



## CONSUMER SURVEY, OCTOBER 2017

In October 2017, the total consumer confidence indicator decreases by 0.7 percentage points compared to July (Annex, Figure 1) which is due to the reduced confidence among both urban and rural inhabitants.

The consumers' total assessment of the current development of the economic situation in the country over the last 12 months preserves its level from the previous survey (Annex, Figure 2). As regards the expectations over the next 12 months certain improvement in opinions of living in the villages is observed, whereas the urban inhabitants are slightly more negative in their forecasts than they were 3 months earlier (Annex, Figure 3).

The consumers' assessments about the changes in the financial situation of their households over the last 12 months and the expectations about the next 12 months (Annex, Figure 4) are more reserved compared to 3 months ago.

In comparison with July the assessments about the change of consumer prices over the last 12 months are also more unfavourable (an increase of the balance indicator by 4.6 percentage points). The inflation expectations over the next 12 months are preserved (Annex, Figure 5).

As regards the unemployment in the country the consumers' forecasts are for a reduction of personnel over the next 12 months, and according to the rural population it is going to be with an even higher rate (Annex, Figure 6).

At the same time in October slight improvement of the total assessment of the present situation to make major purchases of durable goods<sup>1</sup> is registered. The consumers' attitude regarding the intentions of expenditures making for 'buying or building a home' and 'home improvements' over the next 12 months are also positive (Annex, Figure 7).

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<sup>1</sup> When commenting the replies regarding the purchases (expenditures), one has to take into account that the questions are asked on a quarterly basis, although these purchases (expenditures) are to be made by the consumers in a longer period of time. That is why it is normal for the prevailing values of balances of opinions to be permanently situated in the negative zone of the graphs. However, for the purpose of the economic analysis is important to consider the direction of development of balances of opinions as indicators of positive or negative change.



## Methodological notes

The survey is a part of the harmonized program of European Union for business and consumer surveys and it is representative for the population of 16 years and older.

The persons of 16 years and older are the object of the survey; the sample method is random, clustered, proportional to the population by regions, incl. urban/rural inhabitants (154 clusters with 8 persons per cluster). The interviewing method is face to face. The questionnaire contains standardized questions about the financial situation of households, general economic situation, inflation, unemployment, saving, intentions of making major purchases on durable goods or purchasing/building a home or buying a car. The proposed variants of answers give an opportunity to arrange them from optimistic, through neutral to pessimistic. The balance of opinions is calculated as a difference between relative shares of positive opinions and relative shares of negative opinions, as there is one specification: the strong positive opinions and the strong negative opinions are given a coefficient of 1, and the more moderate positive and negative opinions - a coefficient of 0.5.

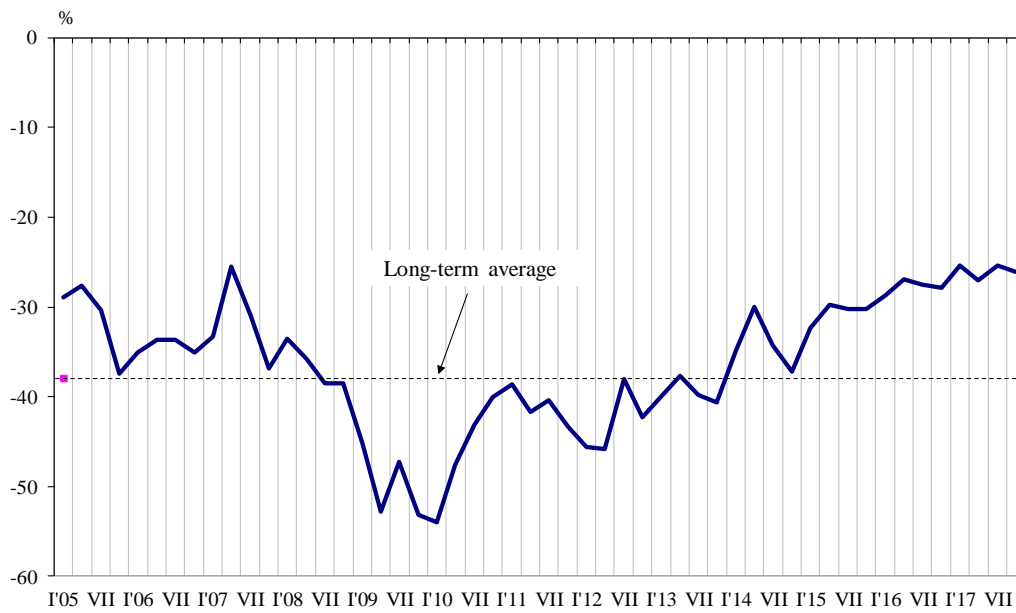
The survey results are used to capture the direction of change of surveyed variables incl. that of the consumer confidence level, which gives an opportunity to analyze the tendencies in the development of public opinions on significant economic phenomena.

**The consumer confidence indicator** is an arithmetic mean of the balances of the expectations about the development over the next 12 months of the financial situation of households, general economic situation, savings and unemployment, as the last is taken with a negative sign.

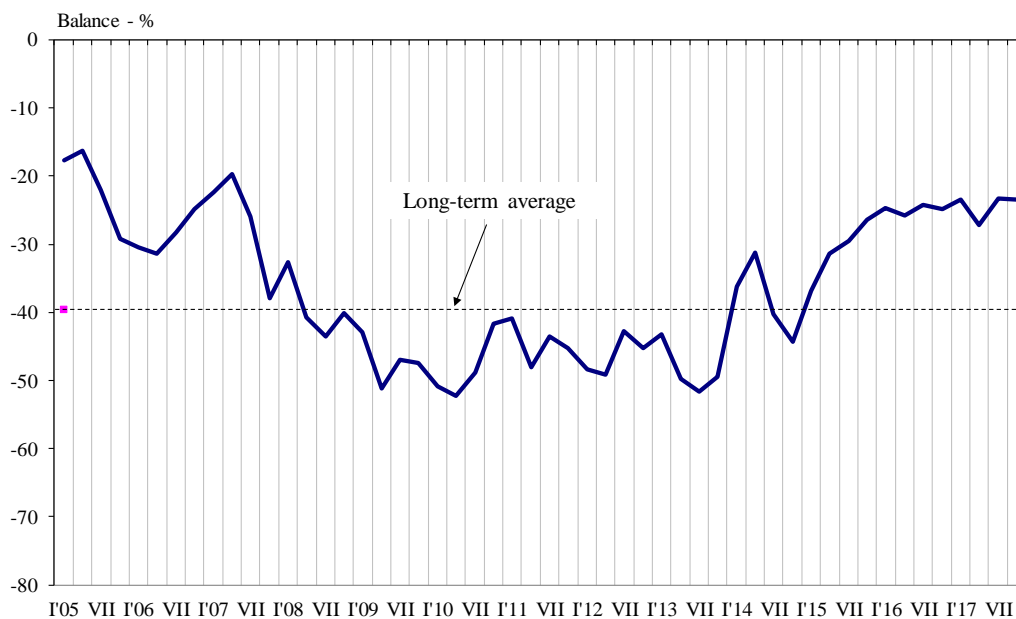


**Annex**

**Figure 1. Consumer confidence indicator**

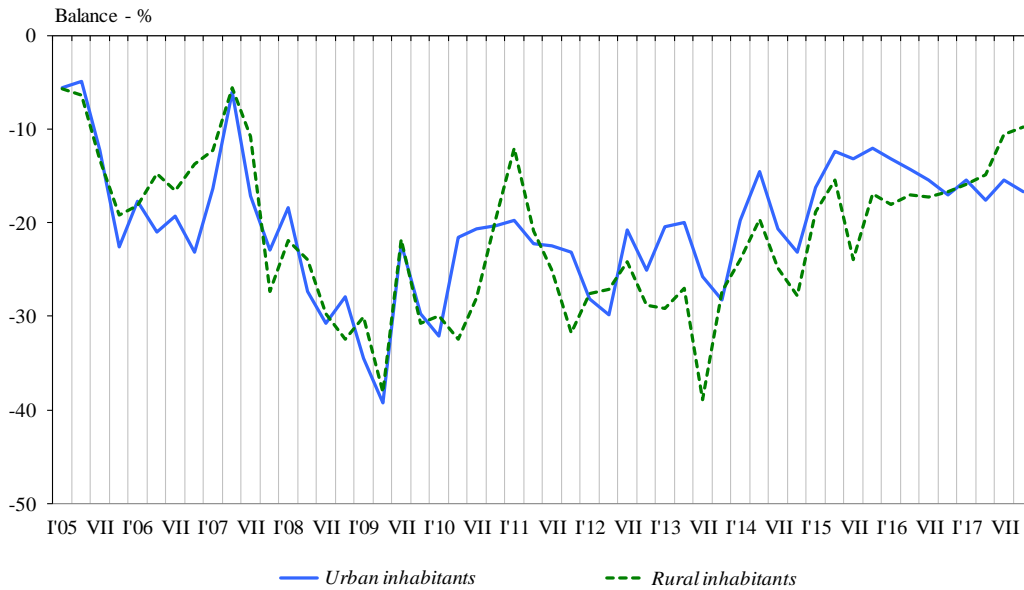


**Figure 2. Assessment of the general economic situation in the country over the last 12 months**

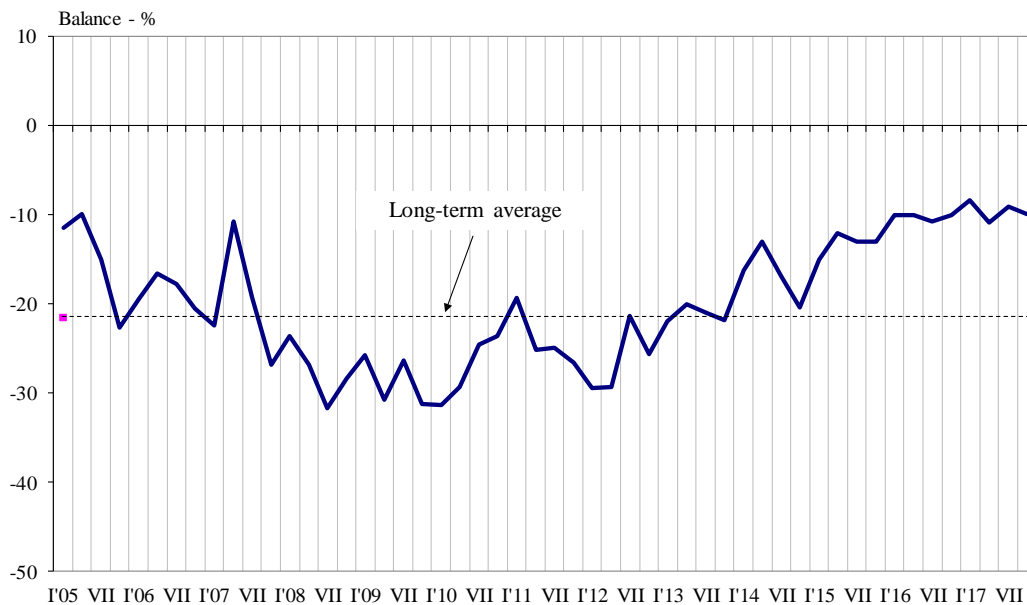




**Figure 3. Expectations about the general economic situation in the country over the next 12 months**

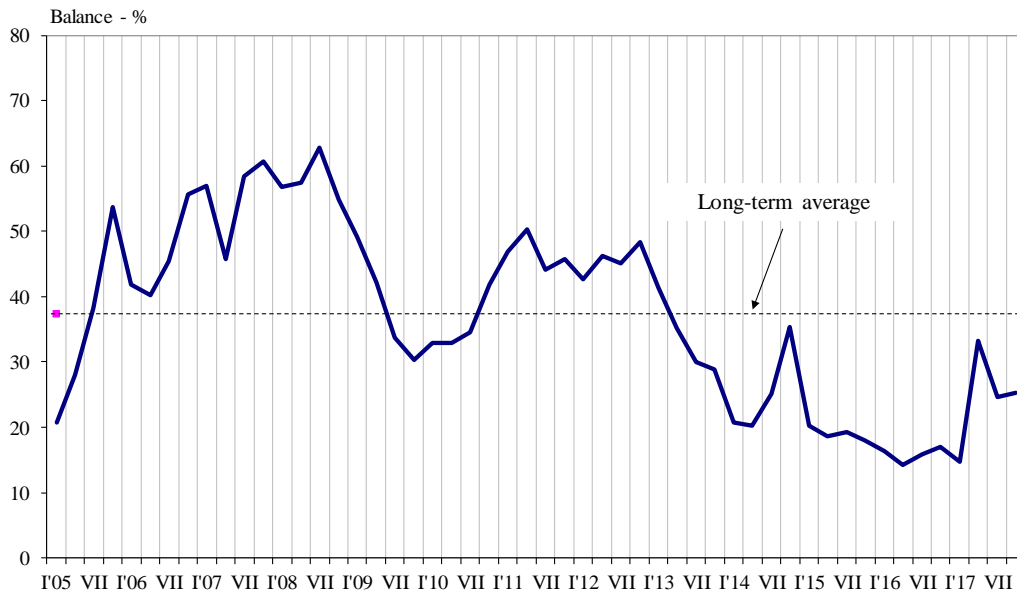


**Figure 4. Expectations about the financial situation of households over the next 12 months**

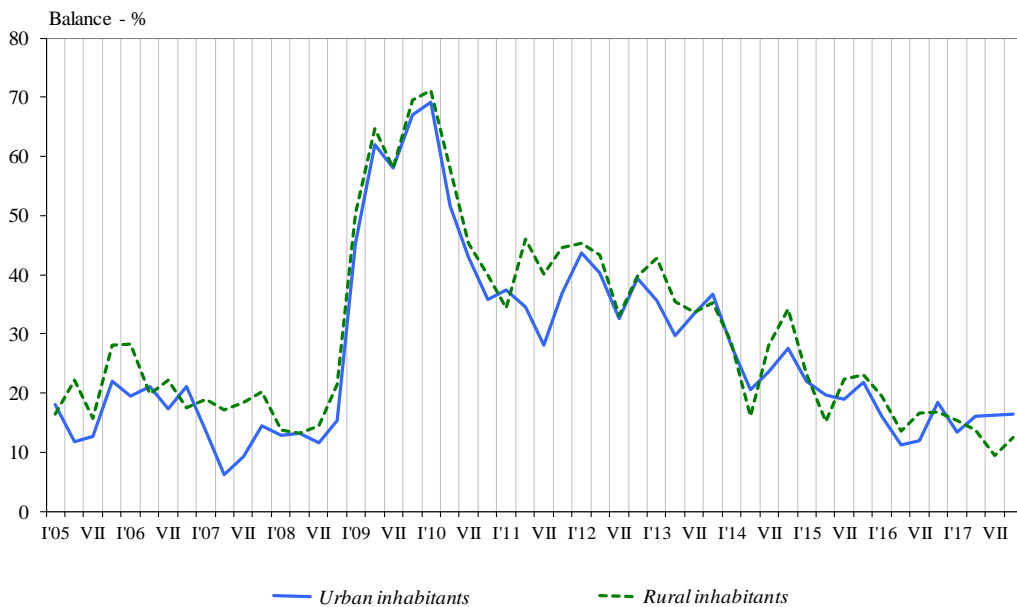




**Figure 5. Expectations about inflation over the next 12 months**



**Figure 6. Unemployment expectations over the next 12 months**





**Figure 7. Expectations about building or purchasing a home in the next 12 months**

