■ **Monthly confidence consumer survey – January 2017**

In January 2017, households' confidence is back to its long-term average

In January 2017, households' confidence in the economic situation has increased slightly after two months of stability: the synthetic confidence index has reached 100, its long-term average. It had been below this threshold since November 2007.

Personal situation

Future financial situation: on the rise

In January, households' opinion on their *future personal financial situation* has improved: the corresponding balance has gained 3 points and is back to its long-term average. It had not reached that level since September 2007. Households' opinion on their *past personal financial situation* is stable. The corresponding balance is barely below its long-term average.

In January, the share of households considering it has been *a suitable time to make major purchases* is virtually stable. The corresponding balance has lost 1 point but remains well above its long-term average.

Saving capacity: virtually stable

Since September 2016, households' balance of opinion on their *expected saving capacity* has been virtually stable, fluctuating slightly above its long-term average: in January 2017, it has gained 1 point. The balance of opinion concerning their *current saving capacity* has been stable for three months, just below its long-term average.

Households are more numerous to consider it has been *a suitable time to save*: the corresponding balance has regained the 5 points lost in December. It remains 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			2017
		Oct.	Nov.	Dec.	Jan.
Synthetic index (2)	100	98	99	99	100
Financial sit., past 12 m.	−21	−23	−24	−22	−22
Financial sit., next 12 m.	−5	−7	−8	−8	−5
Current saving capacity	8	6	7	7	7
Expected saving capacity	−9	−7	−6	−7	−6
Savings intentions, next 12 m.	18	−2	−2	−7	−2
Major purchases intentions, next 12 m.	−14	−5	−5	−4	−5
Standard of living, past 12 m.	−45	−53	−49	−52	−48
Standard of living, next 12 m.	−25	−28	−25	−24	−25
Unemployment, next 12 m.	35	38	26	21	18
Consumer prices, past 12 m.	−16	−51	−51	−48	−44
Consumer prices, next 12 m.	−34	−36	−40	−28	−24

(1) Average value between January 1987 and December 2016
(2) This indicator is normalised in such a way that its average equals 100 and standard error equals 10 over the estimation period (1987-2016).
Source: INSEE, monthly consumer confidence survey

Economic situation in France

Past standard of living: a more favourable assessment

In January, households' opinion on their *past standard of living* in France has recovered after getting worse in December: the corresponding balance has gained 4 points and is back to its May 2016 level, but it remains below its long-term average. They expressed a relatively measured confidence in the *expected standard of living* in France: virtually stable (−1 point), the balance is at its long-term average.

Unemployment: fears at the bottom since mid-2008

Households' fears concerning unemployment has lessened again in January (−3 points), after having fallen sharply since October. The corresponding balance has deviated further from its long-term average and stands at its lowest level since June 2008.

Perceived and expected inflation: rising

In January, households are more numerous than in December to consider that prices should increase *during the next 12 months*: the balance has risen by 4 points (after +12 points the previous month). This balance is at its highest since February 2014, and has exceeded even more its long-term average. Likewise, households are more numerous to consider that prices increased *during the past 12 months*: the corresponding balance has gained 4 points. The balance is at its highest since late 2014, but yet remains far below its long-term average.

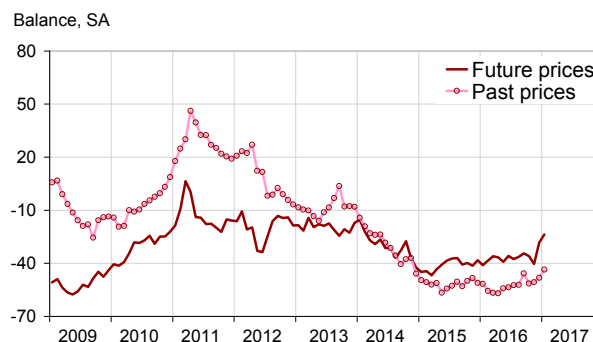**Balances on personal financial situation and standard of living in France**

Balance, SA
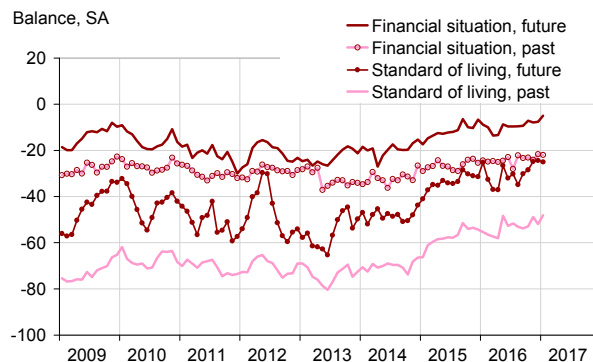
Source: INSEE

Households' unemployment expectations

Balance, SA

Source: INSEE

Households' perception of prices

Balance, SA

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 which 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 and expected 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 2 January and 18 January 2017.

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.) is available on the web page of this indicator: https://www.insee.fr/en/statistiques?debut=0&theme=30&conjoncture=32

- Historical data is available on the BDM: G389

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