

Austria

Savings habits: sustainability desired

Savings passbook stable at a high level

In a crisis it's gold that's in demand

Real estate as the big winner?

Stocks and shares – put on hold, please

Under the mattress as an alternative?

Since the 1980's GfK Austria has been recording information about which forms of financial investment engender most interest in Austrians over the age of 15 years – irrespective of the uptake or otherwise. In this context, 20,000 interviews are carried out every year with the evaluation being done on a quarterly basis.

Fundamentally, it is the aspect of low risk which predominates when the investment of money is under consideration. For Mr and Mrs Austria it is the following which applies in association with saving in general: "Safety comes first, ahead of risk". It is especially during turbulent times in the capital markets that the Austrians are particularly conscious of the savings formats which they find most interesting.

Savings passbook stable at a high level

The savings account with a passbook has been celebrating a real renaissance since the beginning of the millennium. In the 2nd quarter of 2009 it holds a commanding pole position in the race for the favour of the Austrian nation (52%). There has been a significant falling away of interest in the savings contract with a building society since the beginning of the year and this has stabilised at 41% in the second quarter of 2009. For Alexander Zeh, finance market researcher at GfK, the reasons for this are quite clear: "The uncertainties of recent months have now reached the consciousness of large numbers of the general population. On the one hand, they have confidence in the things with which they are familiar and, on the other hand, there is a desire not to tie up your money for too long a period. Things could look up in the near future." Whereas in the year 2000 only 15% of the population thought that the savings account with a passbook was of any interest, now the figure is a notable 52%. "There has been a fourfold increase in the popularity of the savings account with passbook over the last 8 years, the Austrians are waiting to see what developments are going to be and are parking their money in their savings accounts where the interest is calculated daily – even though the interest rates are not particularly attractive." commented Zeh.

In a crisis it's gold that's in demand

And in a manner which is quite typical of "unsure" investment times: gold is coming back into fashion. The interest in laying down your money in the form of gold has strengthened significantly since 2007 so that at the present time 1 in 6 Austrians (16%) in the general population (7% in the year 2007) consider that investment in gold is of particular interest.

Real estate as the big winner?

Parallel to this increased interest in gold, real estate has also become more attractive as an alternative for savings and investment. It is the effect of the "long lasting" aspect which plays the greatest role here for the Austrians. A quarter of the population feels that, at the moment, an investment in a house, apartment or just land is of particular interest.

Stocks and shares – put on hold, please

The interest in stocks and share in any shape or form has fallen away noticeably. In line with this, interest in investment funds is at its lowest level in 9 years (6%), confirming expectations. The interest in shares continues to fall further with only 6% finding shares of any interest at the present time.

Under the mattress as an alternative?

Typical of the current mood of the population is the interest in saving “at home”. 12% of the population feels that the idea of keeping their savings at home might well be interesting. “Here, too, it is the short-term access to their capital which is to the fore” is Zeh’s analysis.

In summary: it is still the classical forms of investment which continue to be preferred by the Austrians. The ranking for the favourite forms of saving comes out like this: savings account with passbook (52%), savings contract with a building society (41%), purchase of own apartment/house (26%), land (23%), life assurance (17%), gold (16%) and pension provision with state bonus (13%).

Trend 1998 – 2009/Q2

„Aside from how you actually save or invest money, which of these saving or investment possibilities do you currently consider as particularly interesting?“





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