

UK: April sees fall in consumer confidence

LONDON, UK: The GfK NOP Consumer Confidence Index has dropped 3 points this month to -31. April has seen decreases across all 5 measures; public perception of the country's general economic situation over the last 12 months and over the next 12 months, confidence in their own personal financial situation over the last 12 months and over the next 12 months, and the major purchases index.



Nick Moon, MD of GfK NOP Social Research, comments: "Coming after six months of stagnant economic growth, this is a significant drop, one that is bad news for the government and bad news for the economy. It suggests that the attempts to spur growth in last month's budget have failed to convince the public, and this may well be sorely felt on the already beleaguered high street.

"More importantly, in sinking below the -30 figure, consumer confidence has entered a worrying area. In the 37 years the Index has been running, there have been only two occasions when this figure has been breached - early 1990 and mid-2008.

"It is particularly striking that all five areas of the Index fell this month, pointing towards growing gloom as we head into summer. These figures must make the possibility of a double dip recession increasingly real."

UK consumer confidence measures - April 2011

The overall index score this month has dropped 3 points to -31, 15 points lower than this time last year. All 5 measures decreased this month. The annual moving average drops 1 point to -22.

The three columns apply respectively to April 2011, March 2011 and April 2010

Overall Index score	-31	-28	-16
Personal financial situation over last 12 months	-23	-19	-14
Personal financial situation over next 12 months	-14	-10	+2
General economic situation over last 12 months	-57	-54	-47
General economic situation over next 12 months	-30	-29	-1
Climate for major purchases	-31	-29	-20

Personal financial situation

The index measuring changes in personal finances during the last 12 months has decreased 4 points this month, at -23; this is 9 points lower than this time last year.

The forecast for personal finances over the next 12 months has decreased by 4 points this month, at -14; this is 16 points lower than April '10.

General economic situation

The measure for the general economic situation of the country during the last 12 months has decreased by 3 points to -57; 10 points lower than this time last year.

An expectation for the general economic situation over the next 12 months has decreased by 1 point to -30, 29 points lower than April '10.

Climate for major purchases

The major purchases measure has decreased by 2 points to -31; which is 11 points lower than this time last year.

Savings index

The 'now is a good time to save' Index, has decreased 4 points to -8, which is 1 point lower than April '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 during 4-13 February 2011.
- 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 March is Thursday 31st March 2011.
- Any published material requires a reference to both GfK NOP and the European Commission e.g. 'Research carried out by GfK NOP on behalf of the European Commission'.
- This study has been running since 1974. Back data is available from 1996.

About GfK NOP

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