

Consumer confidence continues to decline - Nationwide Consumer Confidence Index

Contributed by NCCI

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Consumer confidence in the UK fell to its lowest level in almost a year last month, according to the latest findings of the Nationwide Consumer Confidence Index conducted by TNS. The drop comes on the back of continued economic uncertainty and a weakening housing market. However, consumers remain largely optimistic about the labour market, with 44% saying that the employment situation in the UK will be better in six months time than it is now.

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The top line findings for December 07 show:

- Consumers are pessimistic about their current economic situation, with the Present Situation Index falling three points to 88, its lowest level in six months. This decline in confidence can be largely attributed to almost a quarter (24%) of consumers feeling that the current economic situation in the UK is bad.Â

- Consumers are worried about the future, with the number of people believing that the country's economic situation will be worse in six months time rising by 6% to 42% - the highest level in over a year.

- Confidence about consumer spending is also down, with 58% of households agreeing that now is a bad time to make a major purchase, by far the highest percentage in the past year.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