

# Informations *Rapides*

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## Main Indicators

### Monthly confidence consumer survey – July 2017

## In July 2017, households' confidence falters after a two-month rise

In July 2017, households' confidence in the economic situation has declined markedly: the composite indicator has lost 4 points and reached 104, after gaining 8 points over the two previous months. However, it stays above its long-term average (100).

#### Personal situation

##### **Personal financial situation: sharp downturn**

In July, households' opinion on their *past financial situation* has been deteriorating: the corresponding balance has lost 3 points (after +5 points in June). It remains above its long-term average. Households' opinion on their *future financial situation* has receded sharply: the corresponding balance has lost 6 points (after +2 points in June) and has gone back below its long-term average.

The share of households considering *it is a suitable time to make major purchases* is stable in July, after a steep rise in June (+11 points). The balance stands way above its long-term average.

##### **Expected saving capacity: decreasing**

In July, households' balance of opinion on their *current saving capacity* has lost 2 points. The one on their *expected saving capacity* has lost 4 points. Both balances are back to their March 2017 level. They stay above their long-term average.

The share of households considering it is *a suitable time to save* has increased slightly (+2 points). The corresponding balance has hit its highest level since April 2015, but 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

	Avg. (1)	April 17	May 17	June 17	July 17
Composite indicator (2)	100	100	102	108	104
Financial sit., past 12 m.	-21	-20	-19	-14	-17
Financial sit., next 12 m.	-5	-9	-5	-3	-9
Current saving capacity	8	13	14	14	12
Expected saving capacity	-9	-2	-2	1	-3
Savings intentions, next 12 m.	18	6	6	7	9
Major purchases intentions, next 12 m.	-14	-3	-12	-1	-1
Standard of living, past 12 m.	-45	-50	-45	-39	-39
Standard of living, next 12 m.	-25	-21	-15	1	-10
Unemployment, next 12 m.	35	15	14	6	8
Consumer prices, past 12 m.	-16	-49	-54	-54	-54
Consumer prices, next 12 m.	-34	-28	-34	-41	-32

(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

### Future standard of living in France: less optimism

In July 2017, households' balance of opinion on the *future standard of living in France* has fallen back strongly (-11 points), after soaring in May and June (+22 points cumulatively). Households' balance of opinion on the *past standard of living in France* is unchanged, after rising by +6 points in June. It stays at its highest level since February 2003. Both balances remain above their long-term average.

### Unemployment: fears growing slightly

Households' fears concerning unemployment have gone up a little in July: the corresponding balance has increased by 2 points after a three-month decline. However, it remains far below its long-term average.

### Expected inflation rising

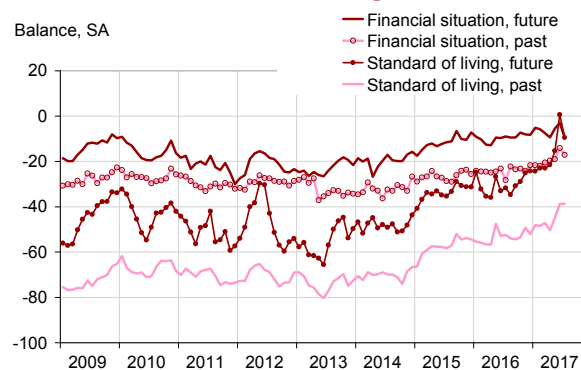
In July, households are more numerous to expect prices to increase *during the next twelve months*: the corresponding balance has recovered by 9 points, and has returned above its long-term average.

Households are as numerous as in June to consider that prices were on the rise *during the last twelve months*: the corresponding balance is stable, well below its long-term average level.

## Revisions

Compared to the previous estimation in June, the households' confidence index is slightly revised downward (-1 point) in April and May, due to updated seasonal adjustment coefficients.

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



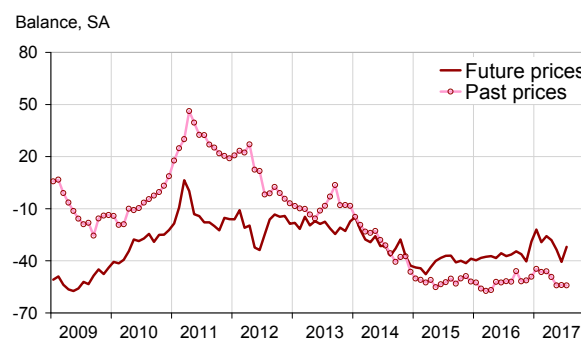
Source: INSEE

### 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 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 28 June and 17 July 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: <https://www.insee.fr/en/statistiques/series/102414547>
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