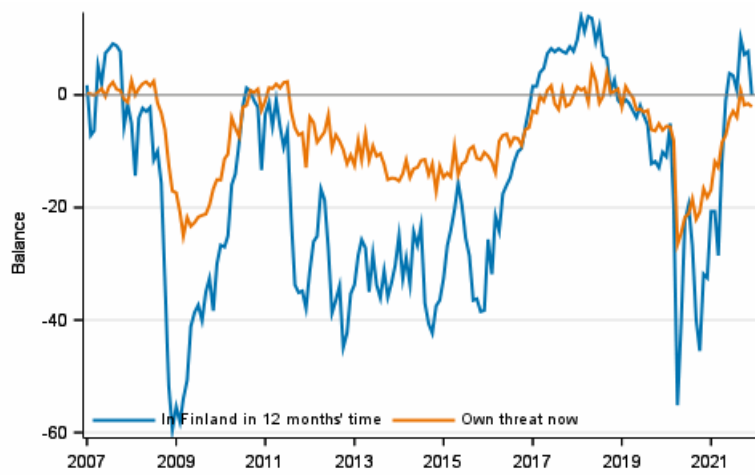
Appendix figure 3. Finland's economy



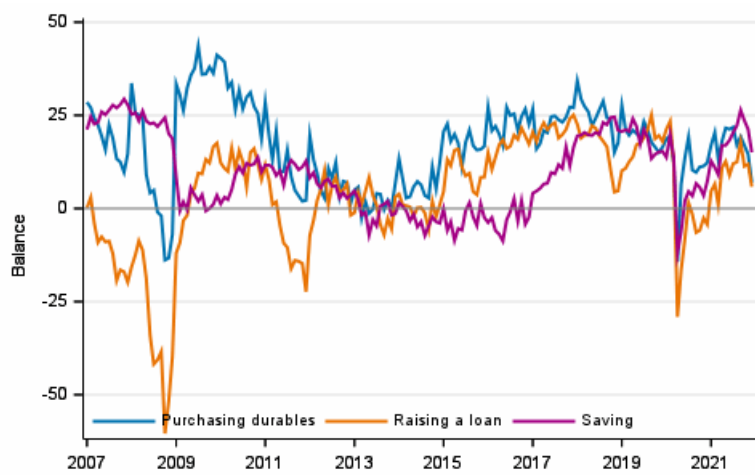
Appendix figure 4. Inflation



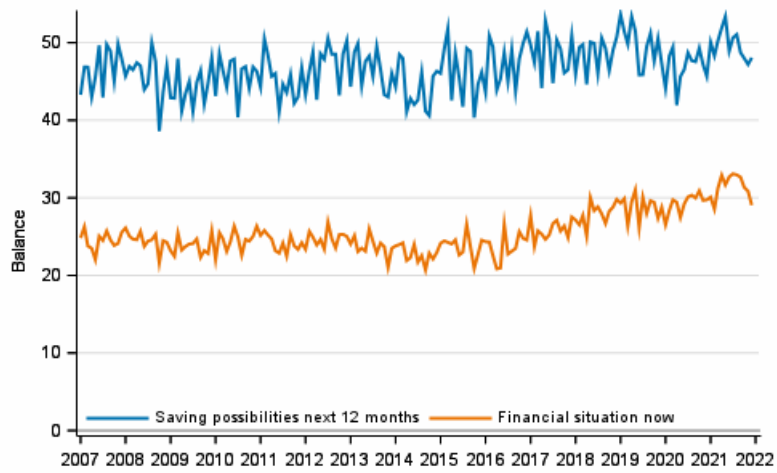
Appendix figure 5. Unemployment



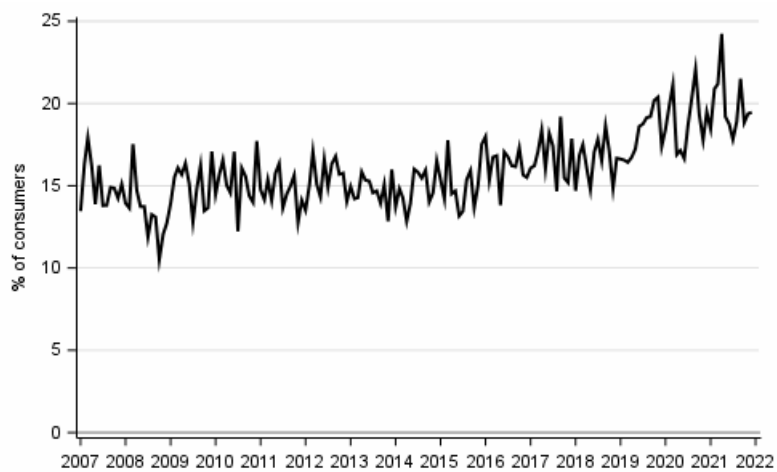
Appendix figure 6. Favourability of time for



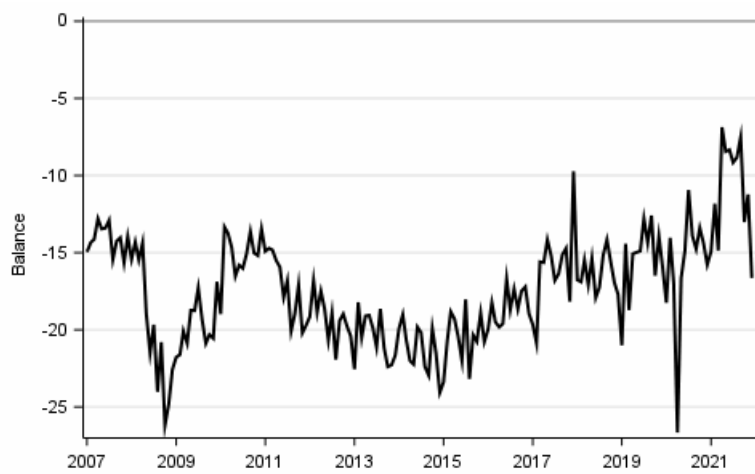
Appendix figure 7. Own financial situation and saving possibilities



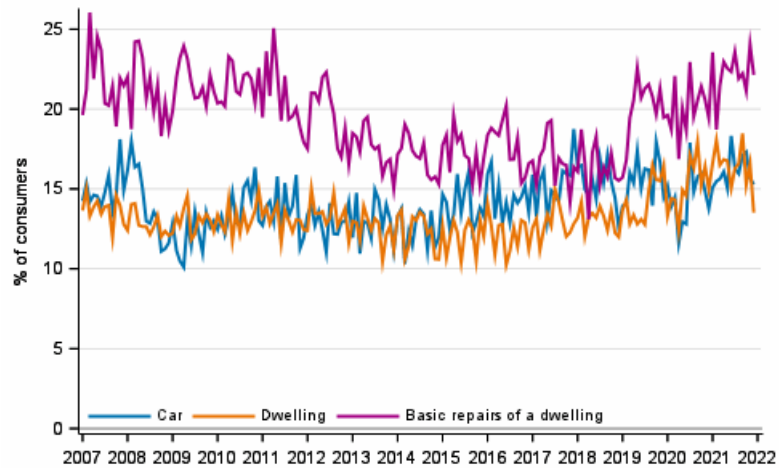
Appendix figure 8. Intention to raise a loan, next 12 months



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



Appendix figure10. Intentions to buy, next 12 months



Inquiries

Pertti Kangassalo 029 551 3598

Tara Junes 029 551 3322

Head of Department in
charge:

Hannele Orjala

consumer.confidence@stat.fi

www.stat.fi

Source: Consumer Confidence 2021, December. Statistics Finland