Consumer confidence falls in October - Nationwide Consumer Confidence Index

Contributed by NCCI
Tuesday, 06 November 2007

7th November 2007 - Consumer confidence in the UK fell by one point in October, although the relatively marginal decrease in confidence shows that consumers seem to be largely untouched by recent events in the financial markets, according to the findings of the Nationwide Consumer Confidence Index conducted by TNS (embargoed until tomorrow, Wednesday 7 November 2007).Â The most significant factor behind the drop in confidence was consumer's continued reluctance to spend. On the flip side, however, consumers still seem to be optimistic about future prospects in the labour market.
Â
The top line findings for November show:
- Confidence about consumer spending continues its downward trend in October, with the Spending Index falling eight points, its largest fall in six months. This decrease in confidence can be largely attributed to 51% of consumers feeling that now is a bad time to buy major items such as a house or a car.Â

- Consumers feel less confident about the current economic and employment situation, with 18% of people believing that their current economic situation is bad - a rise of two percentage points since September.

- Consumers remain confident about the future, with 27% believing that their household income will be higher in six months time that it is now, compared with only 9% who believe that their future household income will be lower.Â

Â

Â

Â

The Consumer Confidence Index uses 100 as its baseline figure - the level of consumer confidence in May 2004.Â All indice figures reflect an increase or decrease in confidence in relation to the benchmark of 100.Â