

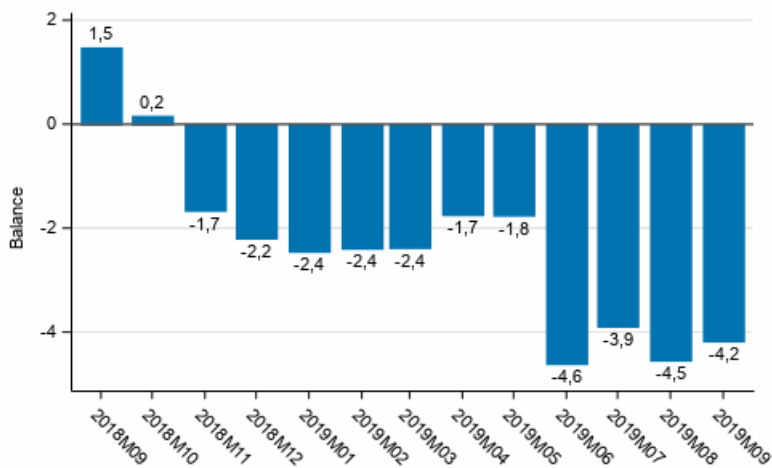
Consumer Confidence

2019, September

Consumers' estimates about economic growth and unemployment ever gloomier

Consumers' confidence in the economy remained almost unchanged in September. The consumer confidence indicator (CCI) stood at -4.2 in September, having been -4.5 in August and -3.9 in July. Last year in September, the CCI received the value 1.5. The average for the CCI since January 2018 is -0.2. The data are based on Statistics Finland's Consumer Confidence Survey, to which 1,012 persons resident in Finland responded between 1 and 18 September. The survey methods were [revised](#) in May.

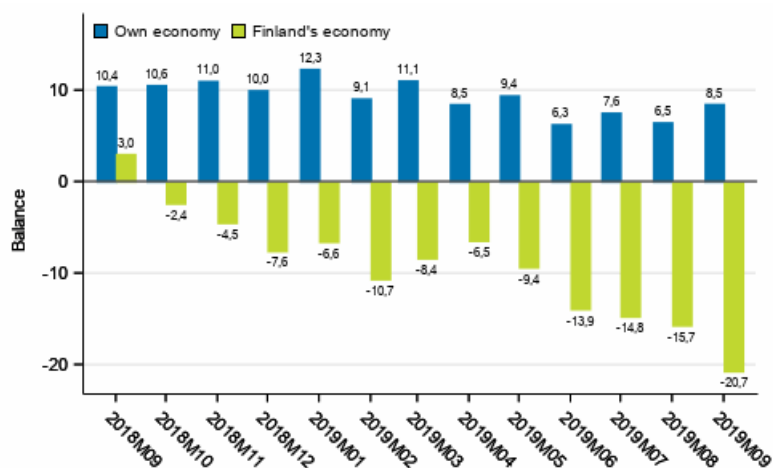
Consumer confidence indicator (CCI)



Of the four components of the CCI, expectations on the development of Finland's economy became still gloomier in September. In turn, the assessment concerning consumers' own current economic situation and also the situation in the near future improved compared to August. However, the expectations remained subdued. In September, consumers' intentions to spend money on durable goods increased slightly and there were more such intentions than average.

Compared with the corresponding period last year, the expectations on both the own and Finland's economy weakened in September. The view on Finland's economy absolutely plummeted over the year. The other components of the CCI improved slightly.

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



In September, consumers foresaw more and more clearly that Finland's unemployment situation will weaken in the future. Furthermore, employed consumers felt that their personal threat of unemployment has also increased considerably in recent times. On the other hand, nearly every second employed person did not experience any threat.

In September, consumers considered their own financial situation to be good. The time was, in general, regarded favourable for raising a loan but not for buying durable goods and especially not for saving.

Consumer confidence by major region and population group

In September, consumers' confidence in the economy was strongest in Greater Helsinki (CCI -1.3) and Northern Finland (-1.3) and weakest in Western Finland (-6.8). Among population groups, students were most optimistic (6.7). In September, pensioners (-15.4) and unemployed persons (-12.2) had the gloomiest expectations concerning economic development. Confidence in the economy usually lessens with the person's age. Correspondingly, the confidence usually strengthens with education and income. More detailed information is found in the [Database tables](#).

EU results

The (seasonally adjusted) survey results concerning economic expectations 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. The **consumer confidence indicator** (CCI/A1) is the average of the balance figures for the CCI components. The components of the CCI are: consumer's own economy now (B1), consumer's own economy in 12 months (B2), Finland's economy in 12 months (B4) and consumer's spending money on major purchases in the next 12 months compared to the past 12 months (E1). 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 September, 10 per cent of consumers believed that Finland's economic situation would improve in the coming twelve months, while 47 per cent of them thought that the country's economy would deteriorate. The respective proportions in August were 12 and 39 per cent.

In all, 27 per cent of consumers believed in September that their own economy would improve and 13 per cent of them feared it would worsen over the year. The respective proportions in August were 26 and 15 per cent. Twenty-eight per cent of consumers estimated that their economy was now better than a year ago and 15 per cent felt that it was worse in September. The proportions were 27 and 18 per cent one month earlier.

Unemployment and inflation

Altogether, 18 per cent of consumers thought in September that unemployment would decrease over the year, while 38 per cent of them believed it would increase. The proportions in August were 22 and 31 per cent.

In September, 47 per cent of employed persons felt that they were not threatened by unemployment at all. Six per cent of employed persons reckoned that their personal threat of unemployment had lessened over the past few months, while 16 per cent thought it had grown.

Consumers estimated in September that consumer prices would go up by 2.5 per cent over the next 12 months. The average inflation prediction since January 2018 is 2.6 per cent.

Saving and taking out a loan

In September, 61 per cent of consumers thought the time was favourable for saving. In August, 66 per cent of consumers held this view. In September, 63 per cent of consumers 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 September, 70 per cent of consumers regarded the time good for taking out a loan. In August the proportion was 67 per cent. In September, 19 per cent of consumers considered raising a loan within one year.

Buying of durable goods

In September, 28 per cent of consumers considered the time favourable for buying durable goods. In August, the corresponding proportion was 31 per cent. In September, 15 per cent of consumers planned on increasing and 31 per cent on reducing their spending on durable goods over the next 12 months.

In September, 14 per cent of consumers were either definitely or possibly going to buy a car during the next 12 months. More consumers than usual, or 16 per cent, considered buying a dwelling. Twenty-one per cent of consumers were planning to spend money on renovating their dwelling within a year.

Method of the Consumer Confidence Survey

The Consumer Confidence Survey measures Finnish consumers' confidence in the economy, that is, views and expectations about the development of their own and Finland's general economic situation. The survey also examines consumers' intentions of making major purchases, saving and raising loans. The survey is carried out with a mixed-mode data collection method, i.e. with a web questionnaire and by telephone interviews (CATI). For the Consumer Confidence Survey, answers are given by means of answer options (qualitative survey).

The former name of the Consumer Confidence Survey was the Consumer Survey. Earlier the survey was carried out by means of telephone interviews only. The first 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 confidence data have been collected monthly on assignment from and partial financing of the [European Commission](#).

Sampling and data collection

The population of the Consumer Confidence Survey comprises 4.0 million persons aged 18 to 74 in Finland. The panel design is used in the survey: everybody answers twice within six months. Each month, the target is a random sample of about 2,200 persons, of whom one half are included in the first round and one half in the second round. The target area of the survey is the whole country and the respondents represent the population in Finland, according to age, gender, area of residence and native language. The data collection period for the survey is the first two or three weeks of the month.

In September 2019, in all, 1,012 responses were gained. The non-response rate of the survey was 53.6 per cent. This 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, inmates of institutions, moved abroad, etc.) is also included in non-response here.

Weighting

The response data of the Consumer Confidence 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.

Appendix tables

Appendix table 1. Consumers' views and intentions¹⁾

	Average 01/2018-	Max. 01/2018-	Min. 01/2018-	09/2018	08/2019	09/2019	Outlook ²⁾
A1 Consumer confidence indicator, CCI = (B1+B2+B4+E1)/4	-0.2	4.9	-4.6	1.5	-4.5	-4.2	--
B1 Own economy now (balance)	6.3	8.5	3.9	6.6	5.4	8.1	++
- Better (%)	.	.	.	.	26.9	28.3	
- Worse (%)	.	.	.	.	17.6	14.6	
B2 Own economy in 12 months' time (balance)	10.2	13.4	6.3	10.4	6.5	8.5	-
- Better (%)	.	.	.	.	25.5	27.1	
- Worse (%)	.	.	.	.	14.5	13.4	
B3 Finland's economy now (balance)	10.1	24.9	-14.9	15.4	-7.2	-14.9	--
- Better (%)	.	.	.	.	15.9	11.4	
- Worse (%)	.	.	.	.	28.2	37.8	
B4 Finland's economy in 12 months' time (balance)	-1.2	16.5	-20.7	3.0	-15.7	-20.7	--
- Better (%)	.	.	.	.	11.6	9.6	
- Worse (%)	.	.	.	.	39.0	46.7	
B5 Inflation now (per cent)	2.6	3.0	2.2	2.5	2.7	2.6	
B6 Inflation in 12 months' time (per cent)	2.6	3.0	2.4	2.7	2.7	2.5	
B7 Unemployment in Finland in 12 months' time (balance)	3.1	13.8	-12.2	6.5	-5.3	-12.2	--
- Less (%)	.	.	.	.	22.1	18.0	
- More (%)	.	.	.	.	31.0	38.4	
B8 Own threat of unemployment now (balance)	-0.2	4.8	-6.2	3.1	-2.7	-6.2	--
- Decreased (%)	.	.	.	.	7.8	6.4	
- Increased (%)	.	.	.	.	12.9	15.8	
C1 Favourability of time for purchasing durables (balance)	23.2	34.3	14.8	24.3	21.0	17.8	--
- Good time (%)	.	.	.	.	30.6	27.8	
- Bad time (%)	.	.	.	.	9.6	10.0	
C2 Favourability of time for saving (balance)	20.7	24.6	13.4	22.7	19.0	13.4	--
- Good time (%)	.	.	.	.	65.9	60.7	
- Bad time (%)	.	.	.	.	32.2	37.9	
C3 Favourability of time for raising a loan (balance)	16.3	25.1	4.5	16.3	21.2	25.1	++
- Good time (%)	.	.	.	.	66.9	69.5	
- Bad time (%)	.	.	.	.	31.8	29.3	
D1 Own financial situation now (balance)	28.2	31.0	24.9	26.4	28.0	29.6	+
- Money is saved (%)	.	.	.	.	61.2	63.0	
- Uses savings or gets into debt (%)	.	.	.	.	11.1	9.9	
D2 Own saving possibilities in the next 12 months (balance)	48.9	53.1	44.3	48.9	49.5	51.2	+
- Can save (%)	.	.	.	.	78.2	78.6	
- Cannot save (%)	.	.	.	.	21.6	21.0	
D5 Intention to raise a loan in the next 12 months (% of consumers)	.	.	.	.	19.1	19.2	
- Yes, absolutely (%)	.	.	.	.	5.8	5.1	
- Possibly (%)	.	.	.	.	13.3	14.1	

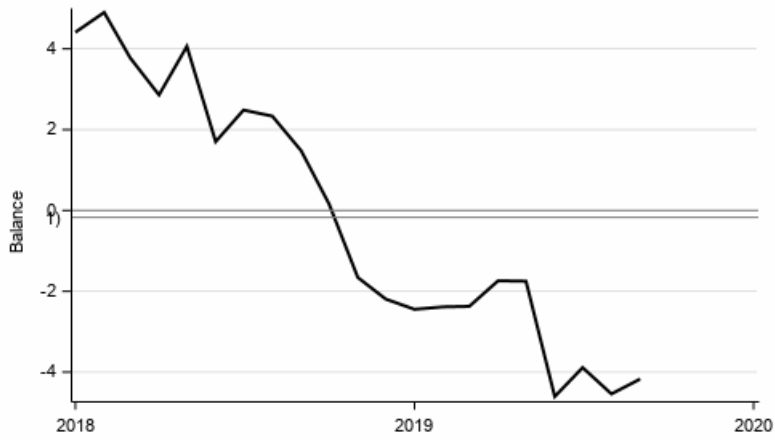
	Average 01/2018-	Max. 01/2018-	Min. 01/2018-	09/2018	08/2019	09/2019	Outlook ²⁾
E1 Spending on durables, next 12 months vs. last 12 months (balance)	-16.0	-12.6	-21.2	-14.1	-14.4	-12.6	++
- More (%)	16.2	15.5	
- Less (%)	34.7	31.1	
E2 Intention to buy a car in the next 12 months (% of consumers)	16.2	13.9	
- Very likely (%)	5.8	4.8	
- Quite likely (%)	10.4	9.2	
E4 Intention to buy a dwelling in the next 12 months (% of consumers)	14.8	16.5	
- Yes, absolutely (%)	4.0	4.7	
- Possibly (%)	10.8	11.8	
E5 Intention to spend money on basic repairs of dwelling in the next 12 months (% of consumers)	21.5	20.8	
- Very likely (%)	8.3	7.6	
- Quite likely (%)	13.2	13.2	

1) Period 01/2018–04/2019: information on answer distributions cannot be presented, only the (revised) balance figures are published.

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

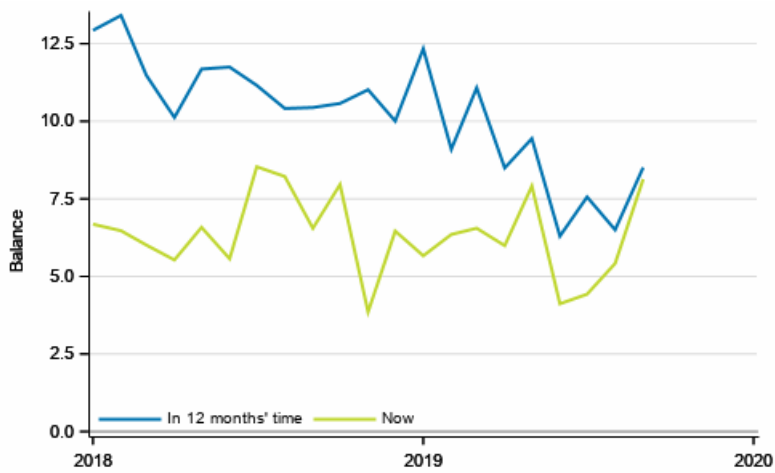
Appendix figures

Appendix figure 1. Consumer confidence indicator (CCI)

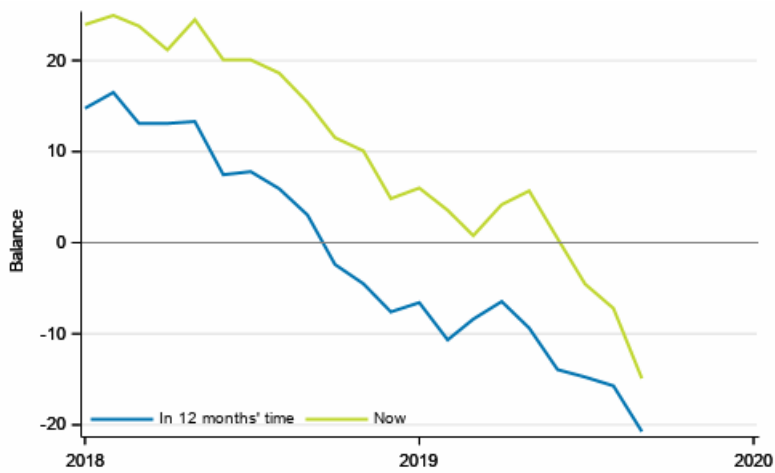


1) average 01/2018 - 09/2019

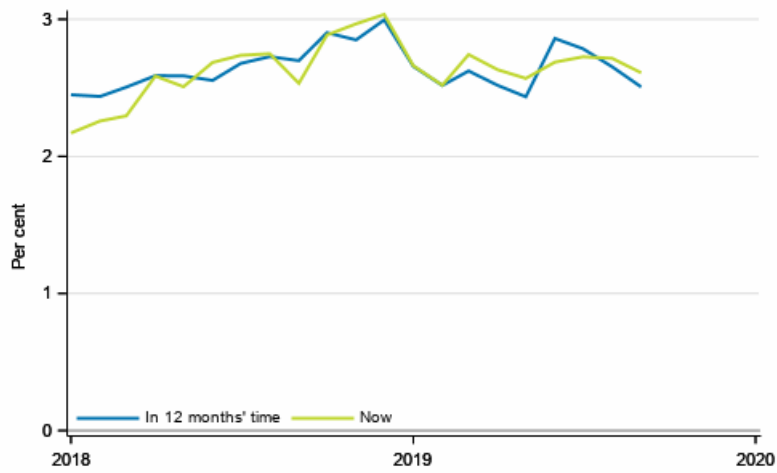
Appendix figure 2. Own economy



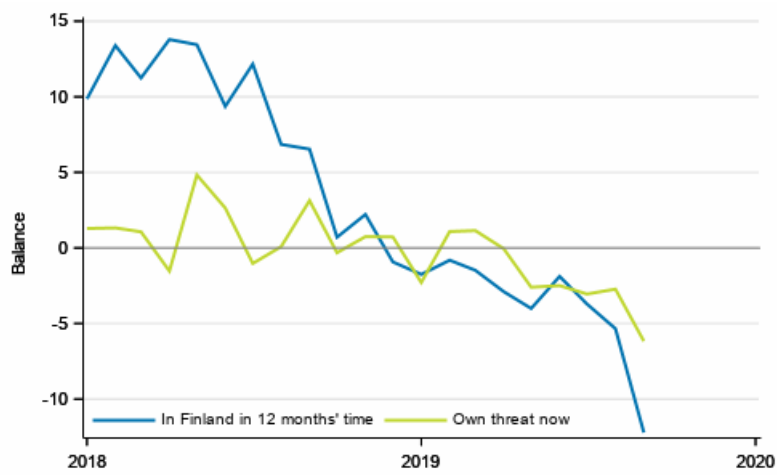
Appendix figure 3. Finland's economy



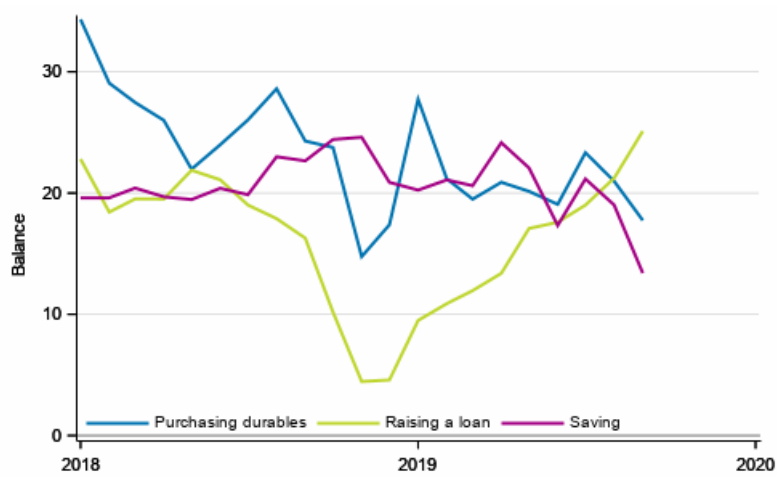
Appendix figure 4. Inflation



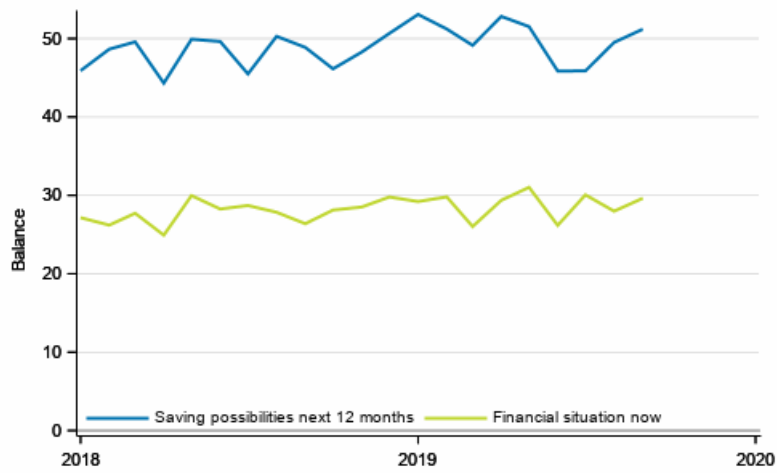
Appendix figure 5. Unemployment



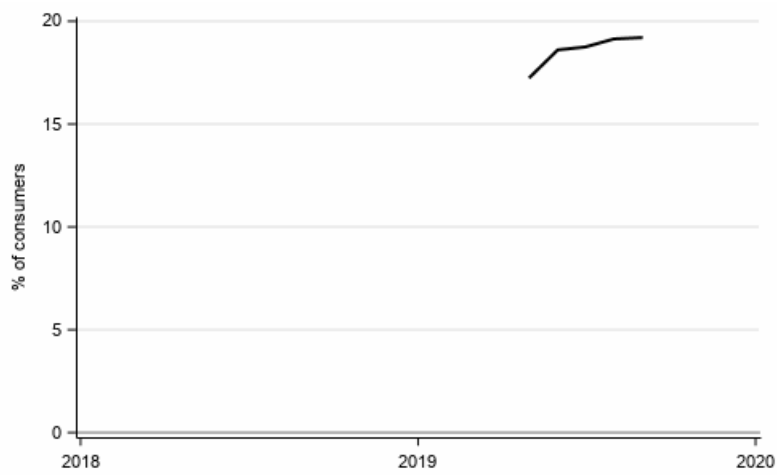
Appendix figure 6. Favourability of time for



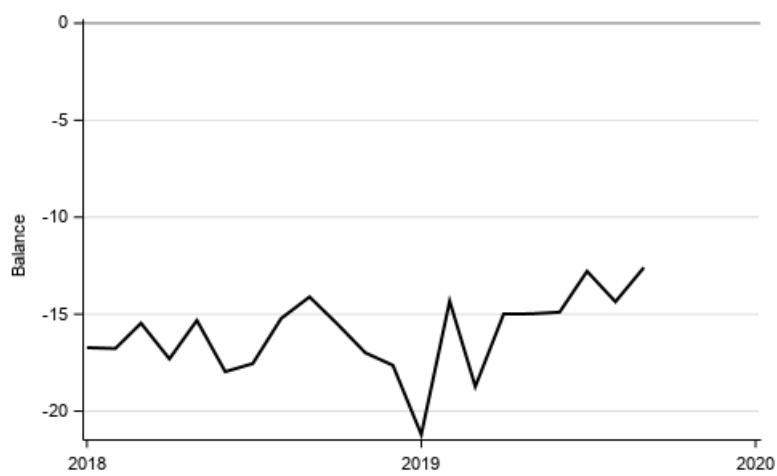
Appendix figure 7. Own financial situation and saving possibilities



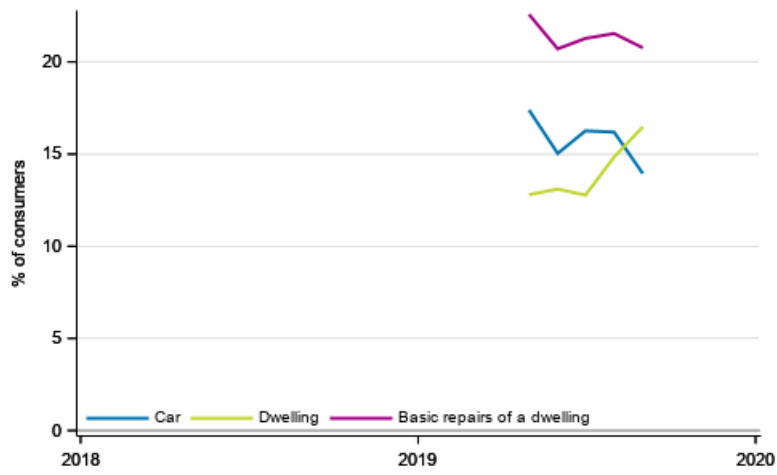
Appendix figure 8. Intention to raise a loan, next 12 months



Appendix figure 9. Spending on durables, next 12 months vs. last 12 months



Appendix figure10. Intentions to buy, next 12 months



Inquiries

Pertti Kangassalo 029 551 3598

Tuomas Parikka 029 551 3276

Director in charge:

Jari Tarkoma

consumer.confidence@stat.fi

www.stat.fi

Source: Consumer Confidence 2019, September. Statistics Finland