

CONSUMER CREDIT INDEX 2018/2019

Forecast for Private Borrowing in Germany 2018/2019

GfK SE, Consumer Panels
on behalf of Bankenfachverband e.V.





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The Consumer Credit Index of the Bankenfachverband

The Consumer Credit Index of the Bankenfachverband

Trend 2018/2019



The consumer credit index for 2018/2019 is stable at a value of **118 points**.

In total, consumers will take out about as many loans to finance purchases over the next 12 months as over the last 12 months.

The use of credit for consumer electronics will rise. The demand for credit to buy cars as well as furniture and kitchens will remain at a level similar to that of the last 12 months. By contrast, the use of credit for large household appliances will decrease.

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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	9 July 2018 to 29 July 2018
 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=1.830 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, kitchens



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 2018/2019

Consumer Credit Index 2018/2019

To what extent will consumers use credit in the future?



The consumer credit index for 2018/2019 is stable at a value of **118 points**.

In total, consumers will take out about as many loans to finance purchases over the next 12 months as over the last 12 months.

Loans for consumer electronics will grow significantly. There will be a significant decline in loans for large household appliances.

Consumer Credit Index - Total

Trend 2018/2019

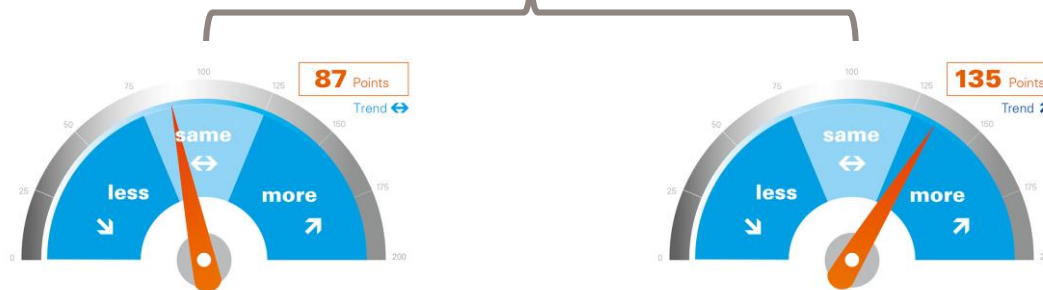


Consumer Credit Index



The consumer credit index for 2018/2019 is stable at a value of **118 points**.

The greater willingness to take out loans will be offset by a stable purchase planning.



Purchase planning

Financing planning

Annual comparison	2018/2019	2017/2018
Consumer Credit Index	118	126
Purchase planning	87	99
Financing planning	135	128



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

Credit Index for cars

Trend 2018/2019

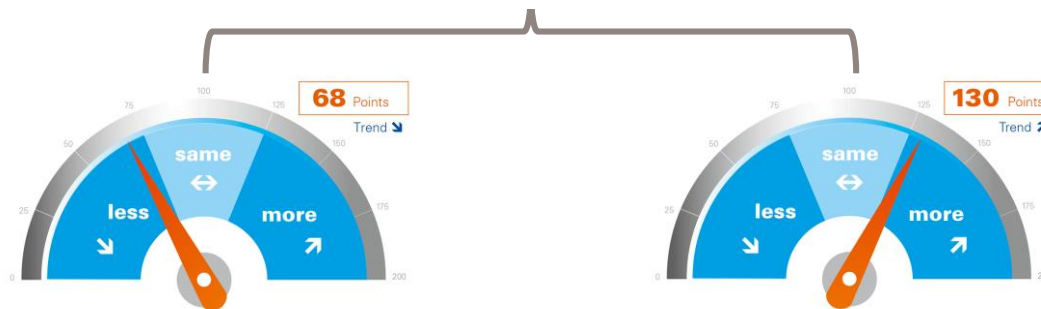


Credit Index for cars



The credit index for cars is stable at a value of **88 points**.

While consumers are generally more open to the use of credit in this area, given the lower level of purchase planning, only a constant use of loans for cars can be expected.



Purchase planning

Financing planning

Annual comparison	2018/ 2019	2017/ 2018
Credit Index for cars	88	102
Purchase planning	68	76
Financing planning	130	133



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

Credit Index for furniture and kitchens

Trend 2018/2019

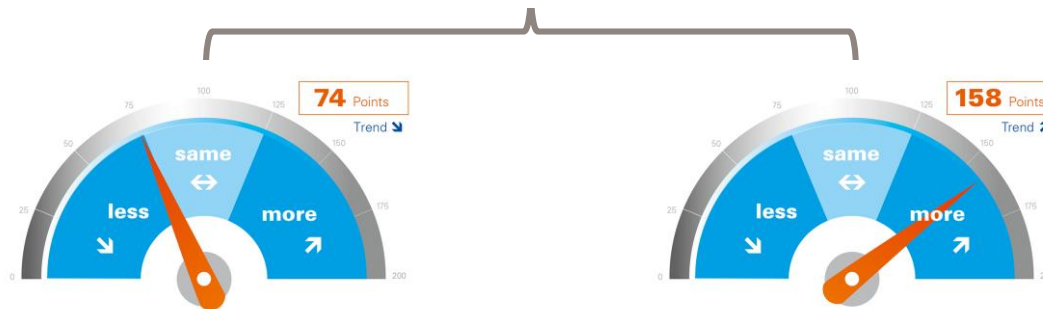


Credit Index for furniture and kitchens



The credit index for furniture and kitchens is stable at a value of **117 points**.

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



Purchase planning

Financing planning

Annual comparison	2018/ 2019	2017/ 2018
Credit Index for furniture and kitchens	117	114
Purchase planning	74	84
Financing planning	158	135



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 2018/2019

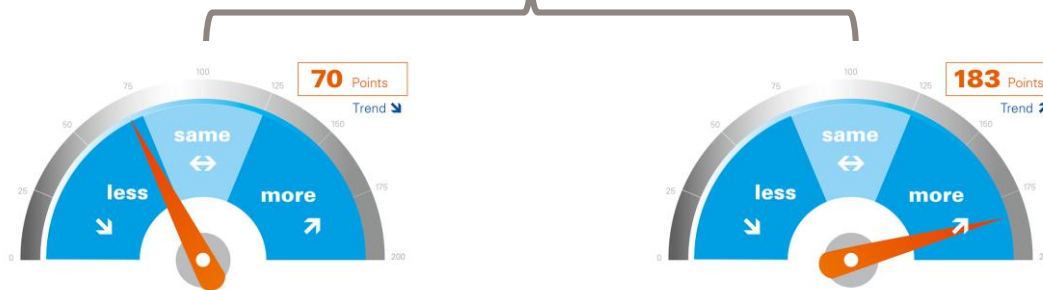


Credit Index for consumer electronics



The credit index for consumer electronics is rising at a value of **128 points**.

This trend is supported by a strong rise in the willingness to use credit in this segment, which will offset the sinking purchase planning.



Purchase planning

Financing planning

Annual comparison	2018/ 2019	2017/ 2018
Credit Index for consumer electronics	128	111
Purchase planning	70	83
Financing planning	183 !	133



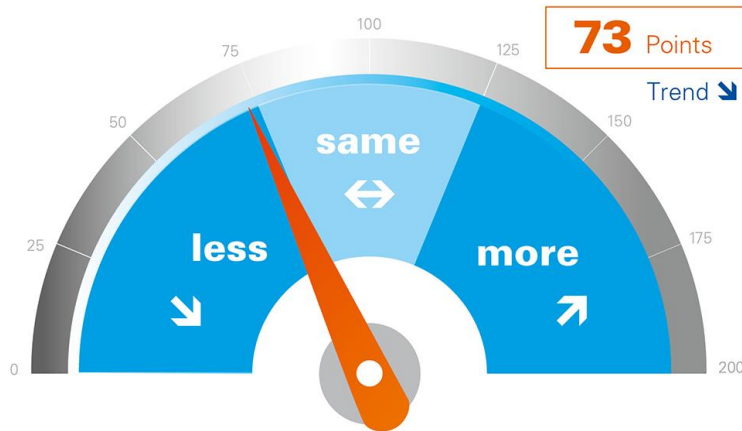
If both fractional values are positive or negative, this results in a greater change in the Consumer Credit Index.

Credit Index for household appliances

Trend 2018/2019

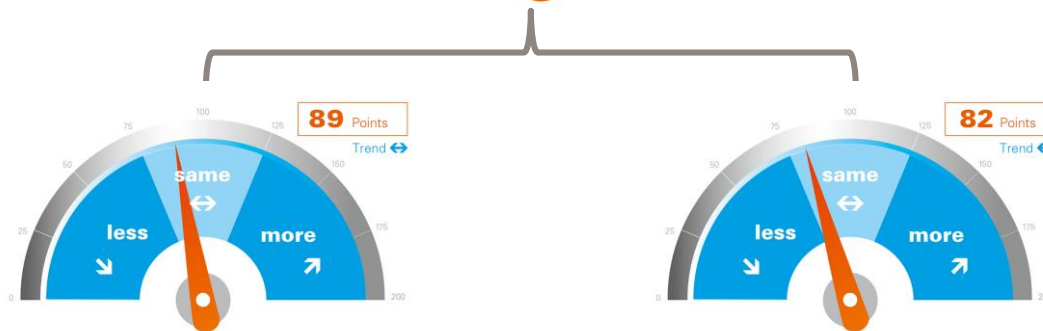


Credit Index for household appliances



The credit index for large household appliances is falling at a value of **73 points**.

This trend is a result of the fact that both purchase planning and financing planning are stable, though they exhibit a slight downward trend.



Purchase planning

Financing planning

Annual comparison	2018/ 2019	2017/ 2018
Credit Index for household appliances	73 !	193
Purchase planning	89	113
Financing planning	82 !	170



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

Credit Index for other

Trend 2018/2019

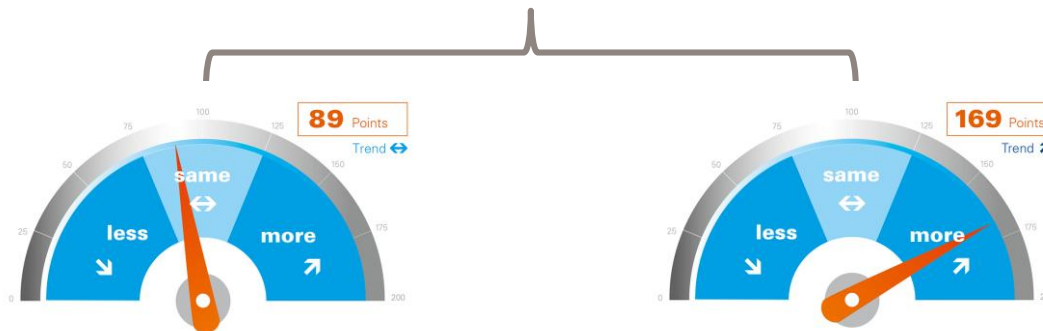


Credit Index for other



The credit index for other purchases is on the rise at a value of **149 points**.

This trend is supported by a stable purchase planning and a strongly increasing willingness to use credit in this segment.



Purchase planning

Financing planning

Annual comparison	2018/ 2019	2017/ 2018
Credit Index for other	149	126
Purchase planning	89	110
Financing planning	169 !	114

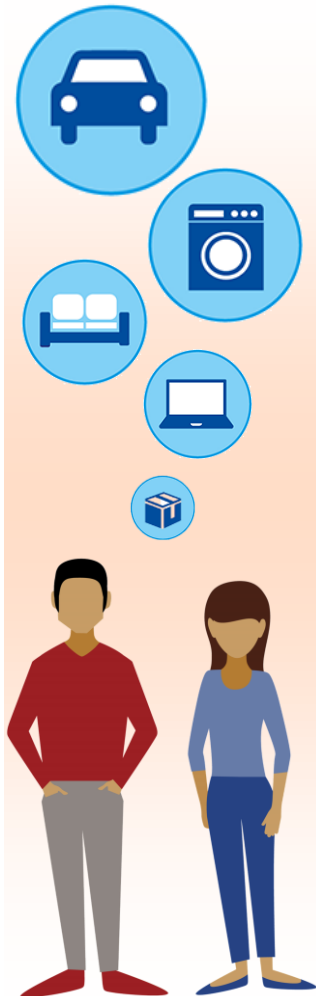


If both fractional values are positive or negative, this results in a greater change in the Consumer Credit Index.

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 2018
2. Forecast for private borrowing in Germany 2018/2019 (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:

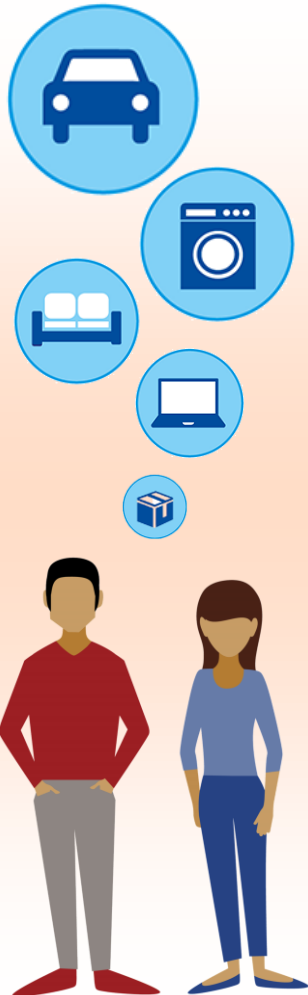
- | | |
|--|--|
|  Cars |  Consumer electronics |
|  Furniture, kitchens |  Other |
|  Household appliances | |

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

Contacts



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