

Consumer Survey

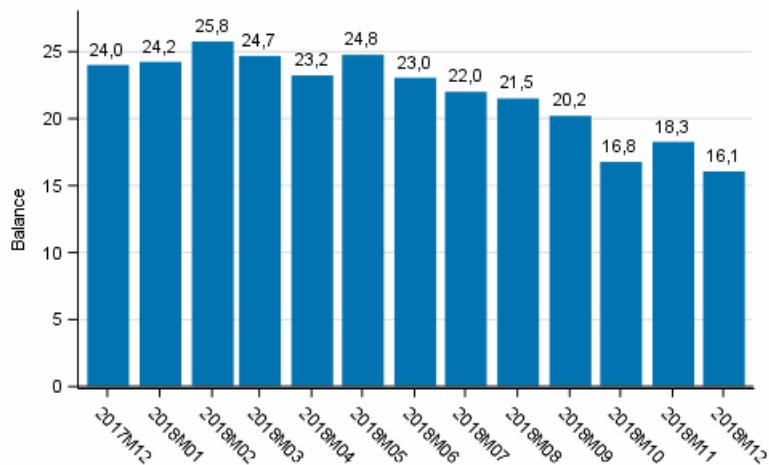
2018, December

Consumers have a steady financial situation and confidence in employment – intentions to spend money still moderate

Correction 27 December 2018. Appendix table 1 has been completely corrected.

Consumers' confidence in the economy has for a change weakened slightly. The consumer confidence indicator (CCI) stood at 16.1 in December whereas in November it was 18.3 and in October 16.8. Last year in December, the CCI received the value 24.0. The long-term average for the CCI is 12.7. The data are based on Statistics Finland's Consumer Survey, for which 1,236 people resident in Finland were interviewed between 1 and 17 December.

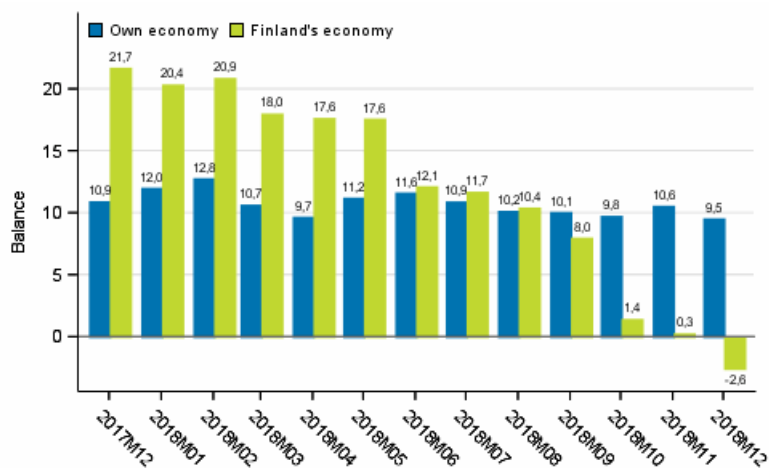
Consumer confidence indicator (CCI)



Of the four components of the CCI, expectations concerning Finland's economy and general unemployment development weakened in December compared with November. However, consumers' estimates concerning unemployment development were still moderate, while the view of Finland's economy has turned pessimistic. Expectations concerning consumers' own economy became slightly more cautious in December. In contrast, assessments about saving possibilities remained unchanged and very bright.

Confidence in one's own and especially in Finland's economy and unemployment decreasing also darkened in December from last year's corresponding period. In contrast, views on one's own saving possibilities improved.

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



In December, consumers considered their household's financial situation to be very good. Employed consumers felt that their personal threat of unemployment has decreased further in recent times. The time was regarded very favourable for saving but no longer for taking out a loan and buying durable goods. Intentions to spend money were mostly moderate before Christmas.

Consumer confidence by major region and population group

In December, consumers' confidence in the economy was strongest in Greater Helsinki (CCI 20.4) and weakest in Eastern Finland (13.4). Among population groups, upper-level salaried employees were clearly most optimistic (27.4). Pensioners (6.9) and unemployed persons (13.1) had the gloomiest expectations concerning economic development.

Prevalence of modern equipment in households in November

In November, 86 per cent of households with persons aged 15 to 84 had a home computer and 91 per cent had an Internet connection at their disposal. Fifty-eight per cent of households owned a tablet. Eighty-six per cent of households owned at least one smartphone and 27 per cent some type of wearable technology like an activity tracker, smartwatch or smartglasses.

Forty per cent of households were watching a smart TV in November. Twenty-eight per cent of households had a gaming console and some even a remote controlled camera drone. Eighty-two per cent of households owned a car in November.

More information about the prevalence of equipment can be found in Appendix figures 12 to 15 and in Database table 003. Studying the prevalence of equipment in connection with the Consumer Survey [ended this year](#).

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 December, only 24 per cent of consumers believed that Finland's economic situation would improve during the next 12 months, while as many as 27 per cent of them thought that the country's economy would deteriorate. In November, the corresponding proportions were 25 and 24 per cent, and in December last year 51 and 8 per cent.

In all, 28 per cent of consumers believed in December that their own economy would improve and 13 per cent of them feared it would worsen over the year. One month earlier, the corresponding proportions were 29 and 11 per cent, and one year earlier 30 and 11 per cent.

Unemployment and inflation

Altogether 35 per cent of consumers thought in December that unemployment would decrease over the year, while 22 per cent of them believed it would increase. The shares were 42 and 19 per cent in November and 47 and 16 per cent one year ago.

In December, 29 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 lessened over the past few months, while 10 per cent thought it had grown.

Consumers predicted in December that consumer prices would go up by 2.2 per cent over the next 12 months. One year ago, the predicted inflation rate was 1.6 per cent, and its long-term average is 2.1 per cent.

Saving and taking out a loan

In December, 71 per cent of consumers considered the time favourable for saving. The long-term average proportion is 59 per cent. In December, 70 per cent of households had been able to lay aside some money and 80 per cent believed they would be able to do so during the next 12 months.

In December, 61 per cent of consumers regarded the time favourable for raising a loan. One year previously, the corresponding proportion was still 76 per cent. This December, 12 per cent of households were thinking of taking out a loan within one year.

Buying of durable goods

In December, 40 per cent of consumers thought that the time was favourable for buying durable goods. Twelve months earlier, 46 per cent of consumers thought so. Fewer than usual, or 14 per cent of households were fairly or very certain to buy a car during the next 12 months. Just six per cent of households considered buying a dwelling. In December, 18 per cent of households were planning to spend money on renovating their dwelling within a year.

When intending to buy both a dwelling and a car in December, the clearly most common planned method of financing was the sales revenue received from the former dwelling or car (most important for 41 and 52 per cent of the planning households). The next most planned financing methods were a bank loan and own savings and hire purchase for a car.

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 December 2018, in all, 1,236 responses were gained, so the non-response rate of the survey was 47.4 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 (The appendix table was corrected on 27 December 2018)

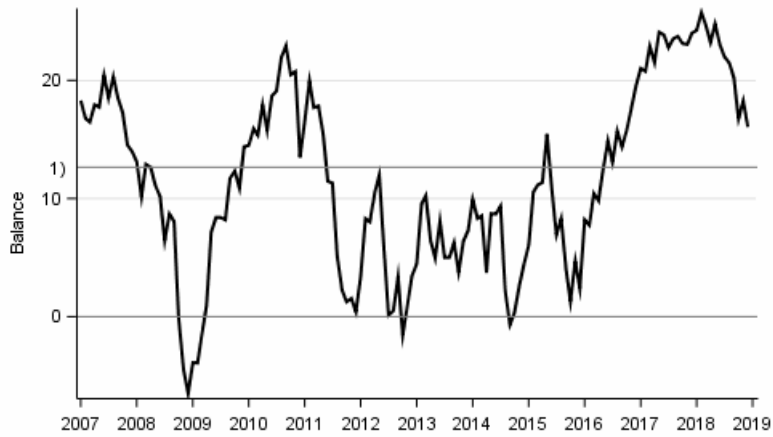
	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	12/2017	11/2018	12/2018	Outlook ¹⁾
A1 Consumer confidence indicator, CCI = (B2+B4+B7+D2)/4	12.7	25.8	-6.5	24.0	18.3	16.1	+
A2 Old CCI = (B1+B2+B3+B4+C1)/5	6.9	20.6	-15.0	19.2	10.0	7.9	=
A3 Micro indicator = (B2+D1+D2)/3	25.9	33.4	9.5	31.0	33.0	32.5	++
A4 Macro indicator = (B4+B7)/2	1.0	22.8	-39.1	18.6	5.7	2.0	=
B1 Own economy now (balance)	4.0	9.8	-4.0	8.2	5.3	6.3	+
- Better (%)	23.4	30.6	16.4	27.4	25.1	25.7	
- Worse (%)	16.4	22.7	11.4	15.3	15.7	15.8	
B2 Own economy in 12 months' time (balance)	8.4	14.1	2.3	10.9	10.6	9.5	+
- Better (%)	25.9	33.4	18.2	29.6	29.0	28.4	
- Worse (%)	11.3	17.7	6.6	11.1	11.2	13.0	
B3 Finland's economy now (balance)	-1.1	29.5	-60.9	29.3	15.5	9.7	+
- Better (%)	28.1	62.1	2.0	60.8	42.1	34.1	
- Worse (%)	27.3	88.5	4.2	7.8	12.2	15.8	
B4 Finland's economy in 12 months' time (balance)	4.3	25.3	-27.1	21.7	0.3	-2.6	-
- Better (%)	32.2	57.3	11.6	51.0	25.3	24.1	
- Worse (%)	22.1	57.3	6.0	8.2	24.2	27.5	
B5 Inflation now (per cent)	2.2	5.8	-2.0	1.2	2.0	2.0	
B6 Inflation in 12 months' time (per cent)	2.1	4.6	0.6	1.6	2.1	2.2	
B7 Unemployment in Finland in 12 months' time (balance)	-2.4	27.6	-51.1	15.4	11.2	6.5	+
- Less (%)	31.2	60.8	6.4	47.0	41.5	35.2	
- More (%)	33.3	83.3	6.9	16.1	18.7	21.7	
B8 Own threat of unemployment now (balance)	-0.6	9.8	-18.8	5.1	6.4	5.6	+
- Decreased (%)	13.4	20.4	5.3	19.6	17.3	16.8	
- Increased (%)	16.6	31.9	7.9	12.9	12.3	10.1	
C1 Favourability of time for purchasing durables (balance)	18.8	41.8	-14.2	25.7	18.3	16.5	=
- Favourable time (%)	44.6	62.4	29.6	45.7	40.6	40.3	
- Unfavourable time (%)	25.8	45.7	15.2	20.0	22.3	23.8	
C2 Favourability of time for saving (balance)	11.4	36.8	-19.6	23.1	32.0	27.3	++
- Good time (%)	58.5	80.7	33.4	67.8	73.3	71.0	
- Bad time (%)	35.9	58.5	15.5	26.3	21.5	24.6	
C3 Favourability of time for raising a loan (balance)	18.5	42.0	-47.1	35.8	16.2	15.9	=
- Good time (%)	62.8	78.2	13.3	76.3	60.7	61.2	
- Bad time (%)	30.1	83.4	12.1	17.4	32.2	31.8	
D1 Household's financial situation now (balance)	29.0	37.3	14.7	34.2	37.3	37.1	++
- Can save (%)	60.4	70.8	38.6	66.8	70.8	69.8	
- Uses savings or gets into debt (%)	6.8	10.1	4.5	6.0	6.2	5.9	

	Average 10/1995-	Max. 10/1995-	Min. 10/1995-	12/2017	11/2018	12/2018	Outlook ¹⁾
D2 Household's saving possibilities in the next 12 months (balance)	40.2	52.2	10.9	47.9	51.1	50.8	++
- Can save (%)	74.5	82.3	56.6	79.5	80.1	80.2	
- Cannot save (%)	23.7	40.3	16.5	19.4	18.0	18.9	
D5 Household's intentions to raise a loan in the next 12 months (% of households)	13.1	17.8	9.1	13.3	11.6	12.1	-
- Yes, certainly (%)	5.6	8.5	3.1	5.8	5.0	5.4	
- Possibly (%)	7.5	11.4	5.0	7.4	6.7	6.8	
E1 Spending on durables, next 12 months vs last 12 months (balance)	-8.9	-2.4	-18.2	-3.1	-10.1	-10.6	-
- More (%)	21.3	30.8	13.9	22.9	18.4	18.7	
- Less (%)	32.6	40.4	25.6	25.6	33.2	33.8	
E2 Intentions to buy a car in the next 12 months (% of households)	16.7	21.7	12.7	19.3	16.4	14.4	--
- Very likely (%)	8.5	12.1	5.1	9.4	7.6	6.3	
- Fairly likely (%)	8.3	10.4	5.3	9.8	8.8	8.1	
E4 Intentions to buy a dwelling in the next 12 months (% of households)	7.0	11.3	4.1	6.8	7.0	6.0	-
- Yes, certainly (%)	3.0	5.2	1.3	2.6	3.5	2.9	
- Possibly (%)	4.0	6.2	2.2	4.2	3.5	3.1	
E5 Intentions to spend money on basic repairs of dwelling in the next 12 months (% of households)	18.8	27.0	9.8	18.0	17.7	17.6	-
- Very likely (%)	12.4	19.0	5.0	11.2	11.1	12.2	
- Fairly likely (%)	6.4	9.1	3.2	6.8	6.6	5.5	

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

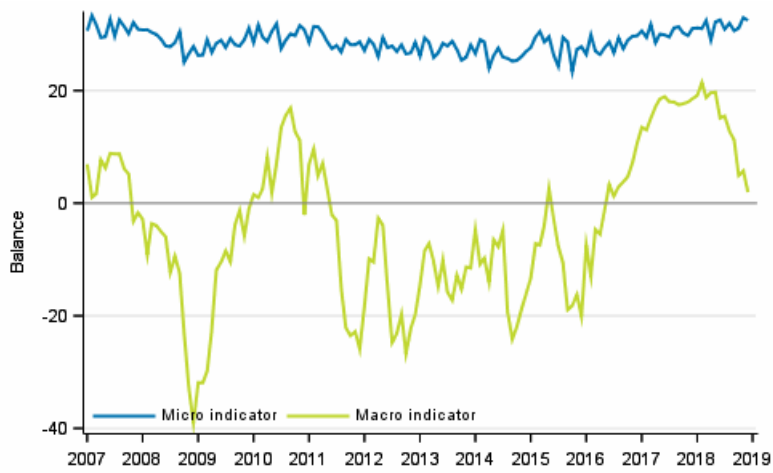
Appendix figures

Appendix figure 1. Consumer confidence indicator (CCI)

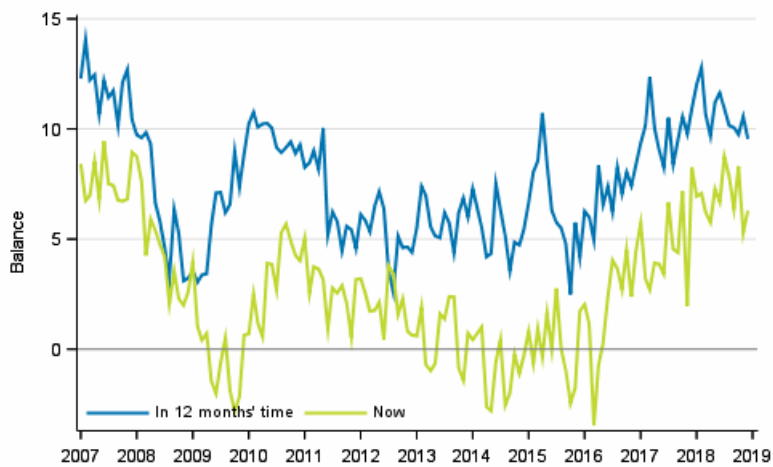


1) average 10/1995 - 12/2018

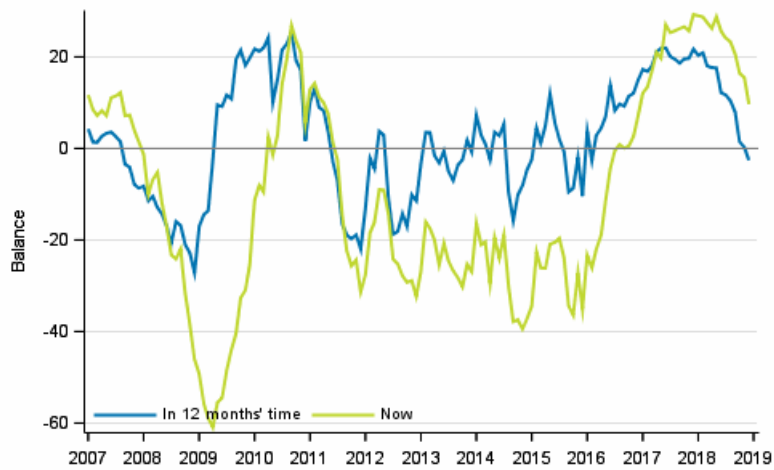
Appendix figure 2. Micro and macro indicators



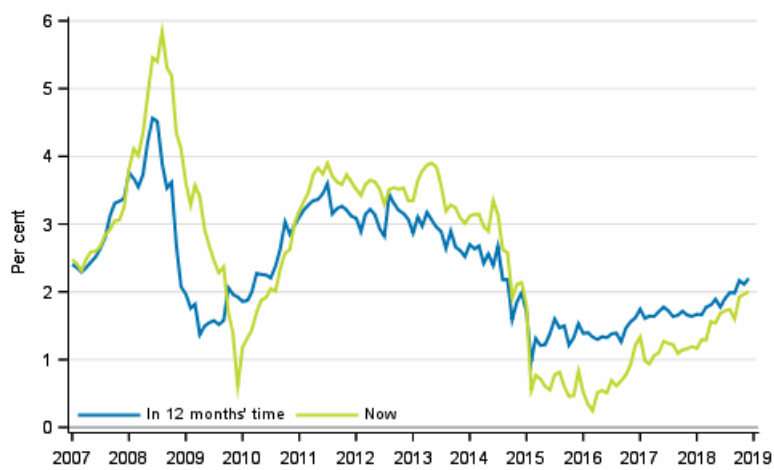
Appendix figure 3. Own economy



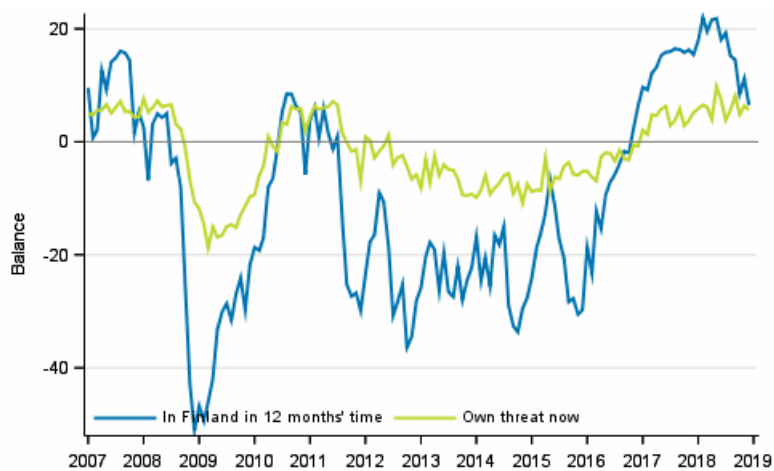
Appendix figure 4. Finland's economy



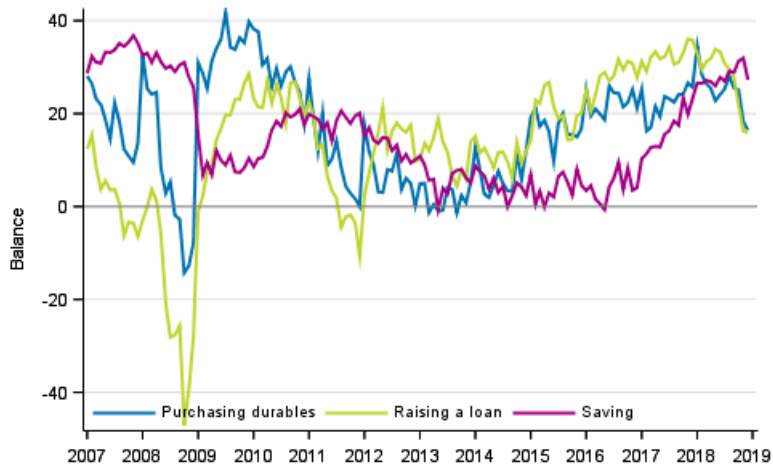
Appendix figure 5. Inflation



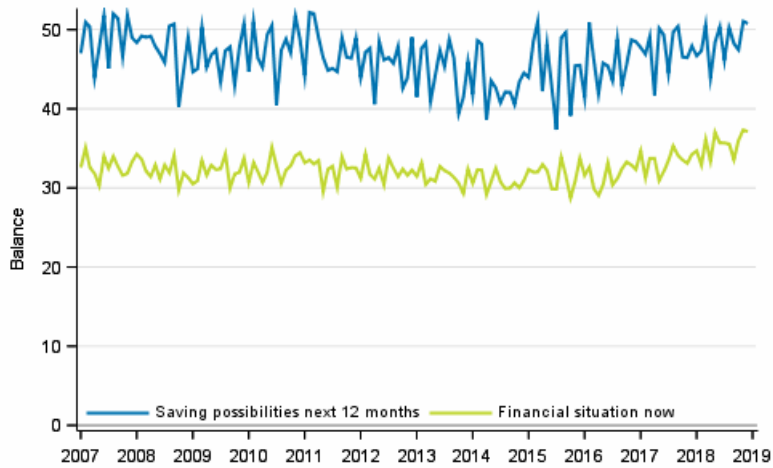
Appendix figure 6. Unemployment



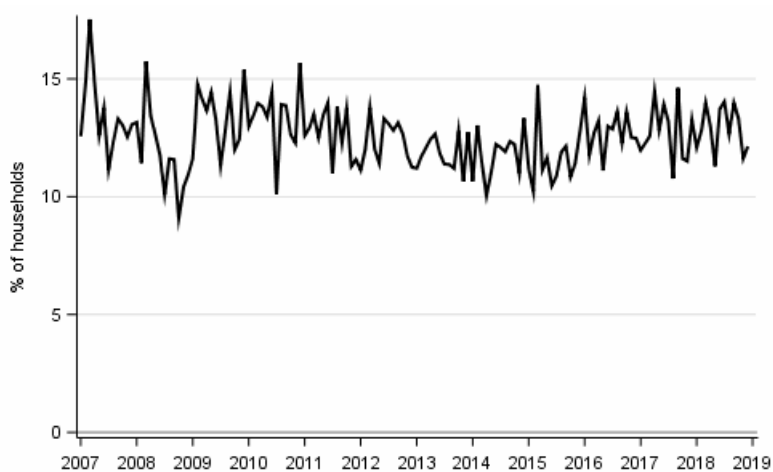
Appendix figure 7. Favourability of time for



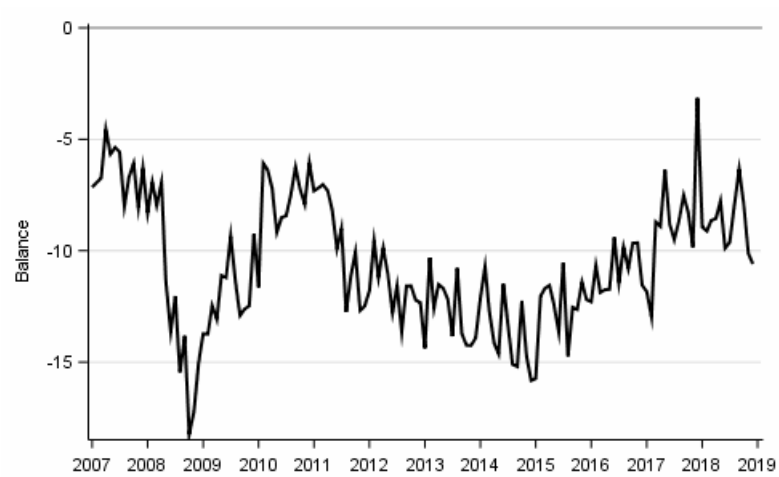
Appendix figure 8. Household's financial situation and saving possibilities



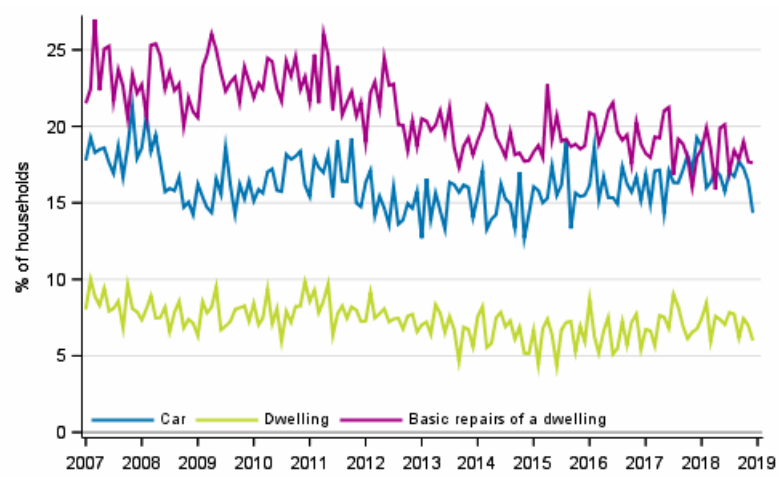
Appendix figure 9. Household's intentions to raise a loan, next 12 months



Appendix figure 10. Spending on durables, next 12 months vs last 12 months

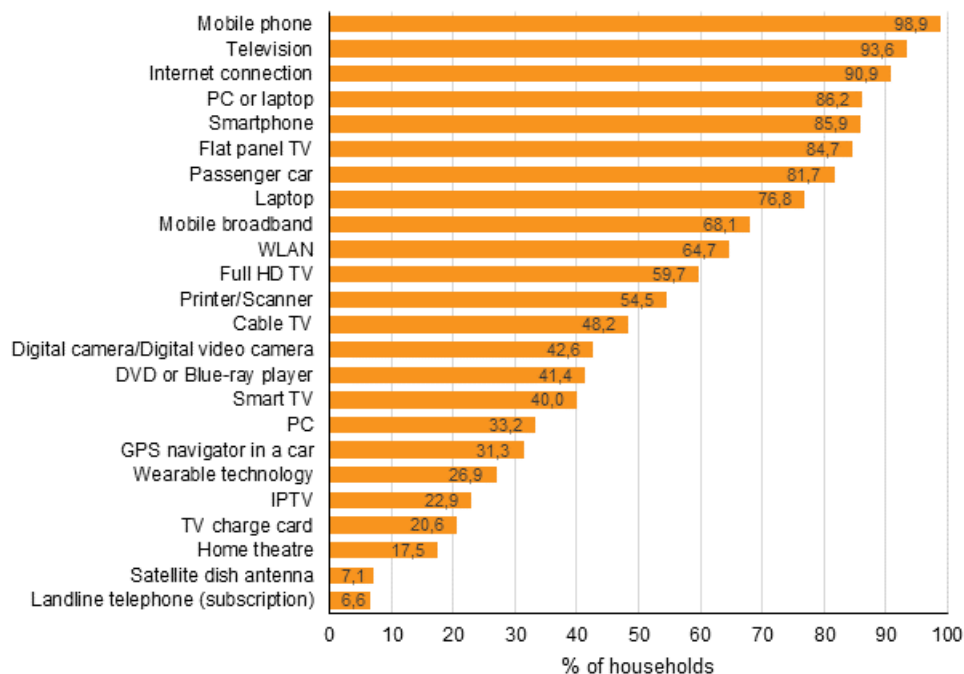


Appendix figure 11. Household's intentions to buy, next 12 months

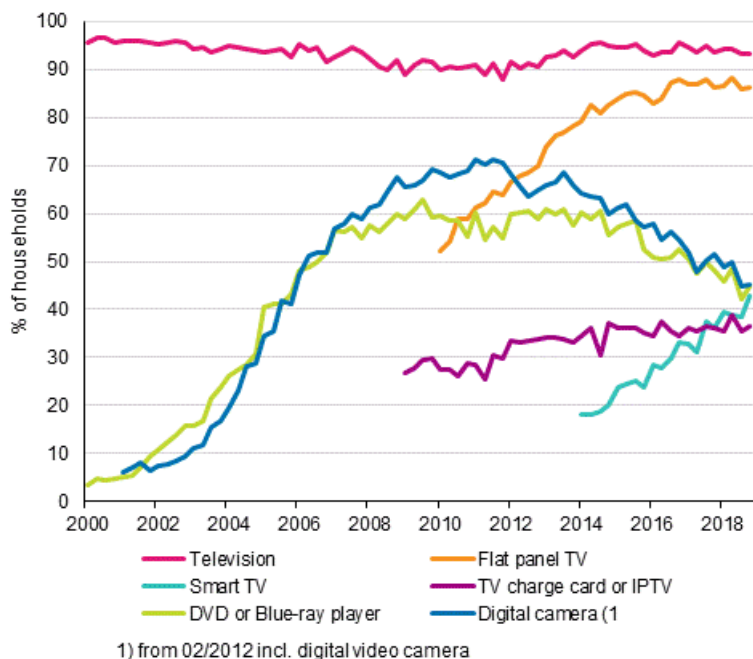


Prevalence of modern equipment in households

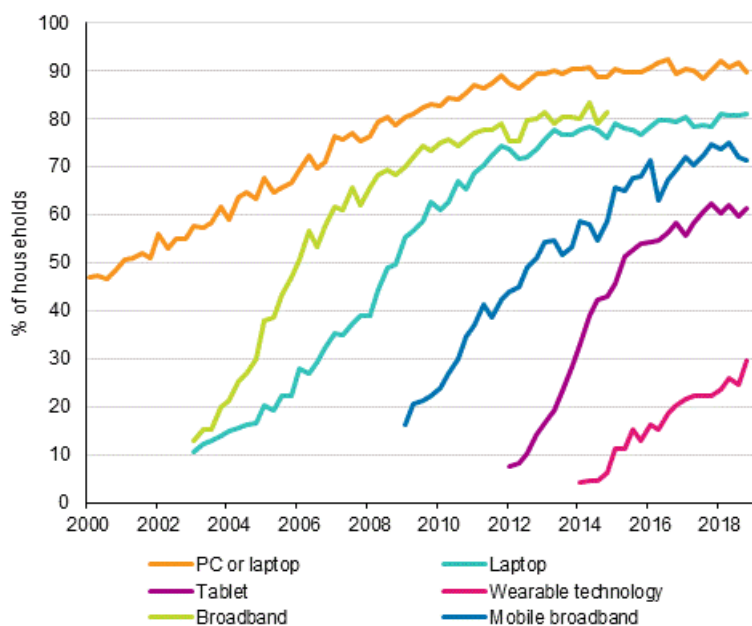
Appendix figure 12. Prevalence of equipment and connections in households, November 2018



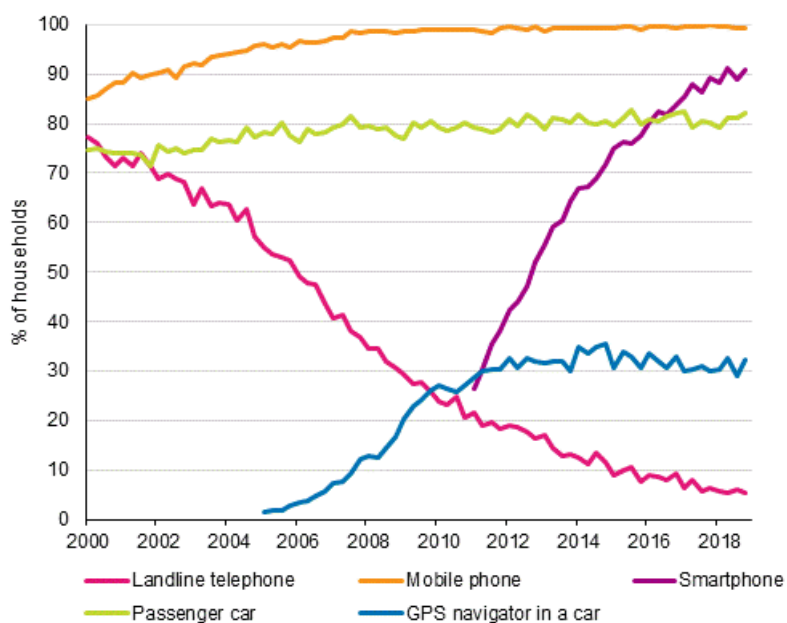
Appendix figure 13. Television equipment in households 2/2000–11/2018 (15 to 74-year-old target persons' households)



**Appendix figure 14. Information technology in households
2/2000–11/2018 (15 to 74-year-old target persons' households)**



**Appendix figure 15. Telephones and car in households
2/2000–11/2018 (15 to 74-year-old target persons' households)**



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Source: Consumer Survey 2018, December. Statistics Finland