



CONSUMER SURVEY, OCTOBER 2011

In October 2011 the total consumer confidence indicator decreases by 3.0 percentage points compared to its level 3 months ago (Figure 1). The reduction is due to the decreased confidence of both urban and rural inhabitants by 3.5 and 1.7 percentage points, respectively. As a whole the October survey shows an increase of the pessimism in consumers' assessments and expectations in comparison with July.

The opinions about the development of the general economic situation in the country over the last 12 months (Figure 2) and their expectations about the next 12 months (Figure 3) are more unfavourable compared to the previous survey and as a result the balance indicators decrease by 1.7 and 2.7 percentage points, respectively.

The urban population considers that the current financial situation of their households is relatively better compared to 3 months earlier while among rural inhabitants the assessments are more restrained (Figure 4). However as a whole the pessimism is strengthened in the expectations for the next 12 months.

Compared to July the consumers' assessments about the change of consumer prices over the last 12 months are more unfavourable (an increase of the balance indicator by 3.1 percentage points) (Figure 5). The inflation expectations for the next 12 months are preserved (Figure 6).

With regard to the unemployment in the country over the next 12 months the pessimism also increases. The expectations are shifting to more negative assessments and the balance indicator increases by 7.5 percentage points (Figure 7).

The last inquiry registers deterioration (by 1.1 percentage points) of the total assessment for making major purchases of durable goods¹ in the present situation. The consumers continue to register also a negative attitude for "making expenditures on home improvements", "buying or building a home" and "buying a car" over the next 12 months.

¹When 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 (153 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.



Figure 1. Consumer confidence indicator

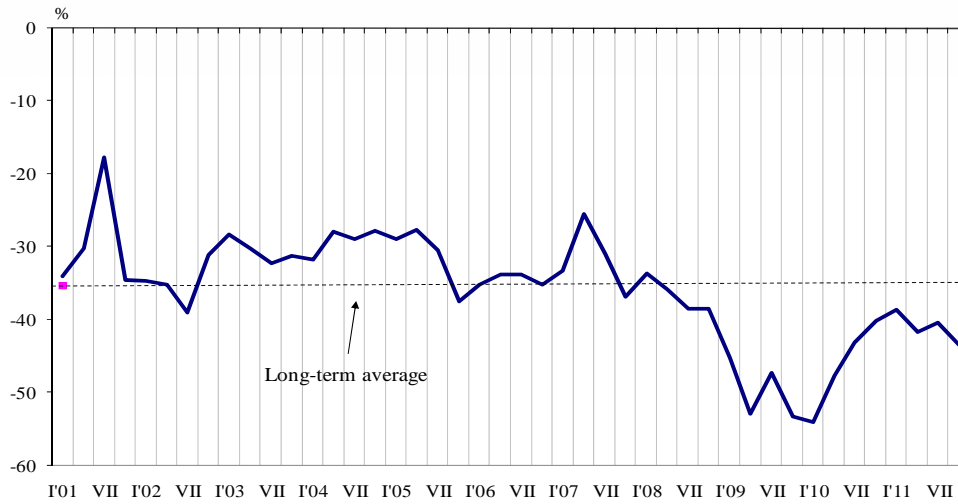


Figure 2. Assessment of the general economic situation over the last 12 months

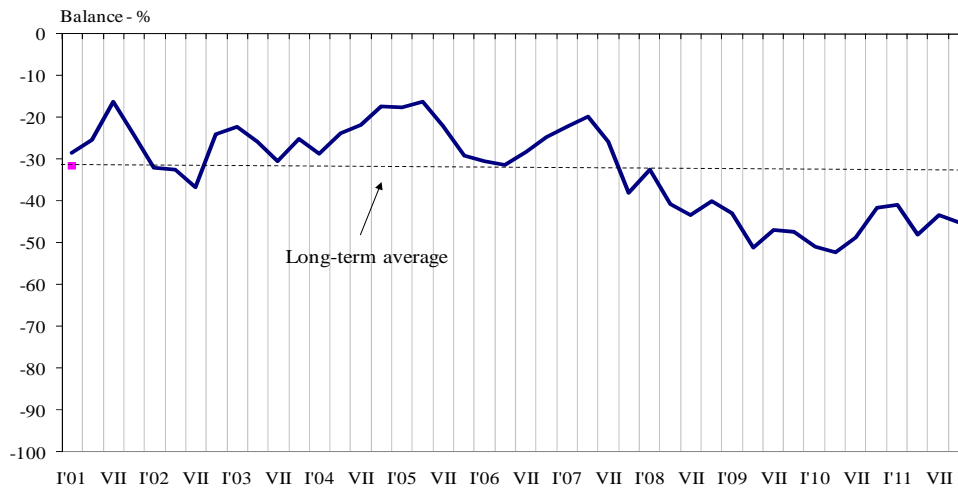


Figure 3. Expectations about the general economic situation over the next 12 months

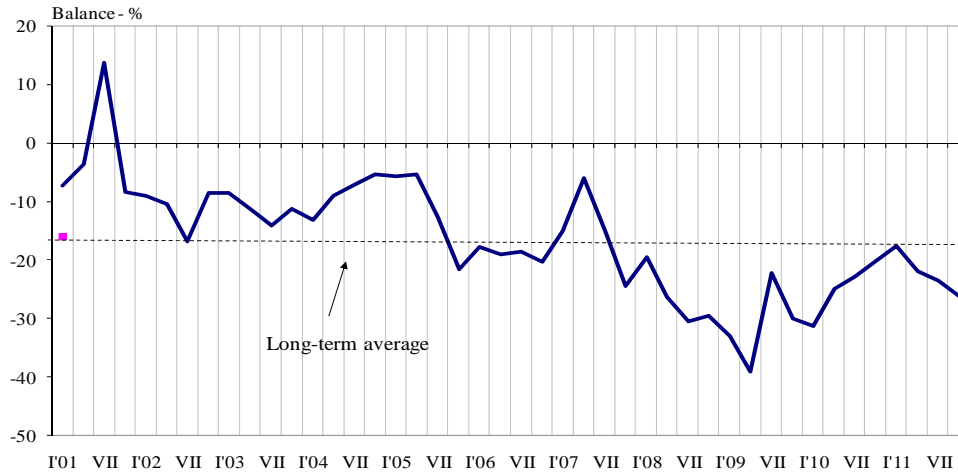




Figure 4. Assessment of the financial situation of households compared to 12 months ago

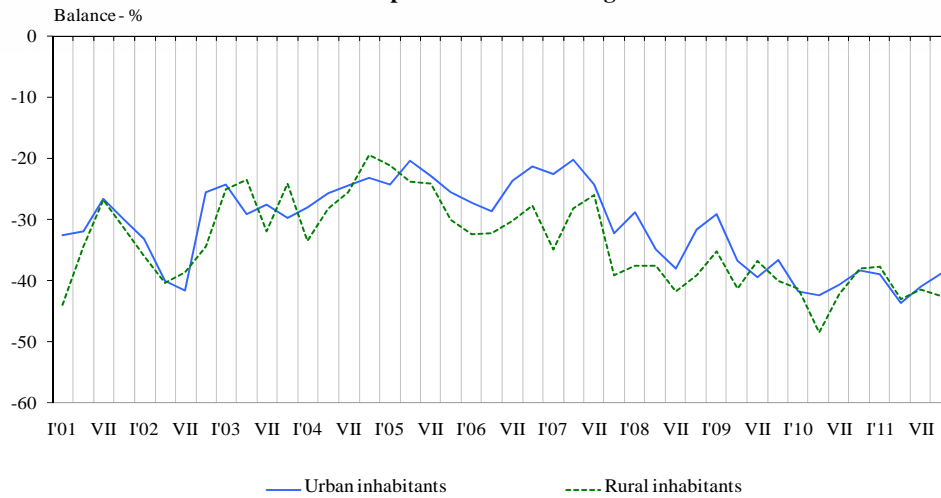


Figure 5. Assessment of the inflation over the last 12 months

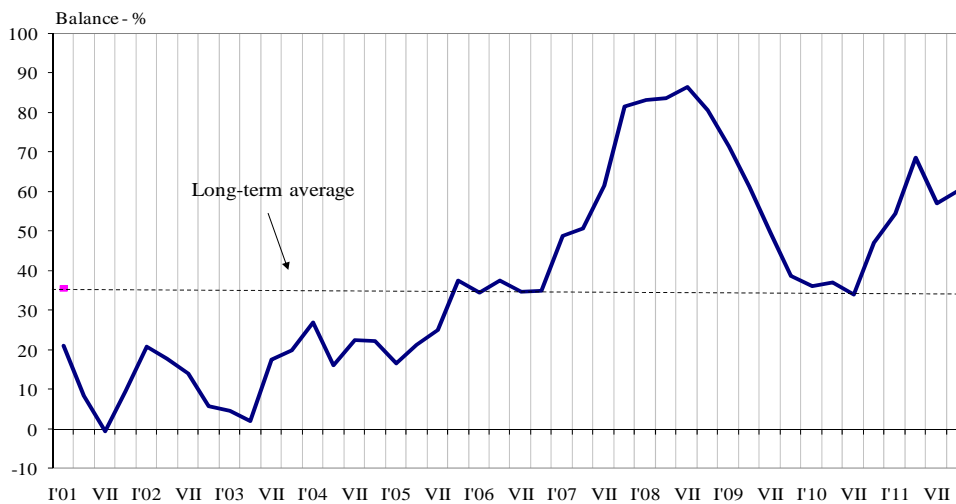


Figure 6. Inflation expectations over the next 12 months

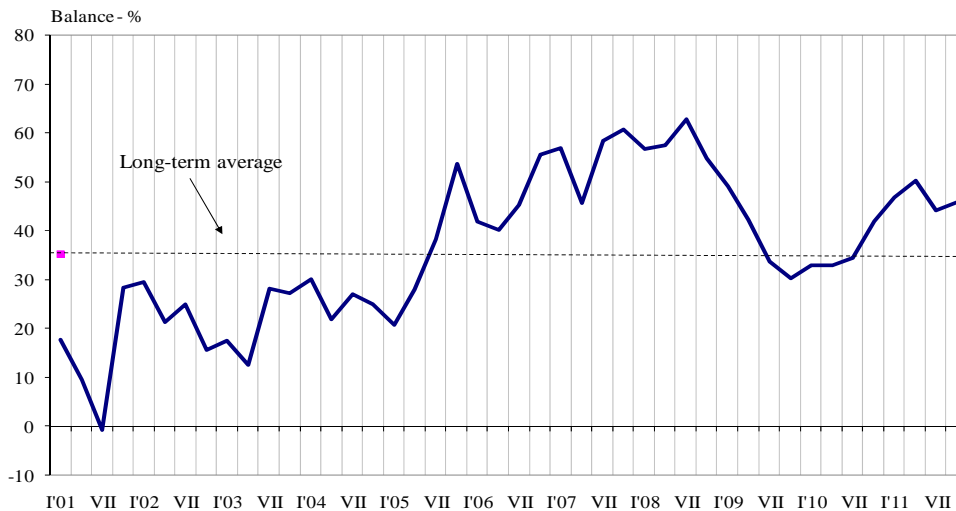




Figure 7. Unemployment expectations over the next 12 months

