

ANZ-Roy Morgan Australian Consumer Confidence Media Release

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Consumer sentiment recovers

- After last week's sharp fall, ANZ-Roy Morgan Australian Consumer Confidence recovered by 2%, regaining a third of last week's decline. Four of the five subindices were positive.
- Households' perceptions of current financial conditions rose by 3.1% last week, while sentiment regarding the future financial situation rose by 1.5%.
- Sentiment towards current economic conditions rose by 6.2%, more than recovering last week's previous fall of 5.4%. Future economic conditions rose by 3.1%.
- The 'time to buy a household item' sub-index fell by 2.5%. Four-week moving average inflation stabilised at 4.5%.

ANZ's Head of Australian Economics, David Plank, commented:

"There was welcome respite in the confidence index after the 6% fall the previous week. Confidence rose 2%, with four of the five sub-indices positive. The rise took the headline index back above its long-run average. Given the weakness in equity markets during the week, which saw the ASX 200 index fall more than 10% from its recent peak, the bounce in confidence was encouraging even if it was modest in the context of the prior week's fall. The weekly read on inflation expectations more than reversed last week's jump, suggesting that fears about rising petrol prices have subsided somewhat.

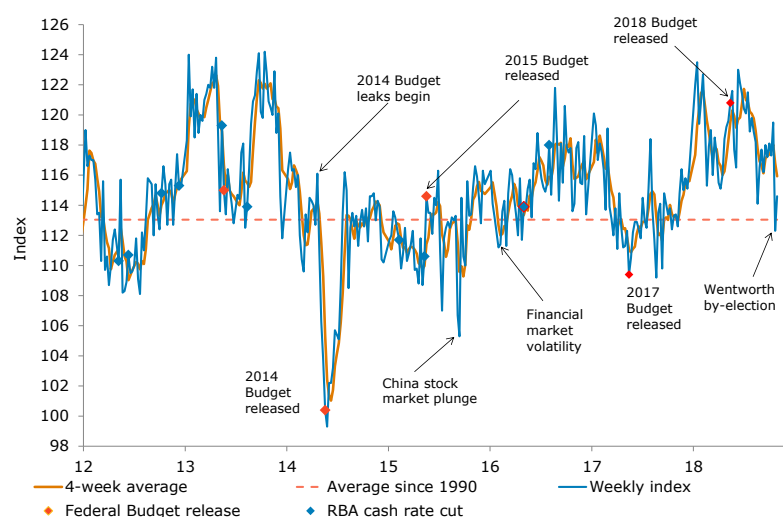
The 'time to buy a household item' was the only confidence subindex registering negative growth, falling to its lowest level since May 2014. The weakness of this category is not surprising given the state of the housing market. There are a number of data releases this week that could impact sentiment, not least the Q3 CPI. The performance of equity markets may also drive sentiment.'

ANZ-Roy Morgan Consumer Confidence and inflation expectations

Last week (27-28 Oct)	Weekly change, %	Four-week average	Monthly average since 1990	Inflation expectations (four-week ma)
114.6	2.0%	115.9	113	4.5%

Data collected last weekend (Saturday and Sunday), based on around 1,000 face-to-face interviews. Not seasonally adjusted. Further [data history](#) on page 6.

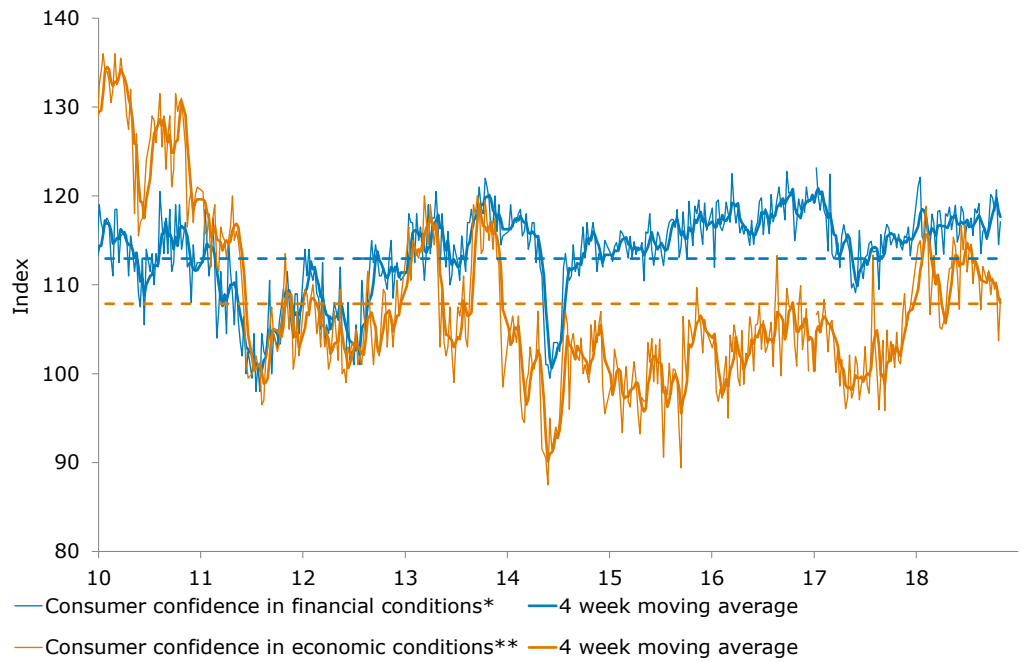
Figure 1. Consumer confidence partially rebounds from last week's fall



Source: ANZ-Roy Morgan



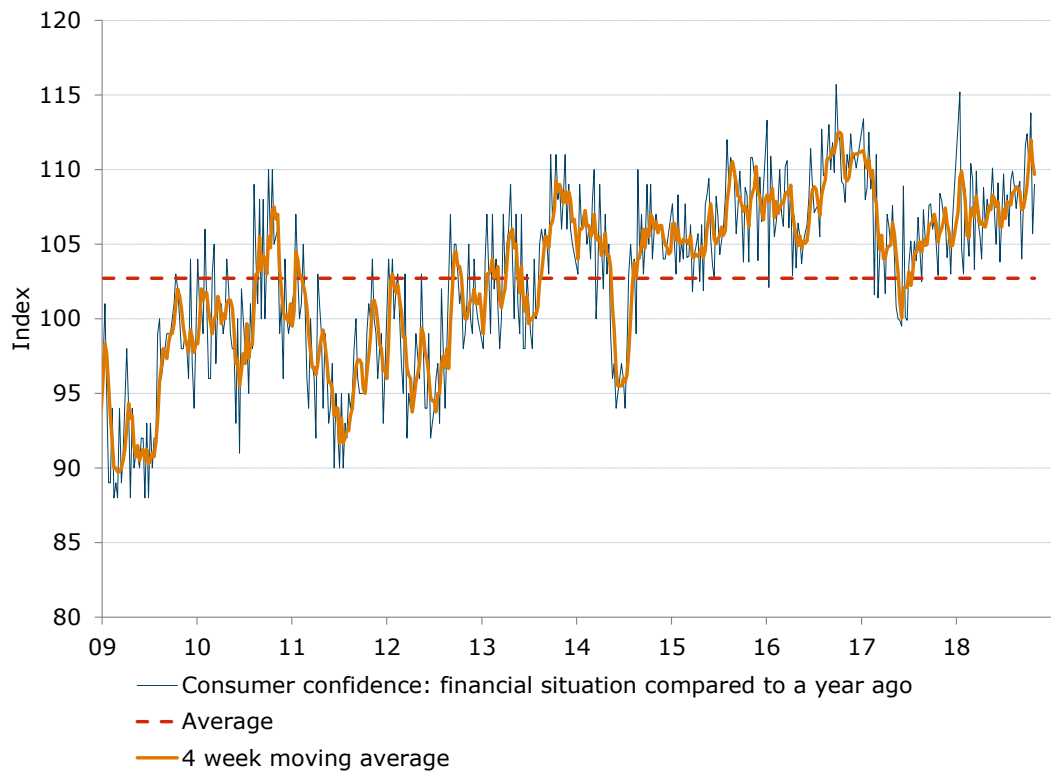
Figure 2. Confidence in financial conditions stabilises



Source: ANZ-Roy Morgan

Note: Financial conditions index is an average of 'financial situation compared to a year ago' and 'financial situation next year' sub-indices. Economic conditions index is an average of 'economic conditions in 12 months' and 'economic conditions in five years' sub-indices.

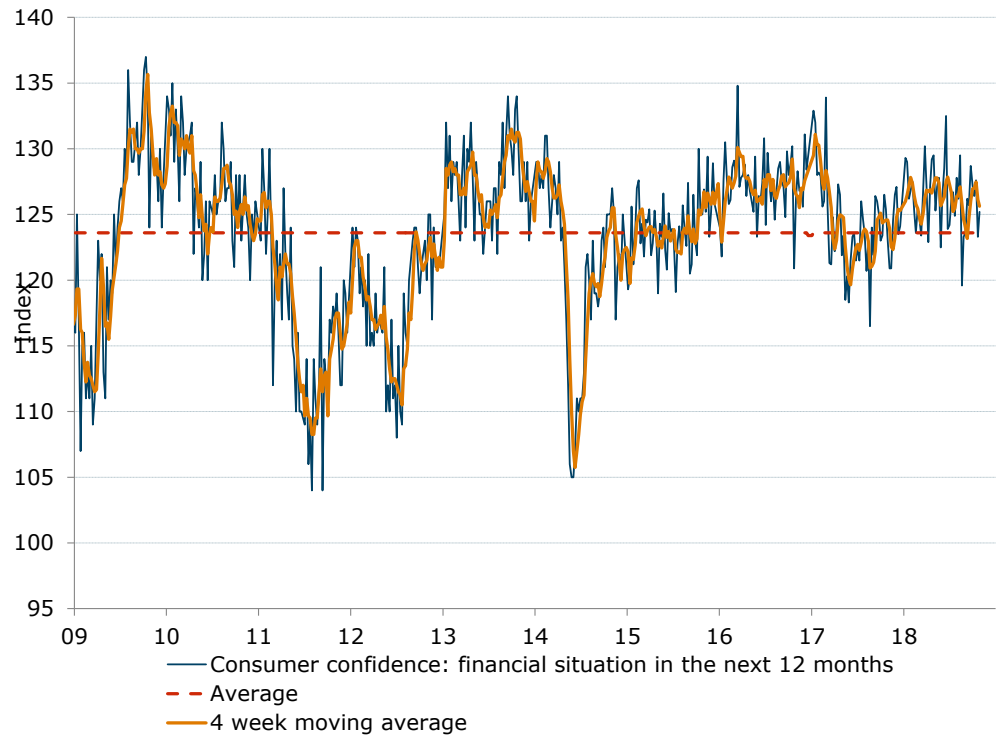
Figure 3. Recovery in views towards current finances



Source: ANZ-Roy Morgan

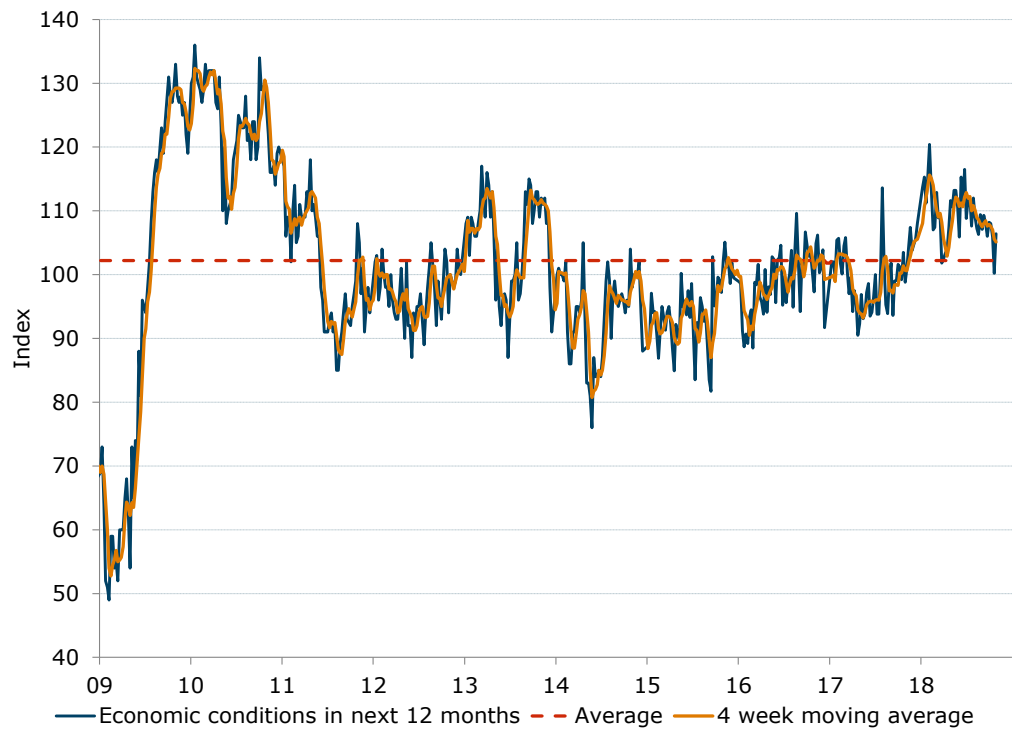


Figure 4. Views towards future financial conditions back above its long-term average



Source: ANZ-Roy Morgan

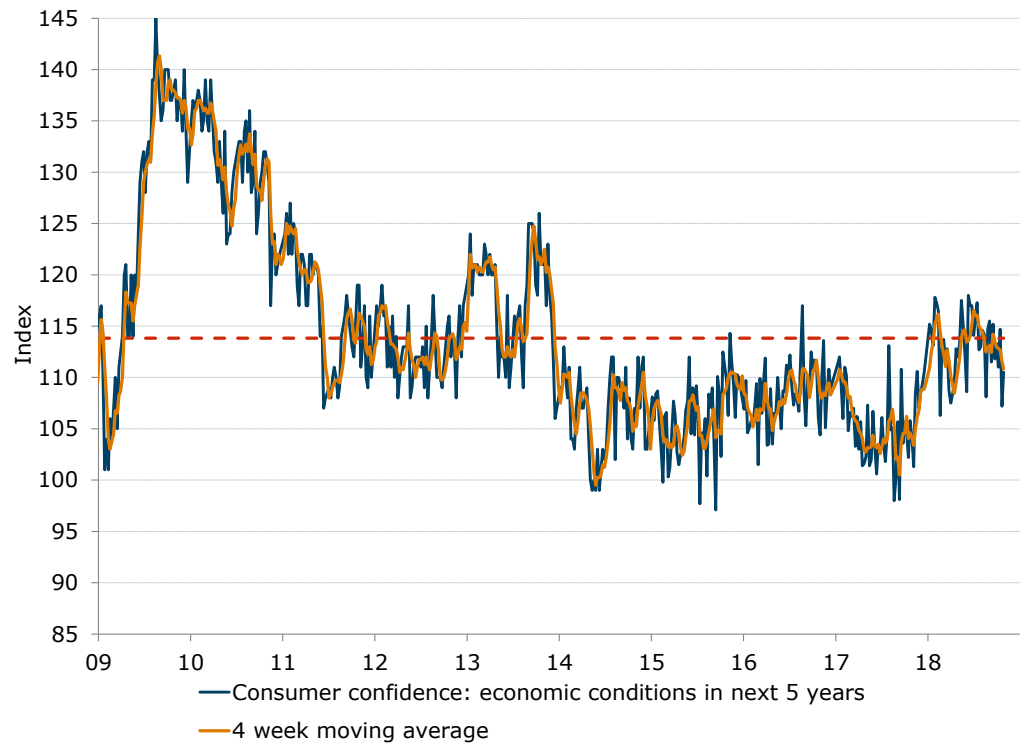
Figure 5. Sentiment towards current economic conditions up by 6.2%



Source: ANZ-Roy Morgan

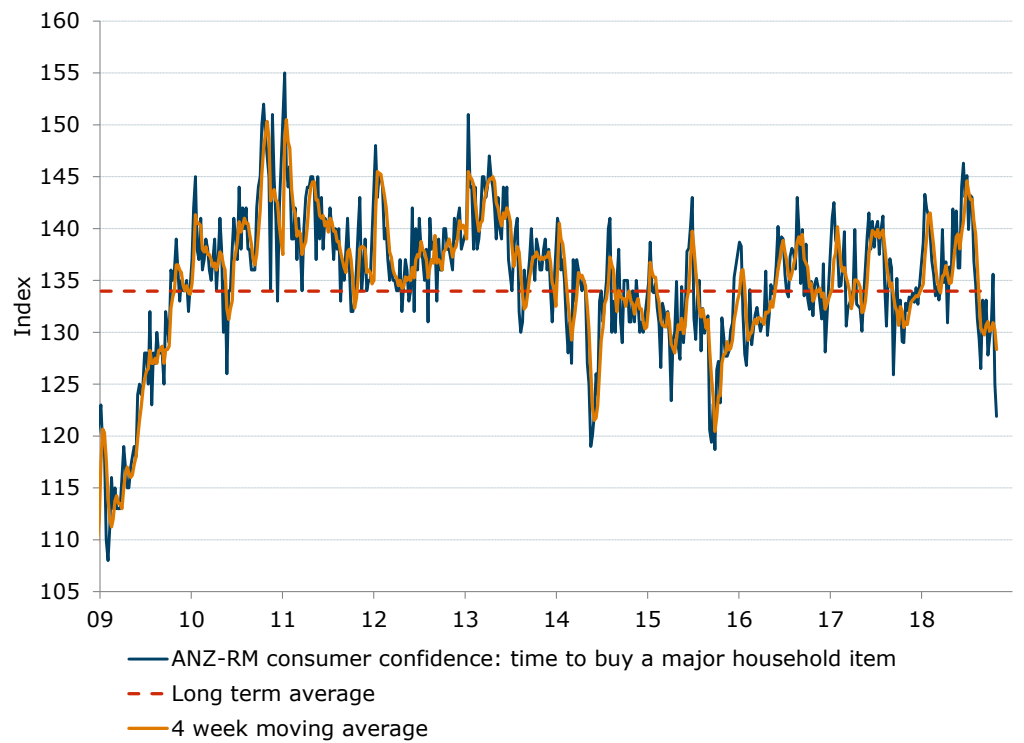


Figure 6. ...but views towards future economic conditions still below average



Source: ANZ-Roy Morgan

Figure 7. The 'time to buy a household item' continues to fall

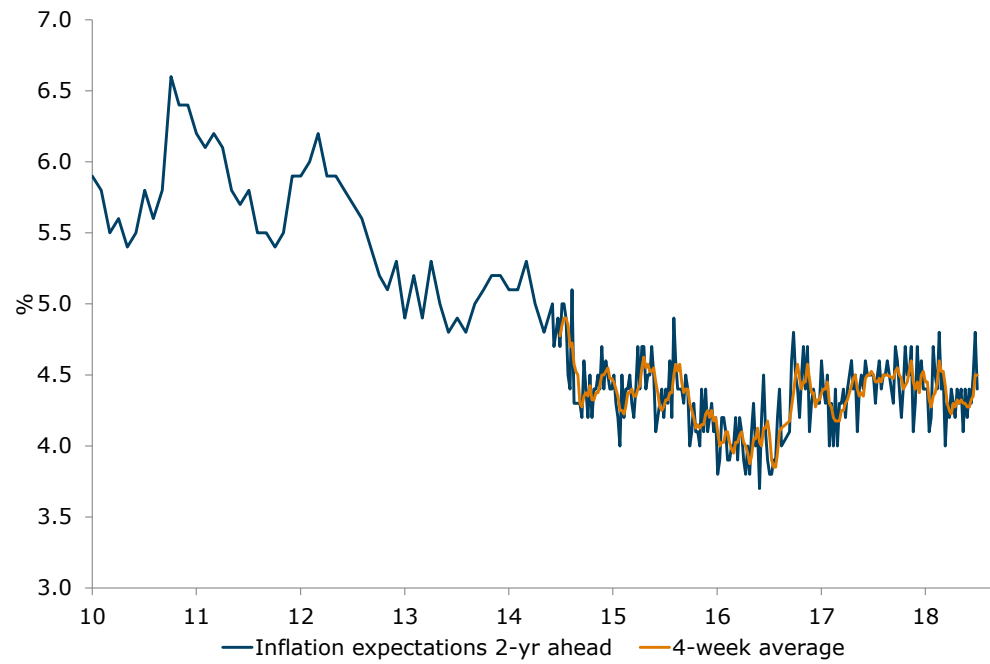


Source: ANZ-Roy Morgan



Charts

Figure 8. Four-week moving average inflation expectations stabilises at 4.5%



* Data from Oct-2014 is weekly.
Data prior to that is monthly.

Source: ANZ-Roy Morgan



Data table

Table 1. ANZ-Roy Morgan Australian Consumer Confidence

	Headline index		Subindices					Inflation Expectations
	Last week	4-week moving average	1. Financial situation compared to a year ago	2. Financial situation next year	3. Economic conditions next year	4. Economic conditions next 5 years	5. Time to buy a major household item	6. Inflation expectations 2-year ahead (%)
Avg since 2001	116	-	102	124	105	114	135	-
2010 avg	124	-	101	127	124	130	139	5.7
2011 avg	114	-	97	117	101	116	140	6.0
2012 avg	113	-	99	118	97	113	138	5.8
2013 avg	119	-	104	128	106	118	139	5.0
2014 avg	111	-	104	121	94	106	132	4.9
2015 avg	112	-	107	124	94	106	131	4.4
2016 avg	115	-	109	127	99	108	134	4.1
29-Oct-17	113.4	113.2	108	123	99	104	133	4.5
5-Nov-17	112.6	112.9	108	121	101	101	132	4.3
12-Nov-17	114.8	113.5	107	121	104	108	133	4.5
19-Nov-17	116.4	114.3	107	125	107	111	133	4.6
26-Nov-17	115.0	114.7	104	127	104	107	134	4.4
3-Dec-17	115.8	115.5	106	127	105	109	133	4.5
10-Dec-17	115.1	115.6	103	124	106	109	134	4.5
17-Dec-17	116.5	115.6	107	124	108	111	133	4.6
7-Jan-18	122.0	117.4	113	129	114	115	139	4.3
14-Jan-18	123.5	119.3	115	129	115	115	143	4.7
21-Jan-18	119.4	120.4	105	126	111	113	142	4.6
28-Jan-18	120.9	121.5	103	127	116	118	141	4.4
4-Feb-18	122.7	121.6	109	128	120	117	140	4.2
11-Feb-18	119.5	120.6	106	125	113	117	137	4.4
18-Feb-18	115.3	119.6	104	124	107	106	136	4.7
25-Feb-18	117.9	118.9	110	126	107	113	134	4.5
4-Mar-18	119.0	117.9	109	125	113	114	134	4.5
11-Mar-18	116.0	117.1	103	123	109	112	133	4.7
18-Mar-18	118.5	117.9	110	127	109	113	134	4.1
25-Mar-18	117.4	117.7	107	130	102	109	140	4.3
1-Apr-18	115.5	116.9	106	127	103	108	135	4.7
8-Apr-18	115.1	116.6	104	123	103	108	137	4.4
15-Apr-18	116.0	116.0	109	127	104	109	131	4.6
22-Apr-18	118.4	116.3	106	129	107	113	136	4.4
29-Apr-18	119.2	117.2	108	130	112	112	135	4.4
6-May-18	119.6	118.3	107	125	111	113	142	4.4
13-May-18	120.8	119.5	108	127	113	118	138	4.1
20-May-18	121.6	120.3	110	128	113	115	142	4.2
27-May-18	117.7	119.9	107	123	111	112	136	4.7
3-Jun-18	116.5	119.2	105	127	106	109	136	4.5
10-Jun-18	123.0	119.7	109	129	115	118	144	4.4
17-Jun-18	122.1	119.8	104	133	111	117	146	4.8
24-Jun-18	121.4	120.8	107	124	117	117	143	4.4
1-Jul-18	120.4	121.7	110	124	109	114	145	4.5
8-Jul-18	120.1	121.0	107	126	112	116	140	4.0
15-Jul-18	121.5	120.9	108	127	112	117	143	4.3
22-Jul-18	118.9	120.2	106	125	108	113	143	4.2
29-Jul-18	119.8	120.1	109	128	112	113	137	4.4
5-Aug-18	118.9	119.8	110	126	109	115	135	4.3
12-Aug-18	118.2	119.0	109	130	107	114	131	4.2
19-Aug-18	114.1	117.8	107	120	106	108	129	4.4
26-Aug-18	116.5	116.9	109	123	109	115	127	4.3
2-Sep-18	117.7	116.6	109	124	107	116	133	4.4
9-Sep-18	116.2	116.1	104	126	109	112	130	4.1
16-Sep-18	118.0	117.1	108	126	108	115	133	4.4
23-Sep-18	117.2	117.3	112	129	106	112	128	4.2
30-Sep-18	118.1	117.4	112	127	108	113	129	4.4
7-Oct-18	117.3	117.7	110	126	108	111	131	4.3
14-Oct-18	119.5	118.0	114	128	106	115	136	4.5
21-Oct-18	112.3	116.8	106	123	100	107	125	4.8
28-Oct-18	114.6	115.9	109	125	106	111	122	4.4

Source: ANZ-Roy Morgan



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[25.07.2018]

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