

# Informations *Rapides*

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## Main Indicators

### ■ Monthly confidence consumer survey – May 2016

## In May 2016, households' confidence improves clearly

In May 2016, households' confidence has improved clearly: the synthetic confidence index has gained 4 points, reaching 98, its highest level since October 2007. However, it remains below its long-term average (100).

### • Personal situation

#### Financial situation: lesser pessimism

In May, households' opinion of their *past personal financial situation* is stable for the fourth consecutive month. By contrast, their opinion of their *personal financial situation in the next twelve months* has improved clearly: the balance has gained 4 points. However, both balances remain inferior to their long-term average.

In May, the share of households considering it has been a *suitable time to make major purchases* has expanded significantly: the balance has grown by 7 points and has kept growing above its long-term average.

#### Saving capacity: slight decline

In May, households' balance of opinion on their *current saving capacity* is stable, standing at its long term average. However, the one concerning their *expected saving capacity* has declined (-2 points) and has slipped back slightly below its long-term average.

In May, households are more numerous than in April to consider it has been a *suitable time to save* (+3 points). The balance has returned to its level of March, clearly below its long-term average.

### Consumer confidence synthetic index

Balance, SA, normalised to 100 with a standard error of 10



Source: INSEE

### CONSUMER OPINION: synthetic index and opinion balances

Balance of responses, seasonally adjusted

	Av. (1)	2016				
		Feb.	March	April	May	
Synthetic index (2)	100	96	94	94	98	
Financial situation, past 12 m.	-21	-25	-25	-25	-25	
Financial situation, next 12 m.	-5	-10	-13	-13	-9	
Current saving capacity	8	8	6	8	8	
Expected saving capacity	-9	-6	-10	-9	-11	
Savings intentions, next 12 m.	18	-2	-2	-5	-2	
Major purchases intentions, next 12 m.	-15	-12	-12	-10	-3	
Standard of living, past 12 m.	-45	-56	-57	-58	-48	
Standard of living, next 12 m.	-25	-32	-36	-37	-28	
Unemployment, next 12 m.	35	44	39	49	21	
Consumer prices, past 12 m.	-14	-55	-56	-56	-53	
Consumer prices, next 12 m.	-34	-38	-36	-36	-39	

(1) Average value between January 1987 and December 2015

(2) This indicator is normalised in such a way that its average equals 100 and its standard error equals 10 over the estimation period (1987-2015).

Source: INSEE, monthly consumer confidence survey

## • Economic situation in France

### **Standard of living in France: opinion clearly less pessimist**

In May, households' opinion of their *expected standard of living* in France has improved strongly (+9 points), as the one of their *past standard of living* (+10 points). Thus, both balances have moved significantly towards their long-term average, the second one reaching its highest level since August, 2007.

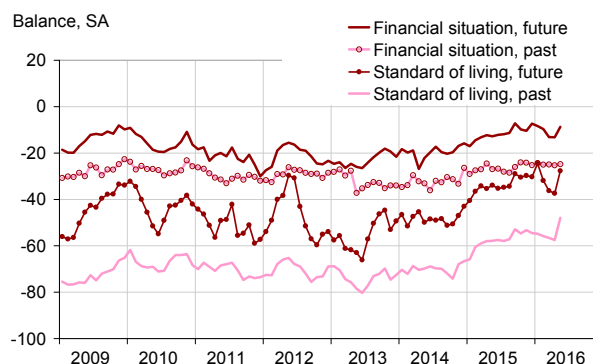
### **Unemployment: fears falling back sharply**

After a resurgence in April, households' fears concerning unemployment have abated considerably in May: the balance has lost 28 points and has become lower than its long term average. Thus, it has hit its lowest level since June 2008.

### **Perceived inflation on the rise, expected inflation declining**

In May, households are more numerous than in April to consider that prices increased *during the past twelve months*: the corresponding balance has gained 3 points. It stays largely below its long term average. Conversely, the share of households considering that prices are likely to increase *during the next 12 months* has diminished (-3 points) and the balance has deviated further from its long-term average.

### **Balances on personal financial situation and standard of living in France**



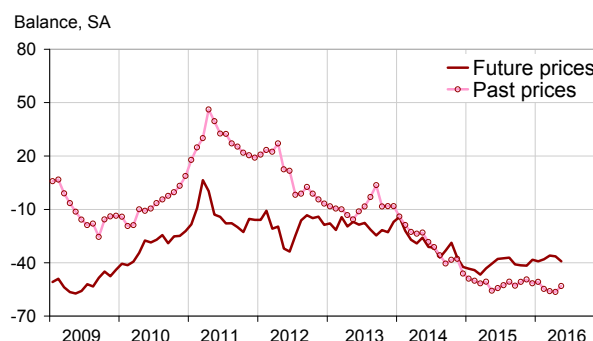
Source: INSEE

### **Households' unemployment expectations**



Source: INSEE

### **Households' perception of prices**



Source: INSEE

### **For more information:**

**Definition** - The synthetic households' confidence index summarizes households' opinion of the economic situation: a higher value means a more favorable households' judgement of the economic situation. It is calculated using a factor analysis technique. This technique enables a summary of concomitant movements of variables that display high correlations with each other. The index describes here the common factor of 8 balances of opinion: past and future general economic situation in France, past and future personal financial situation, unemployment, timeliness in making major purchases, current savings capacity (balance named until 2010 "current financial situation") and expected savings capacity (formerly named "savings capacity").

**Calculation method** - Around 2,000 households are surveyed each month by telephone. Surveys occur during the first three weeks of each month. Answers to this survey were collected between April 27<sup>th</sup> and May 18<sup>th</sup> 2016.

For each question asked, a balance of opinion is calculated as the difference between the percentages of positive and negative answers. Since the level of these balances is not directly significant, comments above only lean on their changes and their distance to long-term average.

Seasonal coefficients are calculated again each month, hence the slight revision of the seasonal adjusted balances history for each publication.

- Further data (historical data, methodology, connected web pages, etc.) are available on the web page of this indicator: <http://insee.fr/en/themes/info-rapide.asp?id=20>
- Historical data are available on the BDM: [G389](#)
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