

# ANZ-ROY MORGAN CONSUMER CONFIDENCE MEDIA RELEASE

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**CONFIDENCE BACK ABOVE LONG-RUN AVERAGE**

- Consumer confidence increased 0.9% to 113.5 in the week ending 24 August to be a touch above long-run average levels. Confidence continues to recover from its recent setback (which likely reflected 'sticker shock' from the unexpected rise in the unemployment rate), supported by solid fundamentals such as low interest rates and rising house prices.
- Importantly, the improvement was driven almost entirely by an 11.1% rise in household perceptions about their 'financial situation compared to a year ago', the subindex most closely correlated with consumer demand. This is now above average levels (since 2001) and is an encouraging sign for consumer spending in coming months.

**ANZ CHIEF ECONOMIST WARREN HOGAN COMMENTED:**

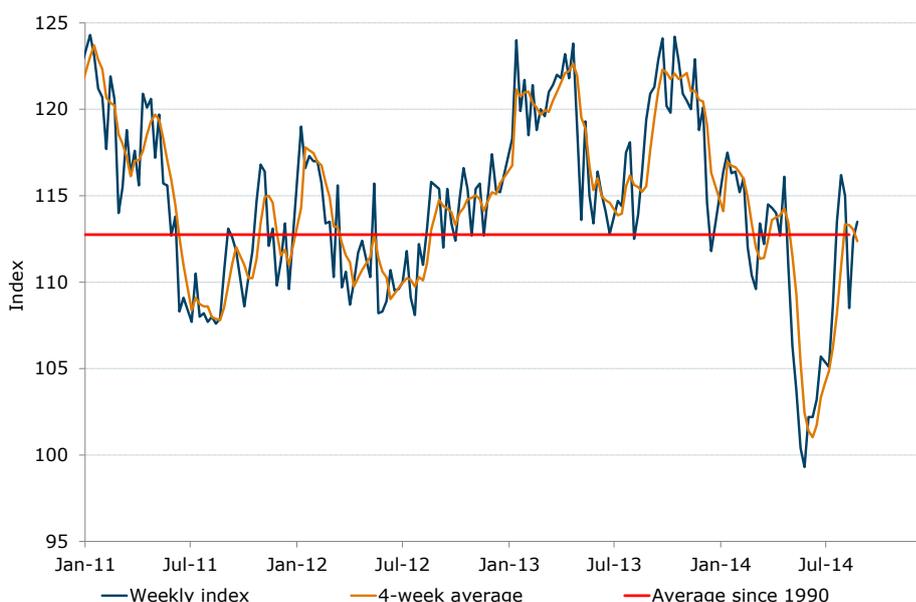
"Signs that consumer confidence is bouncing back, combined with strengthening business surveys, gives us more confidence that the non-mining recovery remains on track. We expect consumer spending to remain moderate in 2014 before improving in 2015."

**FIGURE 1. WEEKLY ANZ-ROY MORGAN CONSUMER CONFIDENCE**

Last week (23 <sup>th</sup> /24 <sup>th</sup> August)	Weekly change, %	4-week avg	Monthly avg since 1990
113.5	+0.9	112.4	112.8

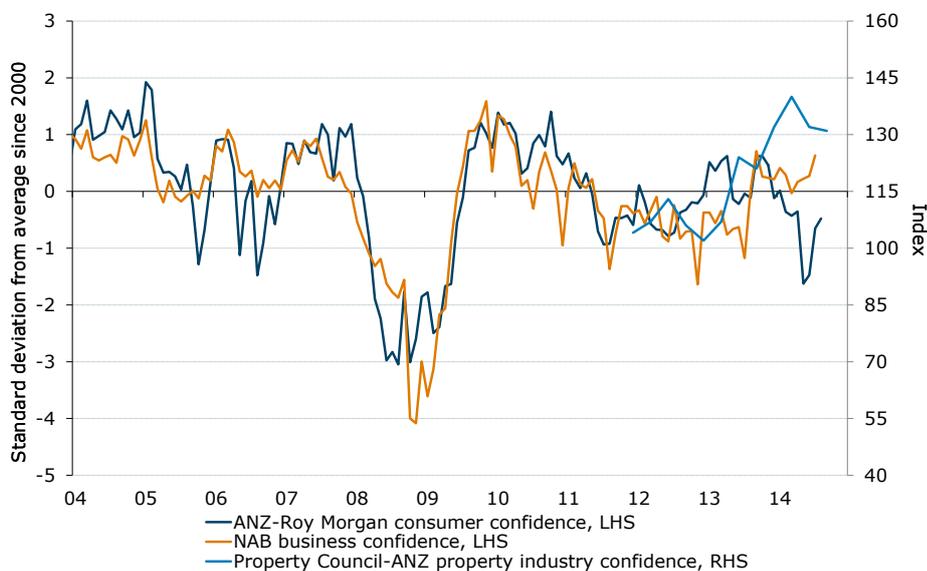
Data collected last weekend (Saturday and Sunday), based on around 1,000 face-to-face interviews. Not seasonally adjusted.

**FIGURE 2. WEEKLY ANZ-ROY MORGAN CONSUMER CONFIDENCE**



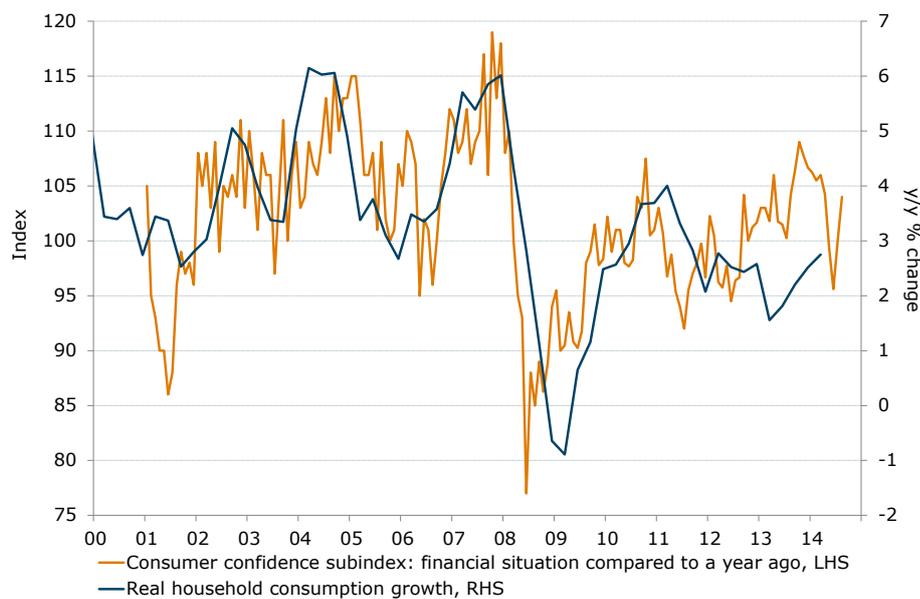
Source: ANZ-Roy Morgan

**FIGURE 3. CONSUMER, BUSINESS & PROPERTY CONFIDENCE MEASURES**



Source: NAB, Property-Council, ANZ-Roy Morgan

**FIGURE 4. CONSUMER CONFIDENCE VS CONSUMPTION GROWTH**



Source: ABS, ANZ-Roy Morgan

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