## Contents
1 Change of household consumption based on infra-annual data
2 Structure of consumption expenditure of households
2 Differences in the consumption of households in the lowest and in the top income quintiles
2 Differences in the food consumption of people belonging to the two extreme income quintiles
3 Proportion of households with consumer durables
3 Household consumption broken down by settlement types

---

### Change of household consumption based on infra-annual data

After a long time, HCSO is again publishing preliminary data on household consumption. These data differ from the final annual data published in a Statistical Reflection in many aspects. The first difference is that in case of annual data, the yearly consumption per capita is given, while preliminary data refer to monthly volumes. Among others, the reason for this is that preliminary data come from household diaries kept by households for one month, while, in case of final annual data, items not purchased every month are surveyed again in spring following the reference year. Another significant difference is that during monthly diary keeping, only one question refers to the income, which is used only for classification into income quintiles, while in the following spring, households are asked in details about their incomes in the previous year. Consequently, there are small differences between preliminary and final annual data. In 2010, this difference was 2.3% excluding investment-type expenditures.

When calculating volume indices, or making other temporal comparisons, preliminary data are obviously compared with the preliminary data of the previous year. Hereafter, we do not indicate in the tables that they contain preliminary data; in what follows, all data are preliminary.

The monthly amount of consumption expenditure per capita was HUF 63,544 in 2011, and its volume decreased slightly, by 1.2%. Food consumption dropped to a larger degree, by 2.7%, which resulted from the higher food price index (7.3%) making people buy products at cheaper price level. The amounts spent on recreation and culture, as well as on restaurants and hotels fell by more than 5%, and expenditure on miscellaneous goods and services decreased the most. These expenditures are restrained first if the financial potential of the population is getting lower. Despite the rise of real wages and the introduction of family tax benefit, due to the high instalments and the favourable possibilities for early repayment, a number of households restrained their consumption. (COICOP classification does not contain amounts spent on dwelling construction or real estate purchases, etc., since they are considered investments.)

<table>
<thead>
<tr>
<th>COICOP main consumption groups</th>
<th>Consumption per capita, HUF</th>
<th>Value index per capi-ta, %</th>
<th>Volume index per capi-ta, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and non-alcoholic beverages</td>
<td>14 681</td>
<td>15 335</td>
<td>104.4</td>
</tr>
<tr>
<td>Alcoholic beverages, tobacco</td>
<td>2 071</td>
<td>2 065</td>
<td>99.7</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>2 017</td>
<td>2 018</td>
<td>100.1</td>
</tr>
<tr>
<td>Housing, household energy</td>
<td>16 129</td>
<td>17 081</td>
<td>105.9</td>
</tr>
<tr>
<td>Furnishings, household maintenance</td>
<td>2 259</td>
<td>2 240</td>
<td>99.2</td>
</tr>
<tr>
<td>Health</td>
<td>2 764</td>
<td>2 737</td>
<td>99.0</td>
</tr>
<tr>
<td>Transport</td>
<td>6 250</td>
<td>6 917</td>
<td>110.7</td>
</tr>
<tr>
<td>Communication</td>
<td>3 750</td>
<td>4 241</td>
<td>113.1</td>
</tr>
<tr>
<td>Recreation and culture</td>
<td>4 170</td>
<td>3 933</td>
<td>94.3</td>
</tr>
<tr>
<td>Education</td>
<td>389</td>
<td>375</td>
<td>96.3</td>
</tr>
<tr>
<td>Restaurants and hotels</td>
<td>2 630</td>
<td>2 474</td>
<td>94.1</td>
</tr>
<tr>
<td>Miscellaneous goods and services</td>
<td>4 786</td>
<td>4 129</td>
<td>86.3</td>
</tr>
<tr>
<td>Total</td>
<td>61 896</td>
<td>63 544</td>
<td>102.7</td>
</tr>
</tbody>
</table>

The volume of expenditures on communication grew to the highest degree. Internet subscriptions, mobile phone purchases and fees of phone calls belong to this category. This, in itself, explains the strong increase in this group, since information society continues to gain ground largely. Besides, the appearance and continuous spread of smartphones contributed to the extreme growth of the group within total consumption.

### Structure of consumption expenditure of households

Households spend half of their expenditures on housing, household energy and food, among them, the most is spent on housing maintenance and household energy. Transport accounts for a significant part of the remaining 50%, for more than one tenth of the total expenditure. The above shows well that after paying the costs of daily needs, such as meals, housing, travel to work or school, less than 40% remain for all the other expenditures.
If we examine, in addition to the differences in the structure of consumption, the differences in the actual amounts as well, data show even more marked differences. The total expenditure of people in the top quintile is more than three times as much as the expenditure of those belonging to the lowest quintile. This ratio is the lowest in case of food consumption. The situation is similar in the consumption of alcoholic beverages and tobacco: on the one hand, due to excise taxes, it is less possible for those living in reduced circumstances to choose cheaper products of this kind, and they can less afford more expensive entertainments such as theatre, cinema, journey, restaurant on the other. The most striking difference is between the amounts spent on restaurants and hotels: households in the top income quintile spend nearly 13 times as much for this purpose as those in the lowest one. This shows very well that the poorest have very few opportunities for holidays or eating out. This large difference means however only HUF 7,151 in absolute value as opposed to the difference of HUF 17,124 in housing and household energy, HUF 12,687 in transport and HUF 11,091 in food consumption.

Differences in the consumption of households in the lowest and in the top income quintiles

The consumption of households belonging to the lowest and the top income quintiles shows significant differences both in value and in structure. Those belonging to the lowest quintile spend 60% of their total expenditure on food, housing and household energy, while this proportion is only 41% in case of households in the top quintile. Compared to all households, 6.9 percentage points more are spent in proportions on food (31%) in households in the lowest income quintile. In case of the poorest households, the same is true for housing expenditure, on which 29%, 2.5 percentage points more than the national proportion, is spent. The situation is different in case of transport expenses, on which 2.7 percentage points less (8.2%) is spent. The reason for this is that in the lowest income quintile, there are more inactive people, for whom transport expenses do not represent a significant item. In households belonging to the top income quintile, inverse proportions are observed. In total consumption, food accounts for 5.7 percent points, while housing maintenance for 3.8 percentage points less than the proportion in all households. At the same time, well-to-do people spend 2.2 percentage points more on transport from total consumption. One of its reasons is that the proportion of active, better educated people with more profitable jobs, who are ready to travel longer distances in the interest of better wages, is higher among them, and this increases the importance of this expenditure group in their case. The other reason is that, among them, the proportion of households with passenger car, or even with more than one passenger car, is much higher, so they spend more on petrol as well. (See consumption structures by income quintiles in the tables.)

Differences in the food consumption of people belonging to the two extreme income quintiles

The food consumption of people belonging to the top income quintile is higher in each group of food than that in the lowest quintile.

The degree of divergence is different by the types of food. The difference is the smallest in case of cereals, potato, fats and sugar, and it is larger in the consumption of milk and meat being more valuable in physiological terms. The lagging behind of people with moderate means is the most significant in the consumption of the relatively more expensive cheese and other dairy products, vegetables and fruits, since this group meets daily food needs mainly with cheaper kinds of food and not with healthier ones having however higher per unit costs.

Table 2

<table>
<thead>
<tr>
<th>COICOP main consumption groups</th>
<th>1st quintile, HUF</th>
<th>5th quintile, HUF</th>
<th>5th/1st quintile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and non-alcoholic beverages</td>
<td>10 645</td>
<td>21 736</td>
<td>2.0</td>
</tr>
<tr>
<td>Alcoholic beverages, tobacco</td>
<td>1 546</td>
<td>3 269</td>
<td>2.1</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>913</td>
<td>4 798</td>
<td>5.3</td>
</tr>
<tr>
<td>Housing, household energy</td>
<td>10 105</td>
<td>27 229</td>
<td>2.7</td>
</tr>
<tr>
<td>Furnishings, household maintenance</td>
<td>935</td>
<td>4 928</td>
<td>5.3</td>
</tr>
<tr>
<td>Health</td>
<td>1 160</td>
<td>4 599</td>
<td>4.0</td>
</tr>
<tr>
<td>Transport</td>
<td>2 809</td>
<td>15 496</td>
<td>5.5</td>
</tr>
<tr>
<td>Communication</td>
<td>2 317</td>
<td>7 771</td>
<td>3.4</td>
</tr>
<tr>
<td>Recreation and culture</td>
<td>1 462</td>
<td>10 108</td>
<td>6.9</td>
</tr>
<tr>
<td>Education</td>
<td>120</td>
<td>817</td>
<td>6.8</td>
</tr>
<tr>
<td>Restaurants and hotels</td>
<td>603</td>
<td>7 754</td>
<td>12.9</td>
</tr>
<tr>
<td>Miscellaneous goods and services</td>
<td>1 762</td>
<td>9 513</td>
<td>5.4</td>
</tr>
<tr>
<td>Total</td>
<td>34 378</td>
<td>118 020</td>
<td>3.4</td>
</tr>
</tbody>
</table>

Figure 1

Figure 2

Table 2

Number of food volume per capita consumed in households in the lowest and in the top income quintiles, 2011

The lagging behind of people with moderate means is the most significant in the consumption of the relatively more expensive cheese and other dairy products, vegetables and fruits, since this group meets daily food needs mainly with cheaper kinds of food and not with healthier ones having however higher per unit costs.
Proportion of households with consumer durables

In respect of consumer durables, it can be stated that households get more and more equipped year by year. The supply of post-paid phone subscriptions increased to the highest degree, by 5.2 percentage points, while the spread of prepaid subscriptions is no longer significant.

Table 3

<table>
<thead>
<tr>
<th>Consumer durables</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dishwasher</td>
<td>11.6</td>
<td>12.3</td>
</tr>
<tr>
<td>Plasma, LCD TV set</td>
<td>12.5</td>
<td>16.6</td>
</tr>
<tr>
<td>Digital camera</td>
<td>33.8</td>
<td>35.9</td>
</tr>
<tr>
<td>Portable PC</td>
<td>17.8</td>
<td>20.0</td>
</tr>
<tr>
<td>Own post-paid mobile phone</td>
<td>36.4</td>
<td>41.6</td>
</tr>
<tr>
<td>Own prepaid mobile phone</td>
<td>63.4</td>
<td>63.7</td>
</tr>
</tbody>
</table>

The increase in LCD and plasma TVs is worth mentioning as well: 4.1 percentage points more households had such TV sets in 2011 than in 2010. Since these products are less widespread, even the growth of less percentage points shows a more rapid spreading. The proportion of households which have digital cameras and laptops increased by more than 2 percentage points as well. Dishwashers are not yet widely used in households, hardly more than 12% of them have dishwashers, and this proportion grew by less than 1 percentage point from 2010 to 2011.

Household consumption broken down by settlement types

From 2010 to 2011, the dynamics of household consumption were the highest in towns of county rank, where the volume of consumption grew in each main group except for ‘clothing and footwear’ and ‘health’. In Budapest, the volume of consumption increased in the main groups ‘alcoholic beverages, tobacco’, ‘clothing and footwear’, ‘transport’ and ‘communication’ (in the latter, the growth was nearly 112%), while the amounts spent on miscellaneous goods and services considerably decreased. In other towns and in villages, the volume of household consumption fell from 2010 to 2011 in most of the main groups. A significant growth was observed only in the main group ‘communication’ in each settlement type.

Table 4

<table>
<thead>
<tr>
<th>COICOP main consumption groups</th>
<th>Budapest</th>
<th>Towns of county rank</th>
<th>Towns</th>
<th>Villages</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and non-alcoholic beverages</td>
<td>106.6</td>
<td>107.2</td>
<td>94.3</td>
<td>96.7</td>
<td>100</td>
</tr>
<tr>
<td>Alcoholic beverages, tobacco</td>
<td>126.0</td>
<td>93.9</td>
<td>92.4</td>
<td>96.7</td>
<td>100</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>150.3</td>
<td>108.3</td>
<td>102.0</td>
<td>67.9</td>
<td>100</td>
</tr>
<tr>
<td>Housing, household energy</td>
<td>126.8</td>
<td>107.7</td>
<td>97.4</td>
<td>83.7</td>
<td>100</td>
</tr>
<tr>
<td>Furnishings, household maintenance</td>
<td>146.7</td>
<td>125.8</td>
<td>85.5</td>
<td>71.8</td>
<td>100</td>
</tr>
<tr>
<td>Health</td>
<td>137.6</td>
<td>110.0</td>
<td>89.6</td>
<td>83.1</td>
<td>100</td>
</tr>
<tr>
<td>Transport</td>
<td>130.1</td>
<td>113.0</td>
<td>96.7</td>
<td>79.3</td>
<td>100</td>
</tr>
<tr>
<td>Communication</td>
<td>140.0</td>
<td>109.2</td>
<td>96.3</td>
<td>77.0</td>
<td>100</td>
</tr>
<tr>
<td>Recreation and culture</td>
<td>174.2</td>
<td>128.6</td>
<td>84.2</td>
<td>57.3</td>
<td>100</td>
</tr>
<tr>
<td>Education</td>
<td>193.8</td>
<td>132.3</td>
<td>61.4</td>
<td>63.1</td>
<td>100</td>
</tr>
<tr>
<td>Restaurants and hotels</td>
<td>209.4</td>
<td>125.6</td>
<td>80.2</td>
<td>44.6</td>
<td>100</td>
</tr>
<tr>
<td>Miscellaneous goods and services</td>
<td>131.0</td>
<td>128.6</td>
<td>94.4</td>
<td>71.0</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>131.9</td>
<td>112.1</td>
<td>93.9</td>
<td>81.3</td>
<td>100</td>
</tr>
<tr>
<td>Own-produced food</td>
<td>8.0</td>
<td>42.5</td>
<td>92.3</td>
<td>188.4</td>
<td>100</td>
</tr>
<tr>
<td>Eating out</td>
<td>217.0</td>
<td>123.4</td>
<td>78.5</td>
<td>43.5</td>
<td>100</td>
</tr>
</tbody>
</table>

In respect of HUF amounts per capita, the consumption of households in Budapest is higher in each main group than in households in the
In towns of county rank, except for ‘alcoholic beverages and tobacco’, the consumption per capita is higher than in other towns and in villages. When examining these latter two groups, a significant difference can be seen in the consumption to the advantage of towns; in ten main groups, the consumption per capita is higher there than in villages. The differences in the volume of consumption are presumably lower, since it can be supposed in a number of main groups that products and services can be purchased more expensively in the capital than in the countryside.

An exception is the main group ‘food and non-alcoholic beverages’ due to the presence of large trade chains. In food consumption, the advantage of Budapest compared to households in the countryside is indeed perceptibly smaller than in the other main groups.

It is characteristic as well that households supplement the purchase of food with consumption from own production. Food consumption from own production is much more significant in the countryside than in Budapest. In the capital, own production per capita was only 8% of the national average in 2011, while this proportion was 43% in towns of county rank, 92% in other towns and much above the average, 188% in villages. In contradiction, eating out was the most considerable in Budapest (217% of the average); its significance was continuously decreasing along with the decrease in settlement size and it was only 44% of the average in villages.

The differences in the dynamics of expenditures by settlement types show that the divergences in the consumption in the different settlement types slightly increased last year, although within this, the advantage of Budapest compared to towns of county rank decreased somewhat. Naturally, it has to be noted here as well that households in different settlement types had to face somewhat different changes in prices from 2010 to 2011.

Further information, data (links):
- Tables
- Methodology

Contact details:
- zsuzsanna.berendi@ksh.hu
  Telephone: +36 1 345 6607
- andras.horvath@ksh.hu
  Telephone: +36 1 345 6371

Information services
  Telephone: +36 1 345 6789

www.ksh.hu