

Press release

4 April 2023

ECB Consumer Expectations Survey results – February 2023

Compared with January 2023:

- consumer inflation expectations declined further;
- expectations for nominal income growth over the next 12 months edged down slightly, while expectations for nominal spending growth edged up;
- expectations for economic growth over the next 12 months became less negative and expectations for the unemployment rate in 12 months' time decreased;
- consumers' expectations for growth in the price of their home over the next 12 months and for mortgage interest rates 12 months ahead increased slightly.

Inflation

The median rate of perceived inflation over the previous 12 months declined further to 8.7% in February 2023, from 9.5% in January. Median expectations for inflation over the next 12 months continued to decline, moving down from 4.9% in January to 4.6%. Expectations for inflation three years ahead edged down from 2.5% to 2.4%. Inflation expectations remained well below the perceived past inflation rate, particularly at the horizon of three years. Uncertainty about inflation expectations 12 months ahead was unchanged, remaining broadly in line with the elevated levels observed since March 2022. Inflation perceptions and expectations were closely aligned across income groups, but younger respondents (aged 18-34) continued to report lower inflation perceptions and expectations than older respondents (aged 55-70). ([Inflation results](#))

Income and consumption

Consumers expected their nominal income to grow by 1.2% over the next 12 months, down from 1.3% in January. The small decline reflects the lower expectations of consumers in households with median or below-median incomes. Perceptions of nominal spending growth over the previous 12 months rose to 6.6%, from 6.3% in January. Expectations for nominal spending growth over the next 12 months rose slightly to 3.9%, from 3.8% in January. This slight increase was mainly driven by older respondents (aged 55-70). ([Income and consumption results](#))

Labour market and economic growth

While still pointing to a contraction, economic growth expectations for the next 12 months continued to increase, rising to -0.9% from -1.2% in January 2023. In line with the higher expectations for economic growth, expectations for the unemployment rate 12 months ahead declined to 11.5%, compared with 11.6% in January. Consumers continued to expect the future unemployment rate to be higher than the perceived current unemployment rate (11.1%). The lowest income quintile reported the highest expected and perceived unemployment rates. ([Labour market and economic growth results](#))

Housing and credit access

Consumers expected growth in the price of their home over the next 12 months to increase slightly to 2.6%, compared with 2.5% in January. This increase mainly reflects higher expectations of respondents below the age of 55, while older respondents expected a further deceleration in the growth of the price of their home. Expectations for mortgage interest rates 12 months ahead rose slightly to 5.0%, standing 1.7 percentage points above the expectations recorded at the start of 2022. At the same time, perceived access to credit over the previous 12 months and expectations for access to credit over the next 12 months both improved slightly compared with January. ([Housing and credit access results](#))

The next release of the Consumer Expectations Survey results is scheduled for 11 May 2023.

For media queries, please contact Eszter Miltényi-Torstensson, **tel.: +49 69 1344 8034.**

Notes

- Unless otherwise indicated, the statistics given in this press release refer to the 2% winsorised mean. For further details, see the [aggregate statistics guide](#) published on the [Consumer Expectations Survey \(CES\) web page](#).
- The CES is a monthly online survey of currently around 14,000 adult consumers (i.e. aged 18 or over) from six euro area countries: Belgium, Germany, Spain, France, Italy and the Netherlands. 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: ECB (2021), "[ECB Consumer Expectations Survey: an overview and first evaluation](#)", *Occasional Paper Series*, No 287, Frankfurt am Main, December; and Georganakos, 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.

European Central Bank

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, email: media@ecb.europa.eu, website: www.ecb.europa.eu

Reproduction is permitted provided that the source is acknowledged.