

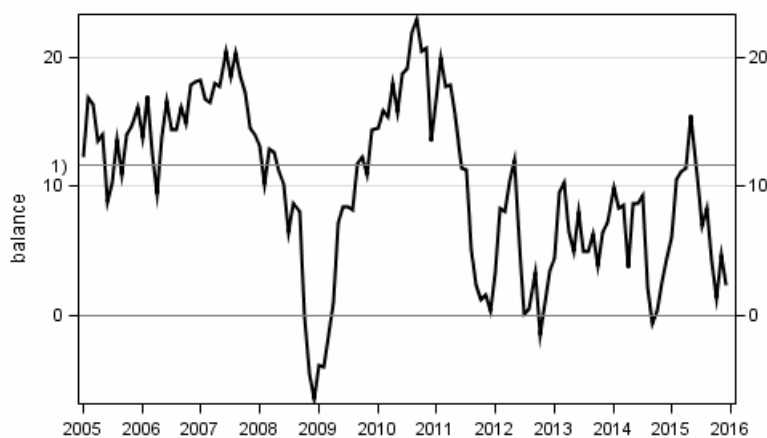
Consumer Survey

2015, December

Consumers' views subdued in December

Consumers' confidence in the economy weakened slightly in December. The consumer confidence indicator (CCI) stood at 2.4 in December whereas in November it was 4.7 and in October 1.3. Last year in December, the CCI received the value 4.4. The long-term average for the CCI is 11.7. The data are based on Statistics Finland's Consumer Survey, for which 1,220 people resident in Finland were interviewed between 1 and 16 December.

Consumer confidence indicator (CCI)



1) average 10/1995 - 12/2015

Of the four components of the CCI, expectations of one's own and, in particular, Finland's economy decreased in December compared with November and twelve months back. Consumers' views of unemployment development and their saving possibilities remained unchanged. Expectations concerning saving possibilities were bright in December, other expectations were subdued or gloomy.

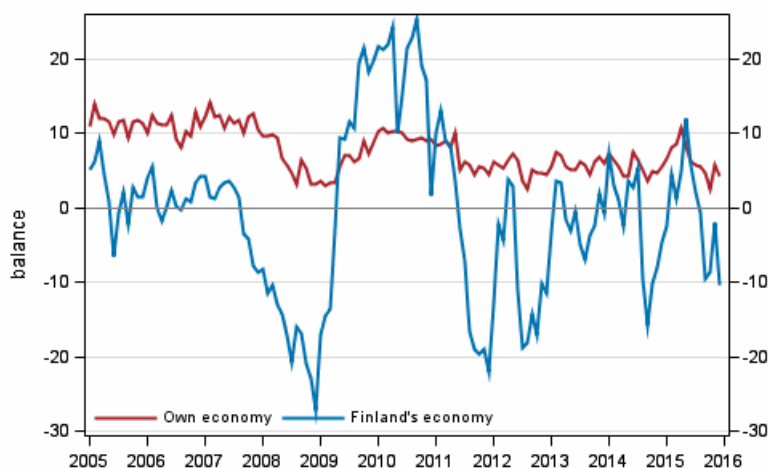
In December, consumers regarded the time fairly favourable for taking out a loan but not for buying durable goods and especially not for saving. In December, employed consumers felt personally more threatened by unemployment than usual, as was the case already in November and one year ago.

Consumers' own and Finland's economy

In December, 24 per cent of consumers believed that Finland's economic situation would improve during the next 12 months, while 38 per cent of them thought that the country's economy would deteriorate. In November, the respective proportions were still 30 and 29 per cent and twelve months ago in December 26 and 32 per cent.

In all, 23 per cent of consumers believed in December that their own economy would improve and 16 per cent of them feared it would worsen over the year. The corresponding proportions were 23 and 13 per cent in November and 23 and 14 per cent one year ago.

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



Unemployment and inflation

Only ten per cent of consumers thought in December that unemployment would decrease over the year, while 60 per cent of them believed it would increase. Twelve per cent of employed persons reckoned in December that their personal threat of unemployment had lessened over the past few months, while 20 per cent thought it had grown. Twenty-two per cent of employed persons felt that they were not threatened by unemployment at all.

Consumers predicted in December 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 December, 46 per cent of consumers thought that the time was favourable for buying durable goods. Sixteen per cent of households were fairly or very certain to buy a car and six 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 December, 53 per cent of consumers considered the time favourable for saving. In all, 67 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 December, 63 per cent of consumers regarded the time favourable for raising a loan. Thirteen per cent of households were planning to raise a loan within one year. For 38 per cent of households planning to buy a dwelling, a bank loan was the main financing method in December and for 33 per cent the second most important. The respective proportions for buying a car were 11 and 13 per cent.

Consumer confidence by major region and population group

In December, Greater Helsinki and Northern Finland had a brighter view of the economy than the rest of the country. Among population groups, upper-level salaried employees were clearly most optimistic. Pensioners and unemployed persons had the gloomiest expectations concerning economic development.

Consumers' views of the economy

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	12/2014	11/2015	12/2015	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	11,7	22,9	-6,5	4,4	4,7	2,4	--
B2 Own economy in 12 months' time (balance)	8,3	14,1	2,3	5,5	5,7	4,2	--
B4 Finland's economy in 12 months' time (balance)	3,0	25,3	-27,1	-4,6	-1,9	-10,4	--
B6 Inflation in 12 months' time (per cent)	2,2	4,6	0,6	2,0	1,3	1,5	
B7 Unemployment in Finland in 12 months' time (balance)	-3,9	27,6	-51,1	-27,6	-30,5	-29,7	--
B8 Own threat of unemployment now (balance)	-1,3	7,6	-18,8	-7,5	-5,9	-5,2	-
C1 Favourability of time for purchasing durables (balance)	18,1	41,8	-14,2	12,1	15,0	16,8	=
C2 Favourability of time for saving (balance)	10,7	36,8	-19,6	2,4	8,0	4,5	-
C3 Favourability of time for raising a loan (balance)	16,9	42,0	-47,1	11,8	19,6	20,1	=
D2 Household's saving possibilities in the next 12 months (balance)	39,2	52,2	10,9	44,5	45,4	45,5	+

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.

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

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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 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.

The population of the Consumer Survey comprises 4.5 million persons aged 15 to 84 and their 2.6 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 of the Consumer Survey are conducted from Statistics Finland's Telephone Interview Centre (CATI) during the first two or three weeks of the month. In December 2015, in all, 1,220 responses were gained, so the non-response rate of the survey was 48.1 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.

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 and the probability of each observation to be included in the sample. The figures and series presented are not seasonally adjusted.

Appendix tables

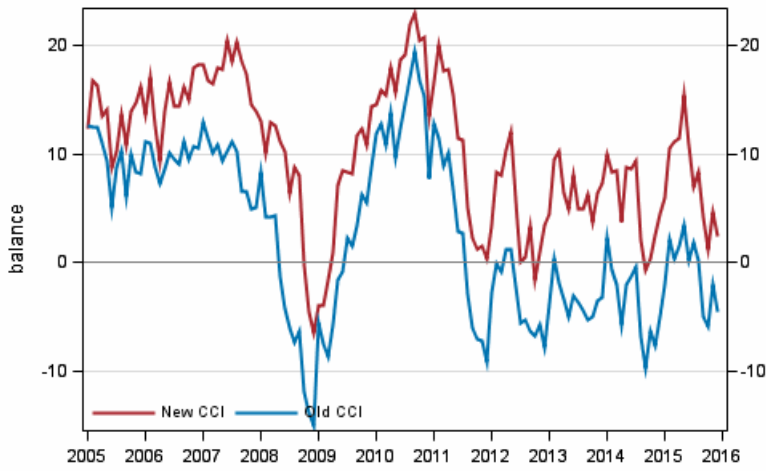
Appendix table 1. Consumers' views and intentions

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	12/2014	11/2015	12/2015	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	11,7	22,9	-6,5	4,4	4,7	2,4	--
A2 Old CCI = (B1+B2+B3+B4+C1)/5	6,1	19,4	-15,0	-4,9	-2,0	-4,5	--
A3 Micro indicator = (B2+D1+D2)/3	25,3	33,4	9,5	27,0	27,4	27,8	+
A4 Macro indicator = (B4+B7)/2	-0,4	22,8	-39,1	-16,1	-16,2	-20,1	--
B1 Own economy now (balance)	3,9	9,8	-4,0	-0,3	-1,8	1,7	-
- Better (%)	23,3	30,6	16,5	20,0	17,5	21,6	
- Worse (%)	16,4	22,7	11,4	19,5	20,2	18,7	
B2 Own economy in 12 months' time (balance)	8,3	14,1	2,3	5,5	5,7	4,2	--
- Better (%)	25,7	33,4	18,2	22,9	22,6	23,4	
- Worse (%)	11,3	17,7	6,6	13,8	13,1	16,0	
B3 Finland's economy now (balance)	-3,1	29,5	-60,9	-37,2	-27,2	-35,0	--
- Better (%)	26,0	62,1	2,0	5,3	8,6	5,1	
- Worse (%)	28,7	88,5	4,2	65,1	52,5	60,8	
B4 Finland's economy in 12 months' time (balance)	3,0	25,3	-27,1	-4,6	-1,9	-10,4	--
- Better (%)	30,8	57,3	11,6	26,2	30,4	24,5	
- Worse (%)	23,1	57,3	6,0	32,0	29,1	37,6	
B5 Inflation now (per cent)	2,3	5,8	-2,0	2,1	0,5	0,8	
B6 Inflation in 12 months' time (per cent)	2,2	4,6	0,6	2,0	1,3	1,5	
B7 Unemployment in Finland in 12 months' time (balance)	-3,9	27,6	-51,1	-27,6	-30,5	-29,7	--
- Less (%)	30,0	60,8	6,4	11,4	11,1	10,3	
- More (%)	34,8	83,3	6,9	60,3	63,2	60,2	
B8 Own threat of unemployment now (balance)	-1,3	7,6	-18,8	-7,5	-5,9	-5,2	-
- Decreased (%)	12,9	20,0	5,3	11,6	11,1	11,7	
- Increased (%)	17,1	31,9	7,9	25,5	20,9	20,4	
C1 Favourability of time for purchasing durables (balance)	18,1	41,8	-14,2	12,1	15,0	16,8	=
- Favourable time (%)	44,5	62,4	29,6	43,7	44,2	45,6	
- Unfavourable time (%)	26,3	45,7	17,7	31,6	29,2	28,8	
C2 Favourability of time for saving (balance)	10,7	36,8	-19,6	2,4	8,0	4,5	-
- Good time (%)	58,0	80,7	33,4	51,2	55,5	53,2	
- Bad time (%)	36,3	58,5	15,5	45,2	40,8	43,1	
C3 Favourability of time for raising a loan (balance)	16,9	42,0	-47,1	11,8	19,6	20,1	=
- Good time (%)	61,6	78,2	13,3	56,7	62,3	62,9	
- Bad time (%)	31,2	83,4	12,1	38,2	31,2	32,1	
D1 Household's financial situation now (balance)	28,3	35,1	14,7	30,9	30,9	33,7	++
- Can save (%)	59,4	70,0	38,6	63,0	64,6	66,7	
- Uses savings or gets into debt (%)	6,8	10,1	4,5	6,7	8,7	6,1	

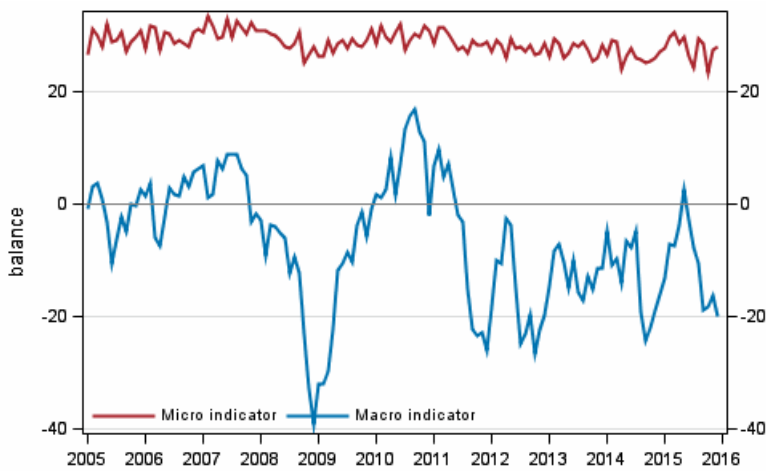
	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	12/2014	11/2015	12/2015	Outlook
D2 Household's saving possibilities in the next 12 months (balance)	39,2	52,2	10,9	44,5	45,4	45,5	+
- Can save (%)	73,8	82,3	56,6	77,1	78,2	79,2	
- Cannot save (%)	24,3	40,3	16,5	21,6	21,0	20,2	
D5 Household's intentions to raise a loan in the next 12 months (% of households)	13,2	17,8	9,1	13,3	11,4	12,7	-
- Yes, certainly (%)	5,6	8,5	3,1	5,7	4,0	5,6	
- Possibly (%)	7,6	11,4	5,0	7,7	7,4	7,1	
E1 Spending on durables, next 12 months vs last 12 months (balance)	-8,8	-2,4	-18,2	-15,8	-11,4	-12,2	--
- More (%)	21,6	30,8	13,9	15,7	17,2	16,5	
- Less (%)	32,8	40,4	26,5	37,1	32,5	33,2	
E2 Intentions to buy a car in the next 12 months (% of households)	16,8	21,7	12,7	14,3	15,4	15,5	-
- Very likely (%)	8,6	12,1	5,1	6,1	6,5	7,4	
- Fairly likely (%)	8,2	10,4	5,3	8,2	9,0	8,1	
E4 Intentions to buy a dwelling in the next 12 months (% of households)	7,0	11,3	4,1	5,2	6,9	5,9	-
- Yes, certainly (%)	3,1	5,2	1,3	2,3	2,3	2,3	
- Possibly (%)	4,0	6,2	2,2	2,9	4,6	3,6	
E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households)	18,8	27,0	9,8	17,8	18,5	18,7	=
- Very likely (%)	12,4	19,0	5,0	11,5	12,2	13,2	
- Fairly likely (%)	6,4	9,1	3,2	6,3	6,3	5,5	

Appendix figures

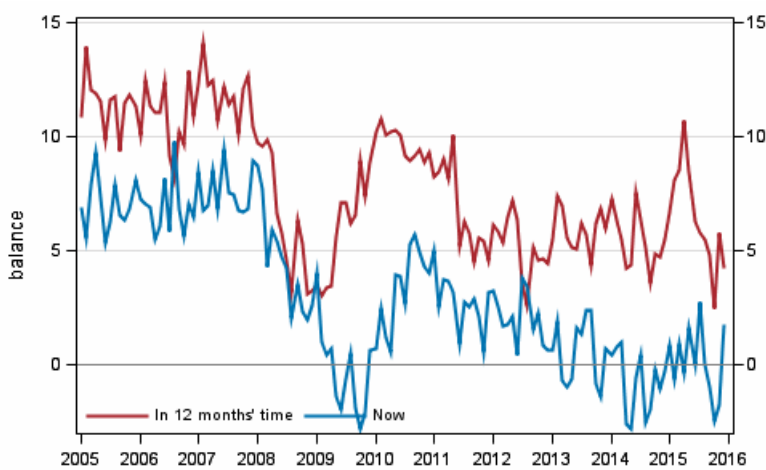
Appendix figure 1. Consumer confidence indicator (CCI)



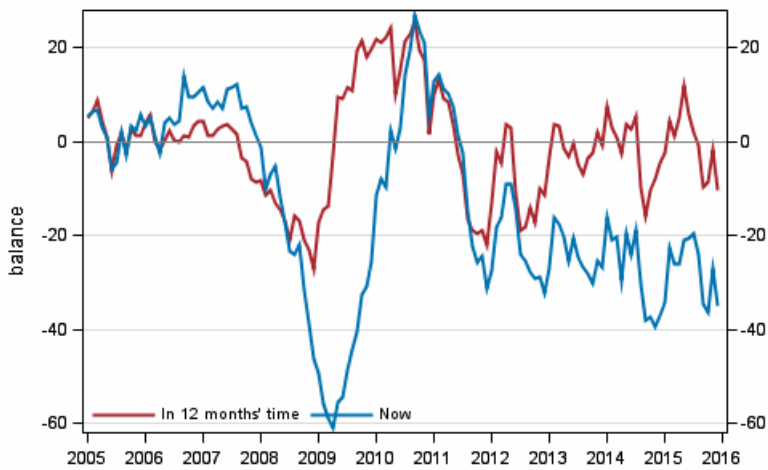
Appendix figure 2. Micro and macro indicators



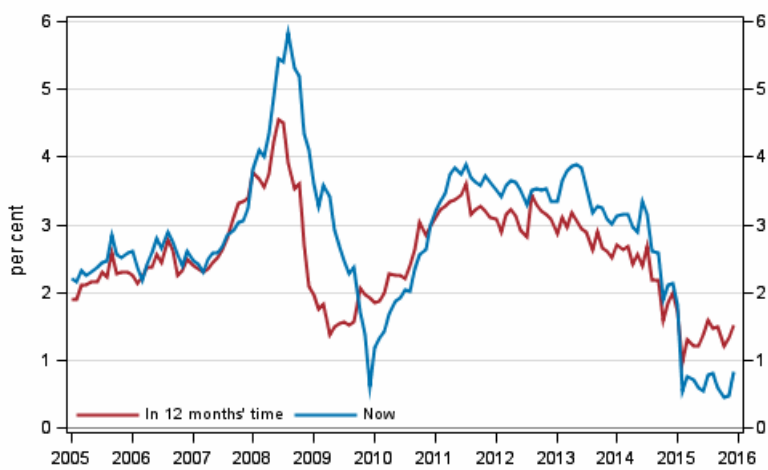
Appendix figure 3. Own economy



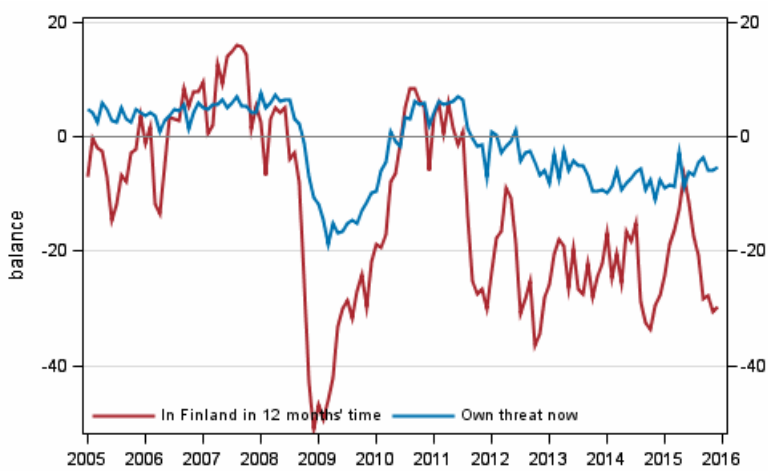
Appendix figure 4. Finland's economy



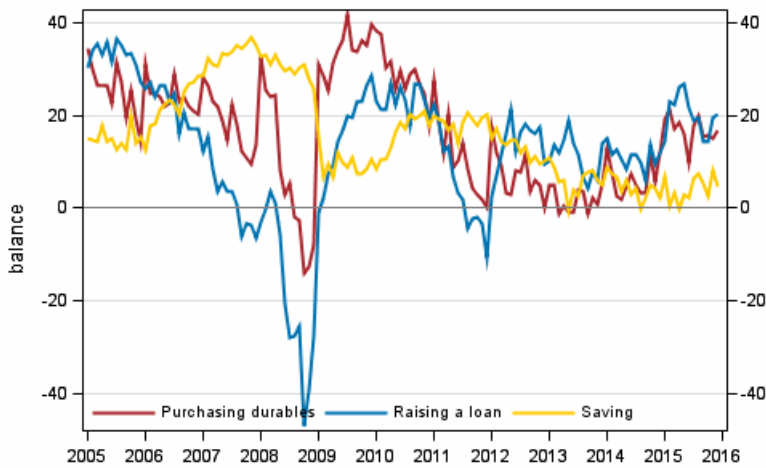
Appendix figure 5. Inflation



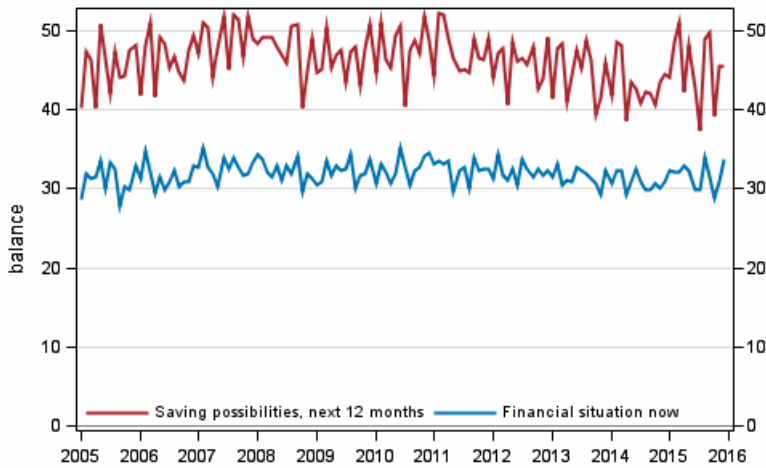
Appendix figure 6. Unemployment



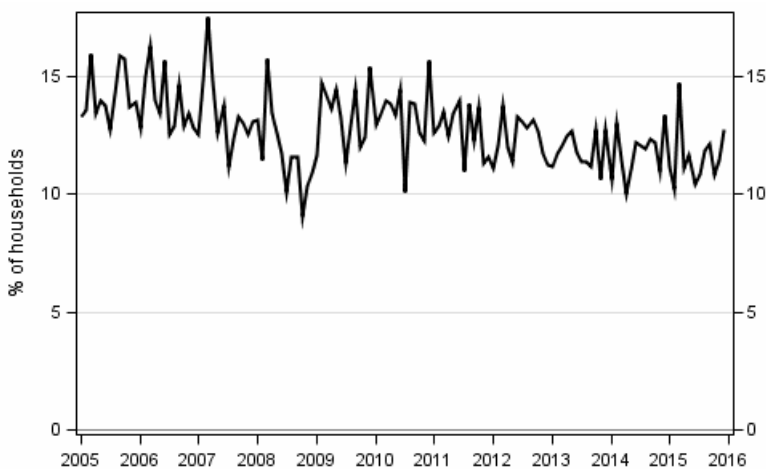
Appendix figure 7. Favourability of time for



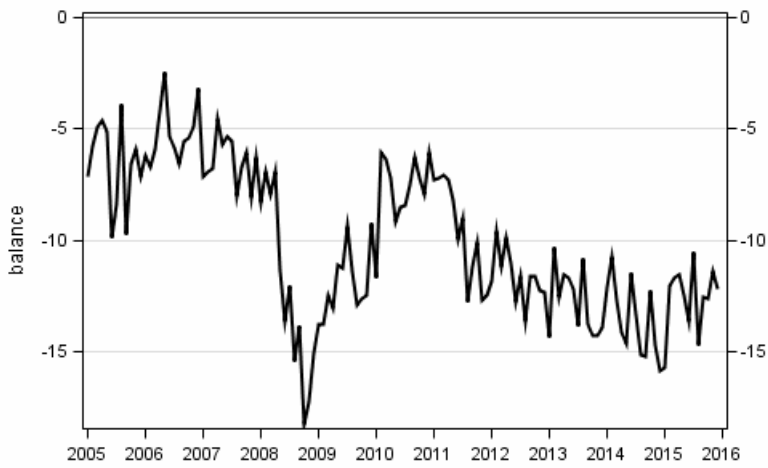
Appendix figure 8. Household's financial situation and saving possibilities



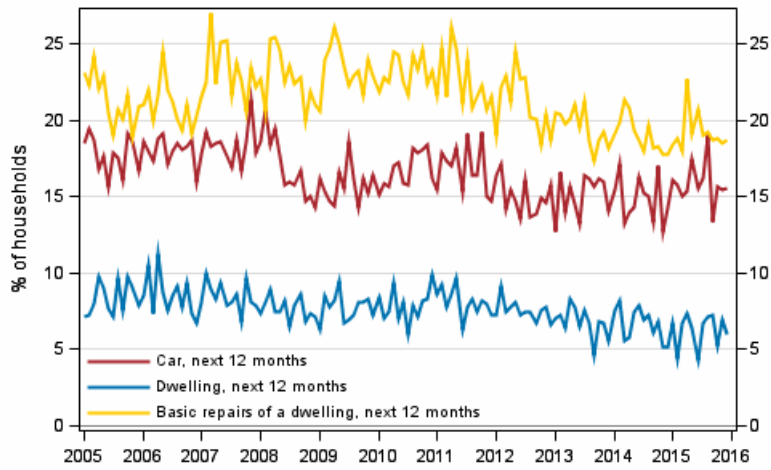
Appendix figure 9. Household's intentions to raise a loan, next 12 months



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, December. Statistics Finland