December Sees UK’s Consumer Confidence Drop Two points

Contributed by GfK NOP
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The GfK NOP Consumer Confidence Index has decreased two points this month to -33.

Nick Moon, Managing Director of GfK NOP Social Research, comments: â€œThe two point drop in the index this month means consumer confidence is now at its lowest ebb in almost three years. In fact, in the 37 years the index has been running it has only been lower on two occasions â€“ a single month in 1990, and eight months during the 2008-2009 recession.

â€œOptimism has not been lifted by pre-Christmas spending and it is hard to see grounds for a recovery in confidence in the near future. The eight per cent drop in the score for the general economic situation over the next 12 months is significant and will make chilling reading for the Government and British businesses.â€•

UK Consumer Confidence Measures â€“ December 2011
The overall index score this month has decreased two points to -33, twelve points lower than this time last year. Three of the measures saw
decreases this month, with two measures staying at the same level as November 2011. The annual moving average stays the same at -28.

Personal Financial Situation
The index measuring changes in personal finances during the last twelve months has stayed the same this month at -23; this is seven points lower than this time last year.

The forecast for personal finances over the next twelve months has stayed the same this month at -10; this is two points lower than December â€™10.

General Economic Situation
The measure for the general economic situation of the country during the last twelve months has decreased one point this month to -62; eleven points lower than this time last year.

An expectation for the general economic situation over the next twelve months has decreased by eight points to -41, eighteen points lower than December â€˜10.

Climate for Major Purchases
The major purchases measure has decreased four points this month to -31; which is twenty four points lower than this time last year.

Savings Index
The â€˜now is a good time to saveâ€™ Index, has increased one point to -12, which is two points lower than December â€™10.

About the survey
â€¢ The UK Consumer Confidence Barometer is conducted by GfK NOP on behalf of the EU, with similar surveys being conducted in each European country. In producing its own reports on the whole of Europe, the EU applies a seasonal adjustment to the data, to smooth out any changes that are functions at least in part of the time of year.

â€¢ Historically, the UK data have not been seasonally adjusted in this way, and to maintain comparability, GfK NOP continues not to apply this adjustment. This can lead to situations where the EU figures show different movements in a particular month from those produced by GfK NOP. Individual months may be affected, but the long term trend is not.

â€¢ The UK Consumer Confidence Survey from GfK NOP was conducted amongst a sample of 2,001 individuals aged 16+ on behalf of the European Commission.

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

â€¢ Interviewing was carried out during 2nd â€“ 11th December 2011.

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

â€¢ Results for the Consumer Confidence Barometer are normally available on the last working day of each month at 00.01am; the release date for January 2012 is Tuesday 31st January 2012.

â€¢ 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€™.

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

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

About GfK NOP
For more information please visitÂ http://www.gfknop.com/

The GfK Group
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