

CONSUMER CREDIT INDEX

KKI II/2017

Forecast for Private Borrowing in Germany 2017/ 2018

GfK SE, Shopper
on behalf of Bankenfachverband e.V.



-
- 1.** The Consumer Credit Index of the Bankenfachverband
(Page 3)

 - 2.** Detailed outlook for the use of consumer credit in Germany in 2017/2018
(Page 7)

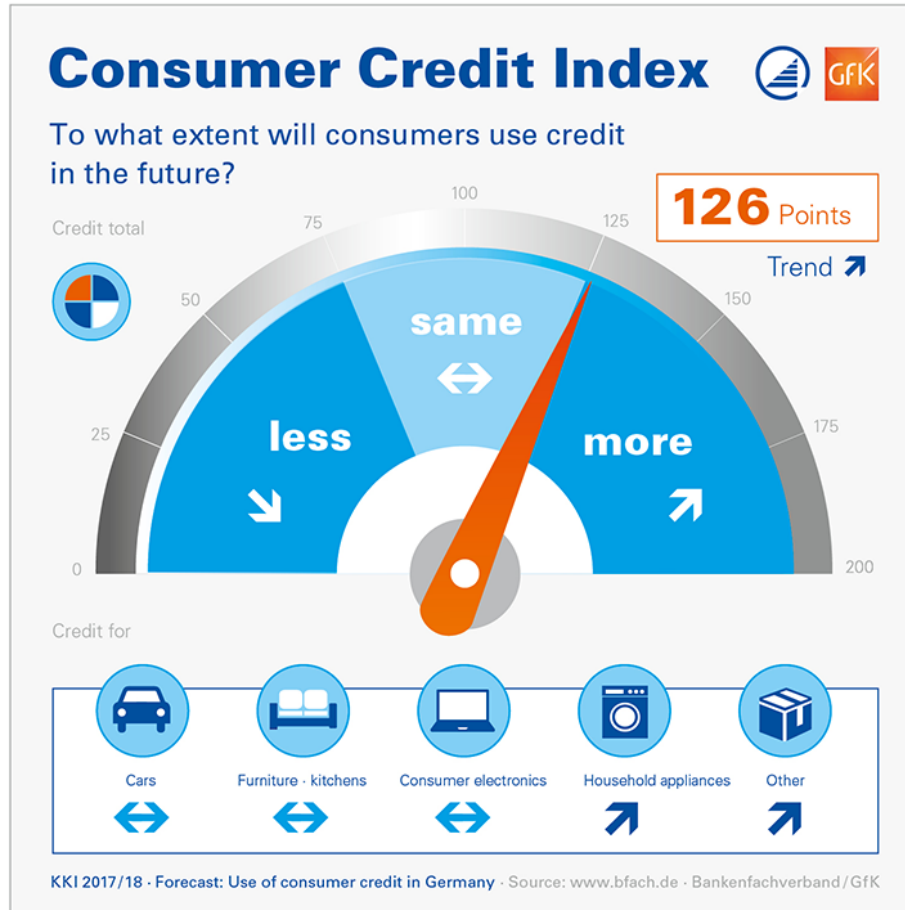
 - 3.** Methodology
(Page 15)
-

The Consumer Credit Index of the Bankenfachverband

The Consumer Credit Index of the Bankenfachverband



Trend 2017/2018



The consumer credit index for 2017/2018 is showing a slight upward trend at **126 points**.

Consumers will be using somewhat more credit overall to finance purchases in the next 12 months.

The use of credit for large household appliances will increase significantly. However, the demand for credit for furniture and kitchens, consumer electronics and cars will be at a similar level as in the last 12 months.

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The Consumer Credit Index of the Bankenfachverband



About the study

 METHOD	Survey, supporting study: GfK Financial Market Panel (written survey, in parts online)
 SURVEY PERIOD	02. July 2017 to 31. July 2017
 TARGET GROUP	A representative selection of people between the ages of 18 and 69, chosen according to age, profession, the size of city where they live, and federal state
 SAMPLE	n=1.824 interviews; results were weighted according to age, profession, income, child status and size of location.
 FREQUENCY OF THE STUDY	Twice a year (spring and autumn)
 SURVEYED AREA	Federal Republic of Germany

The Consumer Credit Index of the Bankenfachverband

Overview

The consumer credit index measures the willingness of private individuals in Germany to make purchases in the next 12 months and to finance these using credit.

The following purchase categories are used to calculate the consumer credit index (Total 



Cars



Consumer electronics



Furniture, kitchen



Other



Household appliances

Description and interpretation of the consumer credit index:



- Values **below 75** indicate a **decline** in the use of credit
- Values **between 75 and 125** indicate a **stable** use of credit
- Values **above 125** indicate a **rise** in the use of credit

Detailed outlook for the use of consumer credit in Germany in 2017/2018

Consumer Credit Index 2017/2018

To what extent will consumers be using credit in the future?



The consumer credit index for 2017/2018 shows a slightly positive trend at **126 points**.

Consumers will be using somewhat more credit overall to finance purchases in the next 12 months.

Loans for household appliances and other purchases will increase significantly as a result.

Consumer Credit Index - Total

Trend 2017/2018



Total

Consumer Credit Index



The consumer credit index for 2017/2018 shows a slightly positive trend at **126 points**.

This development is primarily supported by a higher willingness to use credit.

Annual comparison	2017/ 2018	2016/ 2017
Consumer Credit Index	126	111
Purchase planning	99	94
Financing planning	128	118



Purchase planning



Financing planning



If both fractional values are positive or negative, this results in a greater change in the Consumer Credit Index.

Credit Index for cars

Trend 2017/2018

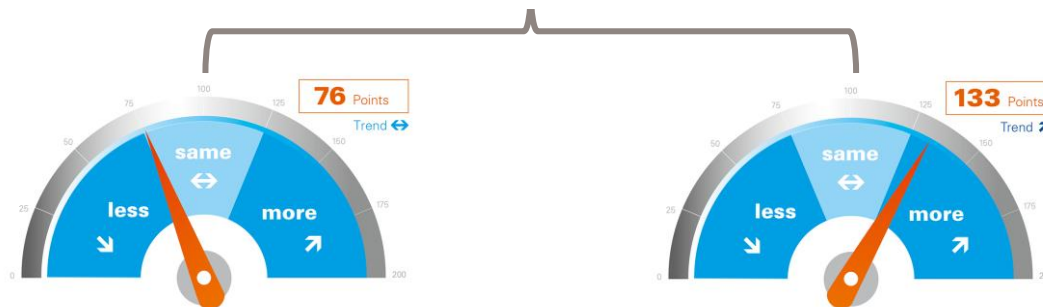


Credit Index for cars



The credit index for cars is stable at a value of **102 points**.

While consumers are generally more open to the use of credit in this area, given the lower level of intended car purchases, only a constant use of car loans can be expected.



Purchase planning

Financing planning

Annual comparison	2017/ 2018	2016/ 2017
Credit Index for cars	102	96
Purchase planning	76	74
Financing planning	133	120



If both fractional values are positive or negative, this results in a greater change in the Consumer Credit Index.

Credit Index for furniture and kitchen

Trend 2017/2018

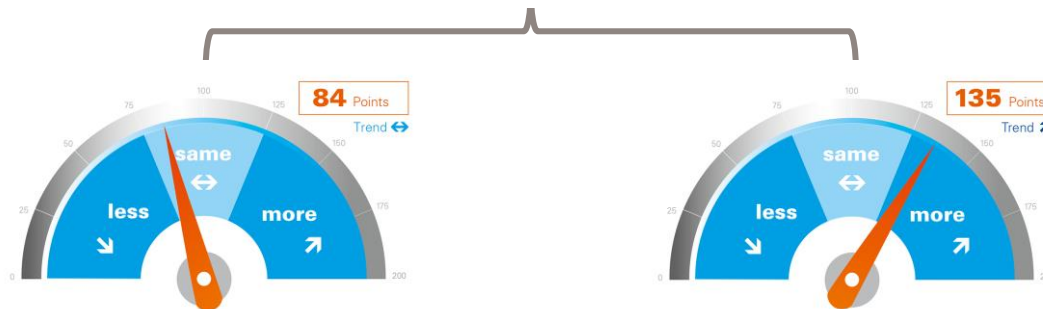


Credit Index for furniture and kitchen



The credit index for furniture and kitchens is stable at a value of **114 points**.

While consumers are generally more open to the use of credit in this area, given the lower level of intended purchases, only a constant use of loans for furniture and kitchens can be expected.



Purchase planning

Financing planning

Annual comparison	2017/ 2018	2016/ 2017
Credit Index for furniture and kitchen	114	126
Purchase planning	84	83
Financing planning	135	152



If both fractional values are positive or negative, this results in a greater change in the Consumer Credit Index.

Credit Index for consumer electronics

Trend 2017/2018

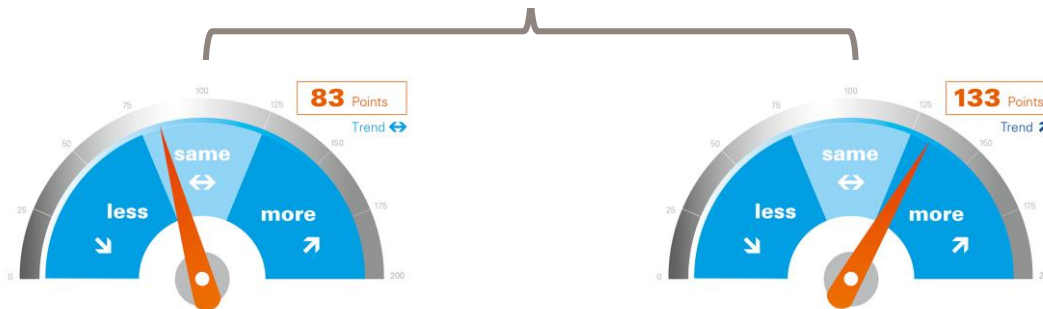


Credit Index for consumer electronics



The credit index for consumer electronics is stable at a value of **111 points**.

While consumers are generally more open to the use of credit in this area, given the lower level of intended purchases, only a constant use of loans for consumer electronics can be expected.



Purchase planning

Financing planning

Annual comparison	2017/ 2018	2016/ 2017
Credit Index for consumer electronics	111	108
Purchase planning	83	69
Financing planning	133	156



If both fractional values are positive or negative, this results in a greater change in the Consumer Credit Index.

Credit Index for household appliances

Trend 2017/2018

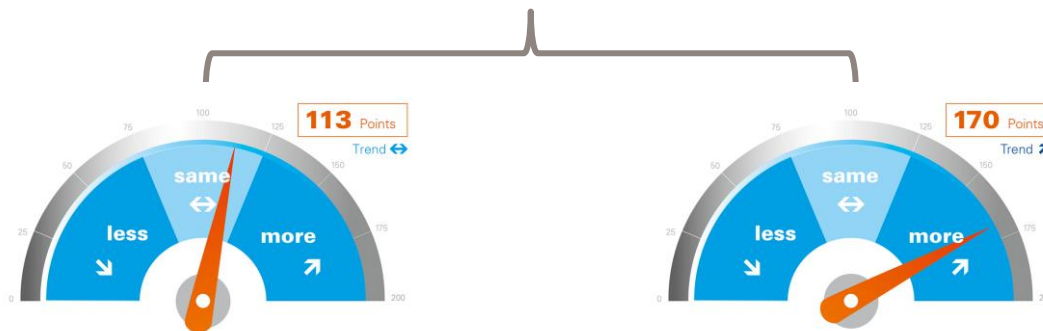


Credit Index for household appliances



The credit index for household appliances is on a significant rise at a value of **193 points**.

This trend is supported by a stability in intended purchases in combination with a higher willingness to use credit in this segment.



Purchase planning

Financing planning

Annual comparison	2017/ 2018	2016/ 2017
Credit Index for household appliances	193 !	72
Purchase planning	113	95
Financing planning	170 !	76



If both fractional values are positive or negative, this results in a greater change in the Consumer Credit Index.

Credit Index for other

Trend 2017/2018



Credit Index for other purchases



The credit index for other purchases is on the rise at a value of **126 points**.

This trend is supported by a stability in intended purchases and willingness to use credit in this segment.

Annual comparison	2017/2018	2016/2017
Credit Index for other	126	116
Purchase planning	110	120
Financing planning	114	110

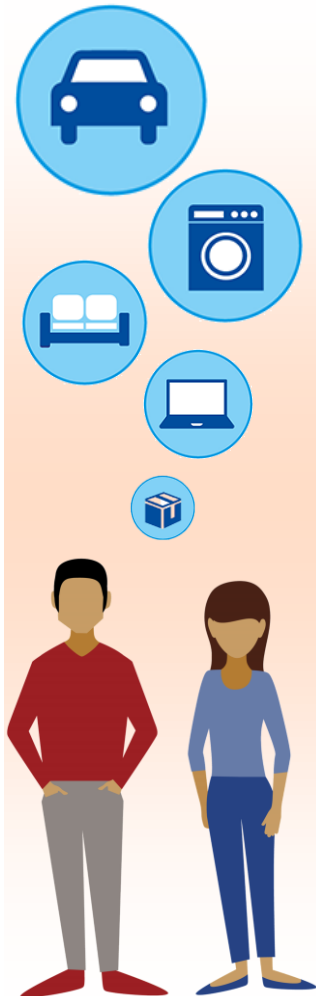


If both fractional values are positive or negative, this results in a greater change in the Consumer Credit Index.

Methodology

Consumer Credit Index

Basis of calculation





The Consumer Credit Index is based on the results of several studies:

1. Forecast for private borrowing in Germany I/2017
2. Forecast for private borrowing in Germany II/2017 (current survey)

Hence, the Consumer Credit Index is based not only on current actual and planned values, but also on past actual and planned values.

The consumer credit index takes the following categories into account:

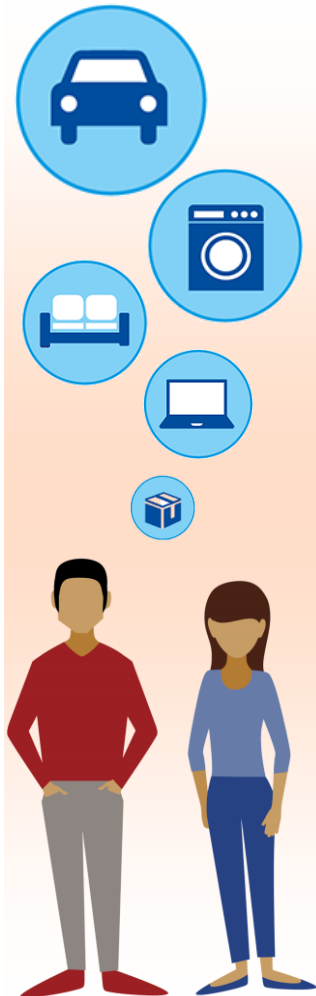
- | | |
|--|--|
|  Cars |  Consumer electronics |
|  Furniture, kitchen |  Other |
|  Household appliances | |

Specifically, the following parameters from the two surveys were taken into consideration for the subsequent calculation:

1. Purchases made and planned in advance in the past 12 months
2. Credit financing used for purchases made and planned in advance in the last 12 months
3. Planned purchases in the next 12 months
4. Credit financing planned in the next 12 months

Consumer Credit Index

Basis of calculation



The consumer credit index shows what changes should be expected regarding financing in each individual category.

It consists of a combination of two values:

- **Purchase planning**
(the intention to make purchases)
- **Financing planning**
(the intention to finance intended purchases using credit)

Interpretation of the index value:



- Values **below 75** indicate a **decline** in the use of credit
- Values between **75 and 125** indicate a **stable** use of credit
- Values **above 125** indicate a **rise** in the use of credit

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