



## CONSUMER SURVEY, JULY 2017

In July 2017, the total consumer confidence indicator increases by 1.6 percentage points in comparison with its April level (Annex, Figure 1). An increase of consumer confidence among both urban and rural inhabitants by 1.2 and 2.8 percentage points respectively is observed.

The consumers' total assessment of the current development of the economic situation in the country over the last 12 months improves - an increase of the balance indicator by 3.9 percentage points (Annex, Figure 2). At the same time, their forecasts over the next 12 months are less negative compared to the previous survey (Annex, Figure 3). In comparison with April, their assessments and expectations (Annex, Figure 4) about the changes in the financial situation of their households are more favourable.

The consumers continue to consider that over the last 12 months there has been an increase of consumer prices, but at a lower rate, compared to the assessments registered in April. At the same time, their inflation expectations about the next 12 months are less intense (Annex, Figure 5).

As regards the unemployment in the country over the next 12 months, the negativism also decreases. The forecasts are shifting towards preserving or slightly reduction, as a result of that the balance indicator decreases by 1.0 percentage point (Annex, Figure 6).

In July, the majority of the consumers continue to assess the economic situation in the country as unfavourable for savings although their relative share decreases in comparison with 3 months ago (Annex, Figure 7).

The last inquiry reports certain improvement of the total assessment of the present situation for making major purchases of durable goods<sup>1</sup>. The consumers living in the villages are favourable to make such expenditures over the next 12 months, while the urban inhabitants' expectations are more reserved (Annex, Figure 8).

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<sup>1</sup> When commenting the replies regarding the purchases (expenditures), one has to take into account that the questions are asked on a quarterly basis, although these purchases (expenditures) are to be made by the consumers in a longer period of time. That is why it is normal for the prevailing values of balances of opinions to be permanently situated in the negative zone of the graphs. However, for the purpose of the economic analysis is important to consider the direction of development of balances of opinions as indicators of positive or negative change.



## Methodological notes

The survey is a part of the harmonized program of European Union for business and consumer surveys and it is representative for the population of 16 years and older.

The persons of 16 years and older are the object of the survey; the sample method is random, clustered, proportional to the population by regions, incl. urban/rural inhabitants (154 clusters with 8 persons per cluster). The interviewing method is face to face. The questionnaire contains standardized questions about the financial situation of households, general economic situation, inflation, unemployment, saving, intentions of making major purchases on durable goods or purchasing/building a home or buying a car. The proposed variants of answers give an opportunity to arrange them from optimistic, through neutral to pessimistic. The balance of opinions is calculated as a difference between relative shares of positive opinions and relative shares of negative opinions, as there is one specification: the strong positive opinions and the strong negative opinions are given a coefficient of 1, and the more moderate positive and negative opinions - a coefficient of 0.5.

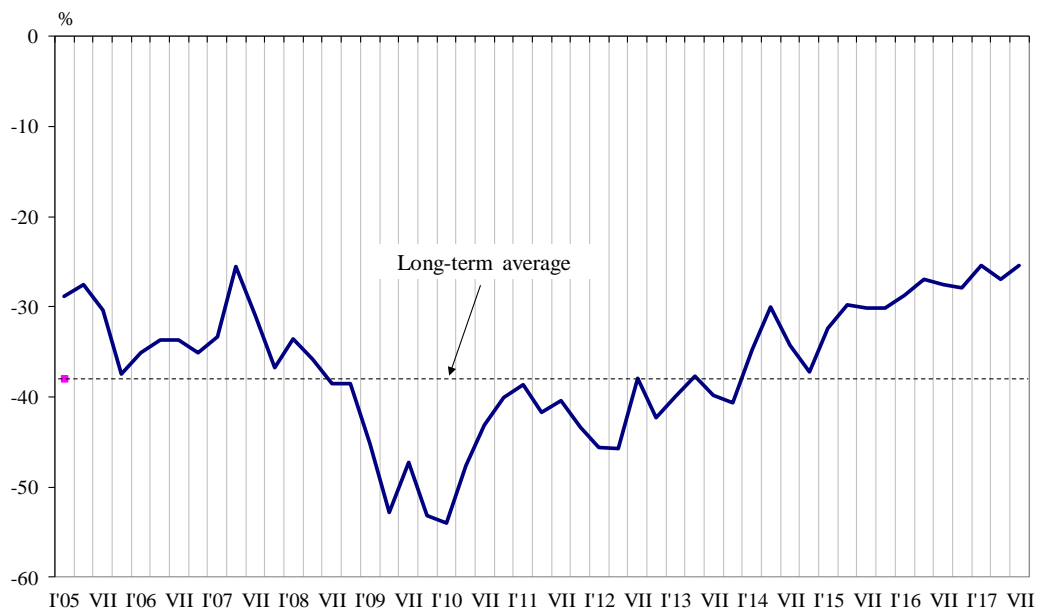
The survey results are used to capture the direction of change of surveyed variables incl. that of the consumer confidence level, which gives an opportunity to analyze the tendencies in the development of public opinions on significant economic phenomena.

**The consumer confidence indicator** is an arithmetic mean of the balances of the expectations about the development over the next 12 months of the financial situation of households, general economic situation, savings and unemployment, as the last is taken with a negative sign.

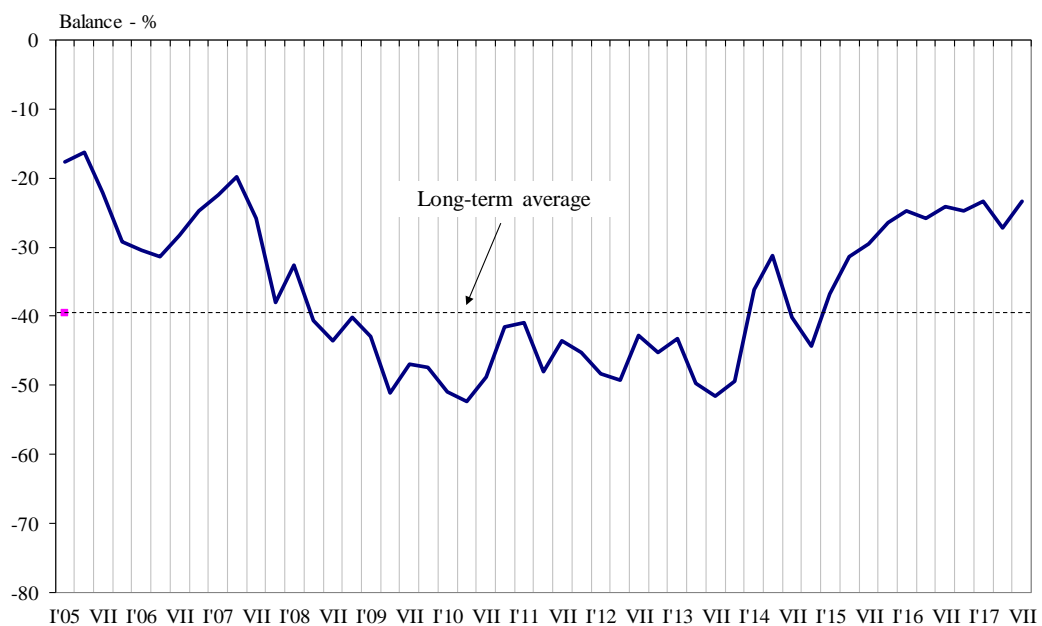


**Annex**

**Figure 1. Consumer confidence indicator**

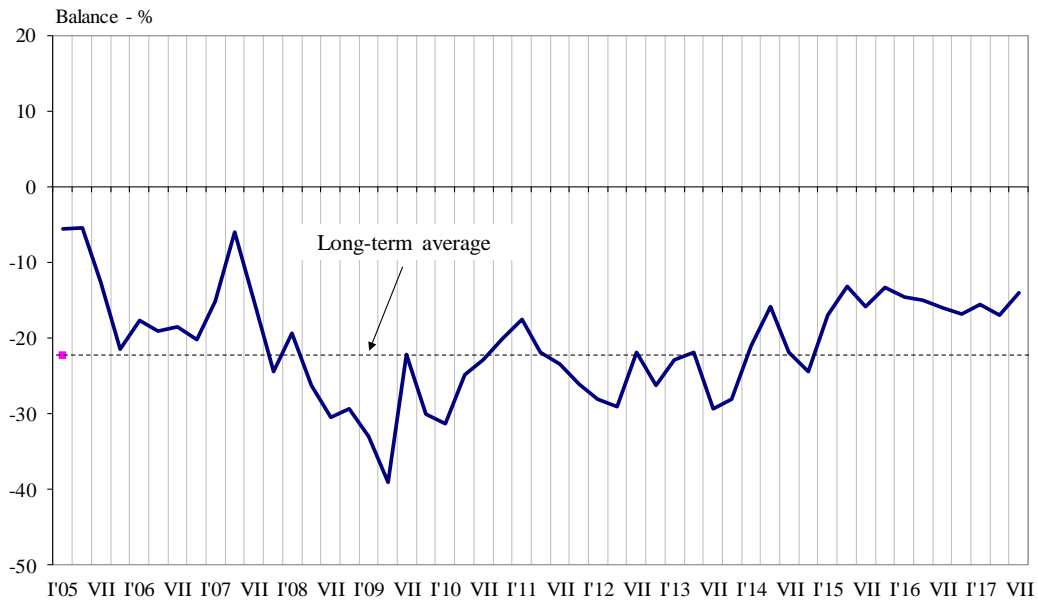


**Figure 2. Assessment of the general economic situation in the country over the last 12 months**

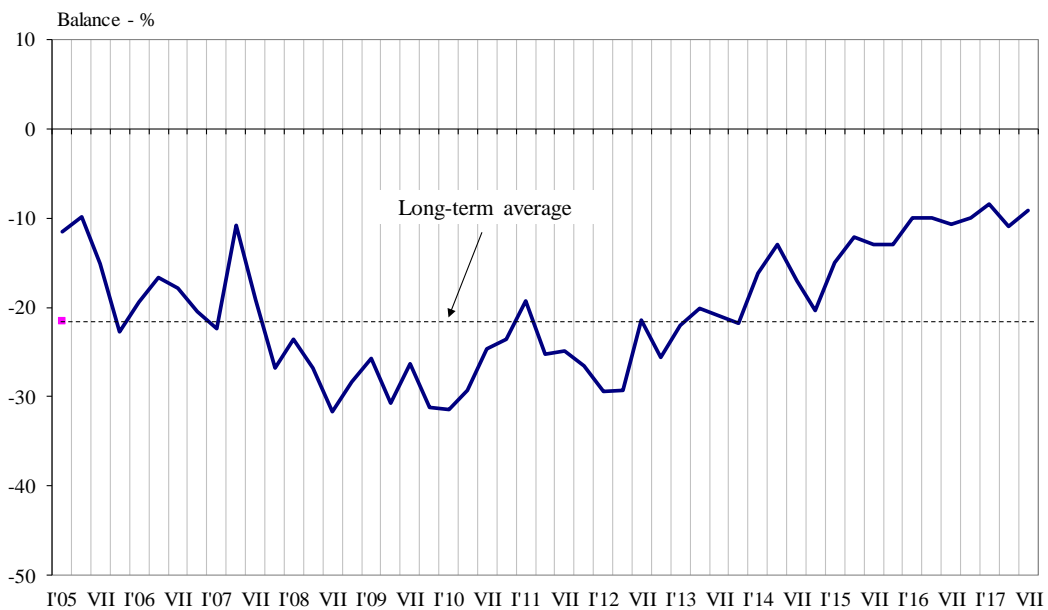




**Figure 3. Expectations about the general economic situation in the country over the next 12 months**

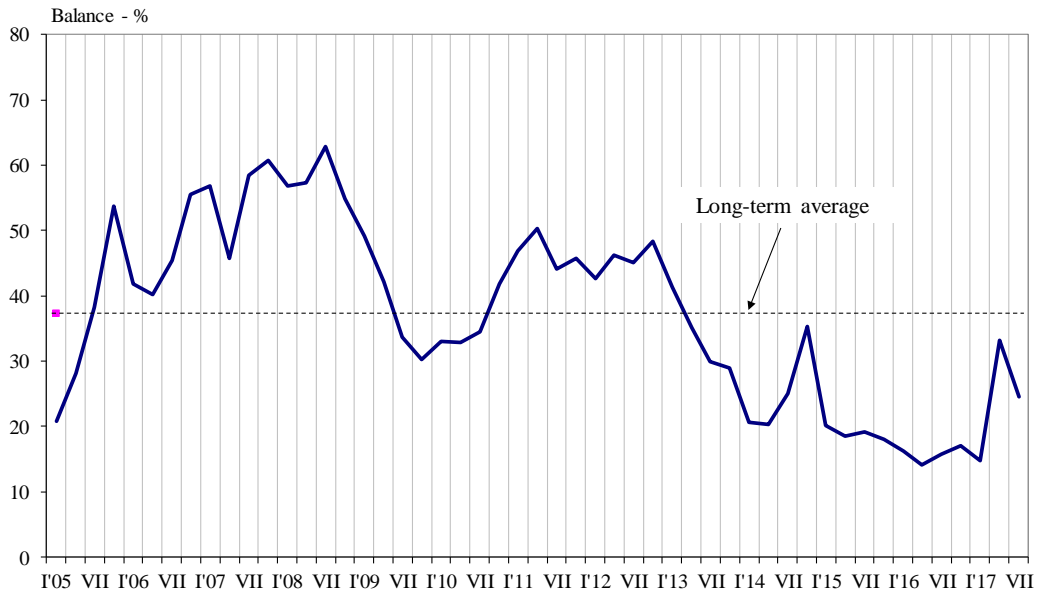


**Figure 4. Expectations about the financial situation of households over the next 12 months**

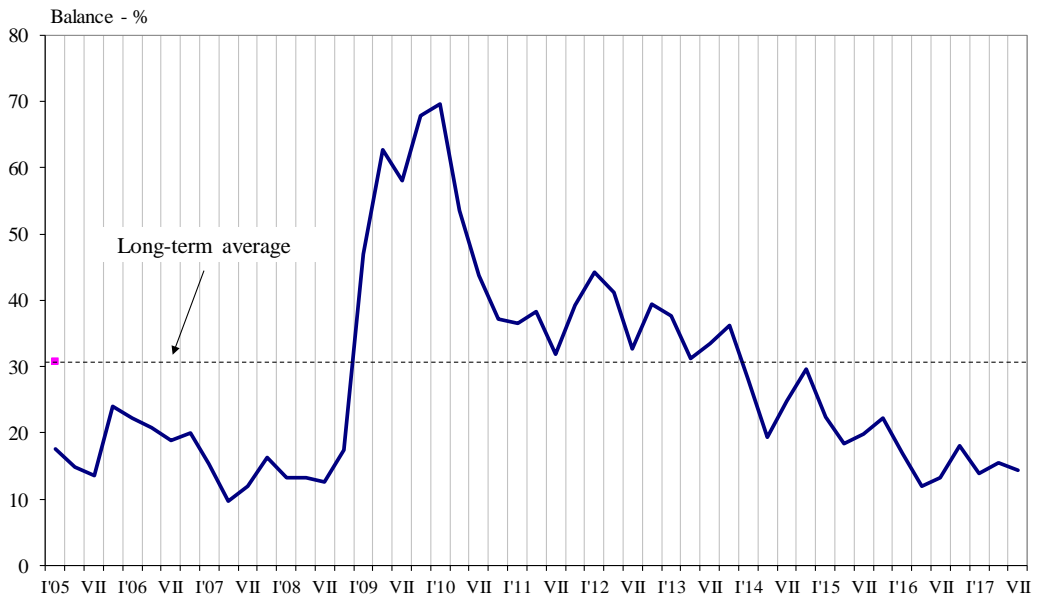




**Figure 5. Expectations about inflation over the next 12 months**

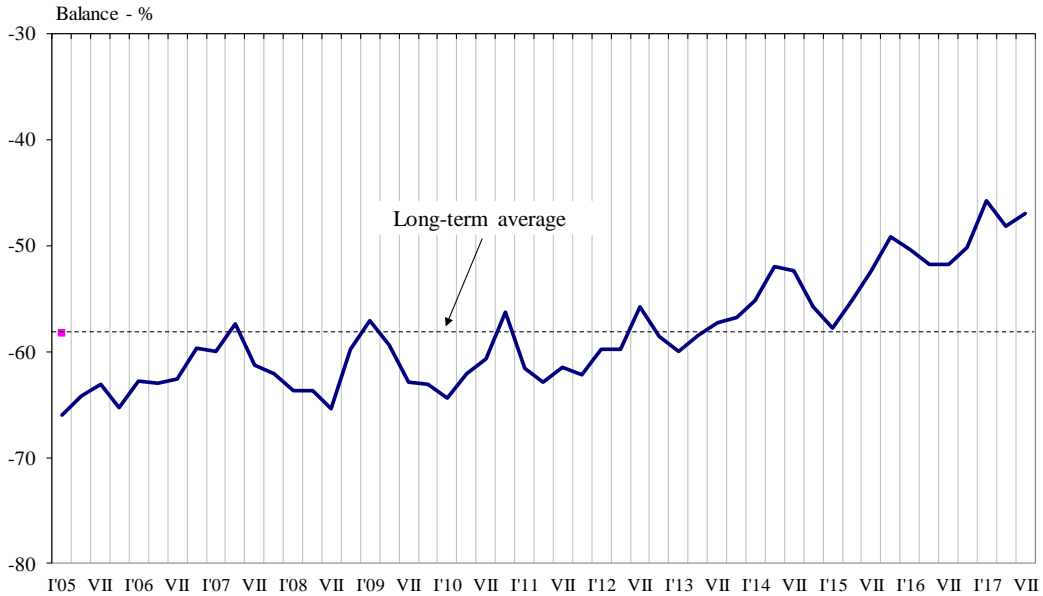


**Figure 6. Unemployment expectations over the next 12 months**





**Figure 7. Savings assessments general economic situation**



**Figure 8. Intentions of making major purchases of durable goods over the next 12 months**

