

# Informations *Rapides*

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## Main indicators

### ■ Monthly confidence consumer survey – October 2017

## In October 2017, households' confidence is back to its long term average

In October 2017, households' confidence in the economic situation has declined for the fourth consecutive month: the synthetic index has lost 1 point and is back to 100, its long term average. It had been above this threshold since May 2017.

### Personal situation

#### **Future financial situation: further deterioration**

In October, households have been clearly less optimistic about their *future financial situation*: the corresponding balance has lost 3 points, as in September, and has moved further away from its long term average. Households' opinion on their *past financial situation* is almost stable (+1 point), after a 4-point drop in September. The corresponding balance has thus returned to its long term average.

The share of households considering *it is a suitable time to make major purchases* has decreased in October (-3 points). However, the corresponding balance remains above its long term average.

#### **Expected saving capacity: falling sharply**

In October, households' opinion balance on their *expected saving capacity* has declined substantially (-5 points in October after -2 points in September). The corresponding balance has thus come back to its long term average. The opinion balance on their *current saving capacity* is almost stable (+1 point) and remains slightly above its long term average.

The share of households considering *it is a suitable time to save* has tumbled in October: the corresponding balance has lost 8 points, after -3 in September. It is now well 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.<br>(1) | July<br>17 | Aug.<br>17 | Sept.<br>17 | Oct.<br>17 |
|----------------------------------------|-------------|------------|------------|-------------|------------|
| Synthetic index (2)                    | 100         | 104        | 103        | 101         | 100        |
| Financial sit., past 12 m.             | -21         | -18        | -18        | -22         | -21        |
| Financial sit., next 12 m.             | -5          | -10        | -9         | -12         | -15        |
| Current saving capacity                | 8           | 12         | 12         | 10          | 11         |
| Expected saving capacity               | -9          | -4         | -2         | -4          | -9         |
| Savings intentions, next 12 m.         | 18          | 9          | 7          | 4           | -4         |
| Major purchases intentions, next 12 m. | -14         | -2         | -3         | -3          | -6         |
| Standard of living, past 12 m.         | -45         | -38        | -40        | -41         | -39        |
| Standard of living, next 12 m.         | -25         | -10        | -19        | -22         | -23        |
| Unemployment, next 12 m.               | 35          | 9          | 4          | 16          | 15         |
| Consumer prices, past 12 m.            | -16         | -54        | -55        | -53         | -50        |
| Consumer prices, next 12 m.            | -34         | -31        | -33        | -29         | -20        |

(1) Average value between January 1987 and December 2016

(2) The 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 in France: renewed optimism

In October, households' opinion on the *past standard of living in France* has improved slightly: the corresponding balance has gained 2 points and remains above its long term average. Households' balance of opinion on their *future standard of living in France* has levelled off in October (-1 point) after three consecutive months of decline. It remains slightly above its long term average.

### Unemployment: steady fears

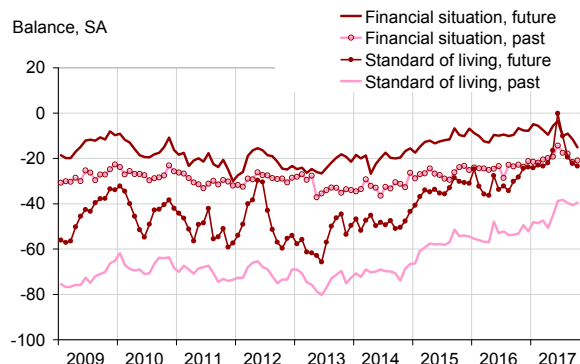
Households' fears concerning unemployment are left almost unchanged in October: the corresponding balance receded by 1 point, after a rise of 12 points in September. It stands well below its long-term average.

### Expected Inflation: sharp increase

In October, households have been more numerous than in September to *expect prices to increase during the next twelve months*: the corresponding balance has increased by 9 points and has deviated further away from its long term average.

Households have also been more numerous than in September to consider that *prices were on the rise during the last twelve months*. The corresponding balance has risen by 3 points; but remains far below its long term average.

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



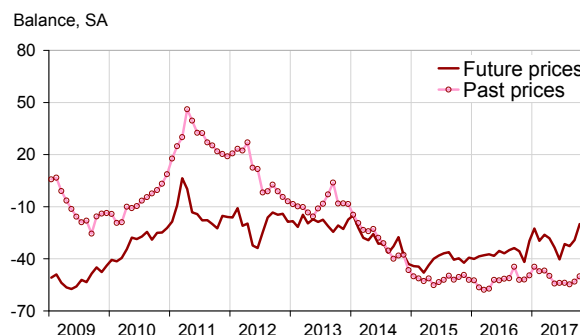
Source: INSEE

### 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, 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 by telephone, during the first three weeks of each month. Answers to this survey were collected between 27 September and 18 October 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 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: <https://www.insee.fr/en/statistiques?debut=0&theme=30&conjoncture=32>
- Historical data are available on the BDM: <https://www.insee.fr/en/statistiques/series/102414547>
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- Press contact: [bureau-de-presse@insee.fr](mailto:bureau-de-presse@insee.fr)

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