

Press release

5 December 2023

ECB Consumer Expectations Survey results – October 2023

Compared with September 2023:

- median consumer inflation expectations for the next 12 months and for three years ahead remained unchanged;
- expectations for nominal income growth over the next 12 months and expectations for nominal spending growth decreased slightly;
- expectations for economic growth over the next 12 months became marginally more negative, while the expected unemployment rate in 12 months' time remained unchanged;
- expectations for growth in the price of homes over the next 12 months decreased, while expectations for mortgage interest rates 12 months ahead remained unchanged.

Inflation

The median rate of perceived inflation over the previous 12 months decreased to 7.8%, from 8.0% in September. Median expectations for inflation over the next 12 months remained unchanged at 4.0%, and those for inflation three years ahead also remained unchanged, at 2.5%. Inflation expectations, particularly at the three-year horizon, remained well below the perceived past inflation rate.

Uncertainty about inflation expectations over the next 12 months remained unchanged. The development of inflation perceptions and expectations remained closely aligned across income groups, although 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 over the next 12 months to grow by 1.1%, which was slightly lower than in September (1.2%). This decrease was driven by the expectations of consumers aged 18-34 and 35-54, while the expectations of older consumers (aged 55-70) increased slightly. Perceptions of nominal spending growth over the previous 12 months increased to 6.3%, from 6.2% in September. Expectations for nominal spending growth over the next 12 months decreased to 3.3%, from 3.4% in September. This decrease was driven solely by older respondents (aged 55-70), with expectations for nominal spending growth remaining stable among consumers aged 18-34 and those aged 35-54. ([Income and consumption results](#))

Labour market and economic growth

Economic growth expectations for the next 12 months were marginally more negative, standing at -1.3%, compared with -1.2% in September. Expectations for the unemployment rate 12 months ahead were unchanged at 11.4%. However, the perceived unemployment rate declined to 10.9%, from 11.1% in September. Quarterly data showed that respondents who were unemployed reported an increase in their expected probability of finding a job over the next three months, which rose to 27.7% in October, from 22.9% in July. By contrast, employed respondents reported that the expected probability of job loss over the next three months increased to 8.8% in October, from 8.2% in July. ([Labour market and economic growth results](#))

Housing and credit access

Consumers expected the price of their home to increase by 2.0% over the next 12 months, which was lower than in September (2.2%). Expectations for home price growth were higher for lower income groups: households in the lowest income quintile expected 1.0 percentage point higher home price growth than those in the top quintile. Expectations for mortgage interest rates 12 months ahead remained stable at 5.4%, their highest level since the start of the survey in April 2020. Perceived access to credit over the previous 12 months tightened once again compared with September, as did expectations for access to credit over the next 12 months, with both indicators reaching new highs since the start of the survey. At the same time, the share of consumers who reported having applied for credit during the past three months, which is measured on a quarterly basis, increased to 17.7% in October, from 14.8% in July, reaching its highest level since the survey started. This increase was broad-based across income and age groups, except for the group aged 55-70. ([Housing and credit access results](#))

The microdata underlying the aggregate results are available on the Consumer Expectations Survey (CES) web page in the [Data and methodological information](#) section.

The next release of CES results is scheduled for 16 January 2024.

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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 [aggregate statistics guide](#) published on the [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: 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.