

## Press release

23 February 2024

# ECB Consumer Expectations Survey results – January 2024

Compared with December 2023:

- median consumer inflation perceptions over the previous 12 months decreased further, while inflation expectations for the next 12 months edged up by 0.1 percentage points and remained unchanged for three years ahead;
- expectations for nominal income growth over the next 12 months remained stable, while expectations for nominal spending growth increased marginally;
- expectations for economic growth over the next 12 months became less negative, while the expected unemployment rate in 12 months' time decreased;
- expectations for growth in the price of homes over the next 12 months remained unchanged, while expectations for mortgage interest rates 12 months ahead declined.

## Inflation

The median rate of perceived inflation over the previous 12 months decreased further, for the fourth consecutive month, to 6.0%, from 6.9% in December. Median expectations for inflation over the next 12 months edged up to 3.3% from 3.2%, while those for inflation three years ahead remained unchanged at 2.5%. Inflation expectations at the one-year and three-year horizons remained 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 6.6% from 6.8% in December, their lowest level since October 2022. This decrease was observed across all age groups. Expectations for nominal spending growth over the next 12 months increased marginally to 3.7% from 3.6% in December. Once again, spending perceptions and expectations very closely followed the developments in inflation perceptions and expectations. ([Income and consumption results](#))

## Labour market and economic growth

Economic growth expectations for the next 12 months were less negative, standing at -1.1%, compared with -1.3% in December. Expectations for the unemployment rate 12 months ahead decreased to 10.9%, from 11.2% in December. Consumers continued to expect the future unemployment rate to be slightly higher than the perceived current unemployment rate (10.6%), implying a broadly stable labour market. However, quarterly data show that unemployed respondents reported an increase in their expected probability of finding a job over the next three months, which rose to 30.5% in January 2024, from 27.6% in October 2023. Employed respondents also reported that the expected probability of job loss over the next three months decreased to 8.0% in January, from 9.0% in October. ([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 unchanged from December. Households in the lowest income quintile still expected 1.0 percentage point higher growth in house prices than those in the top income quintile. Expectations for mortgage interest rates 12 months ahead declined further to 5.1%, from 5.3% in December. As in previous months, the lowest income households expected the highest mortgage interest rates. Perceived access to credit over the previous 12 months eased slightly compared with December, and access to credit was expected to become easier over the next 12 months compared with December. 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, declined to 16.8% in January, from 17.3% in October. ([Housing and credit access results](#))

The release of the CES results for February is scheduled for 2 April 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 [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.