

## CONSUMER SURVEY, APRIL 2020

In the context of state of emergency in the country in April 2020, the survey shows an increase of the pessimism in consumers' assessments and expectations in comparison with January. The total consumer confidence indicator decreases by 17.4 percentage points compared to its level 3 months ago, which is due to the decreased confidence of both rural and urban inhabitants by 18.5 and 17.0 percentage points respectively (Annex, Figure 1).

The consumers' opinions about the development of the general economic situation in the country over the last 12 months (Annex, Figure 2) and their forecasts over the next 12 months (Annex, Figure 3) are more pessimistic compared to the previous survey as a result of which the balance indicators decrease by 23.9 and 18.7 percentage points respectively. In comparison with January, their assessments and expectations about the changes in the financial situation of their households are also more negative (Annex, Figure 4 and Figure 5).

The prevailing part of the consumers continue to consider that over the last 12 months there has been increase of the consumer prices. At the same time, the inflation expectations about the next 12 months are strengthened as a result of which the total balance indicator increases by 5.9 percentage points (Annex, Figure 6).

As regards the unemployment in the country over the next 12 months, the pessimism also increases, as the opinions of both the urban and rural population shifted towards the more negative expectations (Annex, Figure 7).

The present economic situation in the country continues to be assessed by the majority of the consumers as unfavourable for savings and their expectations about the opportunity for saving over the next 12 months are pessimistic.

The last inquiry reports deterioration in the total assessment of the present situation for making major purchases of durable goods<sup>1</sup> (Annex, Figure 8), as the consumers' intentions to make such expenditures over the next 12 months are more reserved. Their attitude regarding the intentions about making expenditures for 'buying a car', 'buying or building a home (villa)' and 'home improvements' over the next 12 months are also negative.

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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 aged 16 years and older.

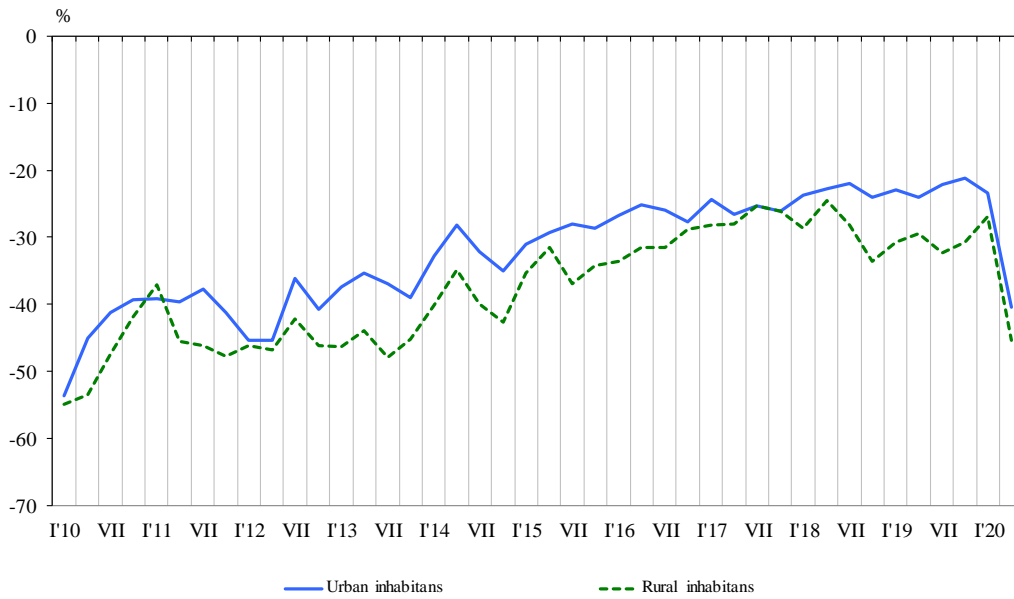
The persons aged 16 years and older are the object of the survey; the sample method is random, clustered, proportional to the population by regions, incl. urban/rural inhabitants (154 clusters with 8 persons per cluster). The interviewing method is face to face. The questionnaire contains standardized 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.

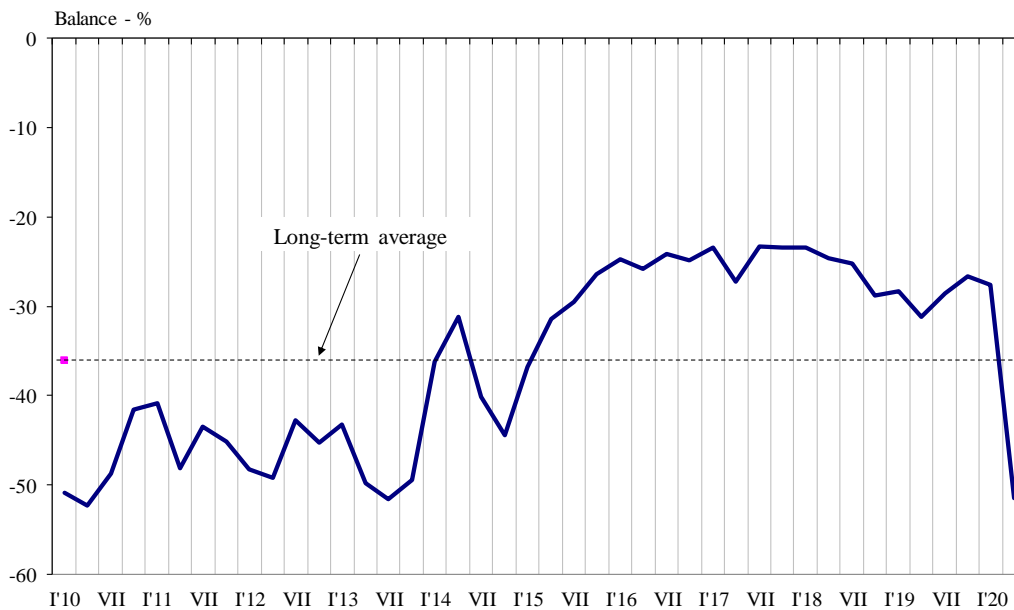
**The consumer confidence indicator** is an arithmetic mean of the balances of the expectations about the development over the next 12 months of the financial situation of households, general economic situation, savings and unemployment, as the last is taken with a negative sign.

**Annex**

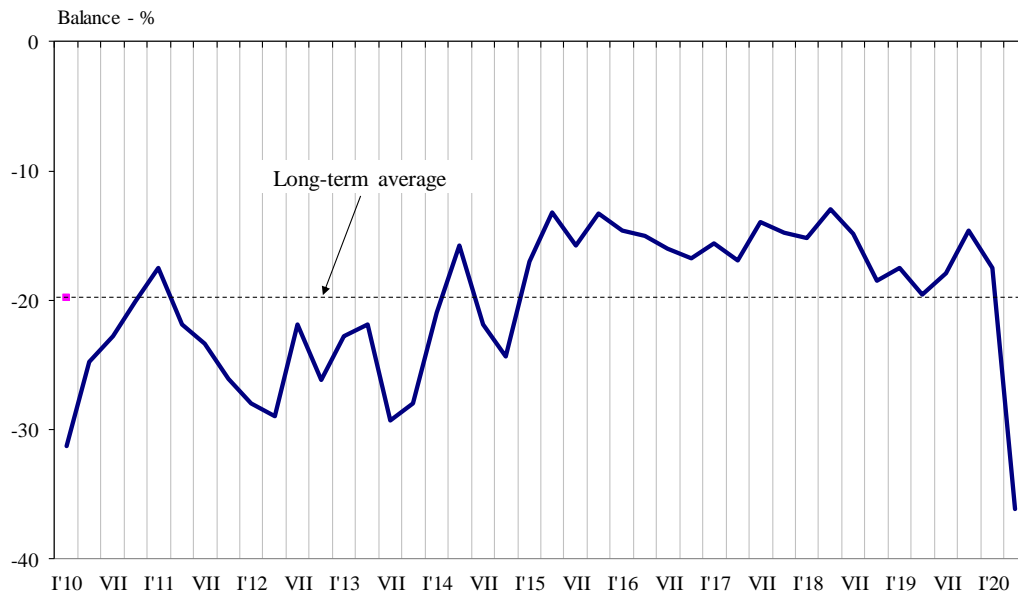
**Figure 1. Consumer confidence indicator**



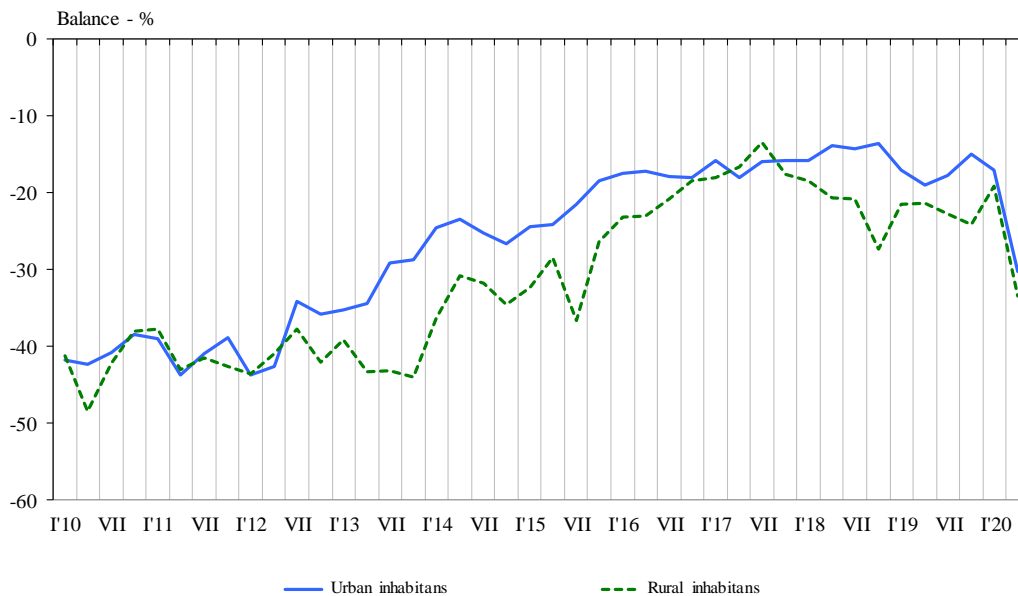
**Figure 2. Assessment of the general economic situation in the country over the last 12 months**



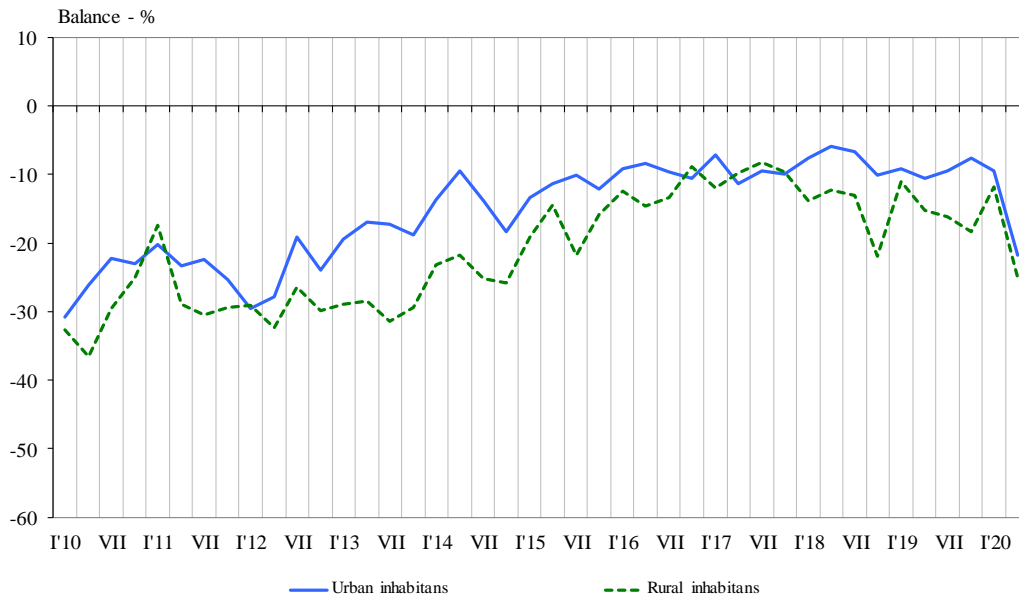
**Figure 3. Expectations about the general economic situation in the country over the next 12 months**



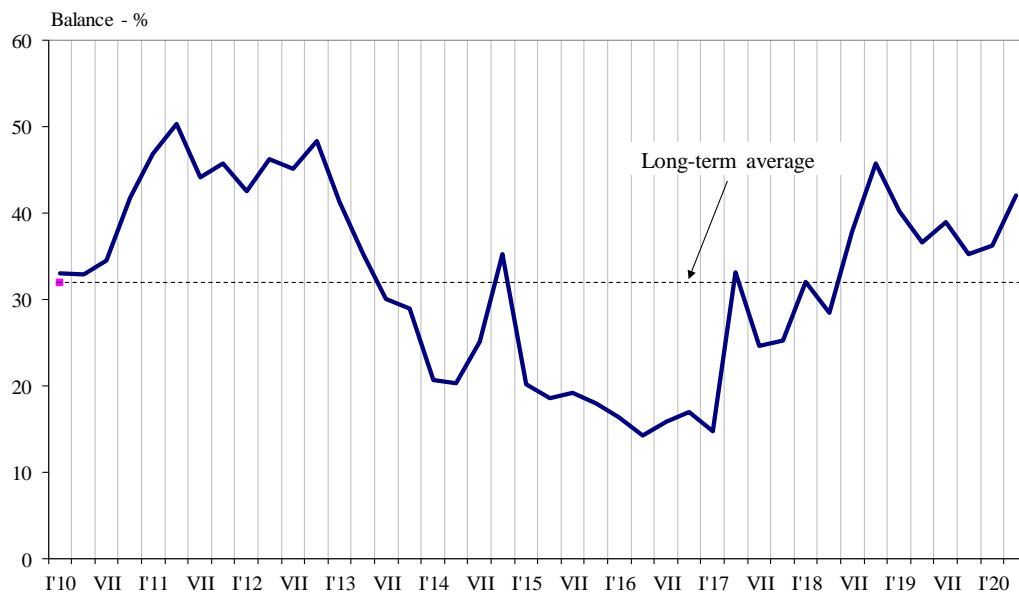
**Figure 4. Assessment of the financial situation of households over the last 12 months**



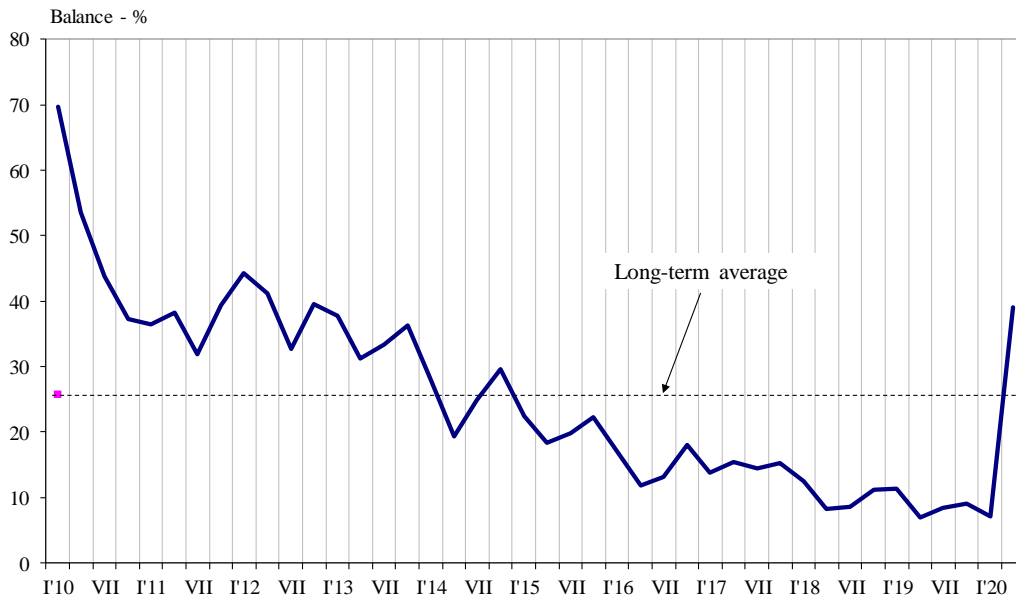
**Figure 5. Expectations about the financial situation of households over the next 12 months**



**Figure 6. Expectations about inflation over the next 12 months**



**Figure 7. Unemployment expectations over the next 12 months**



**Figure 8. Assessment of the advantage of making major purchases of durable goods in the present situation**

