

Consumer Credit Index 2019

Forecast for Private Borrowing in Germany

Ipsos GmbH

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 2019



The Consumer Credit Index for 2019 is rising at a value of **135 points**.

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

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

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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	21 January to 20 February 2019
 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=1.968 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



Household appliances



Furniture, kitchens



Other

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 2019

Consumers will take out more loans to purchase goods in 2019 compared to the previous year.



The Consumer Credit Index for 2019 is rising at a value of **135 points**.

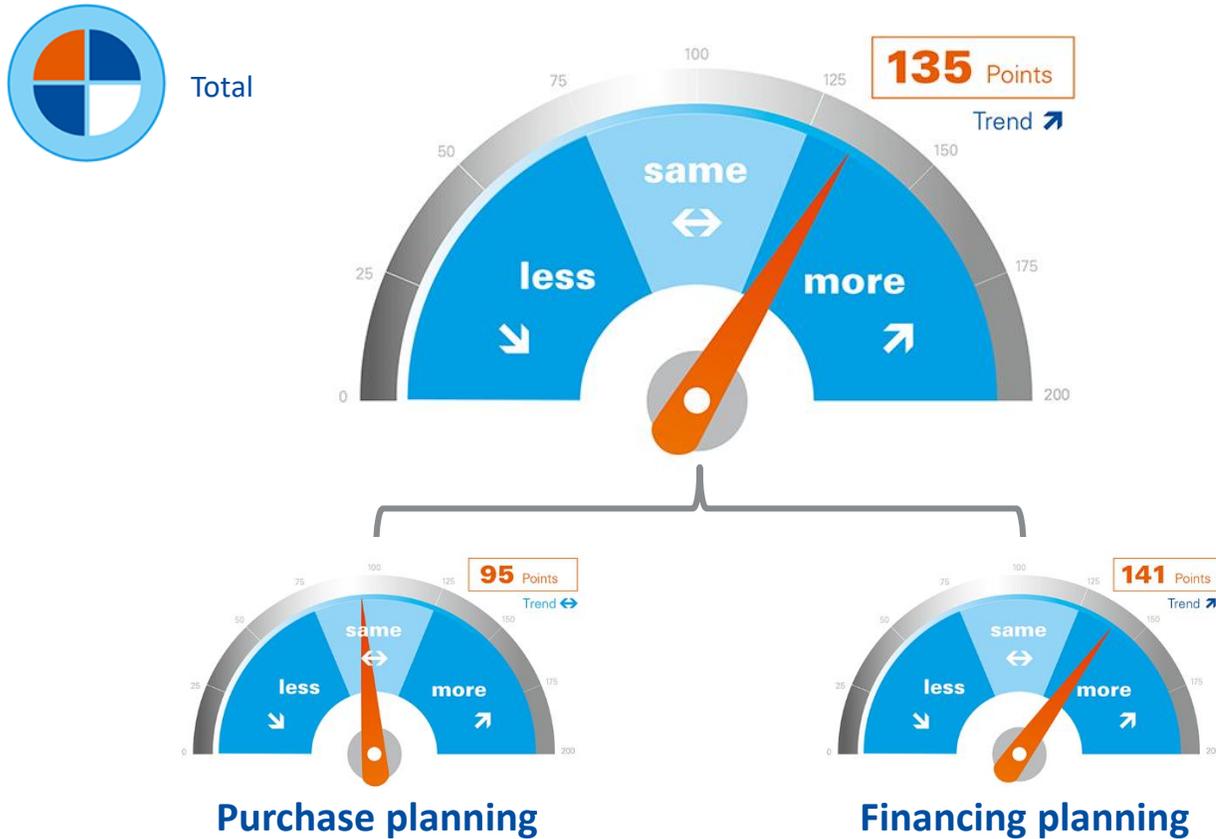
In total, consumers will take out more loans to finance purchases over the next 12 months as over the last 12 months.

The use of credit for furniture and kitchens, consumer electronics as well as other purchases will rise significantly.

Credit for...



Stable purchase planning and rising financing planning result in a higher usage of loans in 2019.



The Consumer Credit Index for 2019 is rising at a value of **135 points**.

This trend is supported by a stable purchase planning and a rising willingness to take out loans.

Annual comparison	2019	2018
Consumer Credit Index	135	111
Purchase planning	95	98
Financing planning	141 !	113

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

In 2019 a similar number of loans for cars will be taken out compared to the previous year.



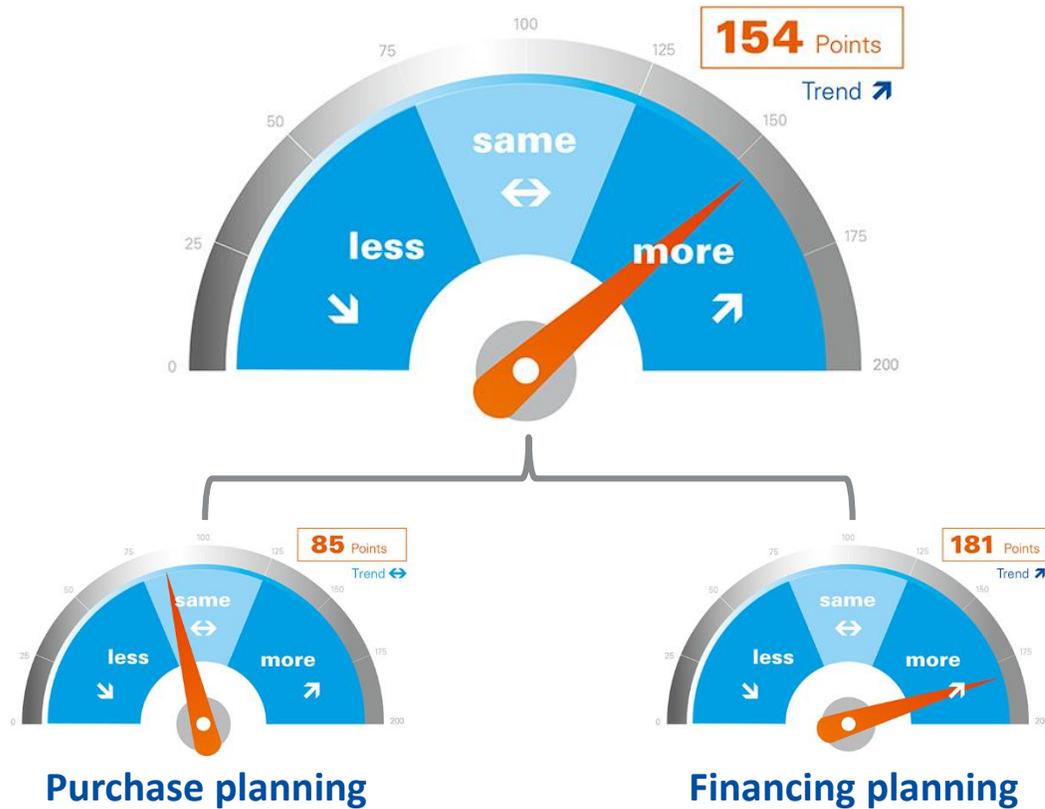
The credit index for cars is stable at a value of **80 points**.

This trend is based on a lower level of purchase planning and a stable willingness to take out loans in this area.

Annual comparison	2019	2018
Credit Index for cars	80 !	110
Purchase planning	67	81
Financing planning	119	136

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

A strongly rising financing planning leads to a significant increase in the usage of loans for furniture and kitchens.



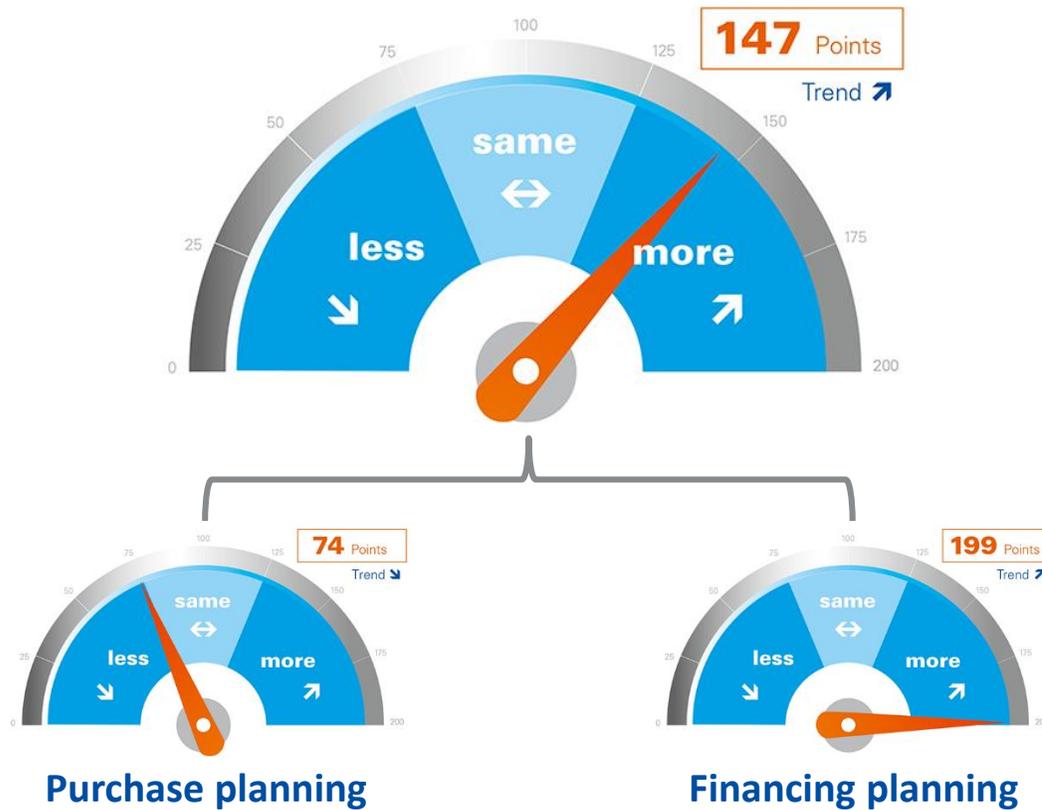
The credit index for furniture and kitchens is strongly rising at a value of **154 points**.

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

Annual comparison	2019	2018
Credit Index for furniture and kitchens	154 !	85
Purchase planning	85	77
Financing planning	181 !	111

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

The usage of loans for consumer electronics is rising due to a strong increase in financing planning.



The credit index for consumer electronics is rising at a value of **147 points**.

This trend is a result of a strong rise in financing planning, which will offset the sinking purchase planning in this area.

Annual comparison	2019	2018
Credit Index for consumer electronics	147 !	85
Purchase planning	74	80
Financing planning	199 !	107

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

In 2019 consumers will take out a similar number of loans for large household appliances as in 2018.



The credit index for large household appliances is stable at a value of **87 points**.

This trend is a result of the fact that both purchase planning and financing planning are stable.

Annual comparison	2019	2018
Credit Index for household appliances	87 !	142
Purchase planning	99	102
Financing planning	88 !	140



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

The strong rise in the willingness to use credit leads to a robust increase in the usage of loans for other purchases in 2019.



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

This trend is supported by a stable purchase planning and a significantly increasing financing planning in this segment.

Annual comparison	2019	2018
Credit Index for other	200 !	137
Purchase planning	104	110
Financing planning	200 !	124

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





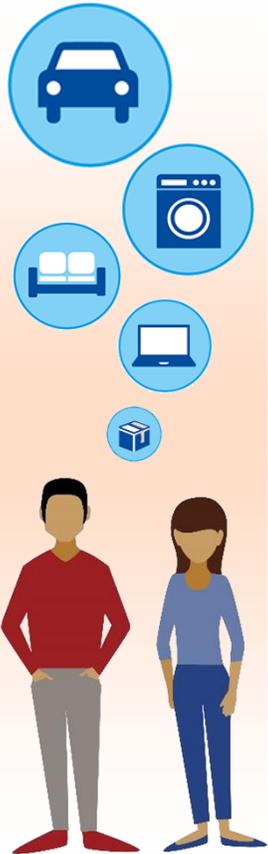
Methodology



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

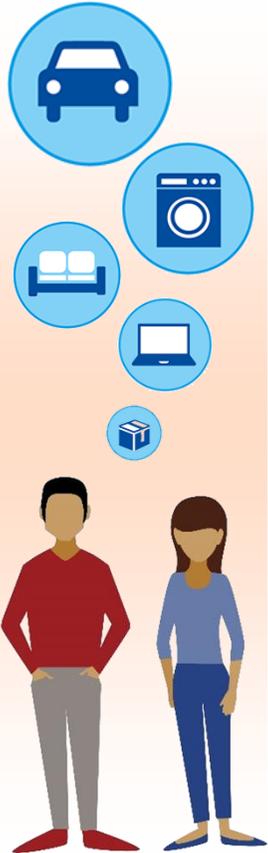
- | | | |
|---|--|--|
|  Cars |  Consumer electronics |  Household appliances |
|  Furniture, kitchens |  Other | |

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

ABOUT IPSOS

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Ipsos purchased GfK Financial Market Panel

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 analyzing 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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