

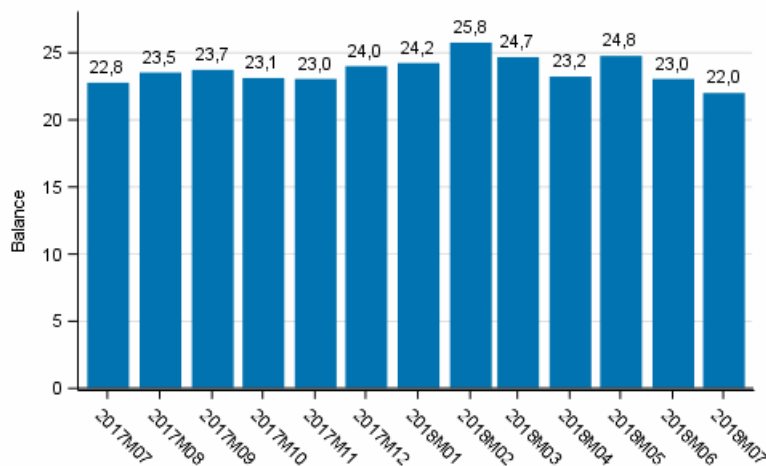
Consumer Survey

2018, July

Consumer confidence continued as strong in July

The consumer confidence indicator (CCI) stood at 22.0 in July, having been 23.0 in June and 24.8 in May. Last year in July, the CCI received the value 22.8. The long-term average for the CCI is 12.5. The data are based on Statistics Finland's Consumer Survey, for which 1,042 persons resident in Finland were interviewed between 2 and 19 July.

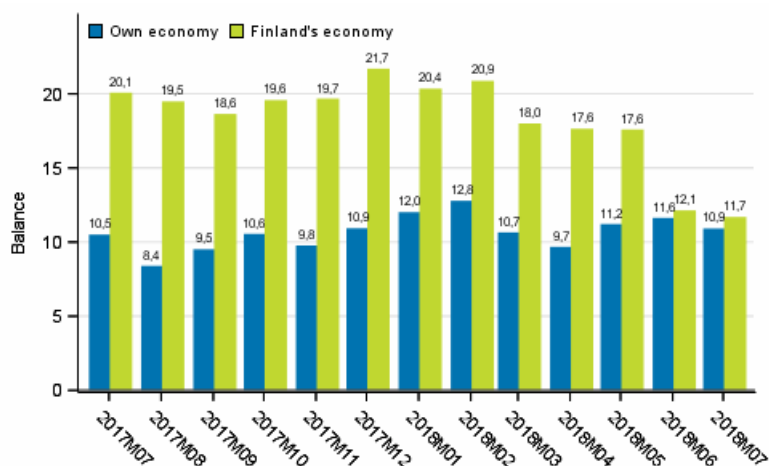
Consumer confidence indicator (CCI)



Of the four components of the CCI, consumers' expectation concerning unemployment development improved in July from June and was very bright. Views concerning one's own and Finland's economy, as well as households' saving possibilities weakened slightly but were still good.

Confidence in unemployment decreasing also strengthened year-on-year. By contrast, expectations concerning Finland's economy weakened clearly over the year. Consumers' views concerning their own economy and saving possibilities remained more or less unchanged.

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



In July, consumers considered their household's financial situation to be very good. The time was regarded very favourable for saving, and also good for taking out a loan and buying durable goods. Employed consumers felt in July that their personal threat of unemployment has decreased somewhat in recent times.

Consumer confidence by major region and population group

In July, confidence in the economy was strongest in Greater Helsinki (CCI 25.6) and weakest in Northern Finland (18.5). Among population groups, upper-level salaried employees were clearly most optimistic (37.1). Unemployed persons (6.8) and pensioners (12.0) 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](#).

Concepts

The **balance figures** are obtained by deducting the weighted proportion of negative answers from that of positive answers (see [Methodological description](#)). 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 July, 35 per cent of consumers believed that Finland's economic situation would improve in the coming twelve months, while 12 per cent of them thought that the country's economy would deteriorate. In June, the corresponding proportions were 38 and 14 per cent and in last year's July 47 and 8 per cent.

In all, 30 per cent of consumers believed in July that their own economy would improve and only 11 per cent of them feared it would worsen over the year. One month earlier, the corresponding proportions were 30 and 10 per cent, and one year earlier 28 and 9 per cent.

Unemployment and inflation

One-half or 50 per cent of consumers thought in July that unemployment would decrease over the year, and only 12 per cent believed it would increase. The shares were 49 and 14 per cent in June and 47 and 15 per cent one year ago.

In July, 34 per cent of employed persons felt that they were not threatened by unemployment at all. Seventeen per cent of employed persons reckoned that their personal threat of unemployment had decreased over the past few months, and more than recently, or 14 per cent of them, thought it had grown.

Consumers estimated in July that consumer prices would go up by 1.9 per cent over the next 12 months. The predicted long-term average inflation rate is 2.1 per cent.

Saving and taking out a loan

Saving was considered worthwhile by 70 per cent of consumers in July. The long-term average proportion is 58 per cent. In July, 68 per cent of households had been able to lay aside some money and 77 per cent believed they would be able to do so during the next 12 months. Households mainly planned on saving for a rainy day, for old age or for holiday making. Next to various bank accounts, the most planned investment targets were investment funds.

In July, 72 per cent of consumers regarded the time good for raising a loan. The long-term average proportion is 63 per cent. Slightly more households than usual, or 14 per cent of them, were planning in July to raise a loan within one year.

Buying of durable goods

In July, 45 per cent of consumers thought the time was favourable for buying durable goods. Intentions to spend money were mostly moderate. Seventeen per cent of households were either very or fairly certain to buy a car during the next 12 months. Eight per cent of households considered buying a dwelling. Fewer households than normal, or 17 per cent of them, were planning in July to spend money on renovating their dwelling within a year.

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 July 2018, in all, 1,042 responses were gained, so the non-response rate of the survey was 55.7 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 (dead, moved abroad etc.) 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

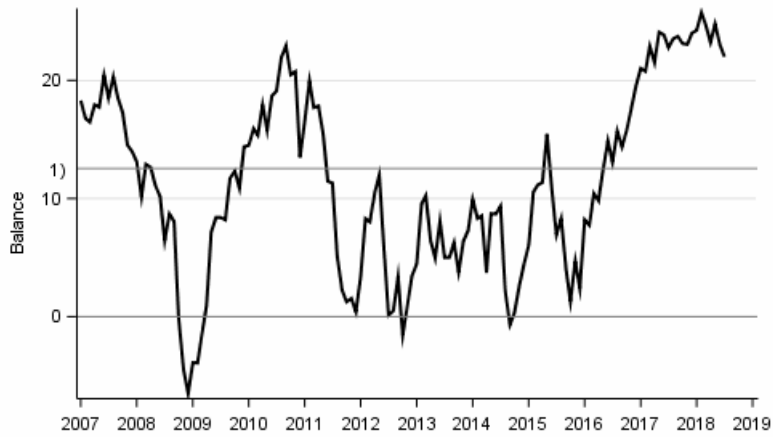
	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	07/2017	06/2018	07/2018	Outlook ¹⁾
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	12.5	25.8	-6.5	22.8	23.0	22.0	++
A2 Old CCI = (B1+B2+B3+B4+C1)/5	6.8	20.6	-15.0	17.2	16.0	16.2	++
A3 Micro indicator = (B2+D1+D2)/3	25.8	33.4	9.5	29.5	32.5	30.9	+
A4 Macro indicator = (B4+B7)/2	0.9	22.8	-39.1	18.0	15.1	15.5	++
B1 Own economy now (balance)	3.9	9.8	-4.0	6.7	6.7	8.7	++
- Better (%)	23.4	30.6	16.4	26.3	27.6	28.8	
- Worse (%)	16.4	22.7	11.4	15.7	15.4	14.4	
B2 Own economy in 12 months' time (balance)	8.4	14.1	2.3	10.5	11.6	10.9	+
- Better (%)	25.9	33.4	18.2	28.3	29.5	30.0	
- Worse (%)	11.3	17.7	6.6	9.2	9.6	11.0	
B3 Finland's economy now (balance)	-1.4	29.5	-60.9	25.3	25.6	24.1	++
- Better (%)	27.8	62.1	2.0	56.3	56.5	52.7	
- Worse (%)	27.6	88.5	4.2	8.6	9.3	7.2	
B4 Finland's economy in 12 months' time (balance)	4.3	25.3	-27.1	20.1	12.1	11.7	+
- Better (%)	32.2	57.3	11.6	47.2	37.9	35.2	
- Worse (%)	22.1	57.3	6.0	8.0	13.6	12.5	
B5 Inflation now (per cent)	2.2	5.8	-2.0	1.2	1.7	1.7	
B6 Inflation in 12 months' time (per cent)	2.1	4.6	0.6	1.7	1.8	1.9	
B7 Unemployment in Finland in 12 months' time (balance)	-2.6	27.6	-51.1	15.9	18.1	19.3	++
- Less (%)	31.0	60.8	6.4	46.7	49.0	50.0	
- More (%)	33.6	83.3	6.9	15.1	13.7	12.2	
B8 Own threat of unemployment now (balance)	-0.8	9.8	-18.8	2.9	7.4	3.8	+
- Decreased (%)	13.3	20.4	5.3	16.8	18.6	16.7	
- Increased (%)	16.8	31.9	7.9	14.9	9.6	14.4	
C1 Favourability of time for purchasing durables (balance)	18.7	41.8	-14.2	23.2	24.1	25.3	+
- Favourable time (%)	44.6	62.4	29.6	43.6	42.7	45.4	
- Unfavourable time (%)	25.9	45.7	15.2	20.4	18.7	20.0	
C2 Favourability of time for saving (balance)	11.0	36.8	-19.6	16.3	27.8	27.0	++
- Good time (%)	58.3	80.7	33.4	62.3	70.3	70.1	
- Bad time (%)	36.2	58.5	15.5	31.5	24.0	21.9	
C3 Favourability of time for raising a loan (balance)	18.5	42.0	-47.1	34.4	33.3	30.8	+
- Good time (%)	62.8	78.2	13.3	74.2	74.2	72.5	
- Bad time (%)	30.1	83.4	12.1	17.0	18.2	19.4	
D1 Household's financial situation now (balance)	28.9	37.0	14.7	33.5	35.7	35.7	++
- Can save (%)	60.3	70.4	38.6	65.9	69.9	68.5	
- Uses savings or gets into debt (%)	6.8	10.1	4.5	4.7	5.7	5.5	

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	07/2017	06/2018	07/2018	Outlook ¹⁾
D2 Household's saving possibilities in the next 12 months (balance)	40.0	52.2	10.9	44.5	50.3	46.1	+
- Can save (%)	74.4	82.3	56.6	76.8	80.5	77.2	
- Cannot save (%)	23.8	40.3	16.5	21.0	18.2	20.4	
D5 Household's intentions to raise a loan in the next 12 months (% of households)	13.1	17.8	9.1	13.2	13.7	14.0	+
- Yes, certainly (%)	5.6	8.5	3.1	6.0	7.3	6.8	
- Possibly (%)	7.5	11.4	5.0	7.1	6.4	7.2	
E1 Spending on durables, next 12 months vs last 12 months (balance)	-8.9	-2.4	-18.2	-9.5	-9.9	-9.6	=
- More (%)	21.3	30.8	13.9	19.2	20.1	19.8	
- Less (%)	32.6	40.4	25.6	32.0	31.7	31.9	
E2 Intentions to buy a car in the next 12 months (% of households)	16.8	21.7	12.7	16.3	15.7	17.0	=
- Very likely (%)	8.5	12.1	5.1	8.4	8.4	8.3	
- Fairly likely (%)	8.2	10.4	5.3	7.9	7.4	8.7	
E4 Intentions to buy a dwelling in the next 12 months (% of households)	7.0	11.3	4.1	9.0	7.0	7.8	+
- Yes, certainly (%)	3.0	5.2	1.3	3.9	3.4	3.0	
- Possibly (%)	4.0	6.2	2.2	5.1	3.6	4.9	
E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households)	18.8	27.0	9.8	16.8	20.1	17.0	-
- Very likely (%)	12.4	19.0	5.0	10.7	11.2	10.8	
- Fairly likely (%)	6.4	9.1	3.2	6.1	8.9	6.2	

1) Outlook: ++ very good, + good, = neutral, - poor, -- very poor; deviation of balance from average has been compared to standard deviation

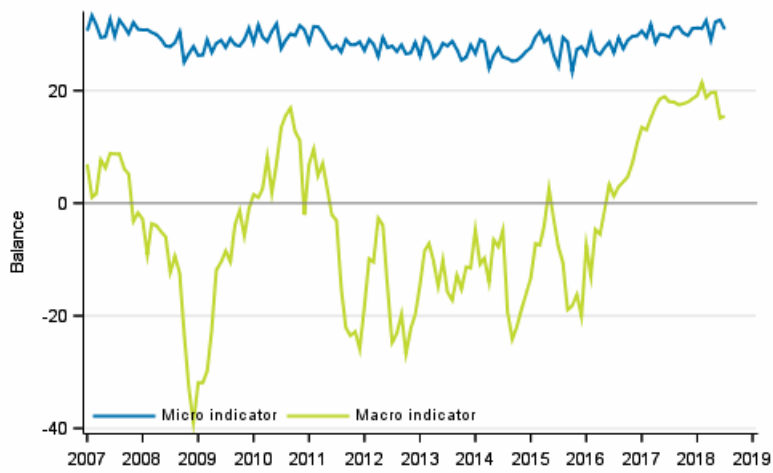
Appendix figures

Appendix figure 1. Consumer confidence indicator (CCI)

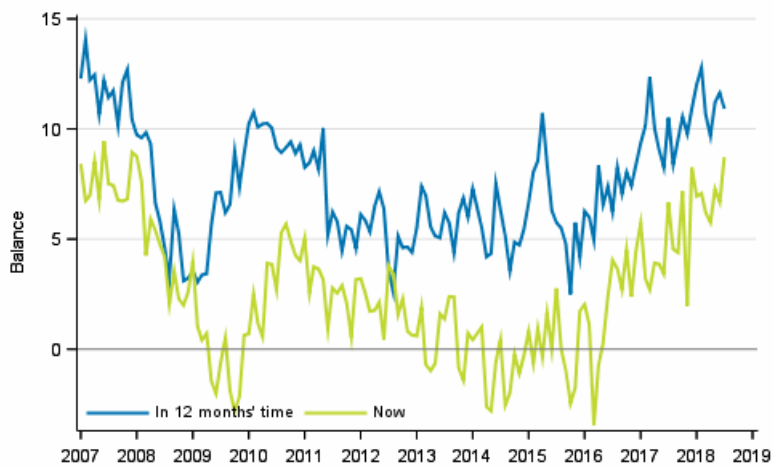


1) average 10/1995 - 07/2018

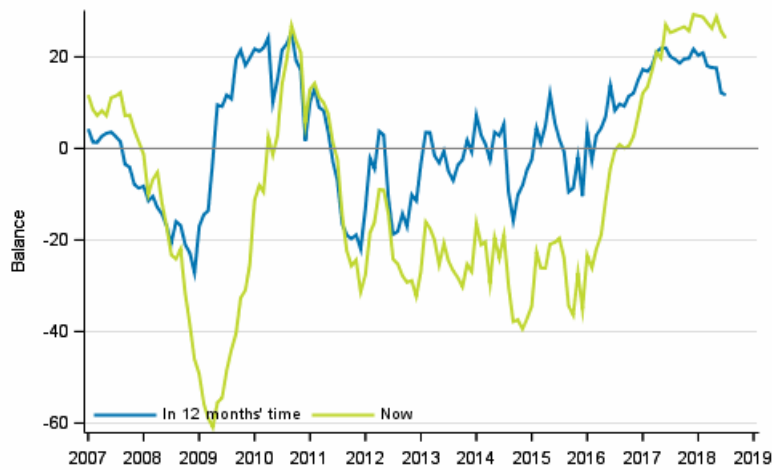
Appendix figure 2. Micro and macro indicators



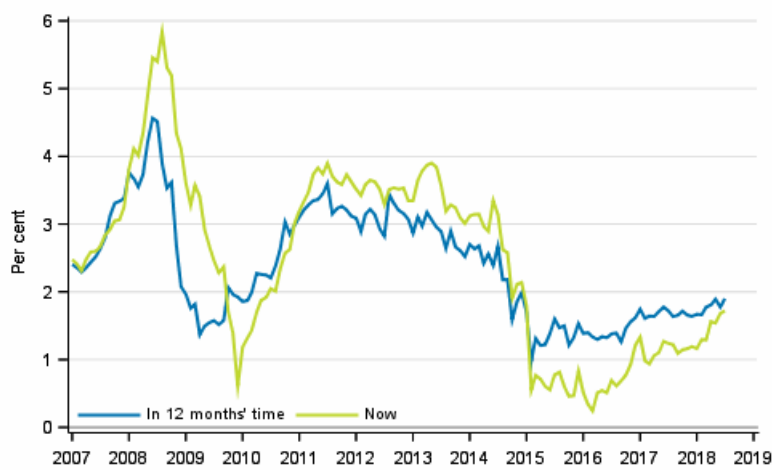
Appendix figure 3. Own economy



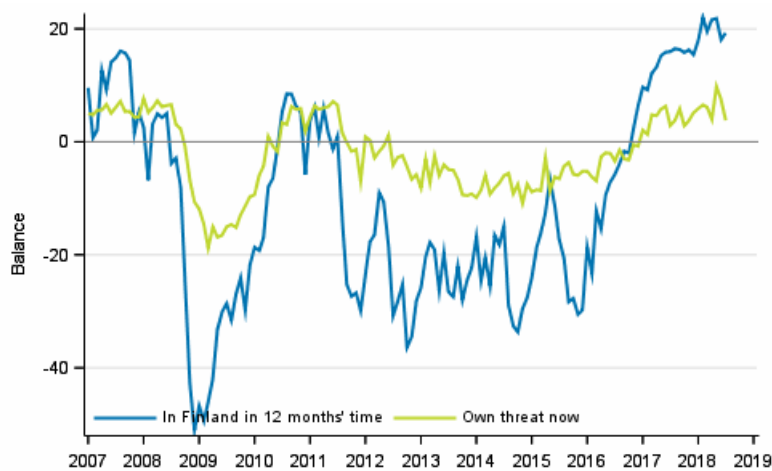
Appendix figure 4. Finland's economy



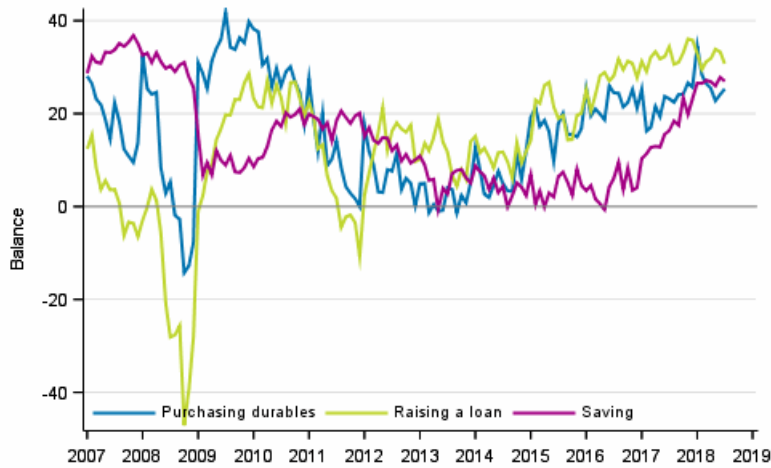
Appendix figure 5. Inflation



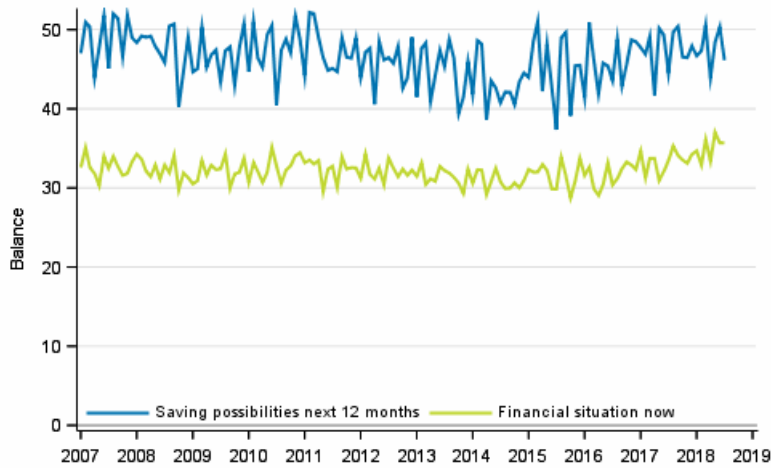
Appendix figure 6. Unemployment



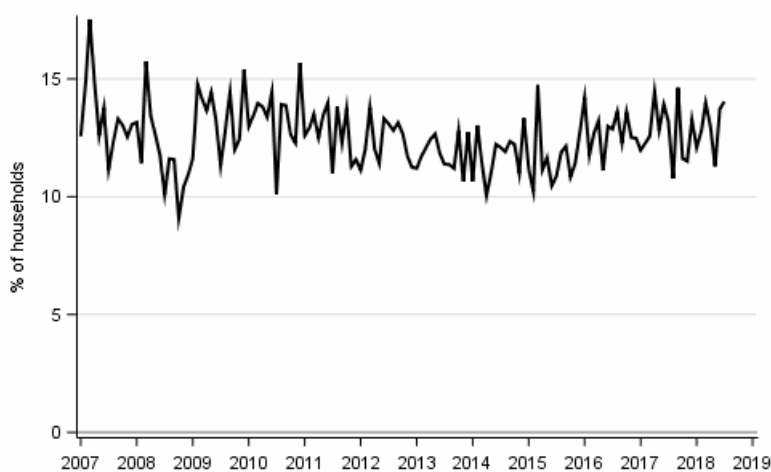
Appendix figure 7. Favourability of time for



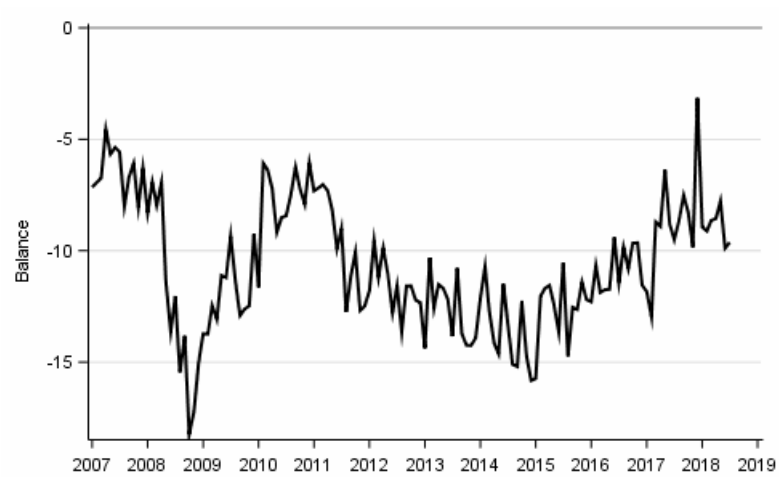
Appendix figure 8. Household's financial situation and saving possibilities



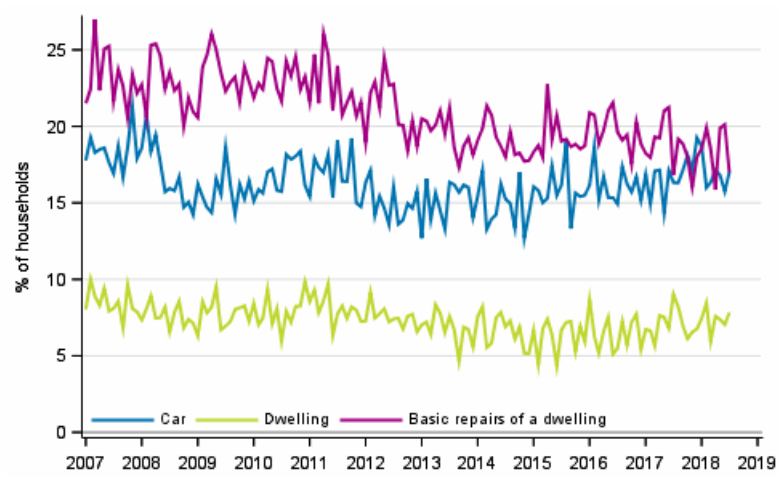
Appendix figure 9. Household's intentions to raise a loan, next 12 months



Appendix figure 10. 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, July. Statistics Finland