

Household consumption expenditure on goods

Definitions

Household consumption expenditure includes only the expenses effectively paid by households, after excluding the partial coverage of expenditure by general government (such as coverage by Social Security). National accounting also uses the concept of *effective final household consumption*, which is the sum of *household consumption expenditure*, of *general-government expenditure that can be individualized* and of *Non-Profit-Institutions-Serving-Households expenditure*. In 2019, household consumption expenditure accounted for 75% of the effective final household consumption.

The aim of this monthly publication is to provide short-term information on household consumption behavior. It focuses on household expenditure on goods only (*cf. "Scope"*). On the one hand, information about it is available more quickly. On the other hand, expenditure on goods is more volatile than expenditure on services, thus being more relevant for short-term economic analysis. Within the scope of expenditure on goods, the series are fully consistent with those published separately in the quarterly national accounts. Household consumption expenditure on services as well as general-government expenditure that can be individualized or Non-Profit-Institutions-Serving-Households expenditure are published quarterly, at the same time as the quarterly national accounts.

Within the scope of goods, household consumption expenditure accounted in 2019 for 94% of total effective consumption in current euros. Furthermore, household consumption expenditure on goods accounted for 45% of household consumption expenditure on goods and services.

Seasonal and working day adjustments

Like the quarterly national accounts as a whole, the published data are not only seasonally adjusted but also working day adjusted. This latter adjustment, carried out by an econometric procedure, is designed to eliminate the fluctuations that are solely due to changes in the number of working days and which are consequently irrelevant for short-term economic analysis. Regarding household consumption expenditure on goods, monthly variations appear to be particularly sensitive to the number of Saturdays not on public holidays.

Aggregates are expressed in chained volumes at the previous year's price

The current publication, as well as quarterly national accounts, are presented in chained volumes at the previous year's price. The base year for the price level is 2020, which means that the volume of an annual aggregate in 2020 matches its value for this base year. Therefore, the published data focus on volumes, independently of the effects of price variations. Chaining is then used to adjust the growth of aggregates from variations in the consumer basket structure.

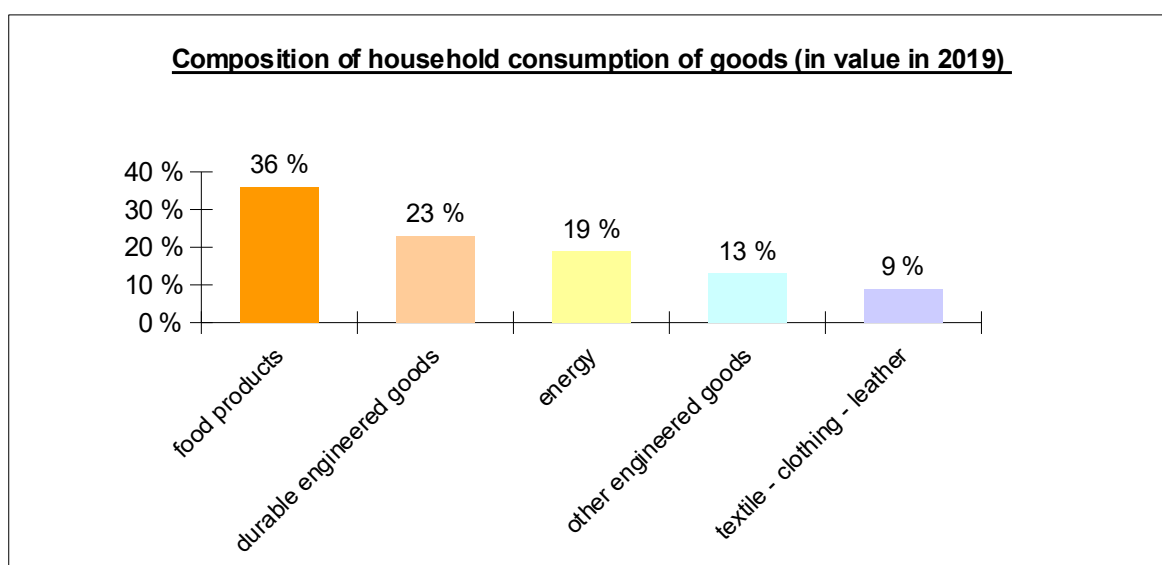
Scope

The quarterly accounts, which include consumption data, are published at level "A17" of the French activity and product classification. Total consumption expenditure on goods is compliant with the scope of products "AZ" to "C5" in this classification. The various aggregates published on a monthly basis are identified from the consolidation of these aggregated levels as well as from more detailed work levels in accounts (levels "G" with 138 items in the accounts classification, *see also the INSEE website*):

- **Food products:** agricultural products, forestry and fishing (item AZ in nomenclature A17), foodstuffs, beverages and tobacco (C1)

Energy: mining products, water, gas, electricity, air conditioning, sanitation and waste management (DE), and refined and coked products (C2).

- including petroleum products (fuel, gas, diesel, butane and propane packed or in bulk, LPG fuel, town gas, as well as coked products, coal and lubricants)
- **Engineered goods:** as a whole, it includes computers, electronic, electrical and optical goods (C3), transport equipment (C4), textiles and clothing, products made of leather, wood, paper, furniture, chemicals and pharmaceuticals, plastic, rubber, minerals, metals, hardware (C5). It is composed of three relevant fields:
 - **Durable goods:** cars (C4) which includes other transport equipment as well, household durables (computers and electronic products, household appliances and furniture), other durable goods (jewelry, watches, GPS, glasses, medical devices ...)
 - **Textile - clothing - leather**
 - **Other engineered goods**



This indicator of household consumption of goods is the compilation of a variety of statistical sources issued by the National Institute of Statistics and Economic Studies (INSEE) (consumer price indices, turnover indices and scanner data), the Bank of France, the Statistical Data and Studies Department (SDS) of the ministry in charge of ecological transition, the French Institute of Fashion (IFM), the National Health-Insurance Administration (CNAM), the National Trade Association for Rubber and Polymers (SNCP) (renamed elanova on 1st October 2022), the Board of Oil (CPDP), the Pharmaceutical Companies Association (LEEM), GFK, Logista.

The series are fully consistent with those published separately in the quarterly national accounts.

Revision sources

The published series are likely to be revised:

- either because of the integration of late available data, in particular for healthcare products, some petroleum products, agricultural products, products sold in bakeries and pastry shops, products sold in butcheries, and beverage retailing;
- or because of the updating of seasonal coefficients; this kind of adjustment affects notably textile - clothing - leather, whose variations are very volatile.