May Sees An Increase In UK’s Consumer Confidence

Contributed by GfK NOP
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GfKâ€™s UK Consumer Confidence Index has increased two points this month to -29.

Nick Moon, Managing Director of Social Research in GfK, comments:
â€œAfter the revised ONS figures showed the economy is deeper in recession than previously thought, the Government will view these figures as good news. However, while this rise is indeed positive, consumer confidence remains mired in the very negative position it has been in for almost 18 months.

â€œIn light of last weekâ€™s revised GDP figures, itâ€™s worth noting that the Index is at exactly the same level it was when th economy was entering recession in January and February this year. The driver for this monthâ€™s surprise rise in consumer sentiment is borne entirely out of how people view the future rather than how they feel looking back at the last year. Even though optimism about how the economy will perform over the next 12months has risen by seven points in the last month, it is still significantly down on where it was this time last year.â€•

UK Consumer Confidence Measures â€“ May 2012
The overall index score has increased two points this month to -29. Two measures saw increases this month, two measures decreased and the remaining measure stayed the same. The annual moving average stays the same at -29.

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 five points lower than May 2011. The forecast for personal finances over the next twelve months has increased four points to -9; this is six points lower than this time last year.

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 -58; this is fourteen points lower than May 2012.

An expectation for the general economic situation over the next twelve months has increased by seven points to -26, eleven points lower than May â€˜11.

Climate for Major Purchases
The major purchases measure has decreased by two points this month to -32; which is six points lower than this time last year.

Savings Index
The â€˜now is a good time to saveâ€™ Index, has increased two points to -16, which is fifteen points lower than May â€™11.

About the survey
- The UK Consumer Confidence Barometer is conducted by GfK 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.

- Historically, the UK data have not been seasonally adjusted in this way, and to maintain comparability, GfK 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. Individual months may be affected, but the long term trend is not.

- The UK Consumer Confidence Survey from GfK was conducted amongst a sample of 1,998 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 May 2012.

- 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 June 2012 is Friday 29th June.

- Any published material requires a reference to both GfK and the European Commission e.g. â€˜Research carried out by GfK 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:

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

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