

Snap | 22 April 2021

## Eurozone consumers jubilant on job progress

Consumer confidence just soared to the highest level since the start of the pandemic as progress on vaccinations finally picks up and reopenings come closer. This boosts our own confidence in a strong rebound once restrictions are lifted



The surprising jump in consumer confidence is actually more noteworthy than any [action at the ECB meeting](#) this afternoon. The increase from -10.8 to -8.1 in April reveals an optimistic consumer that finally sees light at the end of the tunnel. This is the highest reading since February last year, marking the best reading since the start of the pandemic. It far surpasses the levels seen in the summer of last year when reopenings led to only modest improvements in confidence, indicating that consumers really feel close to the end of things.

This confirms the picture of a consumer ready to go out and spend once restrictions are lifted more structurally. Recent consumer behaviour has shown eagerness among consumers to spend once parts of the economy reopen. Retail sales have been jumping around on the easing and tightening of restrictions, which indicates that consumers do not seem to be delaying spending. With unemployment having increased only modestly over the course of the crisis, precautionary savings may be less of an issue now compared to previous recessions, adding to our view of a

strong rebound in domestic demand.

## 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 [www.ing.com](http://www.ing.com).