

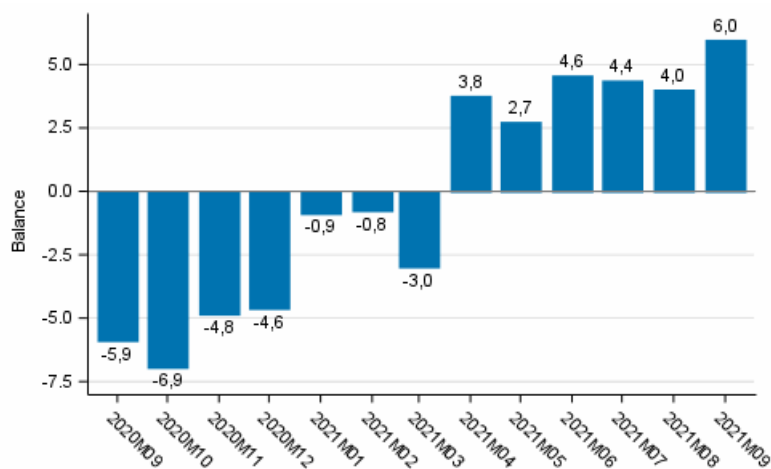
Consumer Confidence

2021, September

Consumer confidence almost strongest ever in September

The consumer confidence indicator (CCI) stood at 6.0 in September, having been 4.0 in August and 4.4 in July. During its measuring history from 1995 to 2021, confidence in the economy has been slightly stronger (6.8) only in December 2017. Last year in September, the CCI received the value -5.9. The long-term average for the CCI is -1.7. The data are based on Statistics Finland's Consumer Confidence Survey, to which 1,015 persons resident in Finland responded between 1 and 19 September.

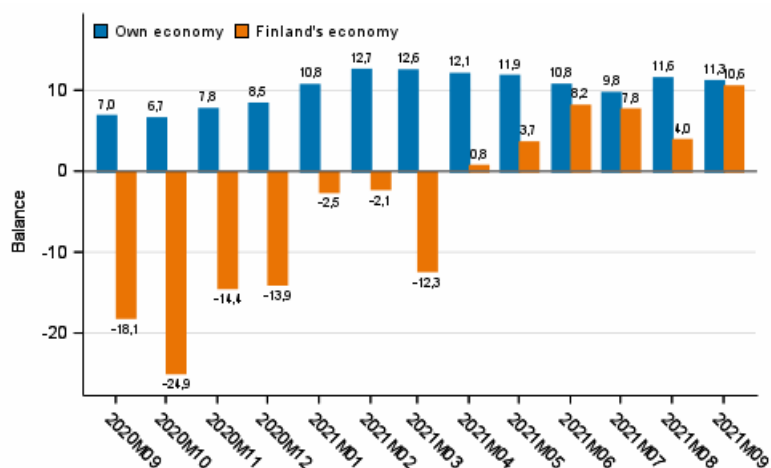
Consumer confidence indicator (CCI)



All four components of the CCI were very strong in September. Consumers' views of their own economy at present were brightest in the entire measuring history, 1995 to 2021.

Compared with August, expectations concerning Finland's economic development improved in September. The other components, that is, expectations and views concerning consumers' own economy at present and intentions to buy consumer durables, remained more or less unchanged. Compared with September last year, all four components of the CCI were now on a significantly stronger level, most clearly expectations concerning Finland's economy.

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



Consumers' expectations concerning the development of the general unemployment situation in Finland also became very bright in September. This was also the case for views of the personal threat of unemployment or temporary lay-off experienced by the employed, that is, wage and salary earners and self-employed persons at the time of the survey. In September, consumers' anticipation of the growth rate of consumer prices, i.e. inflation in 12 months, was on level with its long-term average.

As in previous months, consumers regarded their own financial situation to be excellent in September. The time was considered very favourable for saving, also favourable for raising a loan and reasonable for buying durable goods. Saving possibilities were expected to be still fairly high in the coming months.

In September, consumers' intentions to buy a dwelling in 12 months were record high. Many consumers also had plans for home repairs. In addition, very many considered buying a car during the next 12 months. As in the past few months, interest in raising a loan also was notably common in September.

Consumer confidence by major region and population group

In September, consumer confidence in the economy was, as usual, clearly strongest in Greater Helsinki (CCI 11.3) and weakest in Eastern Finland (1.6). Among population groups, upper-level salaried employees were most optimistic (13.1). In September unemployed persons (-3.1) and pensioners (-2.3) had the gloomiest expectations concerning economic development.

Consumer confidence usually decreases with the person's age, and correspondingly the confidence typically increases as income grows. Men are likely to have better confidence in the economy than women. More detailed information is available 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 balance figure, the brighter the view on the economy.

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1. Examination of response distributions

Consumers' own and Finland's economy

In September, 36 per cent of consumers thought that Finland's economy was now worse than a year ago and 32 per cent of consumers felt that it was better. Fifteen per cent of consumers thought that their own economy is at the moment worse than one year ago. Clearly more or 29 per cent of consumers considered their own economy stronger in September than one year ago. The proportions concerning consumers' own economy were 15 and 31 per cent in August and 21 and 23 per cent one year ago.

In September, 42 per cent of consumers believed that Finland's economic situation would improve in the coming twelve months, while 21 per cent of them thought that the country's economy would deteriorate. One month earlier, the corresponding proportions were 38 and 27 per cent and in last year's September gloomy 25 and 46 per cent.

In all, 29 per cent of consumers believed in September that their own economy would improve and 11 per cent of them feared it would worsen over the year. In August, the corresponding proportions were 30 and 11 per cent and twelve months ago 27 and 15 per cent.

Unemployment and inflation

Altogether 44 per cent of consumers expected in September that general unemployment in Finland would decrease over the next year, while 21 per cent of them believed it would increase. The corresponding proportions were 35 and 30 per cent in August, and very gloomy 13 and 71 per cent one year ago.

In September, 11 per cent of employed persons believed that their personal threat of unemployment or temporary lay-off had lessened over the past few months, whereas 11 per cent thought it had grown. On the other hand, as many as 49 per cent of employed persons felt that they were not threatened by unemployment or temporary lay-off at all. One month earlier these three proportions were 11, 18 and 40 per cent, and in September last year gloomy 4, 38 and 32 per cent.

Consumers estimated in September that consumer prices would go up by 2.9 per cent over the next 12 months. One year ago, the predicted inflation rate was 2.2 per cent and its long-term average is 2.9 per cent.

Saving and taking out a loan

In September, 71 per cent of consumers thought the time was favourable for saving. Twelve months ago, the proportion was only 54 per cent. In September, 65 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.

In September, 64 per cent of consumers regarded the time good for taking out a loan. One year earlier, the corresponding proportion was only 44 per cent. In September, 22 per cent of consumers were planning to take out a loan within one year. The average long-term proportion is 16 per cent.

Use of money

Thirty-three per cent of consumers considered the time favourable for buying durable goods in September. Sixteen per cent of consumers planned on increasing and 25 per cent on reducing their spending on durable goods over the next 12 months.

In September, 17 per cent of consumers were either definitely or possibly going to buy a car during the next 12 months. More than ever before were considering buying a dwelling within a year: 18 per cent of consumers. In addition, as many as 22 per cent of consumers were planning in September to spend money on renovating their dwelling within a year. The long-term average for intentions to buy a car is 14 per cent, to buy a dwelling 13 per cent and to make renovations 18 per cent.

2. 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 3.9 million persons aged 18 to 74 in Finland. A rotating panel design is applied in the survey. Participants are meant to respond twice within six months. Each month, the target is a random sample of about 2,200 persons, of whom one half are first-timers and one half participate for the second time. 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 2021, in all, 1,015 responses were gained. Of responses, 77 per cent came from the web questionnaire. 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 10/1995-	Max. 10/1995-	Min. 10/1995-	09/2020	08/2021	09/2021	Outlook ²⁾
A1 Consumer confidence indicator, CCI = (B1+B2+B4+E1)/4	-1.7	6.8	-13.9	-5.9	4.0	6.0	++
B1 Own economy now (balance)	3.1	9.5	-5.3	2.3	9.3	9.5	++
- Better (%)	.	.	.	23.3	30.7	28.8	
- Worse (%)	.	.	.	20.6	15.1	14.6	
B2 Own economy in 12 months' time (balance)	8.1	13.5	1.2	7.0	11.6	11.3	++
- Better (%)	.	.	.	27.3	29.8	29.3	
- Worse (%)	.	.	.	15.2	10.8	10.9	
B3 Finland's economy now (balance)	-7.8	25.9	-66.5	-57.7	-14.0	-4.4	=
- Better (%)	.	.	.	2.2	23.7	32.3	
- Worse (%)	.	.	.	84.2	44.7	36.5	
B4 Finland's economy in 12 months' time (balance)	-2.0	20.3	-32.8	-18.1	4.0	10.6	++
- Better (%)	.	.	.	24.6	38.0	42.0	
- Worse (%)	.	.	.	46.1	27.2	20.6	
B5 Inflation now (per cent)	3.1	6.9	-2.7	2.0	3.2	3.0	
B6 Inflation in 12 months' time (per cent)	2.9	5.3	1.7	2.2	3.0	2.9	
B7 Unemployment in Finland in 12 months' time (balance)	-10.7	20.3	-59.5	-39.9	0.9	10.1	++
- Less (%)	.	.	.	13.0	34.6	44.5	
- More (%)	.	.	.	70.6	30.4	21.4	
B8 Own threat of unemployment now (balance)	-6.4	4.7	-26.6	-22.1	-4.0	0.8	++
- Decreased (%)	.	.	.	4.4	11.3	11.2	
- Increased (%)	.	.	.	37.7	18.4	10.6	
C1 Favourability of time for purchasing durables (balance)	19.5	43.5	-14.3	9.7	17.0	19.3	=
- Good time (%)	.	.	.	27.6	31.5	32.6	
- Bad time (%)	.	.	.	17.9	14.5	13.4	
C2 Favourability of time for saving (balance)	4.7	29.4	-28.5	6.7	22.2	26.4	++
- Good time (%)	.	.	.	53.5	67.0	70.7	
- Bad time (%)	.	.	.	45.6	32.1	28.3	
C3 Favourability of time for raising a loan (balance)	7.5	31.7	-60.4	-6.5	12.5	17.8	+
- Good time (%)	.	.	.	43.7	59.5	64.3	
- Bad time (%)	.	.	.	54.2	38.6	34.0	
D1 Own financial situation now (balance)	22.0	33.1	6.4	30.0	33.0	32.7	++
- Money is saved (%)	.	.	.	63.4	65.2	65.1	
- Uses savings or gets into debt (%)	.	.	.	10.4	8.9	9.8	
D2 Own saving possibilities in the next 12 months (balance)	40.2	53.6	9.8	47.6	51.1	48.7	+
- Can save (%)	.	.	.	77.0	78.3	76.6	
- Cannot save (%)	.	.	.	22.5	21.2	22.9	
D5 Intention to raise a loan in the next 12 months (% of consumers)	15.6	24.2	10.5	22.1	18.9	21.5	++
- Yes, absolutely (%)	.	.	.	6.2	5.8	6.0	

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	09/2020	08/2021	09/2021	Outlook ²⁾
- Possibly (%)	.	.	.	15.9	13.1	15.5	
E1 Spending on durables, next 12 months vs. last 12 months (balance)	-16.1	-6.9	-26.7	-14.8	-8.8	-7.5	++
- More (%)	.	.	.	13.6	17.6	16.2	
- Less (%)	.	.	.	32.3	28.1	24.7	
E2 Intention to buy a car in the next 12 months (% of consumers)	14.4	19.2	10.1	15.8	16.0	17.1	++
- Very likely (%)	.	.	.	5.0	7.0	6.3	
- Quite likely (%)	.	.	.	10.7	9.0	10.8	
E4 Intention to buy a dwelling in the next 12 months (% of consumers)	12.8	18.5	9.1	17.9	16.6	18.5	++
- Yes, absolutely (%)	.	.	.	6.1	5.4	5.6	
- Possibly (%)	.	.	.	11.8	11.2	12.9	
E5 Intention to spend money on basic repairs of dwelling in the next 12 months (% of consumers)	17.6	26.0	8.1	20.5	21.9	22.2	++
- Very likely (%)	.	.	.	7.1	8.4	8.7	
- Quite likely (%)	.	.	.	13.4	13.5	13.5	

1) Long-term average, maximum and minimum figures cannot be presented for response distributions.

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

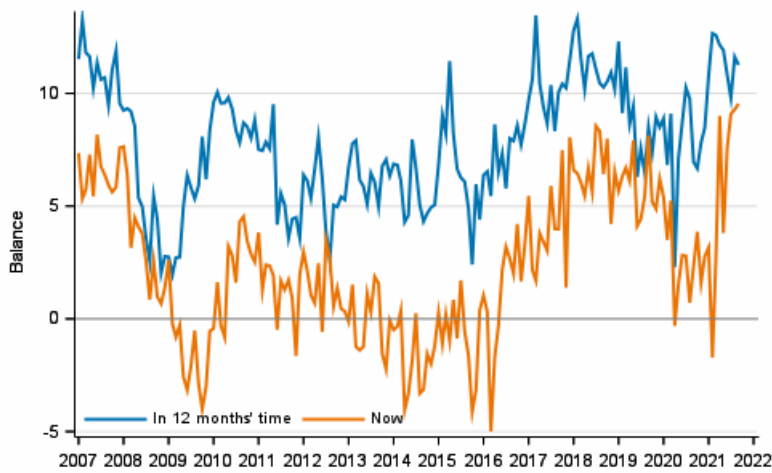
Appendix figures

Appendix figure 1. Consumer confidence indicator (CCI)

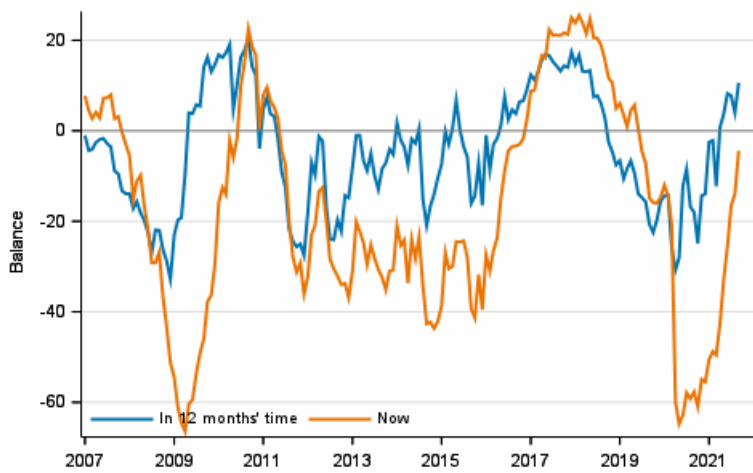


1) average 10/1995 - 09/2021

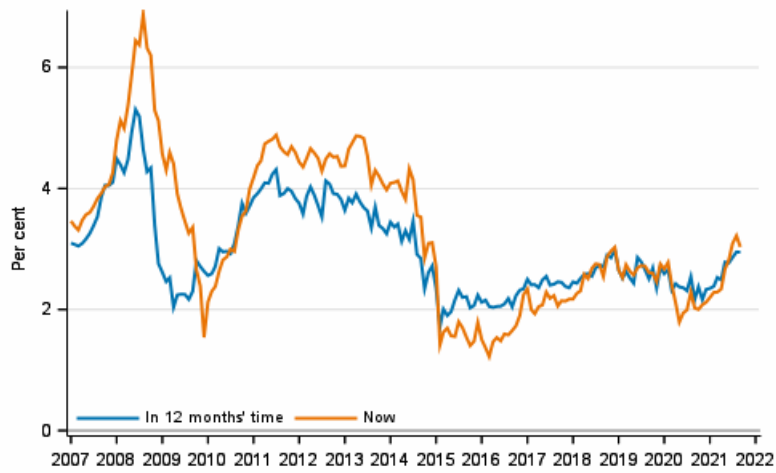
Appendix figure 2. Own economy



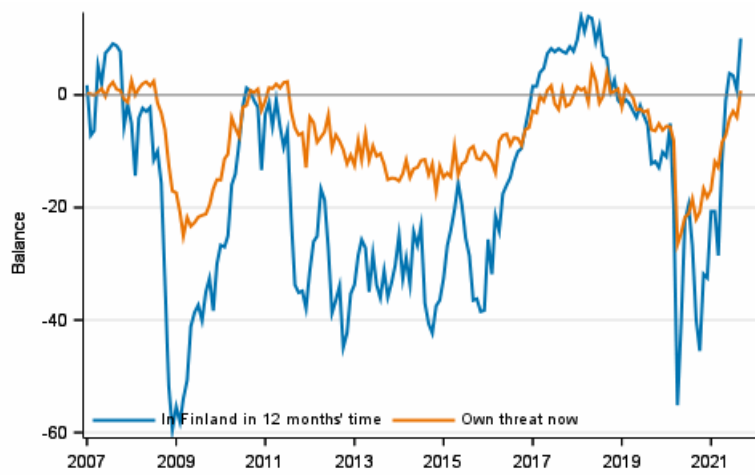
Appendix figure 3. Finland's economy



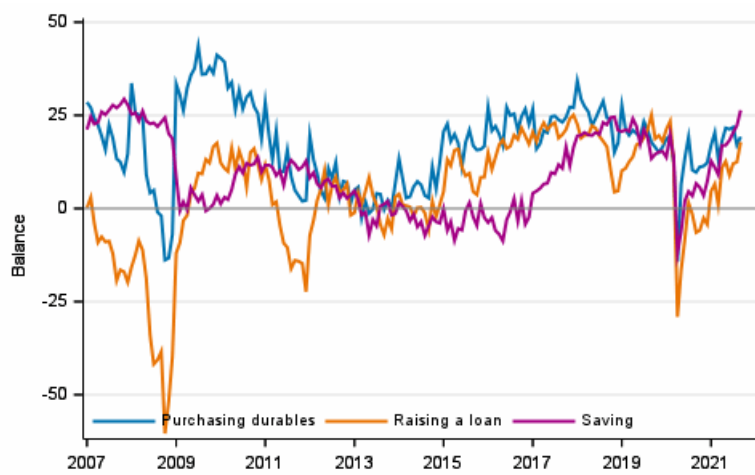
Appendix figure 4. Inflation



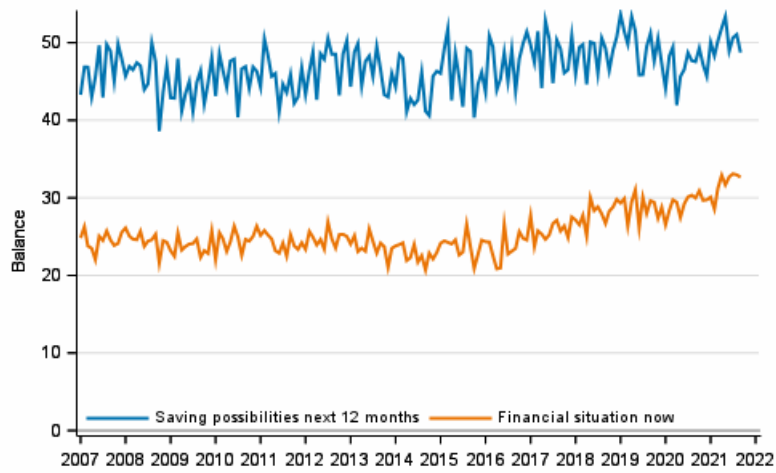
Appendix figure 5. Unemployment



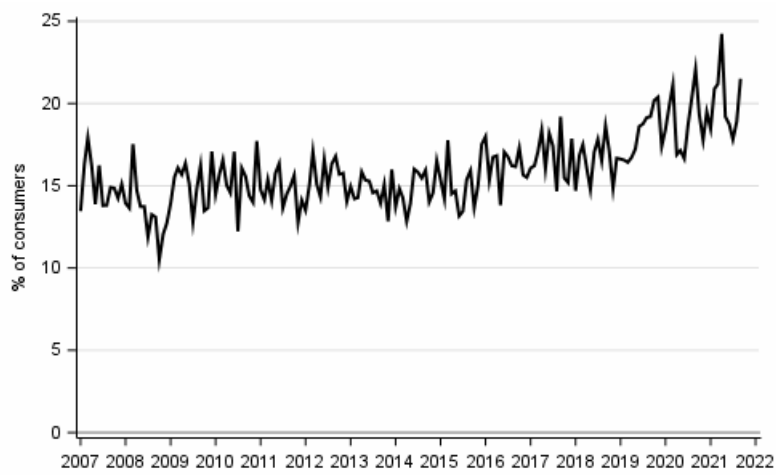
Appendix figure 6. Favourability of time for



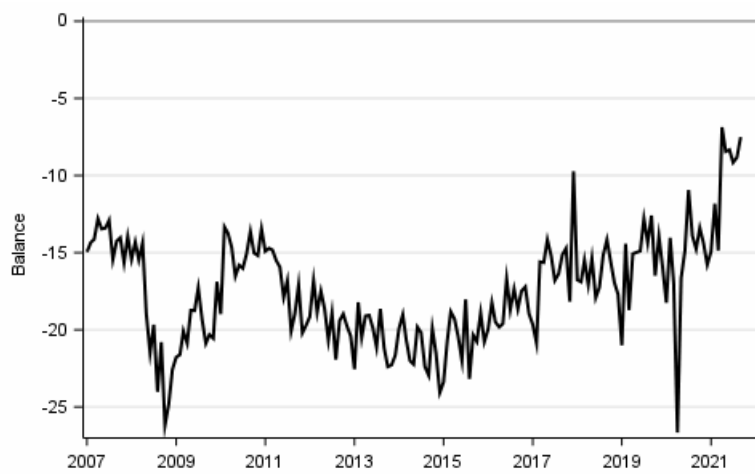
Appendix figure 7. Own financial situation and saving possibilities



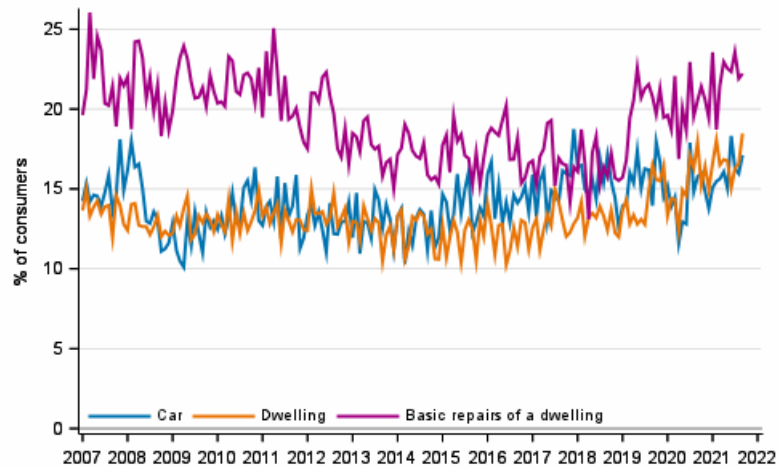
Appendix figure 8. Intention to raise a loan, next 12 months



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



Appendix figure10. Intentions to buy, next 12 months



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Source: Consumer Confidence 2021, September. Statistics Finland