

Not to be released before 27 February 2004 (8.00 am Finnish time)

2004:42

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Only minor changes in consumers' views

The consumer confidence indicator, condensing economic views in Finland, stood at 11.1 in February, or more or less unchanged from one month or twelve months earlier. Of the components of the confidence indicator, saving possibilities and views on unemployment remained unchanged from January, whereas consumers' views on their own and on Finland's economy worsened slightly. The data are based on Statistics Finland's Consumer Survey, for which 1,634 persons resident in Finland were interviewed between 2 and 20 February.

Consumer views on the economic and financial conditions in Finland in February 2004

	February 2004 balance	January 2004 balance	February 2003 balance	Average 10/95-2/04
Consumer confidence indicator	11.1	11.8	10.6	13.6
Own economic situation in 12 months' time	11.1	12.5	10.5	8.7
Household's saving possibilities in the next 12 months	43.4	42.5	43.1	29.3
General economic situation in Finland in 12 months' time	6.7	8.5	-3.0	7.7
Unemployment in 12 months' time	-16.7	-16.3	-8.1	8.7
Price trend over the next 12 months, %	1.8	1.6	2.0	1.9
Financial situation of household at present	29.9	30.9	29.0	23.5
Favourable time to make major purchases at present	33.8	37.2	28.2	19.5
Favourable time to save at present	10.2	13.7	14.0	3.8
Favourable time to raise a loan at present	29.4	31.5	33.0	21.3

The balance figures are obtained by deducting the weighted proportion of negative answers from that of positive answers. The consumer confidence indicator is the average of the balance figures for four questions concerning the next 12 months: own and Finland's economy, unemployment and household's saving possibilities. The balance figures and the confidence indicator can range between -100 and 100. A positive balance figure denotes an optimistic and a negative balance figure a pessimistic view on the economy.

In February, 33 per cent of consumers believed that Finland's economic situation would improve in the next 12 months, while 19 per cent of them thought the country's economy would deteriorate. Twelve months earlier the corresponding proportions stood at 23 and 28 per cent. In all, 29 per cent of consumers believed in February that their own economy would improve and only 9 per cent feared it would worsen over the year.

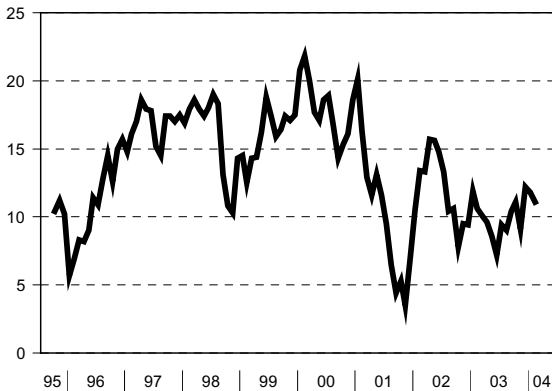
Altogether 48 per cent of consumers thought in February that unemployment would increase in the next 12 months while 19 per cent believed it would decrease. In February 2003 the corresponding proportions were 38 and 24 per cent. Only 9 per cent of employed persons continued to reckon that they were personally fairly or very likely to become unemployed within the next 12 months. Consumers predicted that the rate of inflation in February 2005 would be 1.8 per cent.

Seventy-two per cent of consumers thought in February that the time was favourable for raising a loan, and 15 per cent of households were planning to do so in the next 12 months. Altogether 58 per cent of consumers considered saving worthwhile, and 62 per cent of households had been able to lay aside some money while 77 per cent of them believed they would be able to do so in the next 12 months.

In February, 54 per cent of consumers thought the time was favourable for buying consumer durables. One year earlier, 50 per cent of consumers held this view. Households' spending plans included home refurbishments, travel, and purchases of entertainment electronics. Twenty per cent of households were either fairly or very certain to buy a car and 8 per cent a dwelling in the next 12 months.

A separate press release will be published in Finnish on 3 March 2004 from data collected in the context of the Consumer Survey about the diffusion of diverse items of household equipment.

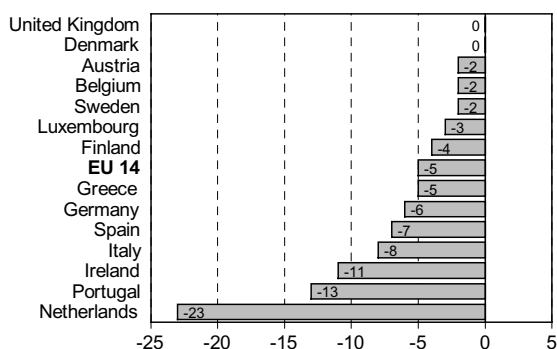
Consumer confidence indicator 10/1995-2/2004



Consumers' expectations concerning their own and Finland's economy in 12 months' time 10/1995-2/2004



Consumer confidence indicator in EU Member States, January 2004 Deviation of indicator from country average 10/1995-1/2004*



* Calculated from seasonally adjusted series. Average for Luxembourg from 1/2002-1/2004;

Data for France are missing due to break in series.

Source: European Commission, DG ECFIN, Business and Consumer Survey Results, January 2004

http://europa.eu.int/comm/economy_finance/indicators/businessandconsumersurveys_en.htm

Source: Consumer Survey 2004, February. Statistics Finland