

Consumer Survey

2012, September

Consumer confidence strengthened slightly in September

The consumer confidence indicator stood at 3.4 in September, having been zero in August and July. Confidence in the economy was more or less at the same level as one year ago (2.3), but clearly below its long-term average (12.7). The data are based on Statistics Finland's Consumer Survey, for which 1,468 people resident in Finland were interviewed between 3 and 19 September.

Consumer confidence indicator (CCI)



* average 10/1995 - 09/2012

Consumers' expectations of their own and Finland's economy, development of employment and their household's saving possibilities improved somewhat in September from August. Despite this slight improvement, consumers' views remained gloomy apart from their already fairly positive outlook on their household's saving possibilities.

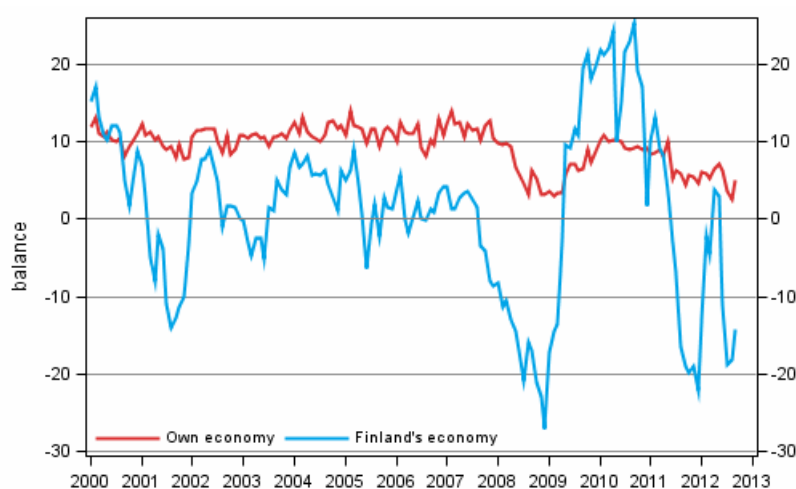
In September, consumers' estimate about the time being favourable for buying durable goods was distinctly gloomier than in August. In contrast, the time was considered good for saving and taking out a loan. The threat of unemployment experienced by employed persons remained in September nearly unchanged from August.

Consumers' own and Finland's economy

In September, around one fifth (19%) of consumers believed that Finland's economic situation would improve in the coming twelve months, while 42 per cent of them thought that the country's economy would deteriorate. Twelve months previously, the corresponding proportions were 16 and 48 per cent in September.

Nearly one quarter (23%) of consumers trusted in September that their own economy would improve within the next 12 months and 14 per cent feared it would deteriorate. One year ago the corresponding proportions were along the same lines, at 23 and 16 per cent.

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



Unemployment and inflation

Nearly three fifths (58%) of consumers thought that unemployment would increase in Finland and 12 per cent expected it to decrease over the next 12 months. One year ago in September, the respective proportions were 58 and 14 per cent.

Nearly one fifth (17%) of employed persons believed in September that their personal threat of unemployment had grown over the past few months, whereas 11 per cent thought it had decreased. One half of employed persons thought the threat of unemployment had remained unchanged and 22 per cent felt that they were not threatened by unemployment at all.

Consumers estimated in September that consumer prices would go up by 3.3 per cent over the next 12 months. The long-term predicted average inflation rate is 2.2 per cent.

Saving and taking out a loan

Clearly more than one half (57%) of consumers regarded the time favourable for saving. One year previously, the corresponding proportion was 65 per cent. Two thirds of households had been able to lay aside some money and four fifths believed they would be able to do so during the next 12 months.

In all, 62 per cent of consumers considered the time good for raising a loan. One year ago, the respective proportion was nearly one half of households (47%). In September, 13 per cent of households were planning to take out a loan within one year.

Buying of durable goods

Nearly two fifths (38%) of consumers considered the time good for buying durable goods in September. Around one third (34 %) thought it was not a good time for consuming. The corresponding proportions in August were still 42 and 30 per cent. Despite moderate consumption intentions, 14 per cent of households were fairly or very certain to buy a car and seven per cent a dwelling in the next twelve months.

Consumers' views of the economy

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	09/2011	08/2012	09/2012	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	12,7	22,9	-6,5	2,3	0,5	3,4	--
B2 Own economy in 12 months' time (balance)	8,8	14,1	2,3	4,5	2,6	5,1	--
B4 Finland's economy in 12 months' time (balance)	4,1	25,3	-27,1	-19,0	-18,1	-14,2	--
B6 Inflation in 12 months' time (per cent)	2,2	4,6	0,6	3,2	3,4	3,3	
B7 Unemployment in Finland in 12 months' time (balance)	-0,1	27,6	-51,1	-25,3	-28,2	-25,2	--
B8 Own threat of unemployment now (balance)	0,8	7,6	-18,8	-0,2	-2,7	-2,4	-
C1 Favourability of time for purchasing durables (balance)	20,1	41,8	-14,2	4,2	11,4	3,7	--
C2 Favourability of time for saving (balance)	11,7	36,8	-19,6	19,2	13,2	9,8	+/-
C3 Favourability of time for raising a loan (balance)	17,5	42,0	-47,1	-2,2	18,0	16,7	+/-
D2 Household's saving possibilities in the next 12 months (balance)	38,2	52,2	10,9	48,9	45,7	47,9	+

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 approximately 4.4 million persons aged 15 to 84 and 2.6 million households in Finland. The population was extended to persons aged 75 to 84 starting from January 2012. The gross sample size of the Survey is monthly 2,350 persons (previously 2,200 persons).

In September, the non-response rate of the Survey was 37.5 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 extension of the population, that is, responses from persons aged 75 to 84, is estimated to have weakened the value of the consumer confidence indicator by good one unit starting from January 2012.

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

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 about 35 per cent, approximately 1,500 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, province 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

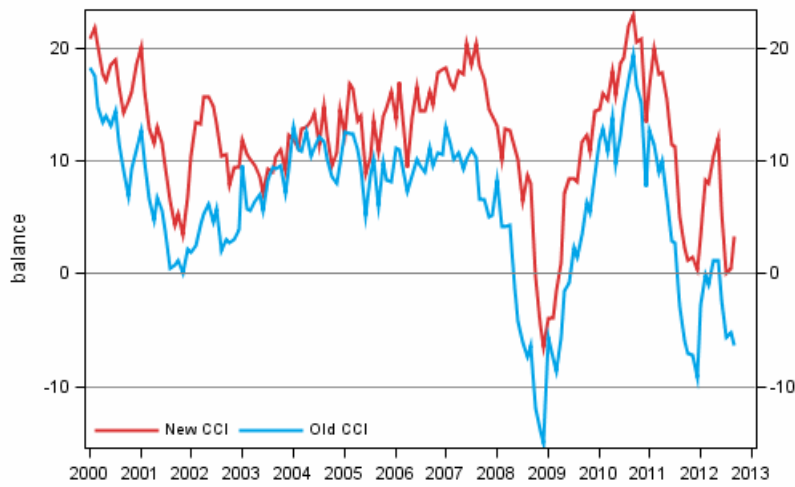
Appendix table 1. Consumers' views and intentions

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	09/2011	08/2012	09/2012	Outlook
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	12,7	22,9	-6,5	2,3	0,5	3,4	--
A2 Old CCI = (B1+B2+B3+B4+C1)/5	7,8	19,4	-15,0	-6,0	-5,2	-6,3	--
A3 Micro indicator = (B2+D1+D2)/3	24,9	33,4	9,5	29,1	26,9	28,1	+
A4 Macro indicator = (B4+B7)/2	2,0	22,8	-39,1	-22,1	-23,2	-19,7	--
B1 Own economy now (balance)	4,6	9,8	-4,0	2,9	3,4	1,6	--
- Better (%)	24,1	30,6	16,7	21,7	21,2	21,4	
- Worse (%)	15,8	22,7	11,4	16,6	16,6	18,9	
B2 Own economy in 12 months' time (balance)	8,8	14,1	2,3	4,5	2,6	5,1	--
- Better (%)	26,0	33,4	18,2	22,9	19,8	22,9	
- Worse (%)	10,7	17,2	6,6	15,7	16,8	14,2	
B3 Finland's economy now (balance)	1,4	29,5	-60,9	-22,5	-25,2	-27,9	--
- Better (%)	29,1	62,1	2,0	13,5	7,9	7,2	
- Worse (%)	24,0	88,5	4,2	51,5	53,0	55,5	
B4 Finland's economy in 12 months' time (balance)	4,1	25,3	-27,1	-19,0	-18,1	-14,2	--
- Better (%)	31,1	57,3	11,6	15,9	15,0	19,2	
- Worse (%)	21,8	57,3	6,0	47,9	46,3	42,4	
B5 Inflation now (per cent)	2,3	5,8	-2,0	3,6	3,5	3,5	
B6 Inflation in 12 months' time (per cent)	2,2	4,6	0,6	3,2	3,4	3,3	
B7 Unemployment in Finland in 12 months' time (balance)	-0,1	27,6	-51,1	-25,3	-28,2	-25,2	--
- Less (%)	33,0	60,8	6,4	13,6	9,8	11,5	
- More (%)	31,0	83,3	6,9	58,4	60,1	57,7	
B8 Own threat of unemployment now (balance)	0,8	7,6	-18,8	-0,2	-2,7	-2,4	-
- Decreased (%)	13,7	20,0	5,3	11,3	10,2	11,0	
- Increased (%)	15,1	31,9	7,9	15,0	16,6	17,2	
C1 Favourability of time for purchasing durables (balance)	20,1	41,8	-14,2	4,2	11,4	3,7	--
- Favourable time (%)	45,2	62,4	29,6	38,3	41,8	37,7	
- Unfavourable time (%)	25,2	45,7	17,7	34,1	30,4	34,0	
C2 Favourability of time for saving (balance)	11,7	36,8	-19,6	19,2	13,2	9,8	+/-
- Good time (%)	58,9	80,7	33,4	64,5	59,7	57,2	
- Bad time (%)	35,2	58,5	15,5	31,0	35,6	38,7	
C3 Favourability of time for raising a loan (balance)	17,5	42,0	-47,1	-2,2	18,0	16,7	+/-
- Good time (%)	62,2	78,2	13,3	46,9	62,0	61,8	
- Bad time (%)	30,4	83,4	12,1	47,7	32,7	33,0	
D1 Household's financial situation now (balance)	27,7	35,1	14,7	33,9	32,5	31,4	+
- Can save (%)	58,5	70,0	38,6	68,9	65,8	65,5	
- Uses savings or gets into debt (%)	6,7	10,1	4,5	6,3	6,1	7,1	

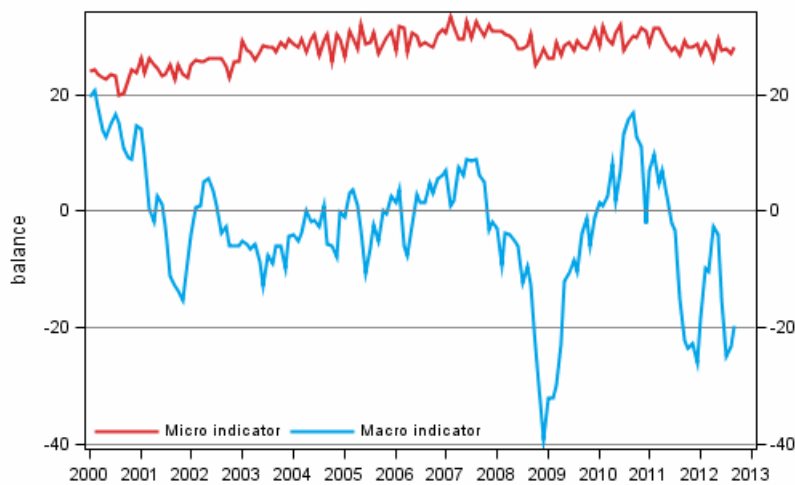
	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	09/2011	08/2012	09/2012	Outlook
D2 Household's saving possibilities in the next 12 months (balance)	38,2	52,2	10,9	48,9	45,7	47,9	+
- Can save (%)	73,1	82,3	56,6	80,6	78,4	79,5	
- Cannot save (%)	24,9	40,3	16,5	19,1	20,5	19,5	
D5 Household's intentions to raise a loan in the next 12 months (% of households)	13,4	17,8	9,1	12,3	12,8	13,1	+/-
- Yes, certainly (%)	5,6	8,5	3,1	5,4	6,1	5,5	
- Possibly (%)	7,8	11,4	5,2	6,9	6,7	7,7	
E1 Spending on durables, next 12 months vs last 12 months (balance)	-8,0	-2,4	-18,2	-11,1	-13,6	-11,6	--
- More (%)	22,5	30,8	14,3	18,0	16,8	17,8	
- Less (%)	32,5	40,4	26,5	33,8	34,5	33,3	
E2 Intentions to buy a car in the next 12 months (% of households)	17,3	21,7	13,6	16,4	13,6	13,9	--
- Very likely (%)	8,9	12,1	5,9	8,8	7,0	5,9	
- Fairly likely (%)	8,4	10,4	6,2	7,6	6,6	8,0	
E4 Intentions to buy a dwelling in the next 12 months (% of households)	7,1	11,3	4,1	7,4	7,5	6,8	+/-
- Yes, certainly (%)	3,1	5,2	1,3	3,5	4,1	3,4	
- Possibly (%)	4,0	6,2	2,2	4,0	3,4	3,3	
E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households)	18,7	27,0	9,8	21,5	20,1	20,1	+
- Very likely (%)	12,3	19,0	5,0	14,8	13,8	13,5	
- Fairly likely (%)	6,4	9,1	3,2	6,7	6,3	6,5	

Appendix figures

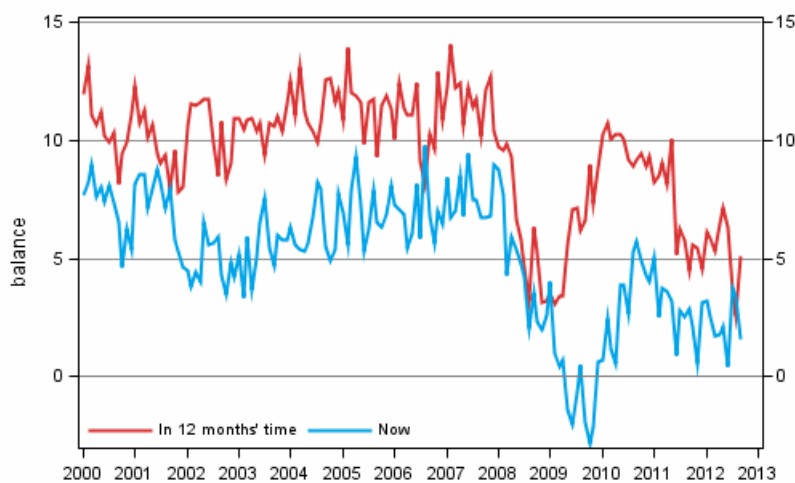
Appendix figure 1. Consumer confidence indicator (CCI)



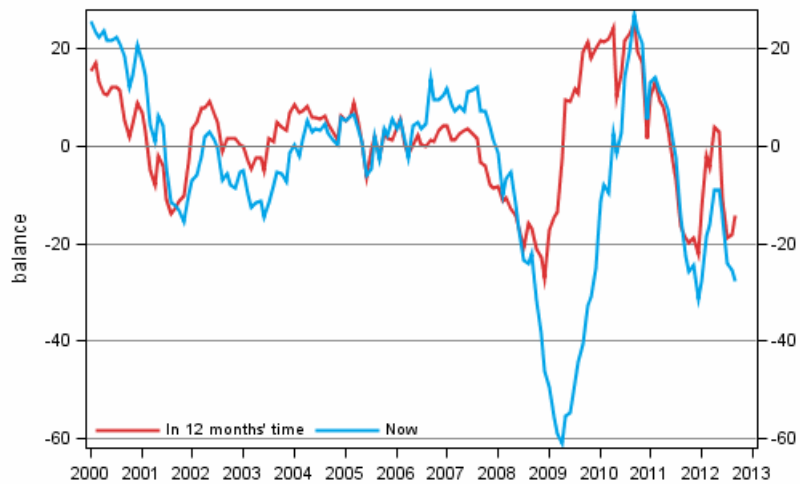
Appendix figure 2. Micro and macro indicators



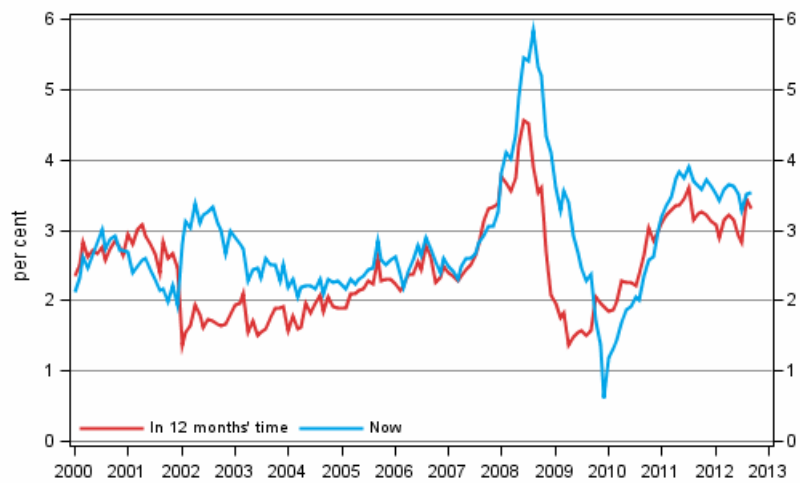
Appendix figure 3. Own economy



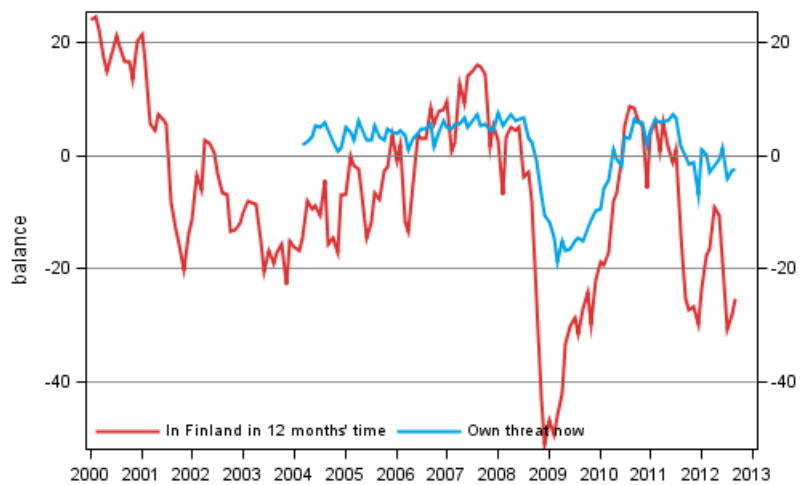
Appendix figure 4. Finland's economy



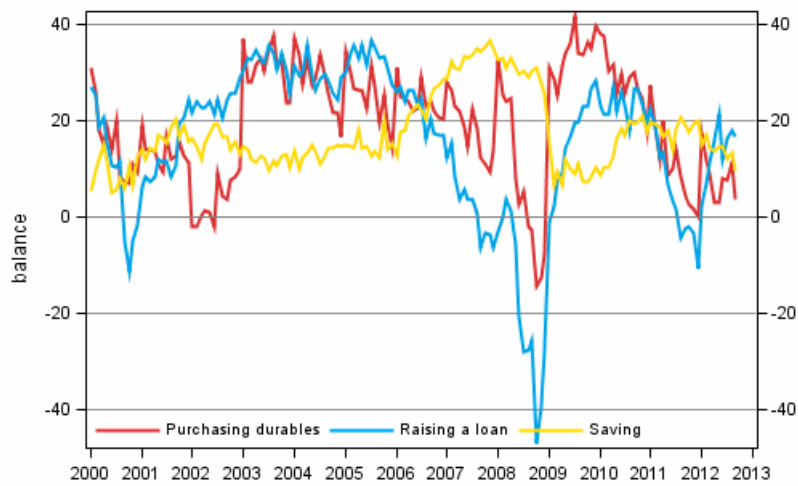
Appendix figure 5. Inflation



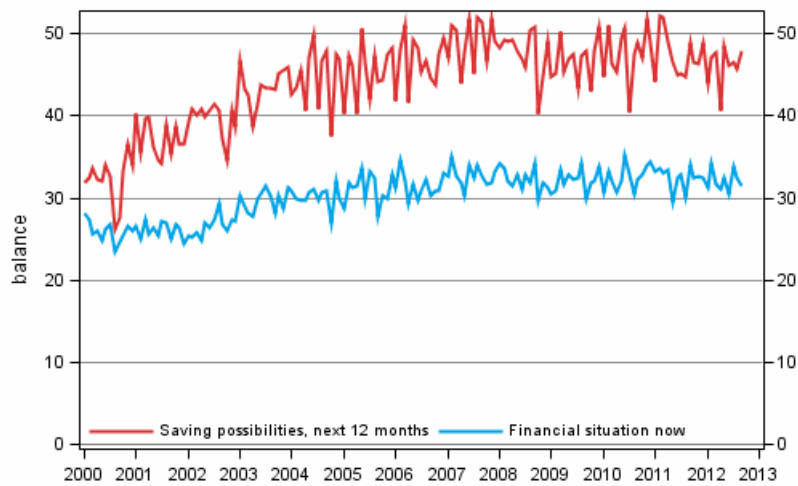
Appendix figure 6. Unemployment



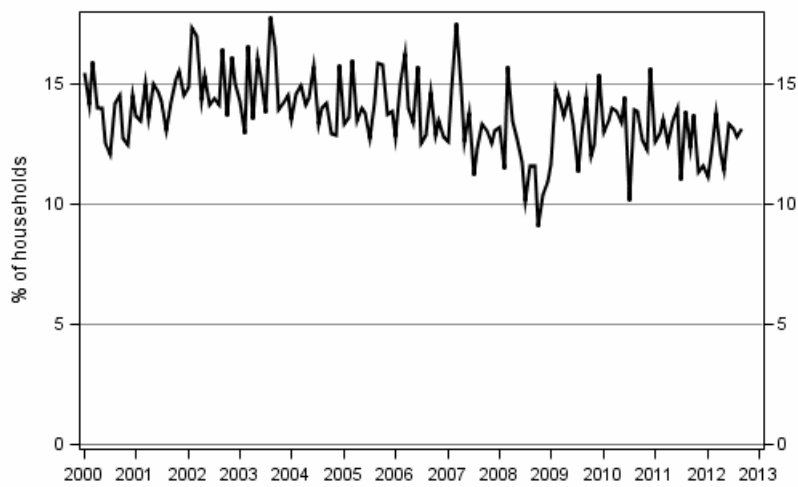
Appendix figure 7. Favourability of time for



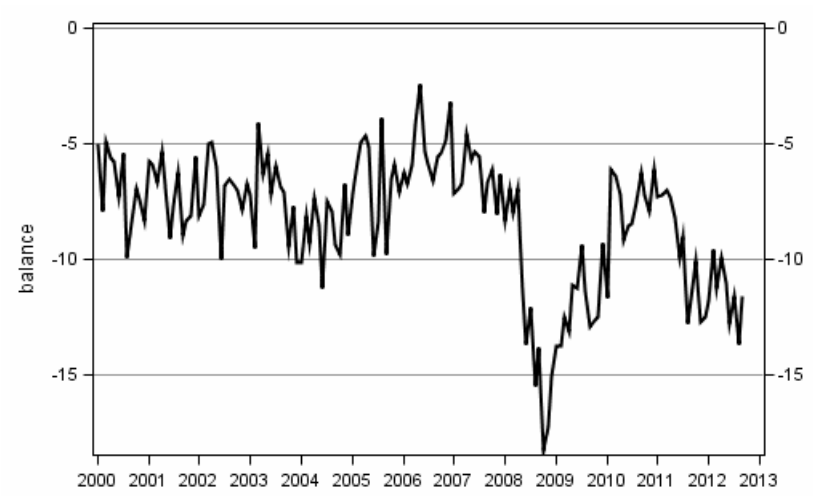
Appendix figure 8. Household's financial situation



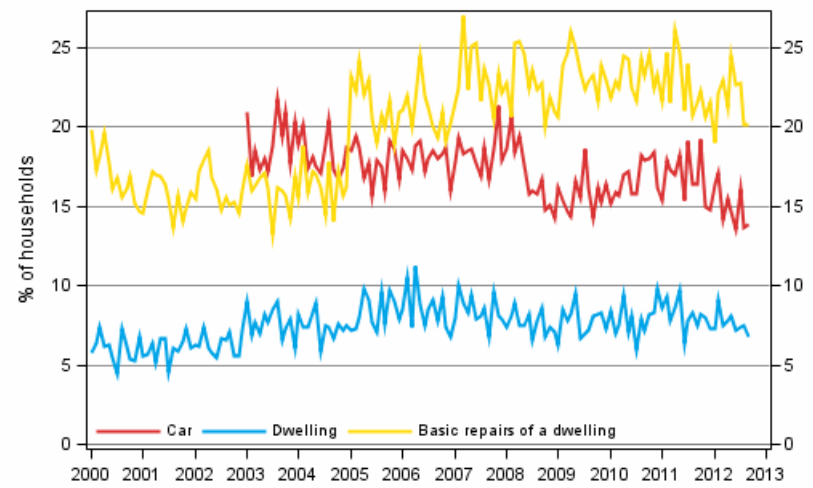
Appendix figure 9. Household's intentions to raise a loan, next 12 months



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



Appendix figure 11. Household's intentions to buy, next 12 months



Suomen virallinen tilasto
Finlands officiella statistik
Official Statistics of Finland

Income and Consumption 2012

Inquiries

Tara Junes 09 1734 3503

Director in charge:

Riitta Harala

kuluttaja.barometri@stat.fi

www.stat.fi

Source: Consumer Survey 2012, September. Statistics Finland