

UK consumer confidence stabilises, but no bounce-back

LONDON, UK: The GfK NOP Consumer Confidence Index for the UK has increased 1 point this month, to -28. February saw small increases across 3 of the 5 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 1 point each.

Nick Moon, MD of GfK NOP Social Research, comments, "February'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.

"Overall confidence remains low and, although it has not reached the depths of 2 years ago, the fact that it is 10 points down on 6 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 levelled out, such a small increase indicates that last month's astonishing figures were not an aberration.

"With 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."

UK Consumer Confidence Measures - February 2011

The overall index score this month increased 1 point to -28, 14 points lower than this time last year. 3 of the 5 measures increased this month, with the remaining 2 decreasing slightly. The annual moving average drops 1 point to -20.

	Feb 2011	Jan 2011	Feb 2010
Overall Index score	-28	-29	-14
Personal financial situation over last 12 months	-16	-18	-13
Personal financial situation over next 12 months	-10	-12	+6
General economic situation over last 12 months	-55	-54	-50
General economic situation over next 12 months	-31	-30	+4
Climate for major purchases	-25	-29	-16

Personal financial situation

The index measuring changes in personal finances during the last 12 months has increased 2 points this

month, at -16; this is 3 points lower than this time last year.

The forecast for personal finances over the next 12 months increased 2 points to -10; but this is still a significant 16 points lower than February '10.

General economic situation

The measure for the general economic situation of the country during the last 12 months has decreased by 1 point to -55; 5 points lower than this time last year.

An expectation for the general economic situation over the next twelve months has decreased by 1 point to -31, 35 points lower than February '10.

Climate for major purchases

The major purchases measure has shown the largest increase, rising 4 points to -25, but still 9 points lower than this time last year.

Savings index

The 'now is a good time to save' Index, has dropped 6 points to -11, which is 5 points lower than February '10.

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 from 4-13 February 2011.
- The figures contained within the Consumer Confidence Barometer have an estimated margin of error +/-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 31 March 2011. .
- This study has been running since 1974. Back data is available from 1996.

Research carried out by GfK NOP on behalf of the European Commission.