

ANZ-Roy Morgan Australian Consumer Confidence Media Release

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Movement below the surface

- Weekly consumer confidence was essentially unchanged last week, gaining just 0.1%. Within this stable headline result there was quite a bit of movement in the sub-indices. Those relating to personal financial conditions were stronger, while those looking at the economic outlook fell.
- Current financial conditions rose by 4.7%, while future financial conditions gained 0.2%. Both financial condition sub-indices have been positive for two straight weeks.
- Economic conditions were weak, with current economic conditions down 6.9% and future economic conditions falling 5%. Both the sub-indices are below their long-term averages.
- The 'Time to buy a major household item' was up sharply, jumping by 6.1%. It has not been above its current level since July last year. The four-week moving average for inflation expectations rose to 3.9%.

ANZ-Roy Morgan Consumer Confidence and inflation expectations

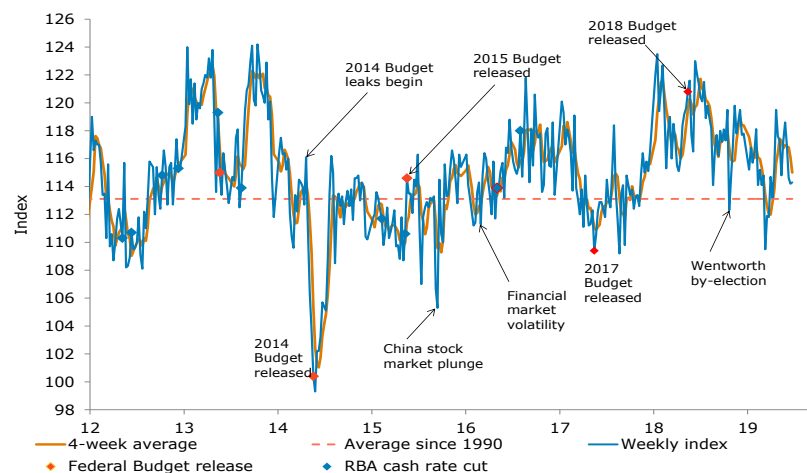
| Last week (22-23 Jun) | Weekly change, % | Four-week average | Monthly average since 1990 | Inflation expectations (four-week ma) |
|-----------------------|------------------|-------------------|----------------------------|---------------------------------------|
| 114.3 | 0.1% | 115.0 | 113.1 | 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:

"Confidence was effectively unchanged last week, but the stability hides quite a lot of variance in the sub-indices. People were much more positive on their own financial circumstances, but unsure about the economic outlook. This may reflect the way lower interest rates are being perceived: positive at the individual level for many (though not all), but the fact that interest rates need to fall is possibly raising concerns about the economic fundamentals. The bounce in the 'time to buy a major household item' may be indicative of the signs of stability in the housing market emerging in other data such as auction clearance rates. The weekly reading of inflation expectations jumped by 0.3ppt to 4.3%. This took the four-week moving average to 3.9%."

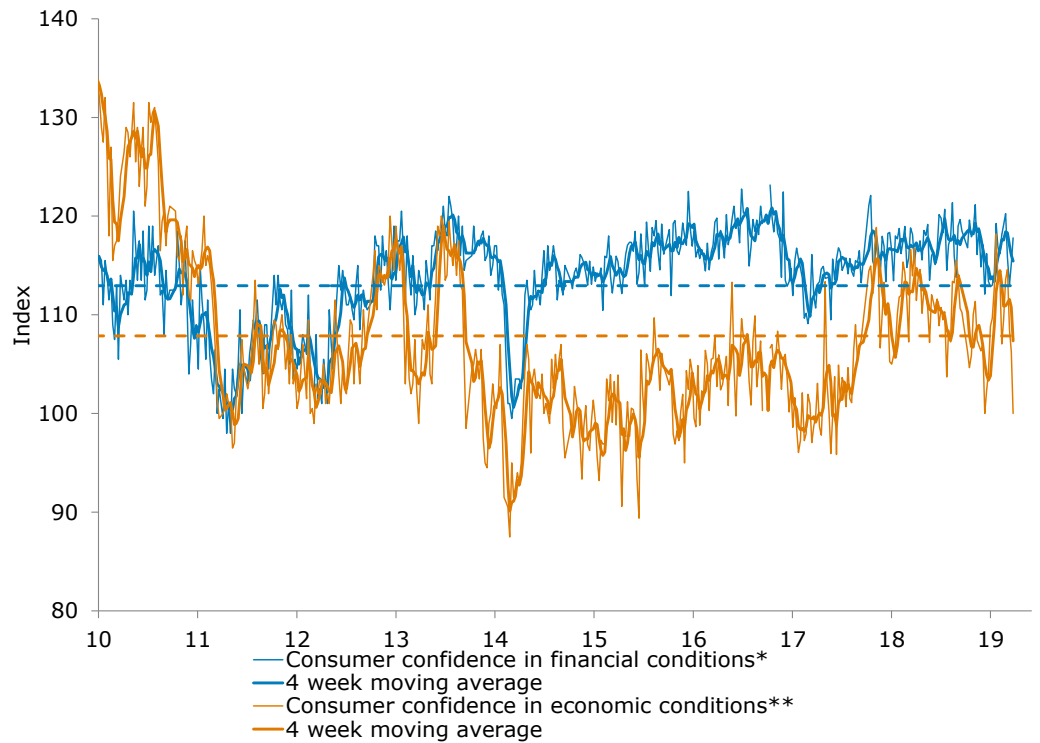
Confidence flat



Source: ANZ-Roy Morgan



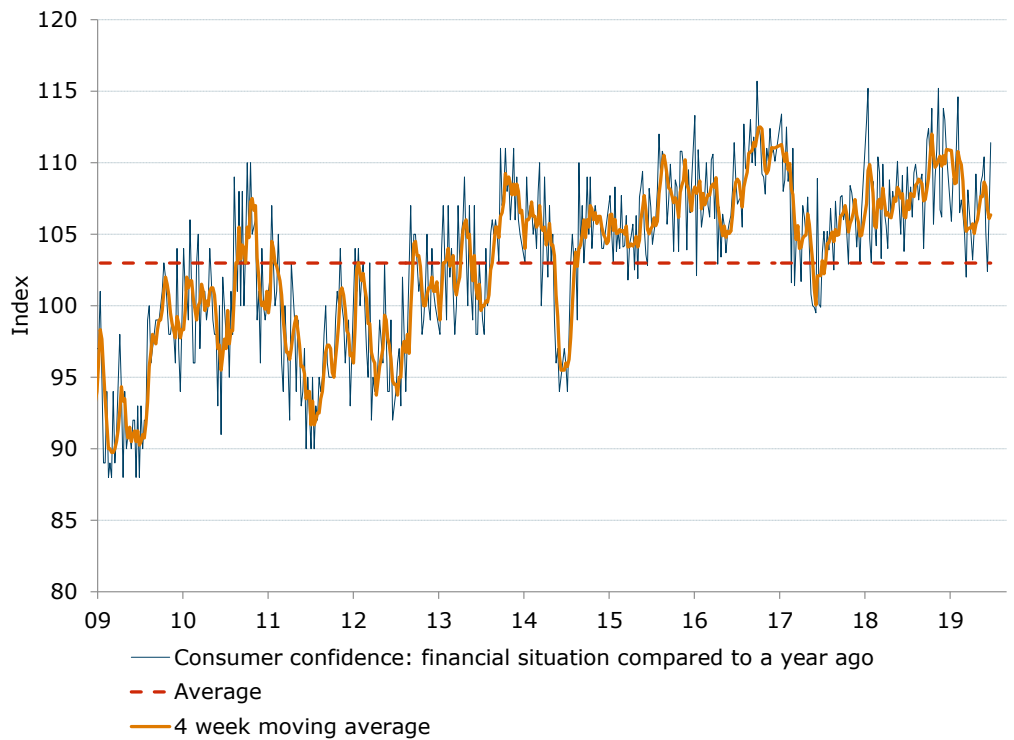
Figure 1. Financial conditions positive but economic conditions well below average



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.

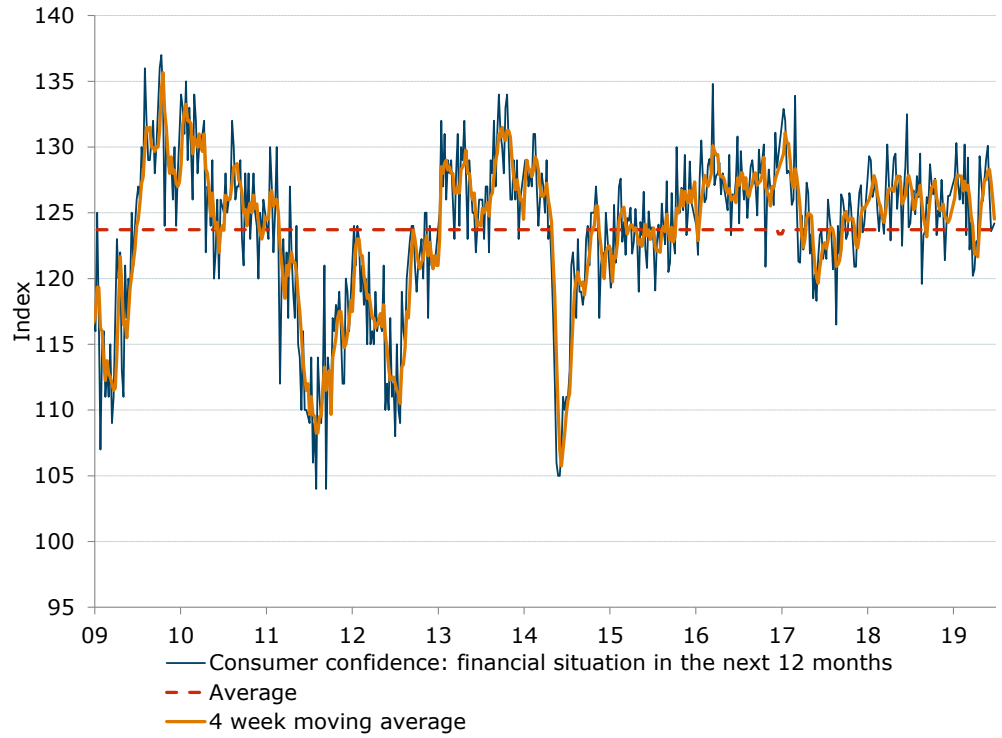
Figure 2. 'Current finances' up by 4.7%



Source: ANZ-Roy Morgan

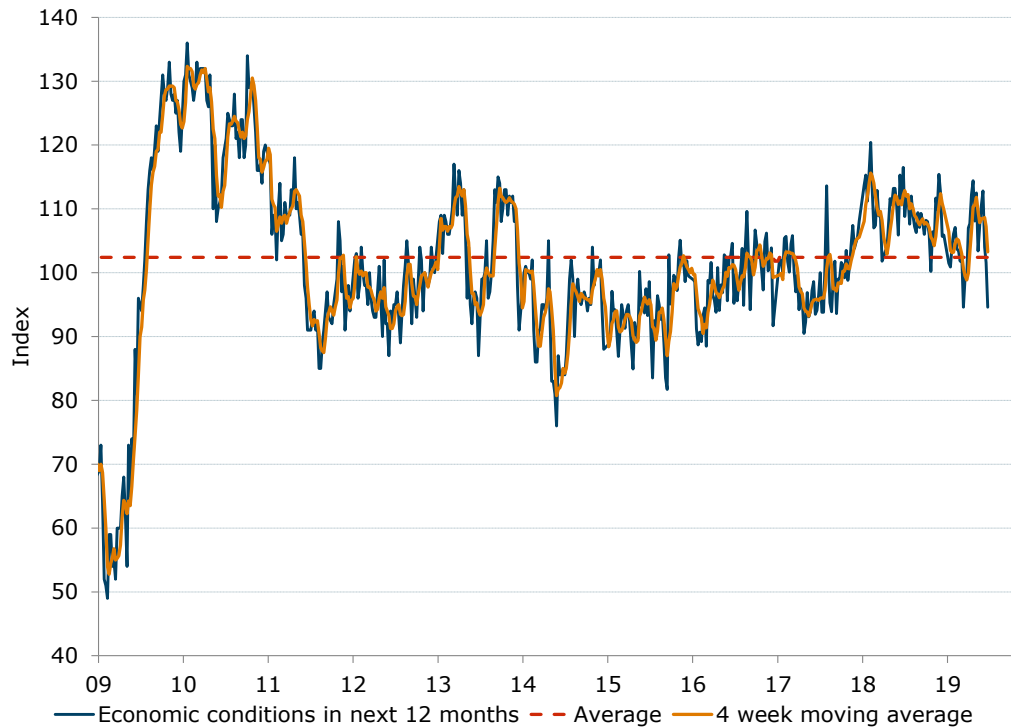


Figure 3. 'Future financial conditions' up a notch



Source: ANZ-Roy Morgan

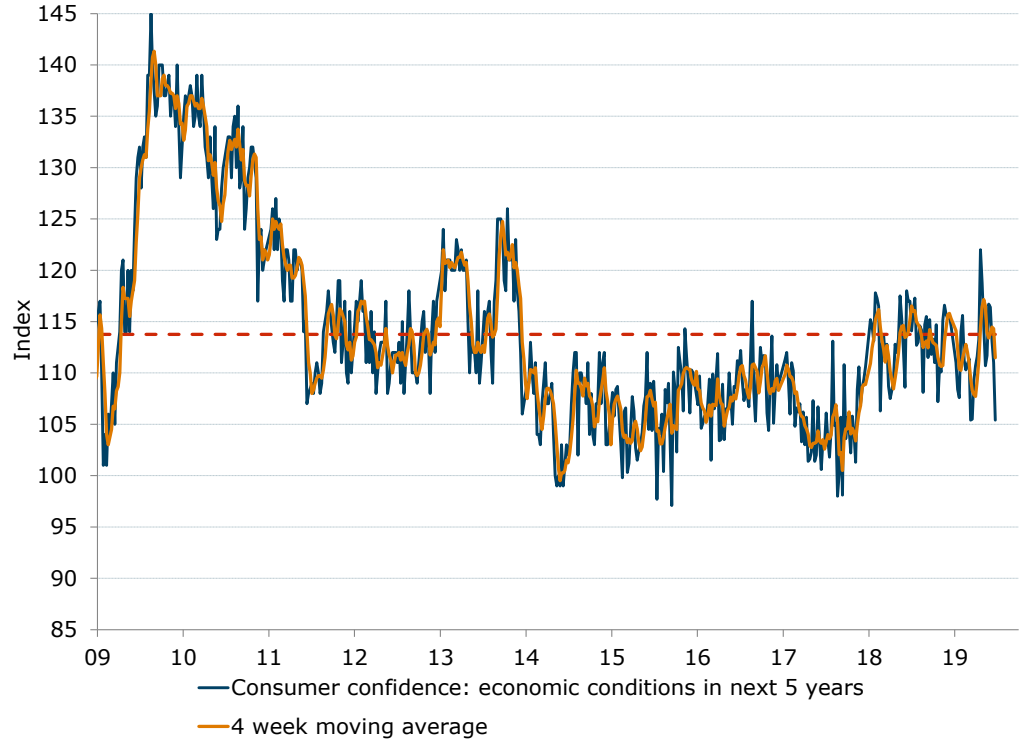
Figure 4. 'Current economic conditions' falls by 6.9%, well below its long term average



Source: ANZ-Roy Morgan

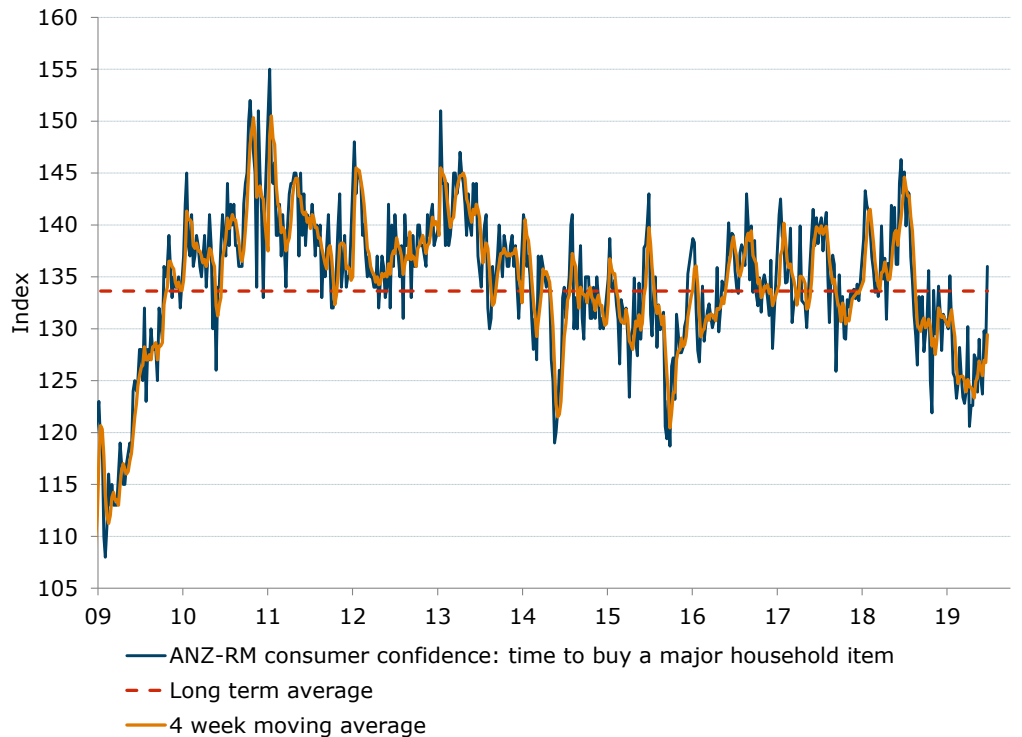


Figure 5. 'Future economic conditions' down by 5%



Source: ANZ-Roy Morgan

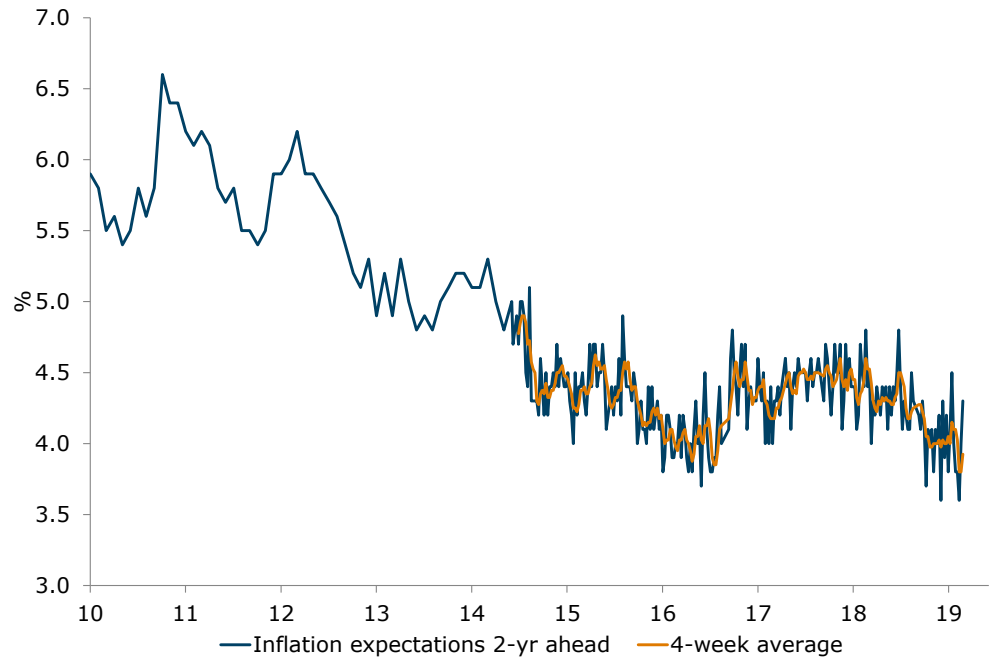
Figure 6. 'Time to buy a household item' strengthened by 6.1%, closing above its long term average



Source: ANZ-Roy Morgan



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



* 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 | - | 103 | 124 | 105 | 114 | 134 | - |
| 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 |
| 2017 avg | 114 | - | 105 | 124 | 100 | 105 | 135 | 4.4 |
| 2018 avg | 119 | - | 108 | 126 | 109 | 113 | 135 | 4.4 |
| 1-Apr-18 | 115.5 | 116.9 | 105.6 | 127.2 | 102.5 | 107.5 | 134.8 | 4.7 |
| 8-Apr-18 | 115.1 | 116.6 | 104.0 | 122.9 | 103.4 | 108.3 | 136.8 | 4.4 |
| 15-Apr-18 | 116.0 | 116.0 | 108.8 | 127.2 | 103.9 | 109.3 | 130.9 | 4.6 |
| 22-Apr-18 | 118.4 | 116.3 | 106.2 | 129.2 | 107.4 | 112.8 | 136.3 | 4.4 |
| 29-Apr-18 | 119.2 | 117.2 | 108.0 | 129.5 | 111.6 | 112.0 | 135.1 | 4.4 |
| 6-May-18 | 119.6 | 118.3 | 107.1 | 125.3 | 110.6 | 113.3 | 141.9 | 4.4 |
| 13-May-18 | 120.8 | 119.5 | 107.9 | 127.1 | 113.20 | 117.5 | 138.1 | 4.1 |
| 20-May-18 | 121.6 | 120.3 | 110.1 | 127.8 | 113.20 | 115.3 | 141.7 | 4.2 |
| 27-May-18 | 117.7 | 119.9 | 107.1 | 122.5 | 110.5 | 112.4 | 136.2 | 4.7 |
| 3-Jun-18 | 116.5 | 119.2 | 105.0 | 126.5 | 105.9 | 108.6 | 136.2 | 4.5 |
| 10-Jun-18 | 123.0 | 119.7 | 109.1 | 128.5 | 115.3 | 118.0 | 144.0 | 4.4 |
| 17-Jun-18 | 122.1 | 119.8 | 103.8 | 132.5 | 110.9 | 117.0 | 146.3 | 4.8 |
| 24-Jun-18 | 121.4 | 120.8 | 106.7 | 123.9 | 116.5 | 117.0 | 143.0 | 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 | 109.3 | 127.8 | 112.0 | 113.0 | 136.9 | 4.4 |
| 5-Aug-18 | 118.9 | 119.8 | 109.9 | 126.2 | 109.0 | 114.6 | 134.6 | 4.3 |
| 12-Aug-18 | 118.2 | 119.0 | 108.8 | 129.5 | 107.2 | 114.2 | 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 |
| 23-Sep-18 | 117.2 | 117.3 | 111.6 | 128.7 | 106.0 | 111.8 | 127.8 | 4.2 |
| 30-Sep-18 | 118.1 | 117.4 | 112.4 | 127.2 | 108.2 | 113.3 | 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 | 119.8 | 115.9 | 115.2 | 127.5 | 111.7 | 115.1 | 129.5 | 4.3 |
| 18-Nov-18 | 117.8 | 117.3 | 106.7 | 125.2 | 109.9 | 116.6 | 130.7 | 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 | 116.8 | 116.9 | 108.9 | 130.3 | 100.9 | 108.4 | 135.1 | 4.1 |
| 20-Jan-19 | 115.7 | 116.4 | 108.6 | 127.2 | 104.3 | 107.6 | 130.8 | 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 | 114.8 | 114.6 | 105.0 | 129.2 | 102.7 | 111.4 | 125.5 | 3.8 |
| 10-Mar-19 | 109.5 | 113.4 | 102.0 | 122.2 | 94.6 | 105.4 | 123.4 | 4.1 |
| 17-Mar-19 | 111.9 | 112.6 | 108.1 | 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 | 115.3 | 113.8 | 105.4 | 122.9 | 112.2 | 113.3 | 122.6 | 3.9 |
| 21-Apr-19 | 119.5 | 115.7 | 109.2 | 129.3 | 114.4 | 122.0 | 122.6 | 4.2 |
| 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 | 112.8 | 116.4 | 123.7 | 3.8 |
| 9-Jun-19 | 114.6 | 116.8 | 102.4 | 123.6 | 104.0 | 113.1 | 129.8 | 3.6 |
| 16-Jun-19 | 114.2 | 116.1 | 106.4 | 123.9 | 101.6 | 111.0 | 128.2 | 4.0 |
| 23-Jun-19 | 114.3 | 115.0 | 111.4 | 124.2 | 94.6 | 105.4 | 136.0 | 4.3 |

Source: ANZ-Roy Morgan



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