Consumer Confidence Barometer (February 2011)

Contributed by GfK NOP
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Consumer confidence has stabilised but not bounced back

The GfK NOP Consumer Confidence Index has increased one point this month to -28.

February saw small increases across three of the five measures; personal financial situation over last 12 months and over the next 12 months and the major purchase index.

Public perception of the General economic situation over the last 12 months and over the next 12 months both decreased by one point each.

Nick Moon, MD of GfK NOP Social Research, comments:
â€œFebruary's index shows that public feeling has barely changed from last month. The statistically insignificant increase shows that while consumer confidence has stabilised, it has not bounced back.

â€œOverall confidence remains low and, although it has not reached the depths of 2 years ago, the fact that it is 10 points down on six months ago, and 14 points down on a year ago, represents a significant set-back to hopes of recovery. While the government will be relieved that consumer confidence has leveled out, such a small increase indicates that last month.s astonishing figures were not an aberration. Â

â€œWith the government.s strategy based heavily on economic growth providing private sector jobs to replace the ones being cut,they will have to hope that consumer confidence is a less good predictor of the economy than previously.â€• Â

UK Consumer Confidence Measures â€“ February 2011
The overall index score this month increased one point to -28, fourteen points lower than this time last year. Three of the five measures increased this month, with the remaining two decreasing slightly. The annual moving average drops one point to -20.

Personal Financial Situation
The index measuring changes in personal finances during the last twelve months has increased two points this month, at -16; this is three points lower than this time last year.

The forecast for personal finances over the next twelve months increased two points to -10; but this is still a significant sixteen points lower than February â€ž10. Â

General Economic Situation
The measure for the general economic situation of the country during the last twelve months has decreased by one point to â€“55; five points lower than this time last year.

An expectation for the general economic situation over the next twelve months has decreased by one point to -31, thirty five points lower than
February â€ž10.

Climate for Major Purchases
The major purchases measure has shown the largest increase, rising four points to -25; but still nine points lower than this time last year.

Savings Index
The â€žnow is a good time to save. Index, has dropped six points to -11, which is five points lower than February â€ž10. Â

EDITORâ€™S NOTE: Please source all information to GfK NOP.

About the survey
. The UK Consumer Confidence Survey from GfK NOP was conducted amongst a sample of 2000 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.

. Interviewing was carried out during 4th â€“ 13th February 2011.

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

. Results for the Consumer Confidence Barometer are normally available on the last working day of each month at 00.01am; the release date for March is Thursday 31st March 2011.

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

. 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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