

Press release

Embargo date: February 9, 2018 – 10:00 AM (GMT)

February 9, 2018

Rolf Bürkl
T +49 911 395 3056
rolf.buerkl@gfk.com

Stefan Gerhardt
Public Relations
T +49 911 395 4440
press@gfk.com

Good consumer climate: GfK predicts significant increase in private consumer spending in Europe

Findings of GfK Consumer Climate Europe study for Q4 2017

Nuremberg, February 9, 2018 – At the end of 2017, consumer confidence in Europe continued to increase slightly. In December, the GfK Consumer Climate Index for the EU 28 reached 21.1 points, the highest value in ten years and up from 20.9 points at the end of the third quarter 2017. For 2018, GfK predicts an increase in private household consumer spending in the European Union of between 1.5 and 2 percent in real terms.

European consumers consider the economy to be on the rise. Economic expectations in December 2017 increased to 17 points on average for all EU countries – a clear increase of 5 points compared to September. France, Germany and Austria showed significant gains. In Romania, on the other hand, consumer confidence in economic growth plummeted against a backdrop of the ongoing government crisis.

These positive consumer evaluations correspond to [data from the European Commission](#), which anticipates an increase in the gross domestic product of EU countries of 2.3 percent.

Income expectations were, on average, stepped up by 2 points in Europe from September to December 2017, reaching 15 points. Higher wage expectations had particularly positive growth in Austria and Slovenia, while Romania again showed the biggest losses here. The propensity to buy improved by 1 point compared to September, closing at 21 points in December, with Poland and Austria recorded the biggest increases.

GfK consumer expert Rolf Bürkl comments, “For the full year of 2017, confidence in economic growth in Europe has risen significantly. Because of this upswing, people are also hoping for increased wages. Income expectations are positive across wide parts of Europe, but are only slightly higher compared to 2016. The same applies to the propensity to buy.

Based on all factors, GfK predicts an increase in private household

GfK SE
Nordwestring 101
90419 Nuremberg
Germany

T +49 911 395 0

Management Board:
Peter Feld (CEO)
Christian Bigatà Joseph (CFO)

Supervisory Board Chairman:
Ralf Klein-Bölting

Commercial register:
Nuremberg HRB 25014

consumer spending in the European Union from 1.5 to 2 percent in real terms for 2018. The European economy will therefore continue to be supported by private consumption.”

United Kingdom: Economic and income expectations show some improvement but propensity to buy falls

By the end of 2017, British economic expectations improved slightly, reaching -18.6 points in December. This is an increase of 4.9 points compared to September, but still seven points lower than in December 2016 (-11.6 points).

Income expectations in the UK reached a total of 4.7 points in December 2017 and therefore moved into positive territory after seeing an annual low of -2 points in June. Nevertheless, the indicator remains 2.8 points lower compared to December 2016.

British propensity to buy, however, has shown a downturn. In December 2017, it reached an annual low of -6.9 points, compared to the highest value of 8.7 points reached in May last year and also significantly lower than in December 2016 (15.5 points). Looking at the rest of Europe, the only other country with negative propensity to buy at the end of 2017 was Greece.

About GfK

GfK connects data and science. Innovative research solutions provide answers for key business questions around consumers, markets, brands and media – now and in the future. As a research and analytics partner, GfK promises its clients all over the world “Growth from Knowledge”. For more information, please visit www.gfk.com or follow GfK on Twitter: <https://twitter.com/GfK>.