



CONSUMER SURVEY JANUARY 2010

In January 2010 the total consumer confidence indicator decreases by 0.8 percentage points in comparison with October 2009, which is mostly due to the reduced confidence of urban inhabitants (Figure 1). The survey from January registers an increase of pessimism in the consumers' assessments and expectations in comparison with the opinions expressed 3 months ago.

The consumers' opinions about the current development of the general economic situation in the country as well their expectations about the next 12 months are worsened, as the balance indicators decrease in comparison with the previous survey (October 2009) by 3.5 and 1.3 percentage points respectively. Unlike the urban population, for which the balance indicators drop by 6.4 and 2.4 percentage points respectively, for the rural population there is a certain improvement of the assessments and expectations about the economic conjuncture (Figures 2 and 3).

The inquiry registers worsened consumers' assessments regarding the changes in the financial situation of households over the last 12 months. In January the balance of opinions about the present households' budget situation decreases for the rural inhabitants (by 6.0 percentage points) and slightly increases for the urban inhabitants (by 1.1 percentage points) (Figure 4).

The present economic situation in the country is assessed as more unfavorable for saving in comparison with the opinions from 3 months ago and is expected that it will not improve over the next 12 months (Figure 5). The consumers continue to believe that over the last 12 months there has been an increase of consumer prices, but at a lower rate in comparison with the assessments from 3 months ago (Figure 6). However higher inflation is expected over the next 12 months (Figure 7). With regard to the unemployment the expectations are that it will continue to increase (Figure 8).

In comparison with the opinions expressed in October 2009 the last inquiry registers a more pessimistic total assessment of the present situation to make major purchases of durable goods¹ (Figure 9), and a slight decrease of the value of the balance indicator regarding the intentions of such purchases over the next 12 months is also recorded. The balance indicators related to the intentions of "buying a car", "buying or building a home (villa)" and "making expenditures on home improvements" over the next 12 months are also lower.

¹ 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. But for the purpose of the economic analysis is important 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

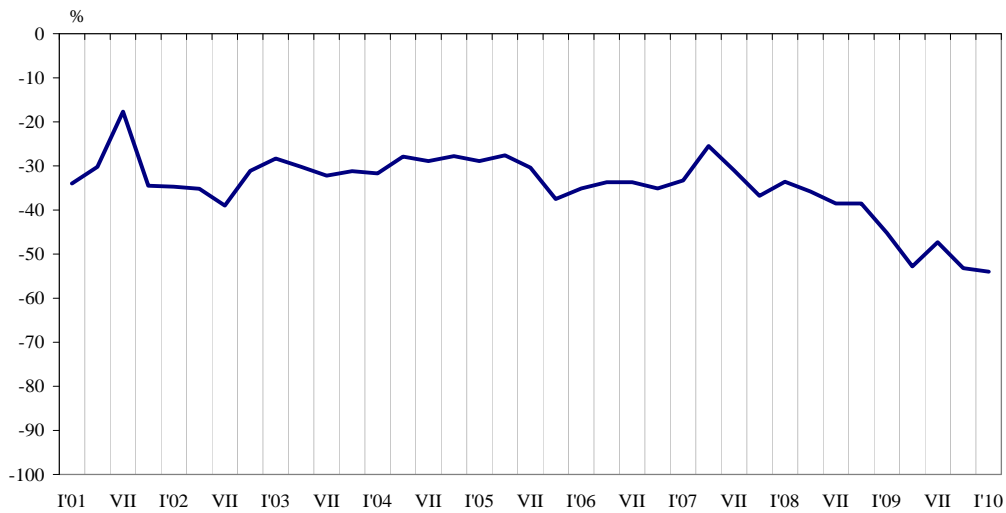


Figure 2. Assessment of the general economic situation over the last 12 months

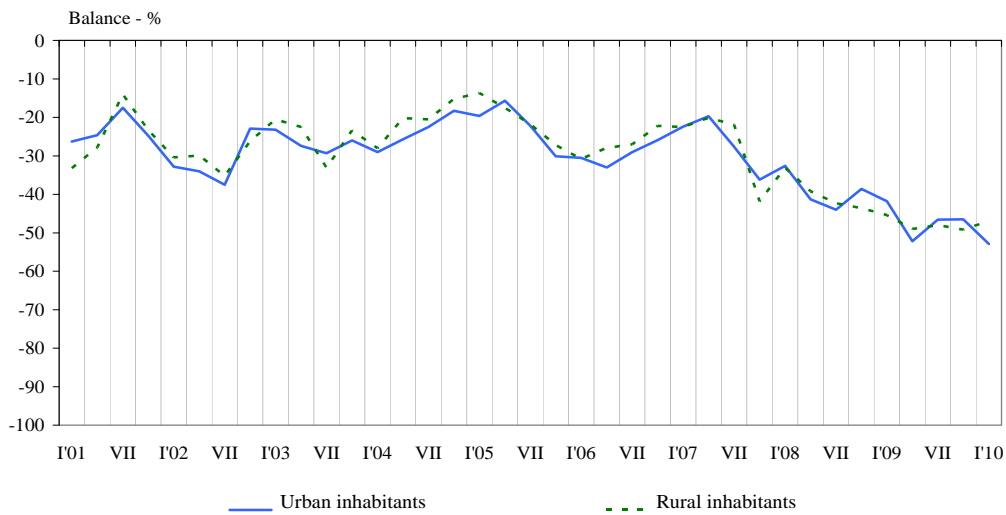


Figure 3. Expectations about the general economic situation over the next 12 months

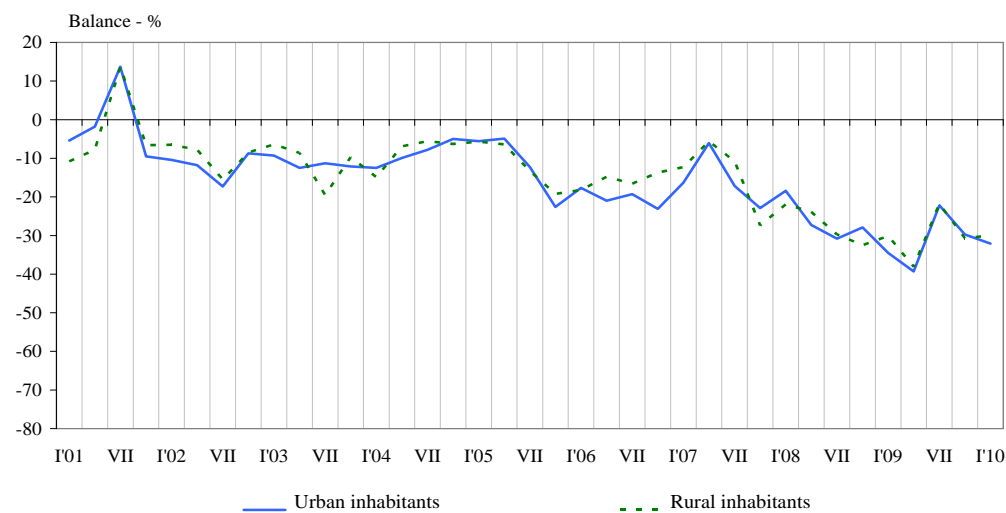


Figure 4. Present situation of households' budget

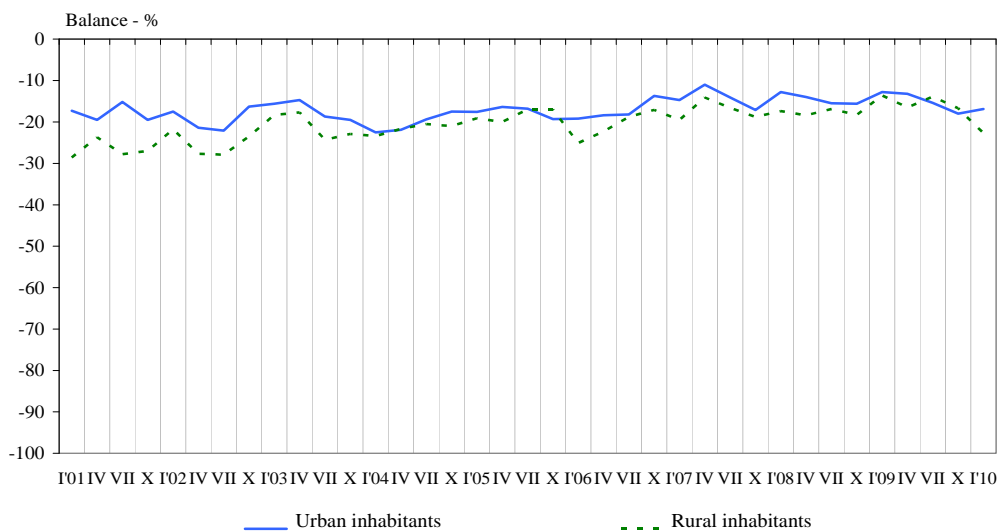


Figure 5. Savings/General economic situation - present situation

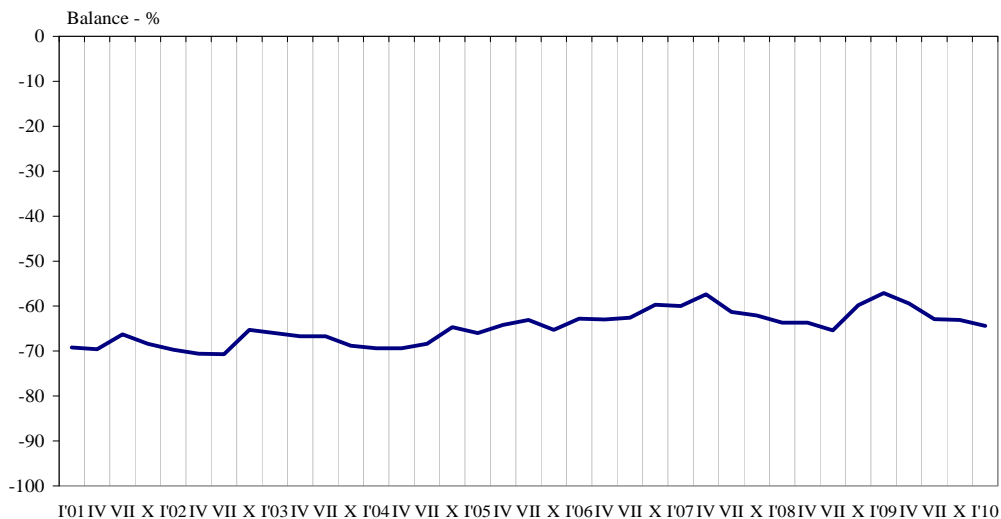


Figure 6. Assessment of the inflation over the last 12 months

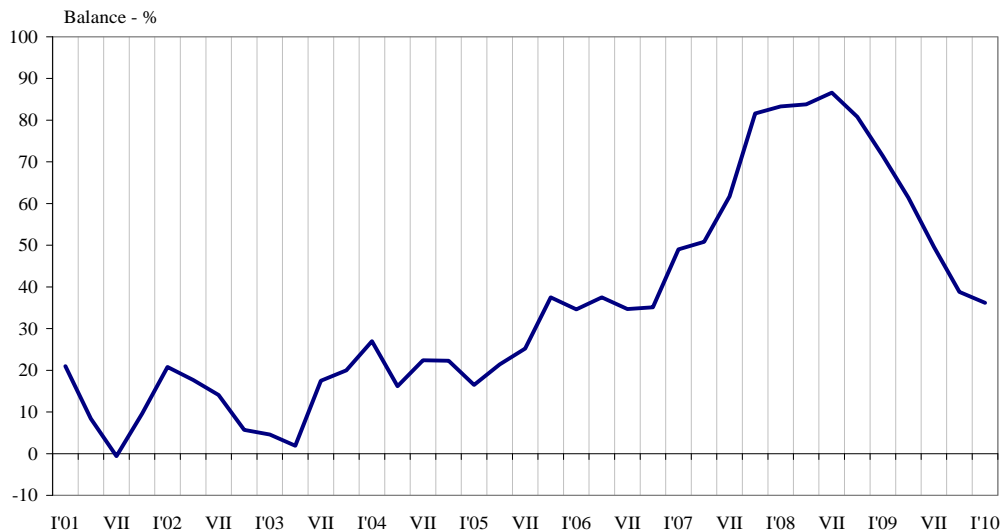


Figure 7. Inflation expectations about the next 12 months

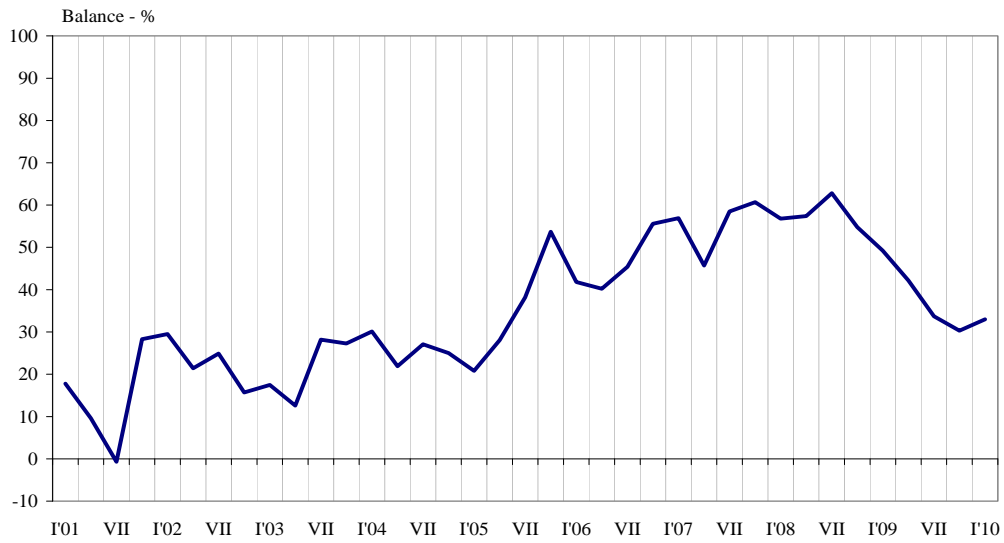


Figure 8. Unemployment expectations about the next 12 months

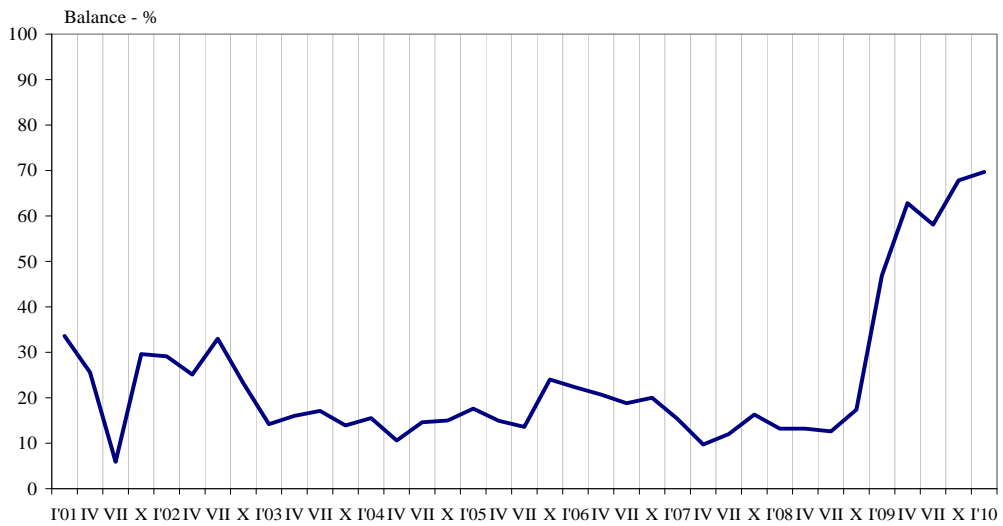


Figure 9. Assessment of the advantage of making major purchases of durable goods in the present situation

