

Consumer Survey

2015, September

Consumer confidence weakened – still stronger than one year ago

The consumer confidence indicator (CCI) stood at 4.2 in September, having been 8.3 in August and 6.9 in July. Last year in September, the CCI received the value -0.7. The long-term average for the CCI is 11.8. The data are based on Statistics Finland’s Consumer Survey, for which 1,260 people resident in Finland were interviewed between 1 and 18 September.

Consumer confidence indicator (CCI)



1) average 10/1995 - 09/2015

Of the four components of the CCI, only assessments of the household’s saving possibilities remained unchanged in September from August. The other components deteriorated. In September, consumers’ views concerning their own economy were weak and views on Finland’s economy and about unemployment were gloomy. By contrast, belief in own saving possibilities remained good.

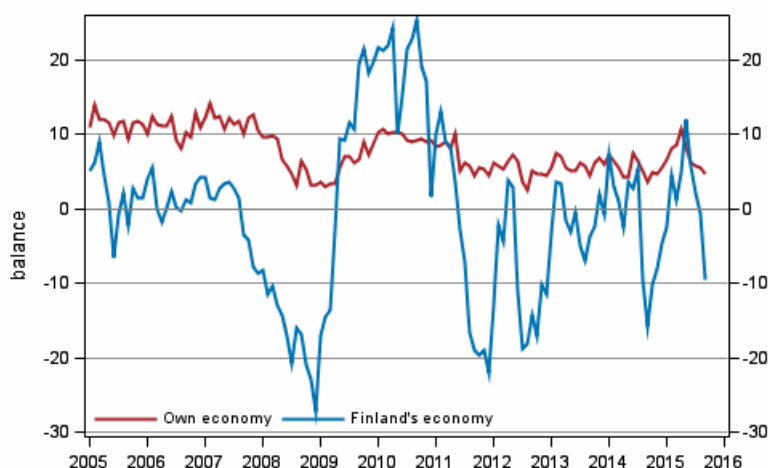
In September, consumers did not consider the time very favourable for raising a loan or buying durable goods, and in particular not for saving. In September, employed consumers felt personally slightly more threatened by unemployment than on average, as was the case also in August and one year ago.

Consumers' own and Finland's economy

In September, 24 per cent of consumers believed that Finland's economic situation would improve in the coming twelve months, while more, or 36 per cent, of them thought that the country's economy would deteriorate. The corresponding proportions were 30 and 27 per cent in August and pessimistic 17 and 42 per cent one year ago.

In all, 24 per cent of consumers believed in September that their own economy would improve and 16 per cent of them feared it would worsen over the year.

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



Unemployment and inflation

Only 12 per cent of consumers thought in September that unemployment would decrease over the next year, while 61 per cent of them believed it would increase. The corresponding proportions were 14 and 50 per cent in August and 9 and 66 per cent one year ago.

Twelve per cent of employed persons reckoned in September that their personal threat of unemployment had lessened over the past few months, while 19 per cent thought it had grown. Twenty-two per cent of employed persons felt that they were not threatened by unemployment at all.

Consumers estimated in September that consumer prices would go up by 1.5 per cent over the next 12 months. The predicted long-term average inflation rate is 2.2 per cent.

Buying of durable goods

In September, 46 per cent of consumers thought the time was favourable for making major purchases. Last year in September, the corresponding proportion was 38 per cent. Only 13 per cent of households were fairly or very certain to buy a car and seven per cent a dwelling during the next 12 months. Nineteen per cent of households were planning to spend money on renovating their dwelling within a year.

Saving and taking out a loan

In September, 53 per cent of consumers considered saving worthwhile. Sixty-five per cent of households had been able to lay aside some money and as many as 81 per cent believed they would be able to do so during the next 12 months. In the long term, the average share of households that have saved or think they will be able to save is 59 and 74 per cent, respectively.

In September, 59 per cent of consumers regarded the time good for raising a loan. Nevertheless, only 12 per cent of households were planning to raise a loan within one year.

Consumers' views of the economy

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	09/2014	08/2015	09/2015	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	11,8	22,9	-6,5	-0,7	8,3	4,2	--
B2 Own economy in 12 months' time (balance)	8,4	14,1	2,3	3,6	5,5	4,8	--
B4 Finland's economy in 12 months' time (balance)	3,2	25,3	-27,1	-15,8	-0,7	-9,5	--
B6 Inflation in 12 months' time (per cent)	2,2	4,6	0,6	2,2	1,5	1,5	
B7 Unemployment in Finland in 12 months' time (balance)	-3,5	27,6	-51,1	-32,6	-20,6	-28,3	--
B8 Own threat of unemployment now (balance)	-1,2	7,6	-18,8	-9,2	-4,3	-3,7	-
C1 Favourability of time for purchasing durables (balance)	18,2	41,8	-14,2	3,3	20,1	15,5	=
C2 Favourability of time for saving (balance)	10,7	36,8	-19,6	2,3	7,4	5,2	-
C3 Favourability of time for raising a loan (balance)	16,9	42,0	-47,1	6,1	19,6	14,3	=
D2 Household's saving possibilities in the next 12 months (balance)	39,1	52,2	10,9	42,1	49,0	49,7	+

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 the CCI components. 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.

Explanations for **Outlook** column: ++ 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.

The population and sample of the Survey

The population of the Consumer Survey comprises 4.4 million persons aged 15 to 84 and their 2.6 million households in Finland. The gross size of the monthly sample of the Survey is 2,350 persons. In September 2015, the non-response rate of the Consumer Survey was 46.4 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.

EU results

The (seasonally adjusted) Consumer Survey results for all EU countries are released on the European Commission website: European Commission, DG ECFIN, Business and Consumer Survey Results; http://ec.europa.eu/economy_finance/db_indicators/surveys/index_en.htm

Contents

1. Method of the Consumer Survey.....	5
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Tables

Appendix tables

Appendix table 1. Consumers' views and intentions.....	6
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Figures

Appendix figures

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

1. 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 machines and equipment are in households.

The first Finnish Consumer Survey was conducted in November 1987. Until 1991 it was carried out twice a year, in May and November. In 1992 the survey times were rose to four: the survey months were February, May, August and November. Since October 1995 the Consumer Survey data have been collected monthly on assignment of the European Commission.

The Consumer Survey has a totally new individual sample each month. The same sample is also used for the data collection of the Finnish Travel Survey and some other surveys as well. The sample size of the Consumer Survey is 2,350 persons monthly. The non-response rate nowadays being over 40 per cent, around 1,300 responses are gained every month. 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.

The interviews are conducted from Statistics Finland's CATI Centre during the first two or three weeks of the month. The target area is the whole country and the respondents of the Consumer Survey represent the 15 to 84-year-old population in Finland, according to age, gender, region of domicile and native language.

All the response data of the Consumer Survey are weighted against the total population by means of sample weights. Weighting corrects the effects of non-response and improves the statistical accuracy of the data. The weights are established by using a calibration method and the probability of each observation to be included in the sample. The figures and series presented are not seasonally adjusted.

Appendix tables

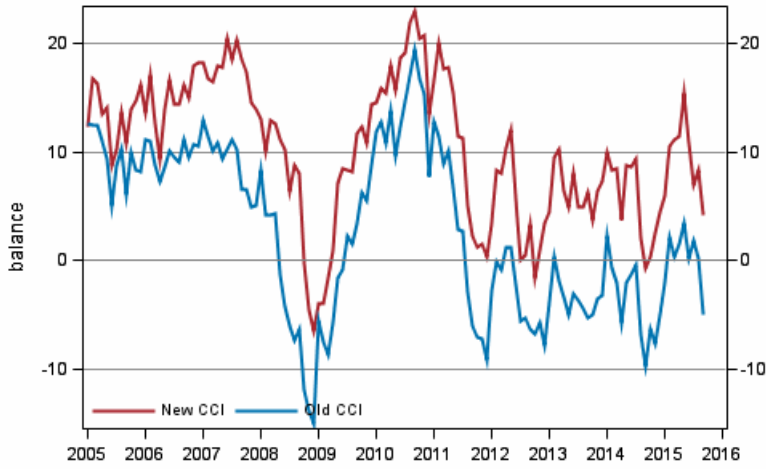
Appendix table 1. Consumers' views and intentions

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	09/2014	08/2015	09/2015	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	11,8	22,9	-6,5	-0,7	8,3	4,2	--
A2 Old CCI = (B1+B2+B3+B4+C1)/5	6,2	19,4	-15,0	-9,8	0,2	-4,9	--
A3 Micro indicator = (B2+D1+D2)/3	25,3	33,4	9,5	25,2	29,5	28,6	+
A4 Macro indicator = (B4+B7)/2	-0,2	22,8	-39,1	-24,2	-10,7	-18,9	--
B1 Own economy now (balance)	3,9	9,8	-4,0	-2,0	-0,0	-1,0	--
- Better (%)	23,4	30,6	16,5	19,2	17,9	17,7	
- Worse (%)	16,3	22,7	11,4	22,0	19,3	19,4	
B2 Own economy in 12 months' time (balance)	8,4	14,1	2,3	3,6	5,5	4,8	--
- Better (%)	25,7	33,4	18,2	22,6	24,1	24,1	
- Worse (%)	11,2	17,6	6,6	17,6	14,5	15,5	
B3 Finland's economy now (balance)	-2,7	29,5	-60,9	-37,9	-23,9	-34,4	--
- Better (%)	26,2	62,1	2,0	4,6	8,9	6,1	
- Worse (%)	28,4	88,5	4,2	66,2	48,5	61,9	
B4 Finland's economy in 12 months' time (balance)	3,2	25,3	-27,1	-15,8	-0,7	-9,5	--
- Better (%)	30,8	57,3	11,6	17,1	30,2	24,4	
- Worse (%)	23,0	57,3	6,0	41,6	27,1	36,1	
B5 Inflation now (per cent)	2,3	5,8	-2,0	2,6	0,8	0,6	
B6 Inflation in 12 months' time (per cent)	2,2	4,6	0,6	2,2	1,5	1,5	
B7 Unemployment in Finland in 12 months' time (balance)	-3,5	27,6	-51,1	-32,6	-20,6	-28,3	--
- Less (%)	30,2	60,8	6,4	8,9	13,6	12,2	
- More (%)	34,5	83,3	6,9	65,5	50,2	60,7	
B8 Own threat of unemployment now (balance)	-1,2	7,6	-18,8	-9,2	-4,3	-3,7	-
- Decreased (%)	12,9	20,0	5,3	8,9	12,2	12,0	
- Increased (%)	17,0	31,9	7,9	24,7	20,1	18,8	
C1 Favourability of time for purchasing durables (balance)	18,2	41,8	-14,2	3,3	20,1	15,5	=
- Favourable time (%)	44,5	62,4	29,6	38,1	48,1	45,7	
- Unfavourable time (%)	26,3	45,7	17,7	34,8	28,0	30,3	
C2 Favourability of time for saving (balance)	10,7	36,8	-19,6	2,3	7,4	5,2	-
- Good time (%)	58,1	80,7	33,4	50,6	55,1	53,1	
- Bad time (%)	36,3	58,5	15,5	44,8	41,1	42,7	
C3 Favourability of time for raising a loan (balance)	16,9	42,0	-47,1	6,1	19,6	14,3	=
- Good time (%)	61,7	78,2	13,3	52,4	62,2	59,1	
- Bad time (%)	31,2	83,4	12,1	42,3	31,5	35,9	
D1 Household's financial situation now (balance)	28,3	35,1	14,7	29,9	33,9	31,5	+
- Can save (%)	59,4	70,0	38,6	63,1	67,5	65,0	
- Uses savings or gets into debt (%)	6,7	10,1	4,5	7,6	5,0	7,7	

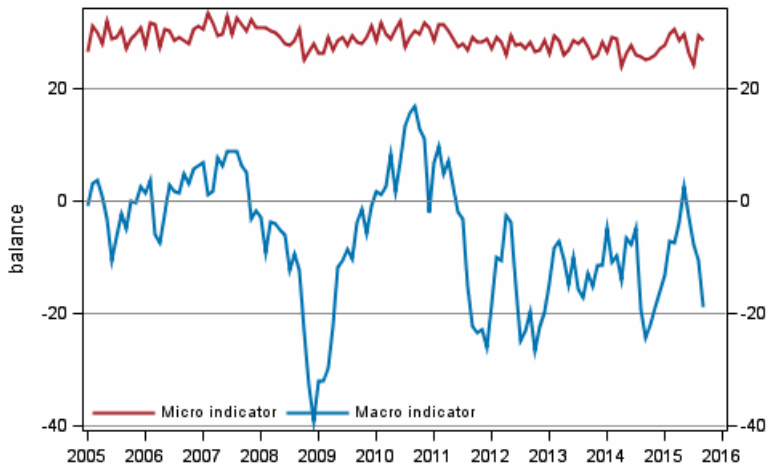
	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	09/2014	08/2015	09/2015	Outlook
D2 Household's saving possibilities in the next 12 months (balance)	39,1	52,2	10,9	42,1	49,0	49,7	+
- Can save (%)	73,8	82,3	56,6	76,1	80,6	81,4	
- Cannot save (%)	24,4	40,3	16,5	23,1	18,2	17,8	
D5 Household's intentions to raise a loan in the next 12 months (% of households)	13,2	17,8	9,1	12,3	11,9	12,1	-
- Yes, certainly (%)	5,6	8,5	3,1	5,3	4,7	5,8	
- Possibly (%)	7,6	11,4	5,2	7,1	7,1	6,3	
E1 Spending on durables, next 12 months vs last 12 months (balance)	-8,8	-2,4	-18,2	-15,2	-14,7	-12,5	--
- More (%)	21,6	30,8	13,9	15,8	16,9	16,2	
- Less (%)	32,8	40,4	26,5	37,1	37,7	33,9	
E2 Intentions to buy a car in the next 12 months (% of households)	16,8	21,7	12,7	13,4	19,0	13,3	--
- Very likely (%)	8,6	12,1	5,1	7,6	10,5	6,2	
- Fairly likely (%)	8,2	10,4	5,3	5,8	8,5	7,1	
E4 Intentions to buy a dwelling in the next 12 months (% of households)	7,0	11,3	4,1	6,1	7,2	7,2	=
- Yes, certainly (%)	3,1	5,2	1,3	2,4	2,5	2,9	
- Possibly (%)	4,0	6,2	2,2	3,7	4,6	4,4	
E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households)	18,8	27,0	9,8	18,1	19,2	18,7	=
- Very likely (%)	12,4	19,0	5,0	13,3	12,5	12,4	
- Fairly likely (%)	6,4	9,1	3,2	4,9	6,6	6,3	

Appendix figures

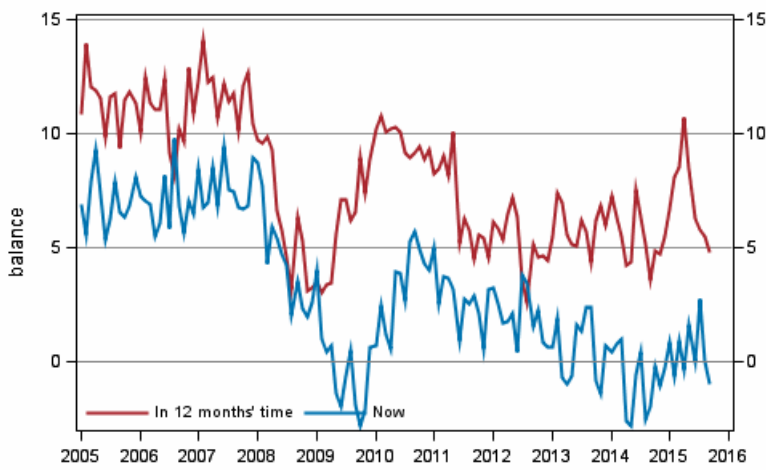
Appendix figure 1. Consumer confidence indicator (CCI)



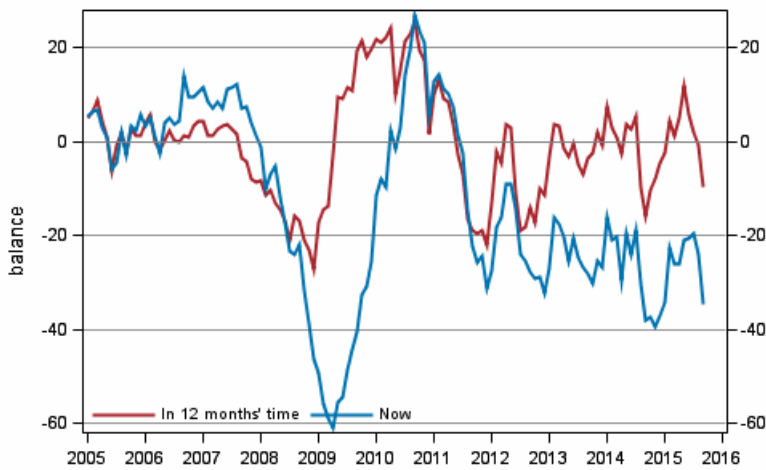
Appendix figure 2. Micro and macro indicators



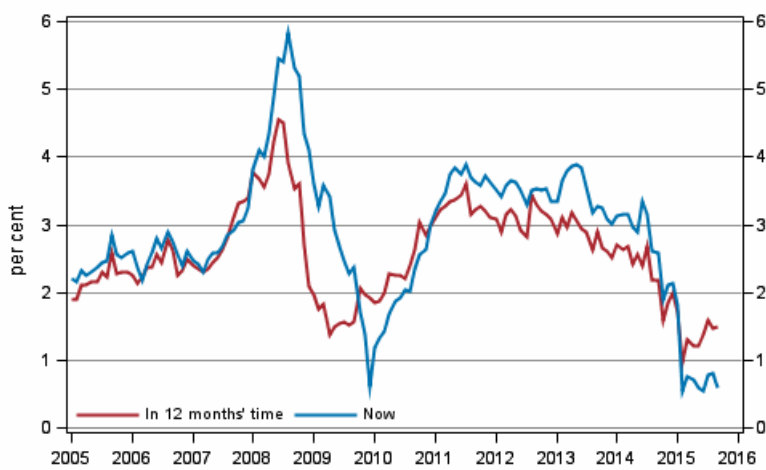
Appendix figure 3. Own economy



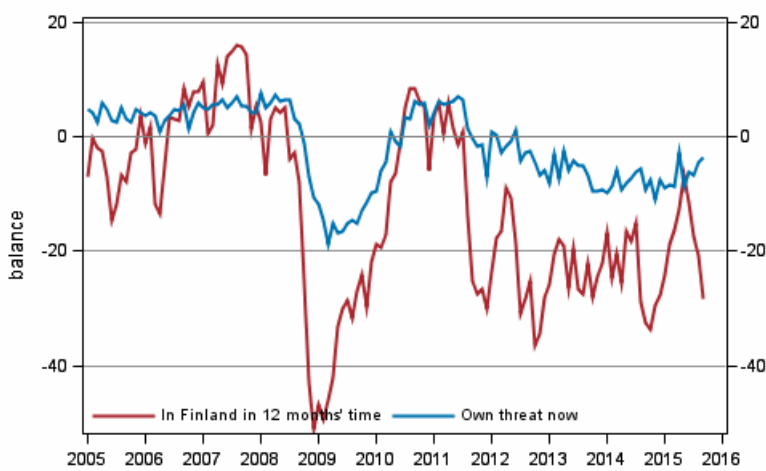
Appendix figure 4. Finland's economy



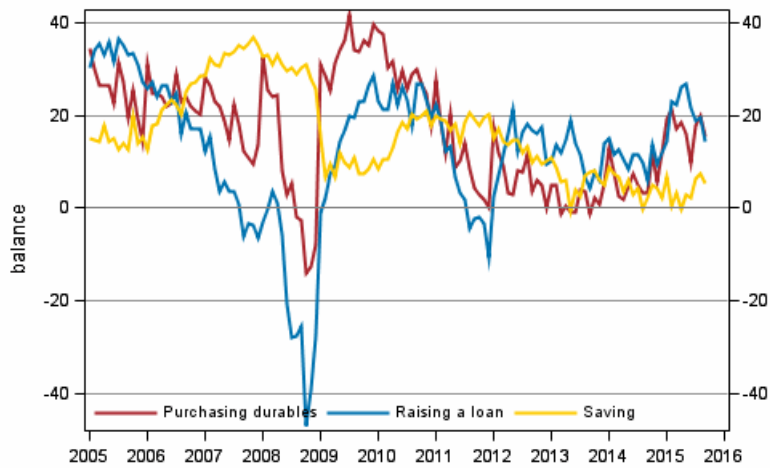
Appendix figure 5. Inflation



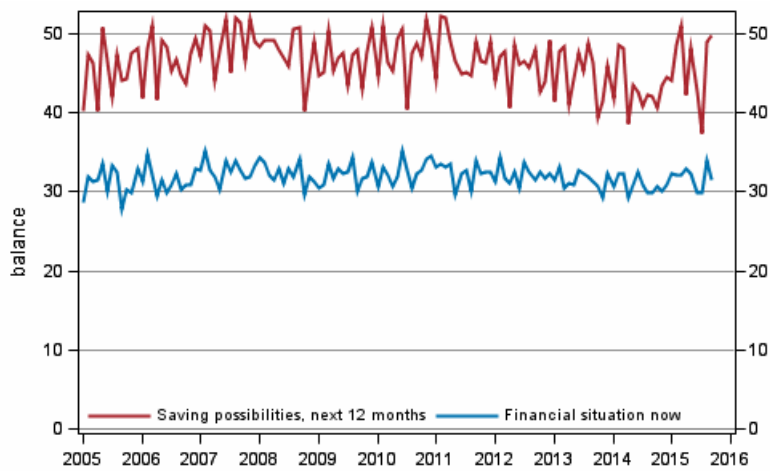
Appendix figure 6. Unemployment



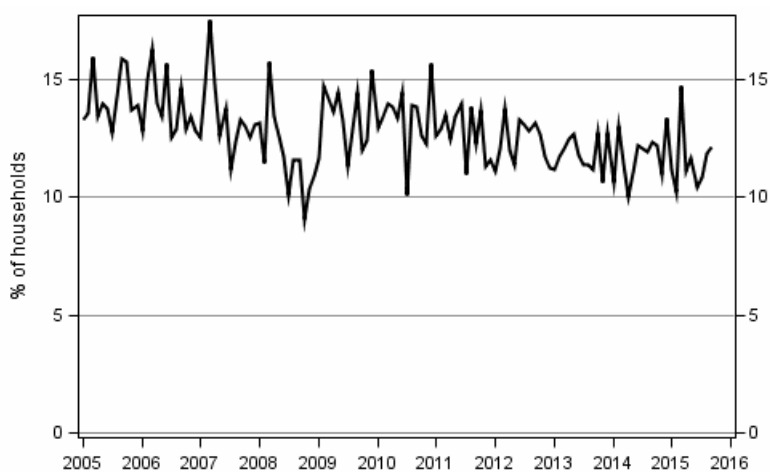
Appendix figure 7. Favourability of time for



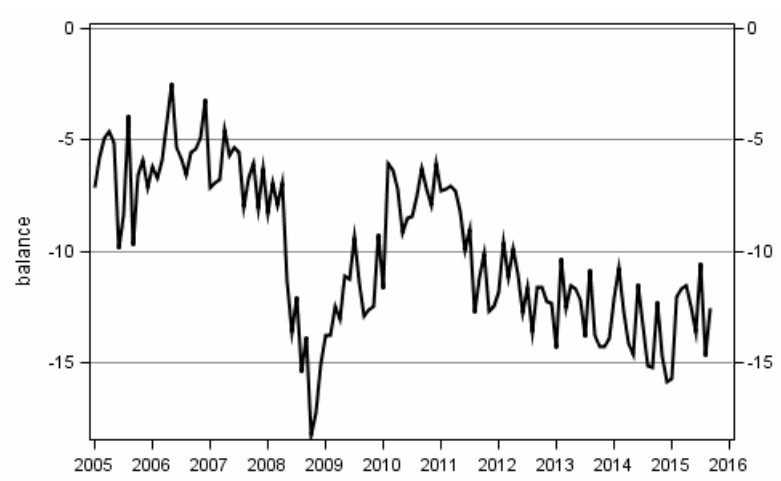
Appendix figure 8. Household's financial situation and saving possibilities



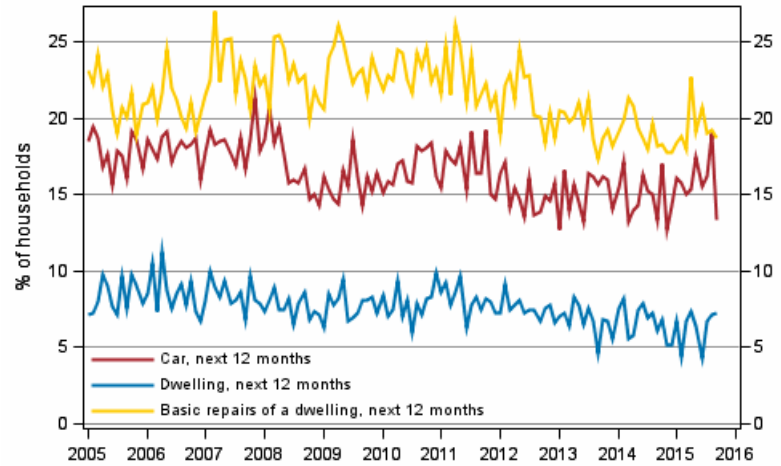
Appendix figure 9. Household's intentions to raise a loan, next 12 months



Appendix figure10. Spending on durables, next 12 months vs last 12 months



Appendix figure 11. Household's intentions to buy



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Source: Consumer Survey 2015, September. Statistics Finland