# ANZ-Roy Morgan Australian Consumer Confidence Media Release

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### Confidence lower on global news

- ANZ-Roy Morgan Australian Consumer Confidence fell 2.3% last week, closing below the long-term average.
- The fall was driven by weakness in economic conditions, with current falling 3.8% and future losing a massive 7.9%. Both the economic sub-indices are below their respective long-term average.
- In contrast, the measures relating to personal finances rose modestly. Current finances were up by 0.2% for the week, while future finances gained 0.6%.
- The 'Time to buy a major household item' index fell 1.4% its third consecutive decline. The four-week moving average for inflation expectations fell by 0.1ppt to 3.9%. Weekly readings of inflation expectations have shown signs of weakness over the last few weeks.

#### **ANZ-Roy Morgan Consumer Confidence and inflation expectations**

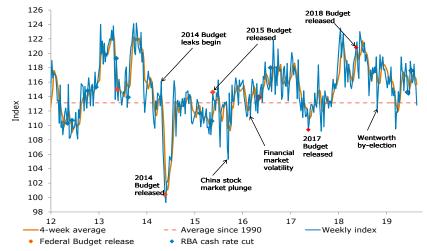
Last week (17–18 Aug)	Weekly change, %	Four-week average	Monthly average since 1990	Inflation expectations (four-week ma)
112.8	-2.3%	115.7	113.1	3.9%

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.

#### ANZ Head of Australian Economics, David Plank, commented:

"Australian households appear to be troubled by negative global economic developments and the related equity market weakness, with sentiment toward current and future economic conditions down sharply. Views about current economic conditions have fallen materially for three weeks in a row, while those for future economic conditions are at their weakest since October/November last year. The relative buoyancy of sentiment about personal financial conditions indicates that the tax cuts and lower interest rates are having a positive impact on households. But this hasn't been sufficient to offset the global news flow. The more negative view on the economic outlook is impacting inflation expectations. The past three weeks have seen weekly readings of less than 4%."

#### Confidence down by 2.3%





140

130

120

100

100

10

11

12

13

14

15

16

17

18

19

Consumer confidence in financial conditions\*

4 week moving average

Consumer confidence in economic conditions\*\*

4 week moving average

-4 week moving average

Figure 1. Financial and economic conditions continue to diverge

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.

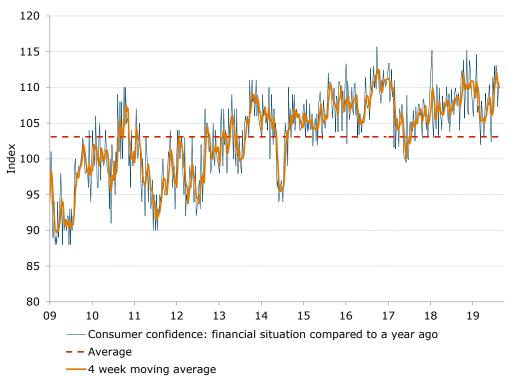


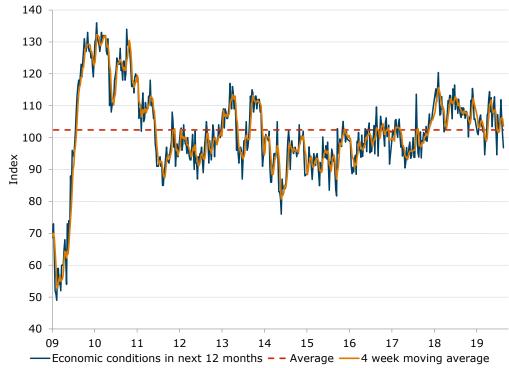
Figure 2. 'Current finances' gain 0.2%



In 115 Consumer confidence: financial situation in the next 12 months - - Average ----4 week moving average

Figure 3. 'Future financial conditions' higher and above long-term average







ğ 115 Consumer confidence: economic conditions in next 5 years -4 week moving average

Figure 5. 'Future economic conditions' down by a massive 7.9%

Figure 6. 'Time to buy a household item' down by 1.4%, its third consecutive decline

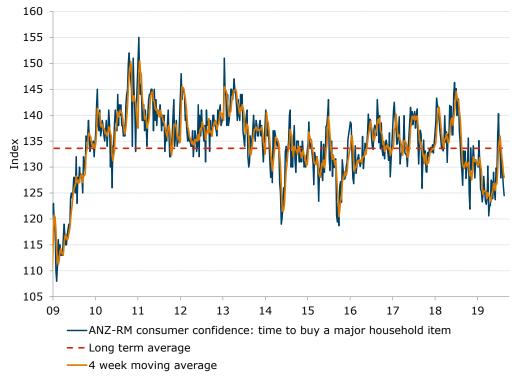
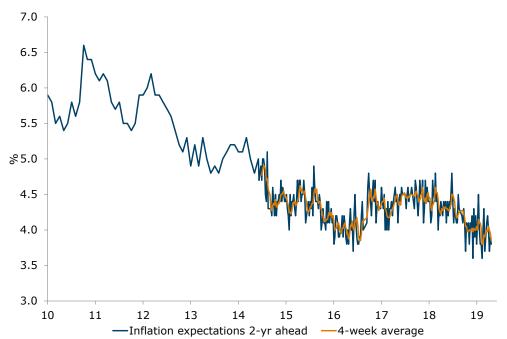




Figure 7. Four-week moving average inflation expectations down by 0.1ppt to 3.9%



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



Table 1. ANZ-Roy Morgan Australian Consumer Confidence

	Headline index			Subindicies			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		103	124	105	114	134	_	
2001 2011 avg	114	-	97	117	101	114	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	115 114	-	109 105	127 124	99 100	108 105	134 135	4.1 4.4	
2017 avg 2018 avg	119	-	103	126	100	113	135	4.4	
1-Jul-18	120.4	121.7	109.7	124.2	108.8	114.1	145.1	4.5	
8-Jul-18	120.1	121.0	106.7	126.1	111.7	115.9	139.9	4.0	
15-Jul-18	121.5	120.9	108.3	126.7	111.9	117.3	143.2	4.3	
22-Jul-18	118.9	120.2	106.2	124.9	107.6	112.7	143.0	4.2	
29-Jul-18	119.8	120.1 119.8	109.3 109.9	127.8	112.0	113.0	136.9	4.4 4.3	
5-Aug-18 12-Aug-18	118.9 118.2	119.8	109.9	126.2 129.5	109.0 107.2	114.6 114.2	134.6 131.3	4.2	
19-Aug-18	114.1	117.8	107.4	119.6	106.3	108.1	129.3	4.4	
26-Aug-18	116.5	116.9	108.7	123.3	109.4	114.7	126.5	4.3	
2-Sep-18	117.7	116.6	109.2	123.6	107.1	115.5	133.1	4.4	
9-Sep-18	116.2	116.1	104.0	126.2	109.3	111.5	130.1	4.1	
16-Sep-18	118.0	117.1	107.8	125.7	108.0	115.2	133.1	4.4 4.2	
23-Sep-18 30-Sep-18	117.2 118.1	117.3 117.4	111.6 112.4	128.7 127.2	106.0 108.2	111.8 113.3	127.8 129.4	4.4	
7-Oct-18	117.3	117.7	110.2	126.4	108.0	111.0	130.9	4.3	
14-Oct-18	119.5	118.0	113.8	127.6	105.9	114.7	135.6	4.5	
21-Oct-18	112.3	116.8	105.7	123.3	100.2	107.2	125.0	4.8	
28-Oct-18	114.6	115.9	109.0	125.2	106.4	110.5	121.9	4.4	
4-Nov-18	116.8	115.8	110.9	124.7	104.4	110.1	133.7	4.1	
11-Nov-18 18-Nov-18	119.8 117.8	115.9 117.3	115.2 106.7	127.5 125.2	111.7 109.9	115.1 116.6	129.5 130.7	4.3 4.2	
25-Nov-18	118.6	118.3	106.2	121.4	115.4	115.7	134.1	4.1	
2-Dec-18	119.5	118.9	113.8	124.2	112.5	115.3	131.6	4.1	
9-Dec-18	117.7	118.4	113.0	126.3	105.7	115.6	127.9	4.5	
16-Dec-18	117.8	118.4	110.7	126.3	105.9	114.6	131.4	4.3	
6-Jan-19	115.2	117.6	105.9	127.7	101.5	111.0	130.0	4.2	
13-Jan-19 20-Jan-19	116.8 115.7	116.9 116.4	108.9 108.6	130.3 127.2	100.9 104.3	108.4 107.6	135.1 130.8	4.1 4.3	
27-Jan-19	116.5	116.1	111.0	126.0	106.1	114.0	125.7	4.1	
3-Feb-19	118.1	116.8	114.6	127.7	107.1	115.6	125.3	3.7	
10-Feb-19	114.1	116.1	106.5	125.7	103.7	111.2	123.3	4.1	
17-Feb-19	115.2	116.0	107.4	130.2	103.5	110.3	124.6	4.0	
24-Feb-19	114.1	115.4	106.4	123.3	101.8	110.9	128.2	4.1	
3-Mar-19 10-Mar-19	114.8 109.5	114.6 113.4	105.0 102.0	129.2 122.2	102.7 94.6	111.4 105.4	125.5 123.4	3.8 4.1	
17-Mar-19	111.9	112.6	102.0	124.3	99.1	105.5	122.8	4.0	
24-Mar-19	111.8	112.0	106.6	120.2	99.0	109.3	124.0	4.2	
31-Mar-19	114.7	112.0	105.0	120.7	107.0	110.7	130.2	3.6	
7-Apr-19	113.2	112.9	103.2	122.8	107.7	111.6	120.6	4.3	
14-Apr-19 21-Apr-19	115.3 119.5	113.8 115.7	105.4 109.2	122.9 129.3	112.2 114.4	113.3 122.0	122.6 122.6	3.9 4.2	
21-Apr-19 28-Apr-19	117.6	116.4	106.3	127.4	108.1	118.8	127.5	3.8	
5-May-19	117.3	117.4	106.5	125.9	112.5	114.5	127.1	4.1	
12-May-19	114.8	117.3	108.6	127.6	103.4	110.7	123.9	4.5	
19-May-19	117.2	116.7	109.1	129.1	107.3	111.7	129.0	4.0	
26-May-19	118.6	117.0	110.4	130.1	110.5	116.7	125.3	3.8	
2-Jun-19	116.9	116.9	105.2	126.4 123.6	112.8	116.4	123.7	3.8 3.6	
9-Jun-19 16-Jun-19	114.6 114.2	116.8 116.1	102.4 106.4	123.6	104.0 101.6	113.1 111.0	129.8 128.2	4.0	
23-Jun-19	114.3	115.0	111.4	124.2	94.6	105.4	136.0	4.3	
30-Jun-19	118.9	115.5	109.0	125.5	107.2	112.8	140.3	3.7	
7-Jul-19	117.6	116.3	113.0	127.1	103.3	110.9	133.8	3.9	
14-Jul-19	115.9	116.7	110.0	125.2	102.3	108.0	133.8	4.1	
21-Jul-19 28-Jul-19	116.3 118.5	117.2 117.1	113.1 112.1	125.6 127.1	105.8 111.9	109.1	127.9 132.4	4.2 4.0	
4-Aug-19	115.8	117.1	107.3	127.1 124.7	111.9	109.1 113.2	132.4	4.0 3.7	
11-Aug-19	115.5	116.5	110.1	127.7	100.6	112.9	126.3	3.9	
18-Aug-19	112.8	115.7	110.3	128.5	96.8	104.0	124.5	3.8	
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