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A.B.N. 91 007 092 944
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Article No. 316
Available on Website: www.roymorgan.com
on March 25, 2004

CONSUMER CONFIDENCE CONTINUES TO RISE

The Roy Morgan New Zealand Consumer Confidence Rating in New Zealand rose 3 points in January to 125.8 points, the highest level recorded since collection began in August 2001. In Australia, the Roy Morgan Consumer Confidence Rating in early January was the same, at 126 points.

The proportion of New Zealanders expecting the New Zealand economy to have good times over the next 12 months was up 5% to 27% with those expecting bad times up 1% to 4%. Longer-term economic predictions were also up, with 21% (up 3%) of New Zealanders expecting good economic times on the whole over the next five years and 5% (stable) expecting bad economic times over the next five years.

The number of New Zealanders who said that they were personally better-off now than they were at the same time last year was down 2% in January to 38%, with 20% (up 2%) saying that they were worse off. However, there was an increase in the number of people who believe they will be better off in a year's time (46%, up 7%), with 7% (down 4%) believing they will be worse off.

The proportion of New Zealanders who said it was a good time to buy major household items such as electrical appliances or furniture has continued to rise, up 2% to 63%, the highest number in two years, while the proportion of New Zealanders believing it is a bad time to buy major household items was up 1% to 30%.

The Roy Morgan New Zealand Consumer Confidence Rating is based on 853 self-completion interviews conducted across New Zealand during the month of January 2004.

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Results for the Roy Morgan New Zealand Consumer Confidence Rating* for the component questions over the more recent surveys are as follows

	2003												
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
Interviews	1,034	1,101	1,089	1,044	1,068	999	1,115	1,098	1,121	1,012	966	1,046	
Q1 Would you say you and your family are better-off financially or worse off than you were at this time last year?													
Over the past year	Better off	39	37	38	37	36	40	37	40	40	40	36	40
	Worse off	19	20	22	21	24	22	23	21	22	22	23	18
Question 1 difference		20	17	16	16	12	18	14	19	18	18	13	22
Q2 This time next year, do you and your family expect to be better-off financially or worse off than you are now?													
	Better off	52	52	55	47	53	51	51	50	52	52	42	39
	Worse off	6	9	9	9	8	9	9	9	8	9	10	11
Question 2 difference		46	43	46	38	45	42	42	41	44	43	32	28
Q3 Thinking of economic conditions in New Zealand as a whole. In the next 12 months, do you expect we'll have good times financially, bad times or some good and some bad?													
	Good times	21	21	19	20	19	22	19	24	21	25	26	22
	Bad times	5	6	8	6	7	5	4	4	4	3	3	3
Question 3 difference		16	15	11	14	12	17	15	20	17	22	23	19
Q4 Looking ahead, what would you say is more likely, That in New Zealand as a whole, we'll have continuous good times during the next 5 years of so – or we'll have bad times – or some good and some bad?													
	Good times	19	18	22	20	21	18	19	23	18	21	24	18
	Bad times	3	4	3	3	3	4	5	3	4	3	4	5
Question 4 difference		16	14	19	17	18	14	14	20	14	18	20	13
Q5 Generally, do you think now is a good time – or a bad time – for people to buy major household items?													
	Good time to buy	50	49	46	45	48	50	51	50	51	51	58	61
	Bad time to buy	43	44	44	48	45	43	42	44	43	43	34	29
Question 5 difference		7	5	2	-3	3	7	9	6	8	8	24	32
Roy Morgan New Zealand Consumer Confidence Rating	121.3	118.8	118.8	116.4	118.1	119.5	118.7	121.2	120.2	121.8	122.5	122.8	

*The Roy Morgan New Zealand Consumer Confidence Rating is 100.0 plus the simple unweighted average of the difference between the percentage of respondents who give a favourable and those who give unfavourable answers to five key questions.

Results for the Roy Morgan New Zealand Consumer Confidence Rating* for the component questions over the more recent surveys are as follows

	2004											
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Interviews	853											
Q1 Would you say you and your family are better-off financially or worse off than you were at this time last year?												
Over the <u>past</u> year	Better off	38										
	Worse off	20										
Question 1 difference	18											
Q2 This time next year, do you and your family expect to be better-off financially or worse off than you are now?												
	Better off	46										
	Worse off	7										
Question 2 difference	39											
Q3 Thinking of economic conditions in New Zealand as a whole. In the next 12 months, do you expect we'll have good times financially, bad times or some good and some bad?												
	Good times	27										
	Bad times	4										
Question 3 difference	23											
Q4 Looking ahead, what would you say is more likely, That in New Zealand as a whole, we'll have continuous good times during the next 5 years of so – or we'll have bad times – or some good and some bad?												
	Good times	21										
	Bad times	5										
Question 4 difference	16											
Q5 Generally, do you think now is a good time – or a bad time – for people to buy major household items?												
	Good time to buy	63										
	Bad time to buy	30										
Question 5 difference	33											
Roy Morgan New Zealand Consumer Confidence Rating	125.8											

*The Roy Morgan New Zealand Consumer Confidence Rating is 100.0 plus the simple unweighted average of the difference between the percentage of respondents who give a favourable and those who give unfavourable answers to five key questions.