

Press release

7 February 2023

ECB Consumer Expectations Survey results – December 2022

Compared with November:

- consumer expectations for inflation 12 months ahead remained unchanged, while expectations for inflation three years ahead edged up;
- expectations for nominal income growth over the next 12 months increased, while expectations for nominal spending growth decreased slightly;
- expectations for economic growth over the next 12 months increased, whereas they decreased for the unemployment rate in 12 months' time;
- consumer expectations for growth in the price of their home over the next 12 months and expectations for mortgage interest rates 12 months ahead remained broadly unchanged.

Inflation

The median rate of perceived inflation over the previous 12 months stood at 9.9% for the third consecutive month. Inflation expectations remained well below the perceived past inflation rate, particularly at the medium-term horizon of three years. Median expectations for inflation over the next 12 months were unchanged at 5.0%, while median expectations for inflation three years ahead edged up from 2.9% to 3.0%, reversing their previous decline. Uncertainty about inflation expectations 12 months ahead eased somewhat compared with the levels observed since mid-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 1.0% over the next 12 months, up from 0.9% in November. Perceptions of nominal spending growth over the previous 12 months also edged up to 6.4%. Expectations for nominal spending growth over the next 12 months declined further, edging down from 4.3% to 4.2%. Expectations for nominal spending remained broadly aligned across income groups, with younger respondents (aged 18-34) still reporting lower expectations for nominal spending than older respondents (aged 55-70). ([Income and consumption results](#))

Labour market and economic growth

Economic growth expectations for the next 12 months continued to increase noticeably, moving up from -2.0% in November to -1.5%. In line with the higher expectations for economic growth, expectations for the unemployment rate 12 months ahead declined markedly to 11.9%, compared with 12.4% in November. Consumers continued to expect the future unemployment rate to be higher than the perceived current unemployment rate (11.6%). The lowest income quintile reported the highest expected and perceived unemployment rates. ([Labour market and economic growth results](#))

Housing and credit access

Consumers expected the growth in the price of their home over the next 12 months to continue to hover around 3.0%. Expectations for mortgage interest rates 12 months ahead remained stable at 4.8%, 1.5 percentage points higher than at the beginning of 2022. Following the loosening reported in November, perceived access to credit over the previous 12 months and expectations for access to credit over the next 12 months remained unchanged overall. ([Housing and credit access results](#))

The monthly and quarterly microdata underlying the Consumer Expectations Survey results for the fourth quarter of 2022 have just been published with this month's results on our [Data and methodological information](#) webpage.

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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 webpage](#).
- The Consumer Expectations Survey (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 webpage](#). 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.

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