

## Press release

8 August 2023

# ECB Consumer Expectations Survey results – June 2023

Compared with May 2023:

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

### Inflation

The median rate of perceived inflation over the previous 12 months was unchanged at 8.0%. However, median expectations for inflation over the next 12 months decreased further to 3.4%, from 3.9% in May, and those for inflation three years ahead also declined, easing to 2.3% from 2.5% in May. Having fallen in the previous two months, uncertainty about inflation expectations over the next 12 months was unchanged. Inflation expectations remained well below the perceived past inflation rate, particularly at the three-year horizon. 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 increase by 1.2%, as in May. Perceptions of nominal spending growth over the previous 12 months decreased further to 6.7%, from 6.8% in May. Expectations for nominal spending growth over the next 12 months also decreased further to 3.4%, from 3.5% in May, their lowest level since March 2022. The drop in expectations for nominal spending growth was observed among both younger (aged 18-24) and older (aged 55-70) respondents. ([Income and consumption results](#))

## Labour market and economic growth

Economic growth expectations for the next 12 months were slightly less negative, standing at -0.6%, compared with -0.7% in May. Expectations for the unemployment rate 12 months ahead were unchanged at 11.0%. Consumers continued to expect the future unemployment rate to be only slightly higher than the perceived current unemployment rate (10.9%), implying a broadly stable labour market. Compared with March 2023, expectations for economic growth were 0.4 percentage points less negative and expectations for the unemployment rate 0.7 percentage points lower, reflecting more positive sentiment about the expected economic outlook. ([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, stabilising at a two-year low. Expectations for mortgage interest rates 12 months ahead decreased slightly to 5.0%, from 5.1% in May. This decline was mainly driven by the expectations of medium and high-income groups, while the expectations of the two lower income quantiles were unchanged. Perceived access to credit over the previous 12 months again eased slightly, as in May, while expectations for access to credit over the next 12 months were broadly unchanged. ([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 the CES results is scheduled for 5 September 2023.

**For media queries, please contact Simon Spornberger, tel.: +49 151 1566 1448.**

### European Central Bank

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, email: [media@ecb.europa.eu](mailto:media@ecb.europa.eu), website: [www.ecb.europa.eu](http://www.ecb.europa.eu)

## 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: "[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.

## European Central Bank

Directorate General Communications

Sonnemannstrasse 20, 60314 Frankfurt am Main, Germany

Tel.: +49 69 1344 7455, email: [media@ecb.europa.eu](mailto:media@ecb.europa.eu), website: [www.ecb.europa.eu](http://www.ecb.europa.eu)

Reproduction is permitted provided that the source is acknowledged.