



## Press Release

The next consumer climate report will be published on April 27, 2009

Date  
March 26, 2009

Rolf Bürkl  
GfK Marktforschung  
Tel. +49 911 395-3056  
Fax +49 911 395-4084  
rolf.buerkl@gfk.com

Marion Eisenblätter  
Corporate Communications  
Tel. +49 911 395-2645  
Fax +49 911 395-4041  
marion.eisenblaetter@gfk.com

### Consumer climate remains virtually stable

#### Findings of the GfK consumer climate study for March 2009

**Nuremberg, March 26, 2009 – In spite of a flood of negative information about economic development, the overall mood among German consumers has remained virtually unchanged. Although, following increases in the previous month, economic and income expectations are now slightly on the decline, the propensity to buy remains at a good level this month. The overall indicator is forecasting a value of 2.4 points for April 2009, following a revised value of 2.5 points in March, and is consequently still robust, despite the economic situation.**

Following pessimistic economic forecasts and slumps in production and exports, economic expectations have declined somewhat in March. Income expectations and propensity to buy have decreased only slightly, and the latter in particular have remained at a good level. Consequently, the consumer climate in April is set to record only minimal losses.

#### Economic expectations: slight decline

After an increase in February, economic expectations in March this year have decreased by 4.9 points, a drop that is almost on a par with the gains of the previous month. The indicator currently stands at -32.8 points.

At present, consumers are still seeing little reason to abandon their pessimism as regards the economy, and fear of job losses is also coming increasingly to the fore. For the time being, this is still overshadowing the positive effect of the Economic Stimulus Package II on the domestic economy.

#### Income expectations: minimal losses

After the extremely positive development in income expectations, which rose by almost 10 points in February, the indicator remains virtually stable for March. Income expectations have decreased only minimally by 0.4 points, to currently stand at -11.4 points.

The continuing low rate of inflation is having a positive effect here, and falling food prices and low energy prices are also strengthening consumer

GfK SE  
Nordwestring 101  
90419 Nuremberg  
  
Tel. +49 911 395-0  
Fax +49 911 395-2209  
public.relations@gfk.com  
www.gfk.com

Management Board:  
Professor Dr.  
Klaus L. Wübberhorst  
(CEO)  
Christian Weller von Ahlefeld  
(CFO)  
Petra Heinlein  
Debra A. Pruent  
Dr. Gérard Hermet  
Wilhelm R. Wessels

Supervisory Board Chairman:  
Dr. Arno Mählert

Commercial register  
Nuremberg HRB 25014

purchasing power. Even discount retailers are currently engaged in price wars, enticing consumers with offers and sales. The pension increase agreed by legislators for summer 2009 was only made public after the survey had been completed, and therefore did not affect the results. However, this boost for pensioners is likely to have a stabilizing effect on income expectations in the future.

### **Propensity to buy: plateauing at a good level**

Propensity to buy is at a positive level. The indicator has almost completely maintained its very good level in March this year, recording only comparatively modest losses of 0.7 points. Currently, propensity to buy stands at 13.9 points, which is still 24 points above the level recorded at the same time in the previous year.

The low rate of inflation is still probably one of the most important reasons why the propensity to buy of German consumers is plateauing at this very good level. Financial incentives, which the government is creating with its Economic Stimulus Package II and the retail trade is supplementing with its own promotions, are also having an effect. For example, many car manufacturers are creating buying incentives by offering further concessions to complement the government's bonus for scrapping old cars. In addition, many retailers from the consumer electronics and household appliances sectors are copying the principle of the car scrapping bonus and applying it to their own products.

### **Consumer climate: a stable start to spring**

The overall indicator is forecasting a value of 2.4 points for April 2009, following a revised value of 2.5 points in March. This means that the upwards trend in the consumer climate, which began in October 2008, has come to an end, at least for now. However, the consumer climate remains stable in an economically challenging environment, albeit at a low level. Consumption will therefore help to attenuate the extremely sharp downturn in exports and investments that is expected this year, but in all likelihood will not be able to completely compensate it.

The development of the consumer climate over the coming months will depend considerably on the employment market. If unemployment rises beyond expectations as the year progresses, this would also put a considerable damper on the consumer climate.

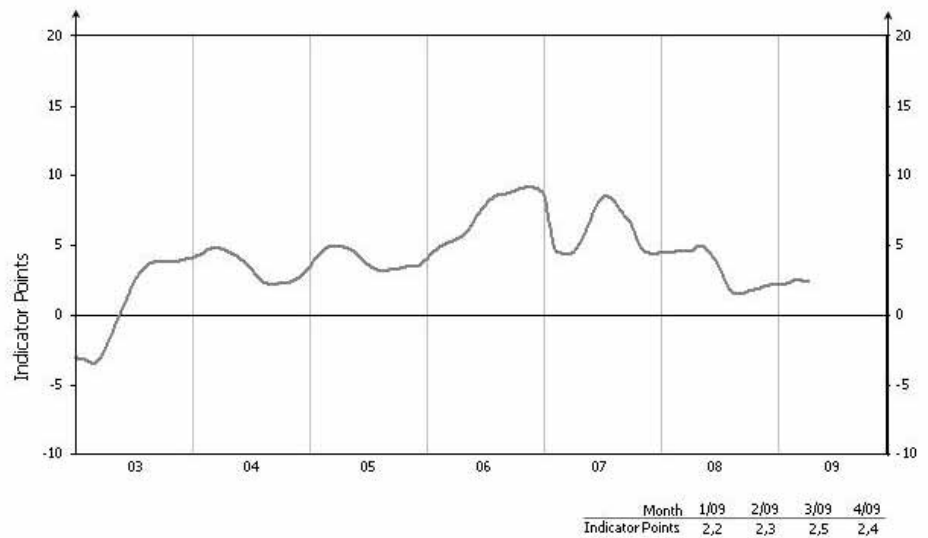


The following table shows the development of the individual indicators in March in comparison with the previous year and the previous month:

	March 2009	February 2009	March 2008
<b>Economic outlook</b>	-32.8	-27.9	15.0
<b>Income expectations</b>	-11.4	-11.0	1.5
<b>Buying propensity</b>	13.9	14.6	-10.2
<b>Consumer climate</b>	2.5	2.3	4.6

The following chart shows the development of the consumer climate indicators over the past few years:

**GfK consumer climate indicator (as at March 2009)**



**The survey**

These findings are extracts from the “GfK consumer climate MAXX survey”, which is based on around 2,000 consumer interviews conducted each month on behalf of the EU Commission. The report contains charts, forecasts and a detailed commentary regarding the indicators. In addition, the report includes information on proposed consumer spending in 20 different areas of the consumer goods and services markets. The GfK consumer climate survey has been conducted since 1980.

The next publication date will be on April 27, 2009.

Further information: Rolf Bürkl, Tel. + 49 911 395-3056, [rolf.buerkl@gfk.com](mailto:rolf.buerkl@gfk.com)

The table below provides an overview of the individual indicators:



<b>Economic outlook</b>	This index is based on the following question to consumers: "How do you think the general economic situation will develop in the next 12 months?" (improve – stagnate – deteriorate)
<b>Income expectations</b>	This index is based on the following question to consumers: "How do you think the financial situation of your household will develop in the next 12 months?" (improve – stagnate – deteriorate)
<b>Consumption and buying propensity</b>	This index is based on the following question to consumers: "Do you think it is advisable to make major purchases at the moment?" (good time – neither good nor bad time – bad time)
<b>Consumer climate</b>	This index is used to describe private consumption. Key factors are income expectations, buying propensity and savings trends. The economic outlook has a more indirect effect on the consumer climate, generally as a result of income expectations.

Provisional publication dates for 2009 GfK consumer climate reports:

Monday, April 27, 2009	Monday, September 28, 2009
Tuesday, May 26, 2009	Monday, October 26, 2009
Tuesday, June 23, 2009	Wednesday, November 25, 2009
Monday, July 27, 2009	Tuesday, December 22, 2009
Thursday, August 27, 2009	

**The GfK Group**

The GfK Group is the No. 4 market research organization worldwide. Its activities cover the three business sectors of Custom Research, Retail and Technology and Media. The Group has 115 companies covering over 100 countries. Of around 10,000 employees (as at December 31, 2008), 80% are based outside Germany. For further information, visit our website: [www.gfk.com](http://www.gfk.com)

Responsible under press legislation:  
GfK SE, Corporate Communications  
Marion Eisenblätter  
Nordwestring 101  
D-90419 Nuremberg  
Tel. +49 911 395-2645  
Fax +49 911 395-4041  
[public.relations@gfk.com](mailto:public.relations@gfk.com)