

Press release

6 February 2024

ECB Consumer Expectations Survey results – December 2023

Compared with November 2023:

- the survey covers five additional countries (Ireland, Greece, Austria, Portugal and Finland);
- median consumer inflation expectations for the next 12 months declined for the third consecutive month, while inflation expectations three years ahead edged up;
- expectations for nominal income growth over the next 12 months and expectations for nominal spending growth remained broadly stable;
- expectations for economic growth over the next 12 months remained unchanged, while the expected unemployment rate in 12 months' time decreased;
- expectations for growth in the price of homes over the next 12 months declined slightly, while expectations for mortgage interest rates 12 months ahead also declined.

The ECB Consumer Expectations Survey (CES) now covers five more countries (Ireland, Greece, Austria, Portugal and Finland). The total number of countries increased from 6 to 11, accounting for 96% of the euro area's GDP and 94% of its population. From now on, the CES will reflect the aggregate developments in the expanded composition. The comparison with earlier results in this press release is already based on the new country coverage. This is why some figures for November 2023 cited here do not coincide with those published in the previous CES press release in January 2024. All charts and tables included in the report refer to the new composition starting in April 2022.

Inflation

The median rate of perceived inflation over the previous 12 months decreased further to 6.9%, from 7.6% in November. Median expectations for inflation over the next 12 months also declined, to 3.2% from 3.5%, while those for inflation three years ahead increased slightly to 2.5% from 2.4%. Inflation expectations at the one-year horizon declined to their lowest level since February 2022, well below the

perceived past inflation rate. Uncertainty about inflation expectations over the next 12 months remained unchanged. Developments in inflation perceptions and expectations remained relatively closely aligned across income groups, albeit somewhat higher for the two lowest income quintiles. Younger respondents (aged 18-34) continued to report lower inflation perceptions and expectations than older respondents (those aged 35-54 and those aged 55-70). ([Inflation results](#))

Income and consumption

Consumer expectations for nominal income growth remained unchanged at 1.2%. Perceptions of nominal spending growth over the previous 12 months decreased further to 6.8% from 6.9% in November and 7% in October. Expectations for nominal spending growth over the next 12 months remained stable at 3.6%. ([Income and consumption results](#))

Labour market and economic growth

Economic growth expectations for the next 12 months remained unchanged at -1.3%. By contrast, expectations for the unemployment rate 12 months ahead decreased to 11.2%, from 11.4% in November. Consumers continued to expect the future unemployment rate to be slightly higher than the perceived current unemployment rate (10.8%), implying a broadly stable labour market. The lowest income quintile continued to report the highest expected and perceived unemployment rates. ([Labour market and economic growth results](#))

Housing and credit access

Consumers expected the price of their home to increase by 2.2% over the next 12 months, which was slightly lower than in November (2.4%). The difference in expectations for growth in housing prices across income groups continued widening, as households in the lowest income quintile expected 1.5 percentage point higher growth than those in the top income quintile. Expectations for mortgage interest rates 12 months ahead declined to 5.3%, from 5.5% in November, with the lowest income households expecting the highest mortgage interest rates. Perceived access to credit over the previous 12 months tightened compared with November, reaching a high, while access to credit was expected to become marginally easier over the next 12 months compared with November. ([Housing and credit access results](#))

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The monthly and quarterly microdata underlying the CES results for the fourth quarter of 2023 have just been published, together with this month's results, on our [Data and methodological information](#) webpage. This publication also includes microdata for the five new countries added to the euro area aggregates.

The release of the CES results for January is scheduled for 23 February 2024. From then onwards CES results will be released with a shorter publication lag, i.e. before the end of the month following the fieldwork.

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Notes

- Unless otherwise indicated, the statistics given in this press release refer to the 2% winsorised mean. For further details, see the [ECB Consumer Expectations Survey – Aggregate statistics guide](#) published on the [CES web page](#).
- The CES is a monthly online survey of, currently, around 19,000 adult consumers (i.e. aged 18 or over) from 11 euro area countries: Belgium, Germany, Ireland, Greece, Spain, France, Italy, the Netherlands, Austria, Portugal and Finland. The main aggregate results of the CES are published on the ECB's website every month. The results are used for policy analysis and complement other data sources used by the ECB.
- Further information about the survey and the data collected is available on the [CES web page](#). Detailed information can also be found in the following two publications: Bańkowska et al., "[ECB Consumer Expectations Survey: an overview and first evaluation](#)", *Occasional Paper Series*, No 287, ECB, Frankfurt am Main, December 2021; and Georgarakos, D. and Kenny, G., "[Household spending and fiscal support during the COVID-19 pandemic: Insights from a new consumer survey](#)", *Journal of Monetary Economics*, Vol. 129, Supplement, July 2022, pp. S1-S14.
- The survey results do not represent the views of the ECB's decision-making bodies or staff.

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