

CONSUMER CREDIT INDEX 2022/2023

Forecast for Private Borrowing in Germany

Ipsos GmbH
on behalf of Bankenfachverband e. V.



GAME CHANGERS



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CCI 2022/2023



The Consumer Credit Index of the Bankenfachverband

NOTE: The survey on the current CCI was conducted from mid-June 2022 to mid-July 2022. The forecast of consumer credit take-up is influenced by the respective framework conditions at the time of the survey. In the case of the current CCI, this was primarily the war in Ukraine with its economic, political and social effects.

The Consumer Credit Index of the Bankenfachverband



Trend 2022/2023

At 78 points, the Consumer Credit Index for 2022/2023 indicates a stable credit use with a slight declining trend.

In total, consumers will take out slightly less loans to finance purchases in the future than in the past 12 months*.

The use of credit to finance cars will remain stable over the next 12 months. The use of credit for consumer electronics and large household appliances will be less in demand over the same period, while loans for furniture/kitchens and other purchases will rise slightly.

***NOTE: The survey on the current CCI was conducted from mid-June 2022 to mid-July 2022. The forecast of consumer credit take-up is influenced by the respective framework conditions at the time of the survey. In the case of the current CCI, this was primarily the war in Ukraine with its economic, political and social effects.**

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The Consumer Credit Index of the Bankenfachverband



About the study

| | |
|--|--|
|  METHOD | Survey, supporting study: GfK Household Panel (written survey, in parts online) |
|  SURVEY PERIOD | June 24, 2022 – July 18, 2022 |
|  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=1,794 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 |

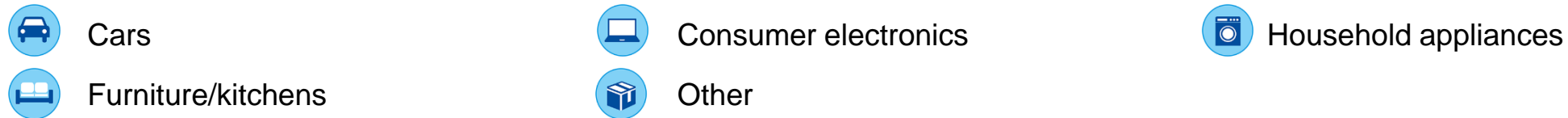
The Consumer Credit Index of the Bankenfachverband



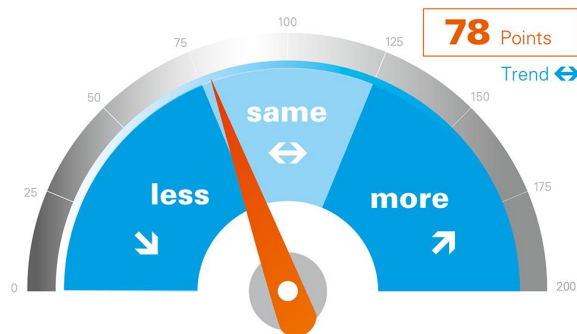
Overview

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 ):



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

CCI 2022/2023



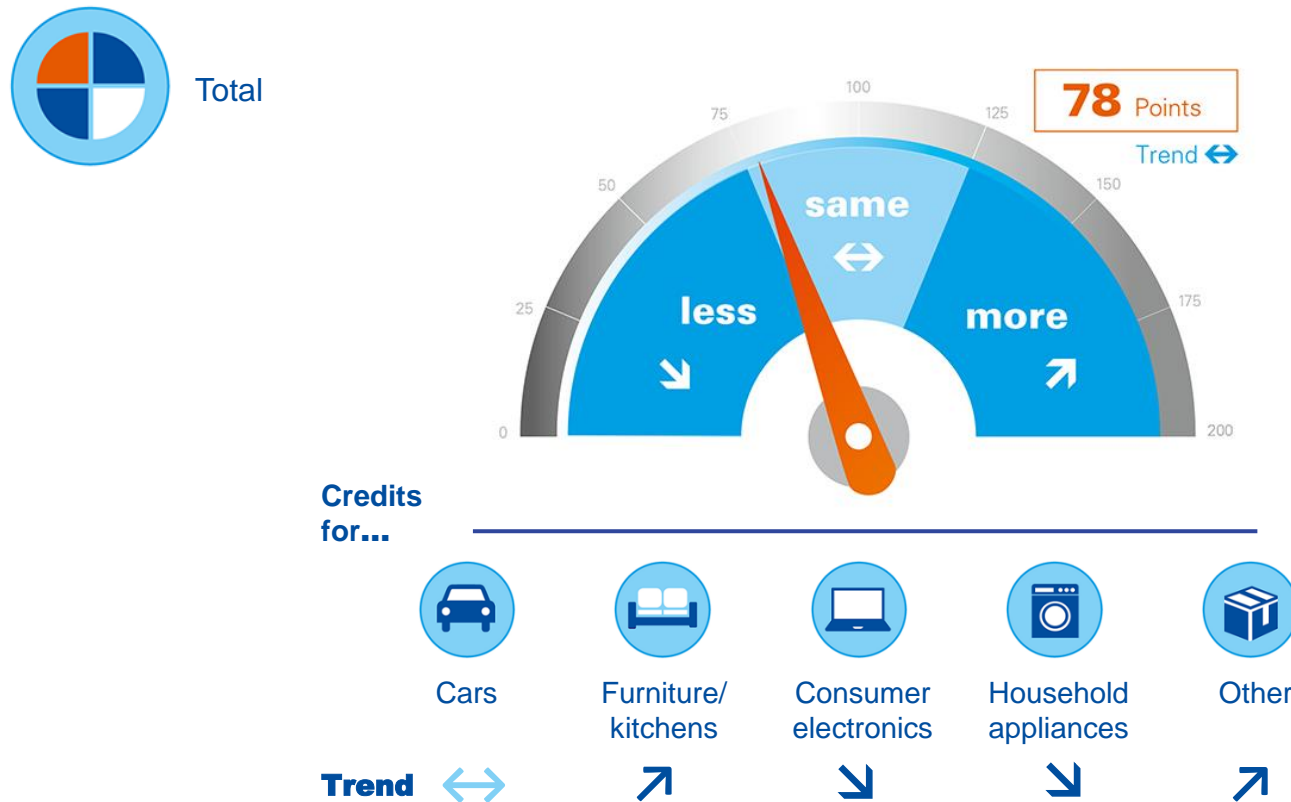
**Detailed outlook for the use of consumer credit
in Germany in 2022/2023**



Overall, slightly fewer loans will be used to finance purchases in the future than in the last 12 months.



Consumer Credit Index 2022/2023



The Consumer Credit Index for 2022/2023 shows a stable credit use with a slight declining trend at **78 points**.

The use of credit to finance cars will remain stable over the next 12 months. The use of credit for furniture/kitchens and other purchases will be more in demand in the same period, while loans for consumer electronics and household appliances will be less in demand.

Basis: 1,794 respondents

The demand for credit from consumers will remain stable over the next 12 months - with a slight declining trend.



Consumer Credit Index – Total – Trend 2022/2023



At **78 points**, the Consumer Credit Index for 2022/2023 indicates a stable credit use with a slight declining trend.

This trend is the result of a declining purchase planning and a stable, slightly rising financing planning.

| Annual comparison | 2022/2023 | 2021/2022 |
|-----------------------|-----------|-----------|
| Consumer Credit Index | 78 | 99 |
| Purchase planning | 67 | 77 |
| Financing planning | 117 | 129 |



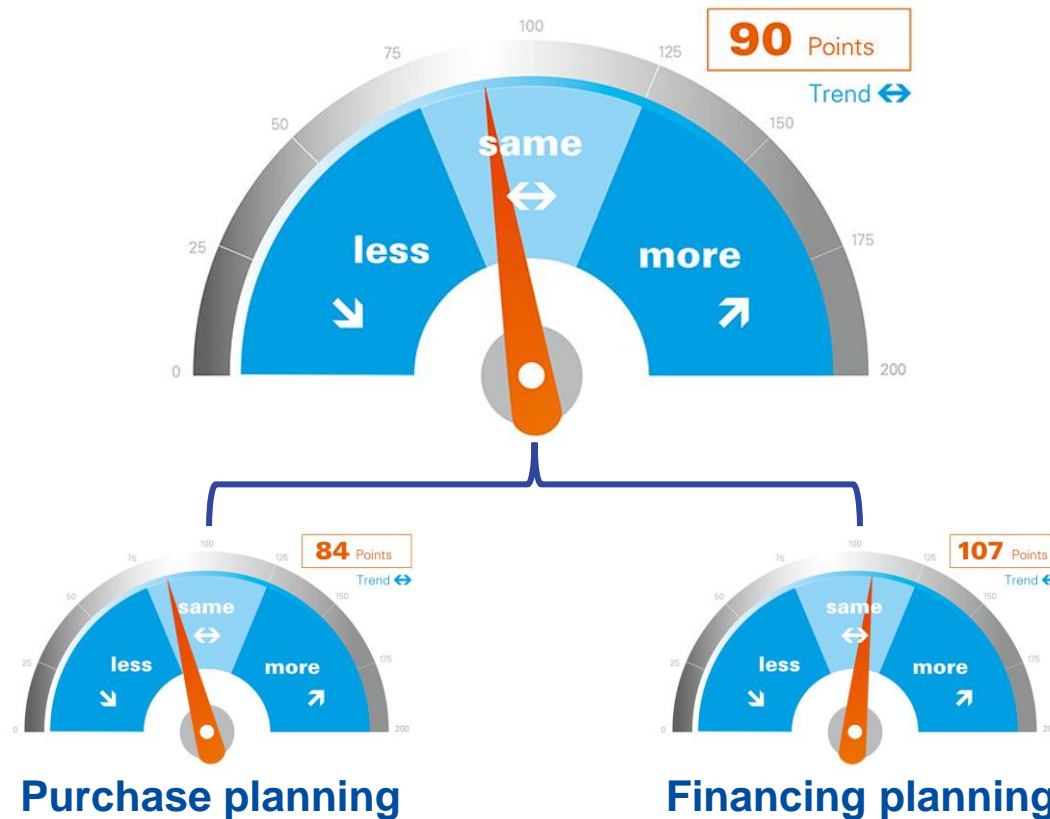
If both fractional values (purchase planning and financing planning) are positive or negative, this results in a greater change in the Consumer Credit Index.

Basis: 1,794 respondents

To finance cars, the use of credit will remain stable over the next 12 months.



Credit Index for cars – Trend 2022/2023



The credit index for cars is stable with a value of **90 points**.

This trend is made up of a stable purchase planning, which tends to decline slightly, and a stable financing planning.

| Annual comparison | 2022/2023 | 2021/2022 |
|--------------------------------|------------|-----------|
| Consumer Credit Index for cars | 90 | 81 |
| Purchase planning | 84 | 67 |
| Financing planning | 107 | 120 |



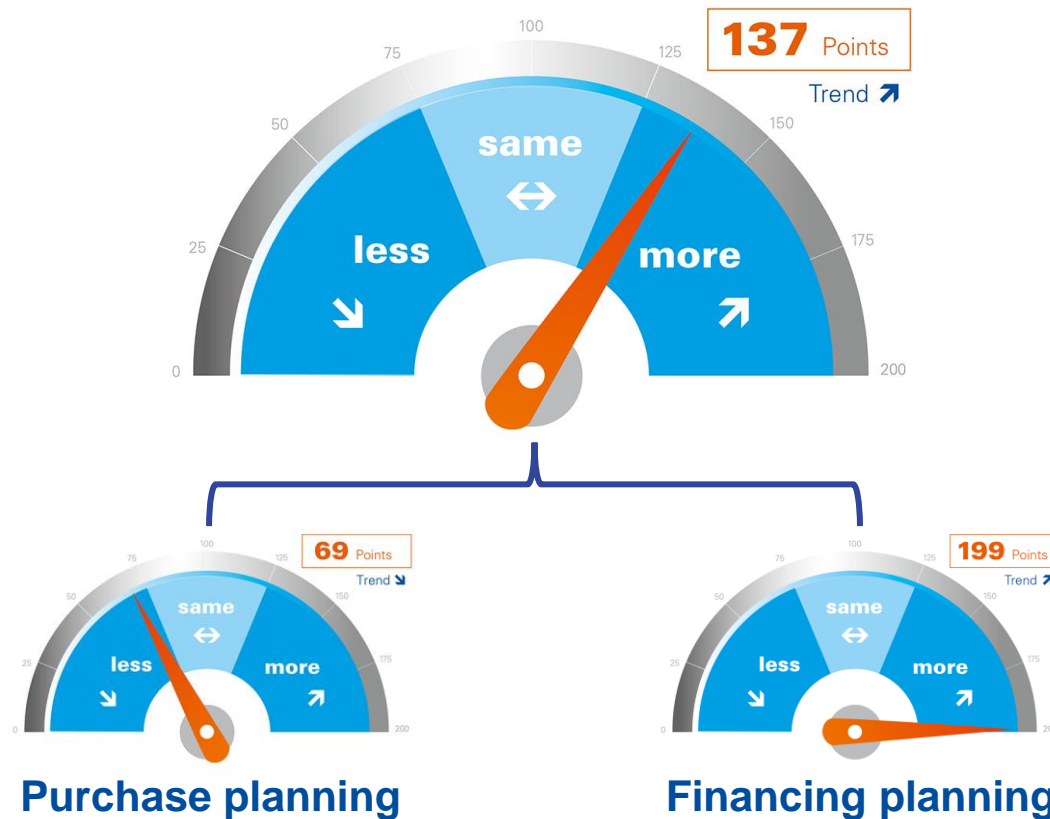
If both fractional values (purchase planning and financing planning) are positive or negative, this results in a greater change in the Consumer Credit Index.

Basis: 1,794 respondents

Financing of furniture or kitchens is expected to increase in the next 12 months.



Credit Index for furniture/kitchens – Trend 2022/2023



The credit index for furniture/kitchens shows a rising trend with a value of **137 points**.

This trend results from a declining purchase planning and a strongly rising financing planning in this segment.

| Annual comparison | 2022/2023 | 2021/2022 |
|--|--------------|-----------|
| Consumer Credit Index for furniture/kitchens | 137 ! | 108 |
| Purchase planning | 69 | 79 |
| Financing planning | 199 ! | 136 |



If both fractional values (purchase planning and financing planning) are positive or negative, this results in a greater change in the Consumer Credit Index.

Basis: 1,794 respondents

The use of credit for consumer electronics will decline in the next 12 months.



Credit Index for consumer electronics – Trend 2022/2023



The credit index for consumer electronics is declining with a value of **69 points**.

This trend is made up of a declining purchase planning and a rising financing planning.

| Annual comparison | 2022/2023 | 2021/2022 |
|--|------------|-----------|
| Consumer Credit Index for consumer electronics | 69 | 76 |
| Purchase planning | 51 | 58 |
| Financing planning | 134 | 130 |



If both fractional values (purchase planning and financing planning) are positive or negative, this results in a greater change in the Consumer Credit Index.

Basis: 1,794 respondents

Fewer loans for major household appliances are expected to be taken out in the next 12 months.



Credit Index for household appliances – Trend 2022/2023



The credit index for household appliances is declining with a value of **66 points**.

This trend is the result of a declining purchase planning combined with a stable financing planning.

| Annual comparison | 2022/2023 | 2021/2022 |
|--|-----------|-----------|
| Consumer Credit Index for household appliances | 66 | 69 |
| Purchase planning | 65 | 74 |
| Financing planning | 103 | 93 |



If both fractional values (purchase planning and financing planning) are positive or negative, this results in a greater change in the Consumer Credit Index.

Basis: 1,794 respondents

The increasing willingness to finance other purchases will lead to a significant increase in the use of credit.



Credit Index for **other*** – Trend 2022/2023



The credit index for other purchases is rising strongly with a value of **200 points**.

This trend is supported by a stable, slightly declining purchase planning and a strongly rising financing planning.

| Annual comparison | 2022/2023 | 2021/2022 |
|---------------------------------|---------------|-----------|
| Consumer Credit Index for other | 200* ! | 140 |
| Purchase planning | 81 | 82 |
| Financing planning | 200* ! | 170 |



If both fractional values (purchase planning and financing planning) are positive or negative, this results in a greater change in the Consumer Credit Index.

Basis: 1,794 respondents, *Tendency statement due to small number of cases

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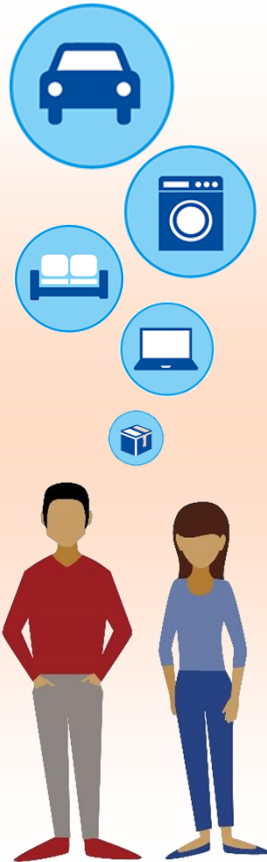


Methodology



Consumer Credit Index

Basis of calculation



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

1. Assessment of future purchases and financing 2021/2022
2. Forecast for private borrowing in Germany 2022
3. Forecast for private borrowing in Germany 2022/2023 (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



Household appliances



Furniture/kitchens



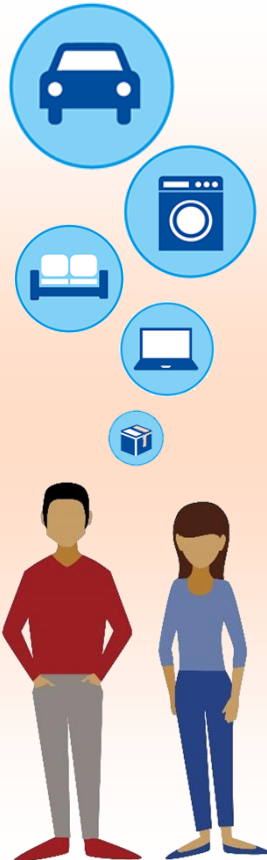
Other

Specifically, the following parameters from the respective 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

ABOUT IPSOS

Ipsos ranks third in the global research industry. With a strong presence in 87 countries, Ipsos employs more than 16,000 people and has the ability to conduct research programs in more than 100 countries. Founded in France in 1975, Ipsos is controlled and managed by research professionals. They have built a solid Group around a multi-specialist positioning – Media and advertising research; Marketing research; Client and employee relationship management; Opinion & social research; Mobile, Online, Offline data collection and delivery.

In Germany Ipsos is present with approximately 750 employees at six locations: Hamburg, Frankfurt, Munich, Nuremberg, Berlin and Moelln.

Ipsos is listed on Eurolist - NYSE-Euronext. The company is part of the SBF 120 and the Mid-60 index and is eligible for the Deferred Settlement Service (SRD).

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Ipsos purchased GfK Financial Market Panel

Since 2008 the Bankenfachverband conducts studies on consumer and vehicle financing in Germany together with GfK.

For strategic reasons GfK withdrew from four custom research business units in October 2018.

The four units Experience Innovation, Customer Experience, Health and Public Affairs including 1.000 employees in 25 countries have been transferred to Ipsos.

Part of these units was the GfK Financial Market Panel including the responsible team which is also conducting and analysing the Consumer Credit Index (CCI).

The CCI survey will still be conducted within the GfK Household Panel using identical methodology in order to guarantee a stable data base and, thereby, greatest comparability.



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