

Press release

16 January 2024

ECB Consumer Expectations Survey results – November 2023

Compared with October 2023:

- median consumer inflation expectations for the next 12 months and for three years ahead declined noticeably;
- expectations for nominal income growth over the next 12 months increased slightly, while expectations for nominal spending growth decreased further;
- expectations for economic growth over the next 12 months became slightly 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 increased slightly, while expectations for mortgage interest rates 12 months ahead decreased slightly.

Inflation

The median rate of perceived inflation over the previous 12 months decreased noticeably to 7.0%, from 7.8% in October. Median expectations for inflation over the next 12 months also declined, to 3.2% from 4.0%, as did those for inflation three years ahead – to 2.2% from 2.5%. Inflation expectations, both at the one-year and three-year horizons, declined to their lowest levels since February 2022, well below the perceived past inflation rate. Uncertainty about inflation expectations over the next 12 months declined slightly. Developments in 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 1.2%, which was a slightly higher rate than in October (1.1%). This increase was driven by the expectations of consumers aged 35-54, while the expectations of younger consumers (aged 18-34) remained stable and those of older consumers (aged 55-70) decreased slightly. Perceptions of nominal spending growth over the previous 12 months remained stable at 6.3%. Expectations for nominal spending growth over the next 12 months decreased further to 3.2%, from 3.3% in October and 3.4% in September. This decrease was broad-based across income quintiles and age groups. ([Income and consumption results](#))

Labour market and economic growth

Economic growth expectations for the next 12 months were marginally less negative, standing at -1.2%, compared with -1.3% in October. Expectations for the unemployment rate 12 months ahead decreased to 11.1%, from 11.4% in October. Consumers continued to expect the future unemployment rate to be only slightly higher than the perceived current unemployment rate (10.7%), implying a broadly stable labour market. The lowest income quintile continued to report the highest expected and perceived unemployment rates. ([Labour market and economic growth results](#))

Housing and credit access

Consumers expected the price of their home to increase by 2.1% over the next 12 months, which was slightly higher than in October (2.0%). As in previous months, expectations for growth in housing prices were higher for lower income groups: households in the lowest income quintile expected 1.2 percentage point higher growth than those in the top income quintile. Expectations for mortgage interest rates 12 months ahead declined slightly to 5.3%, from 5.4% in October, with lowest income households expecting the highest mortgage interest rates. Perceived access to credit over the previous 12 months had eased slightly from its peak in October, and access to credit was expected to become slightly easier over the next 12 months also from the October peak. ([Housing and credit access results](#))

The next release of CES results is scheduled for 6 February 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 – Guide to the computation of aggregate statistics](#) 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.

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