

Snap | 21 December 2017

## Eurozone consumer confidence ends year at new high

December marks the highest reading in consumer confidence since January 2001. This rounds out a year of Eurozone optimism with the economic data to back it up



Source: Shutterstock

Eurozone consumer confidence reached a new high of 0.5 increasing from 0.1. That means good news for children across the Eurozone as their parents have rarely been more confident, and that usually translates to more gifts under the tree. An increase in gifts seems to be justified as many economic actors have been nice this year.

Employers have been hiring, consumers have been spending, central bankers have been printing, and trade partners have been buying. Economic growth has surprised on the upside, and survey data suggests GDP growth in the fourth quarter will not disappoint either.

Even though wage growth has disappointed and even dropped in the third quarter, as Eurostat published last week, the outlook for consumption remains positive. With inflation still low and employment improving, disposable income is likely to continue to rise in the months ahead.

This means that confidence is destined to remain high in Q1 as well. With domestic demand being an important driver of growth, we expect Eurozone GDP growth of above 2% for 2018.

## Author

### Bert Colijn

Chief Economist, Netherlands

[bert.colijn@ing.com](mailto:bert.colijn@ing.com)

## Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit <http://www.ing.com>.