



## CONSUMER SURVEY, OCTOBER 2013

In October 2013 the total consumer confidence indicator decreases by 0.9 percentage points in comparison with its July level (Annex, Figure 1) which is due entirely to the decreased confidence among the urban population.

According to the consumers' opinion there is no positive change in the financial situation of their households over the last 12 months. As regards the expectations for the next 12 months an improvement in living in the villages is observed (an increase of the balance indicator by 2.0 percentage points), whereas the urban inhabitants are slightly more pessimistic than they were 3 months earlier (Annex, Figure 2).

The consumers' total assessment of the current development of the economic situation in the country over the last 12 months improves - an increase of the balance indicator by 2.1 percentage points (Annex, Figure 3) as their prognoses over the next 12 months are also more favourable (Annex, Figure 4).

The consumers continue to consider that over the last 12 months there had been an increase of consumer prices, but at a lower rate in comparison with the assessments registered in the previous inquiry. At the same time their inflation expectations about the next 12 months are less intense (Annex, Figure 5)

As regards the unemployment in the country the prevailing forecasts that it will continue to increase over the next 12 months (Annex, Figure 6).

In October, the majority of the consumers assess the economic situation in the country as unfavourable for savings. The last inquiry reports also a slight deterioration of the total assessment for making major purchases of durable goods<sup>1</sup> in the present situation. The consumers also continue to register negative opinions regarding the intentions of "buying a car", "buying or building a home (villa)", and "making expenditures on home improvements" over the next 12 months.

---

<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.

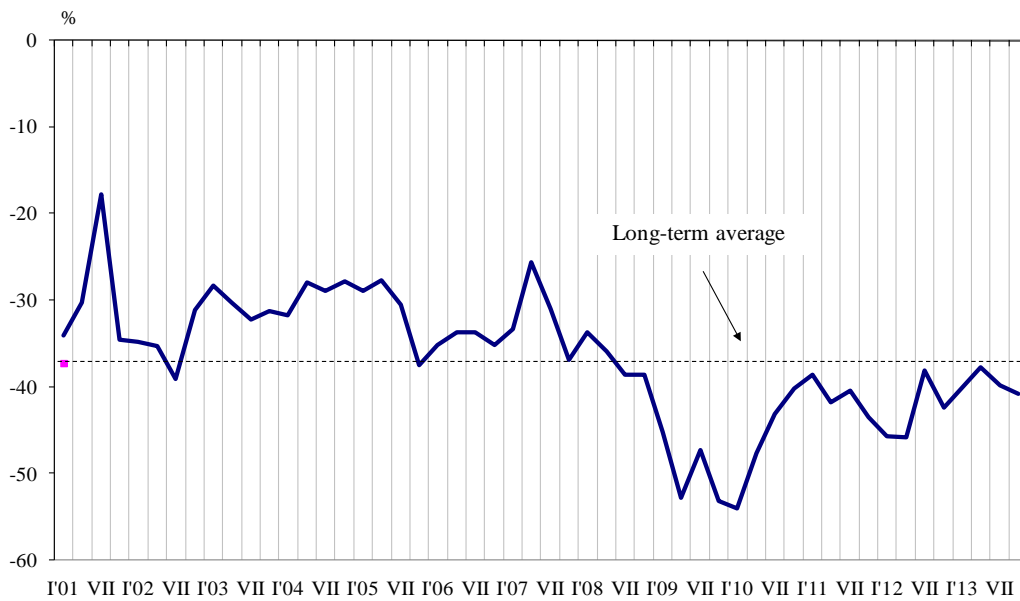
The survey results are used to capture the direction of change of surveyed variables incl. that of the consumer confidence level, which gives an opportunity to analyze the tendencies in the development of public opinions on significant economic phenomena.

**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.

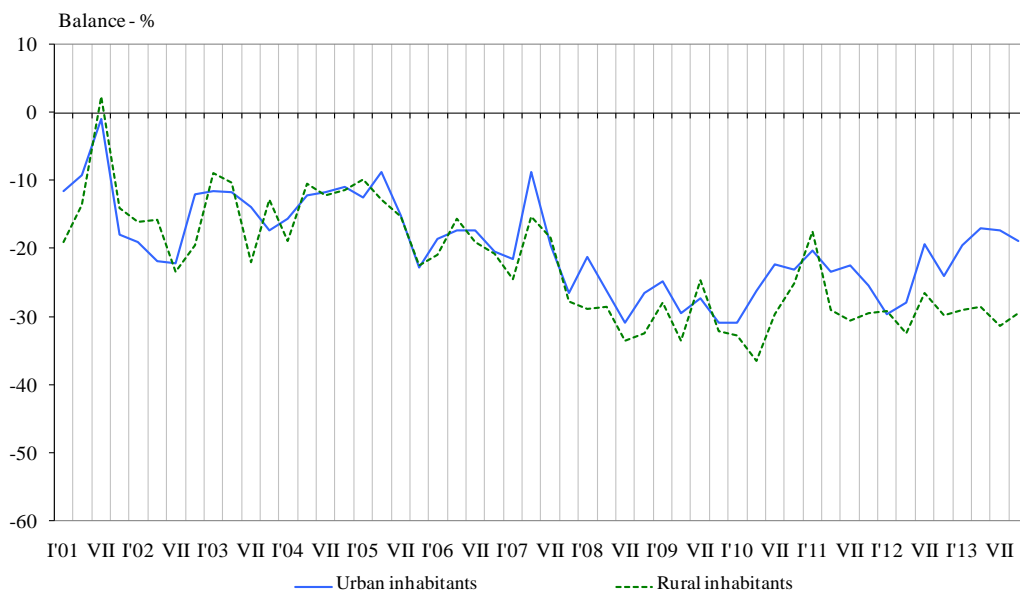


**Annex**

**Figure 1. Consumer confidence indicator**

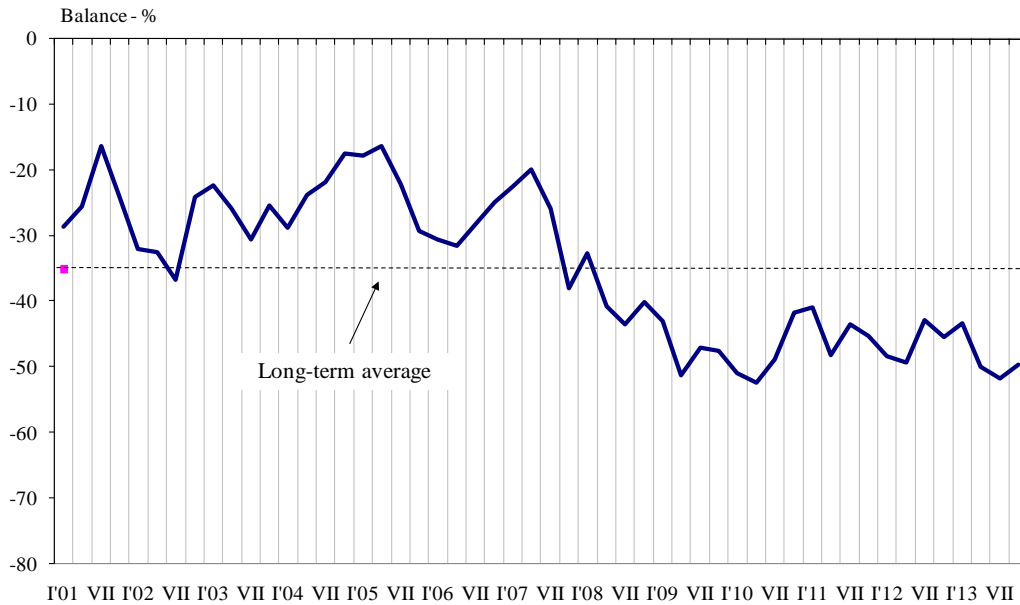


**Figure 2. Expectations about the financial situation of households over the next 12 months**

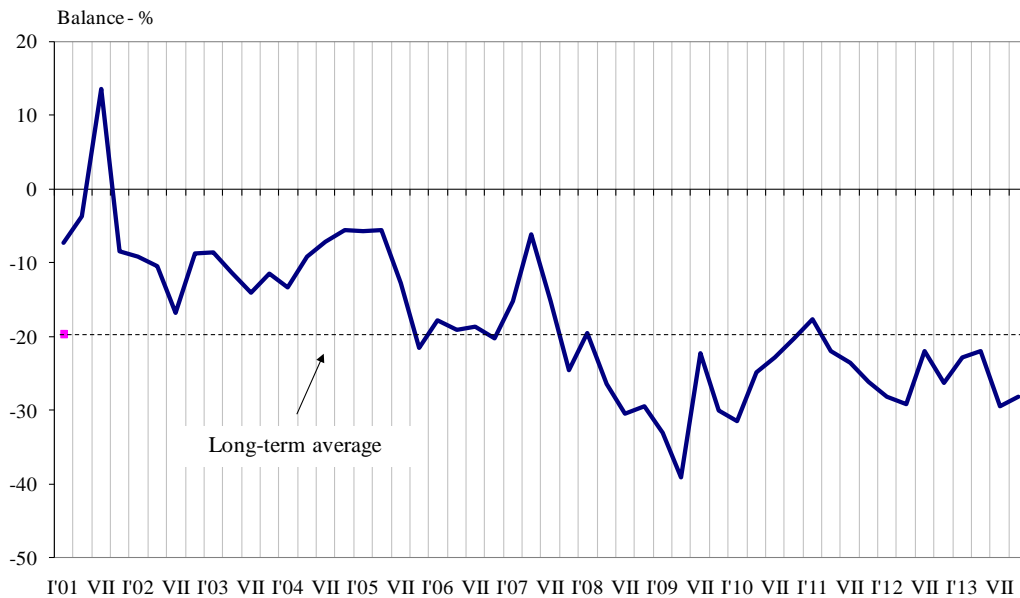




**Figure 3. Assessment of the general economic situation over the last 12 months**

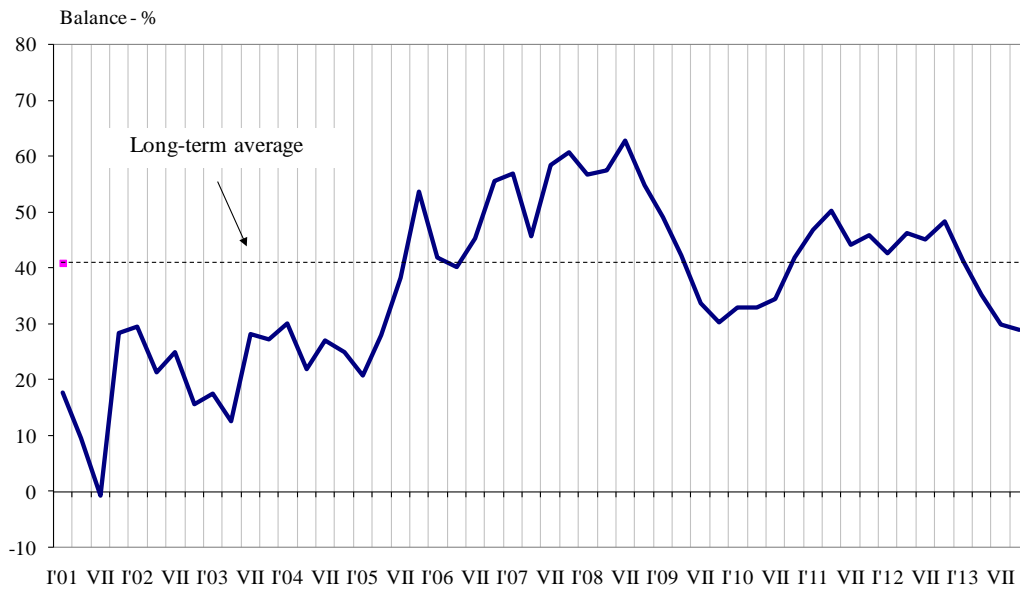


**Figure 4. Expectations about the general economic situation over the next 12 months**





**Figure 5. Inflation expectations over the next 12 months**



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

