

Consumer Confidence Barometer September 2010

Contributed by GfK NOP
Monday, 11 October 2010

September sees Consumer Confidence drop

The GfK NOP Consumer Confidence Index decreased by two points this month to -20.

September saw decreases for confidence in their personal financial situation over the last 12 months, confidence in their personal financial situation over the next 12 months, confidence in the "general economy" over the last 12 months and confidence in the "general economy" in the next 12 months.

The "major purchase Index"™ was the only measure to increase this month by five points, and is now -15.

Nick Moon, MD of GfK NOP Social Research, comments:

"September's slump suggests the rise in consumer confidence in August was a false dawn, as feared. Besides the trough in July, probably caused by the emergency budget, this month's figure is the lowest confidence has been for the past year. I think we could be about to find out if the money markets are more worried about double dip recession than they are about the size of the UK deficit."

UK Consumer Confidence Measures " September 2010

The overall index score this month dropped by two points to -20, four points lower than this time last year. Four of the five measures this month decreased, with one measure increasing. The annual moving average increases one point to -17.

Personal Financial Situation

The index measuring changes in personal finances during the last twelve months has decreased two points this month, and is now -14; this is one point lower than this time last year.

The forecast for personal finances over the next twelve months decreased by two points to -5, this is ten points lower than September '09.

General Economic Situation

The measure for the general economic situation of the country during the last twelve months has decreased by three points to -46; seventeen points higher than this time last year.

An expectation for the general economic situation over the next twelve months has decreased by five points to -19, twenty three points lower than September '09.

Climate for Major Purchases

The major purchases measure has increased by five points this month to -15; the same as this time last year.

Savings Index

The "now is a good time to save"™ Index, has decreased three points to -9, which is four points lower than September '09.

About the survey

The UK Consumer Confidence Survey from GfK NOP was conducted amongst a sample of 2001 individuals aged 16+ on behalf of the European Commission.

Quotas are imposed on age, sex, region and social class to ensure the final sample is representative of the UK population.

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Interviewing was carried out during 3rd " 12th September 2010.

The figures contained within the Consumer Confidence Barometer have an estimated margin of error of +/-2%

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Results for the Consumer Confidence Barometer are available on the last working day of each month at 00.01am the next release is Friday 29th October 2010.

Any published material requires a reference to both GfK NOP and the European Commission e.g. "Research carried out by GfK NOP on behalf of the European Commission".

This study has been running since 1974. Back data is available from 1996.

The table below provides an overview of the questions asked to obtain the individual index measures:

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Personal financial Situation

(Q1/Q2) This index is based on the following questions to consumers: How has the financial situation of your household changed over the last 12 months?

Q2 "How do you expect the financial position of your household to change over the next 12 months?"

(a lot better " a little better " stay(ed) the same " a little worse - a lot worse)

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General Economic Situation

(Q3/Q4) This index is based on the following questions to consumers: "How do you think the general economic situation in this country has changed over the last 12 months?"

"How do you expect the general economic situation in this country to develop over the next 12 months?"

(a lot better " a little better " stay(ed) the same " a little worse - a lot worse)

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Climate for major purchases

(Q8) "This index is based on the following question to consumers: "In view of the general economic situation, do you think now is the right time for people to make major purchases such as furniture or electrical goods?"

(right time " neither right nor wrong time " wrong time) • • • • •

Savings Index

(Q10)

This Savings index is based on the following question to consumers: "In view of the general economic situation do you think now is?"

(a very good time to save " a fairly good time to save " not a good time to save " a very bad time to save)

(Commented on but not included in the Index score) • • • • •

About GfK NOP

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The GfK Group

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