

## ANZ-ROY MORGAN AUSTRALIAN CONSUMER CONFIDENCE MEDIA RELEASE

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### CONSUMER CONFIDENCE: CONSOLIDATION CONTINUES

- Headline ANZ-Roy Morgan Australian Consumer Confidence fell for the third straight week, down 0.8% to 120.4. The details were mixed – consumers’ optimism around financial conditions was outweighed by their concerns on economic conditions.
- Consumers’ views towards current financial conditions rose another 2.8% last week to 109.7, the highest in six weeks. Sentiment around future conditions edged up 0.2% last week following a 6.5% fall previously.
- Households’ assessment of current economic conditions fell a sharp 6.6% last week, more than unwinding the previous week’s 5.0% gain. Views towards future economic conditions were down 2.5% last week, after remaining unchanged the prior week. Despite this, both subindices sit above their long term average.
- The ‘time to buy a household item’ subindex bounced 1.5%, partially recovering from the 2.3% fall previously. Four week moving average inflation expectations were unchanged at 4.5%.

### ANZ’S HEAD OF AUSTRALIAN ECONOMICS, DAVID PLANK, COMMENTED:

“Confidence has moderated slightly over the last three weeks, following a sharp bounce after the Q1 GDP report. It still sits well above average, however.

Last week’s decline was primarily driven by a fall in economic conditions. Views towards economic conditions have been quite volatile on a weekly basis, often following geopolitical headlines. Broadly however, economic conditions are quite robust, sitting above their long term average and supported by strong labour market conditions.

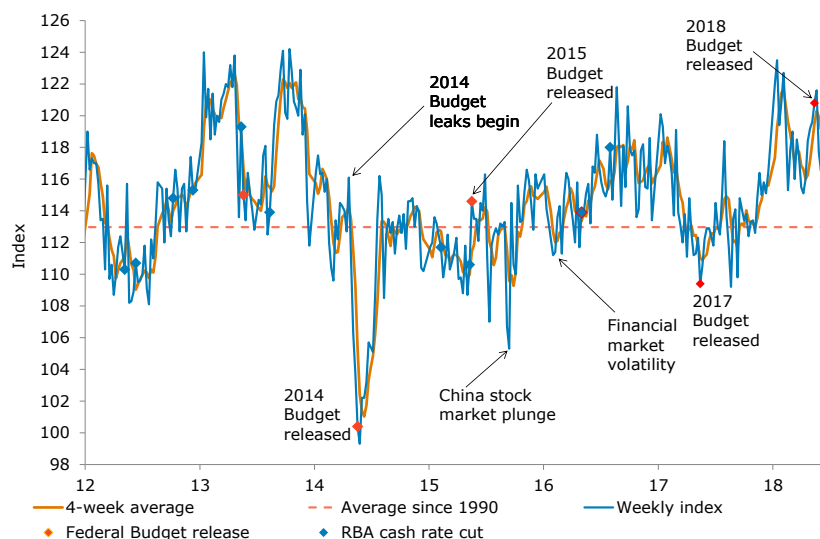
Despite the recent moderation, confidence remains elevated with all subindices sitting above their long term averages. It is certainly encouraging to see consumers remaining upbeat in an environment of falling house prices and sluggish wage growth.”

**Figure 1. ANZ-Roy Morgan Australian Consumer Confidence and inflation expectations**

Last week (30 June - 1 July)	Weekly change, %	Four-week average	Monthly average since 1990	Inflation expectations (four-week ma)
120.4	-0.8%	121.7	113.0	4.5%

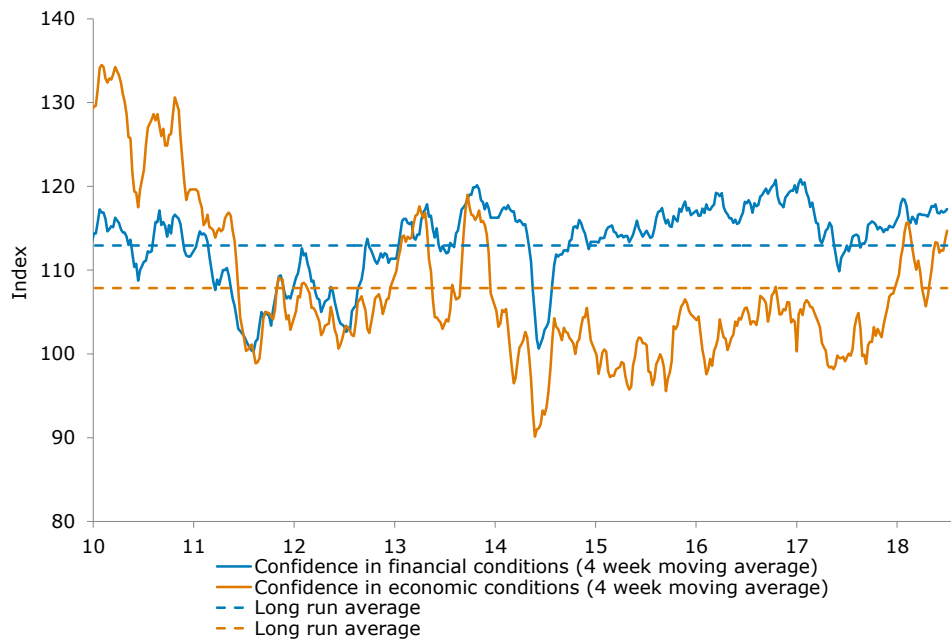
Data collected last weekend (Saturday and Sunday), based on around 1,000 face-to-face interviews. Not seasonally adjusted. Further data history on page 5.

**Figure 2. Confidence registered a slight decline from last week**



Source: ANZ-Roy Morgan

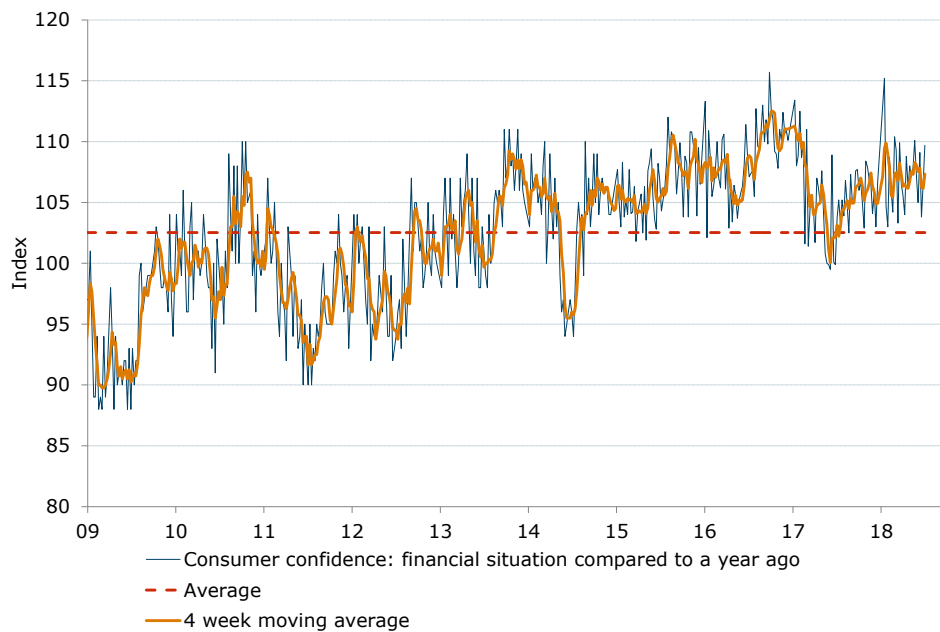
**Figure 3. Overall conditions are solid**



Source: ANZ-Roy Morgan

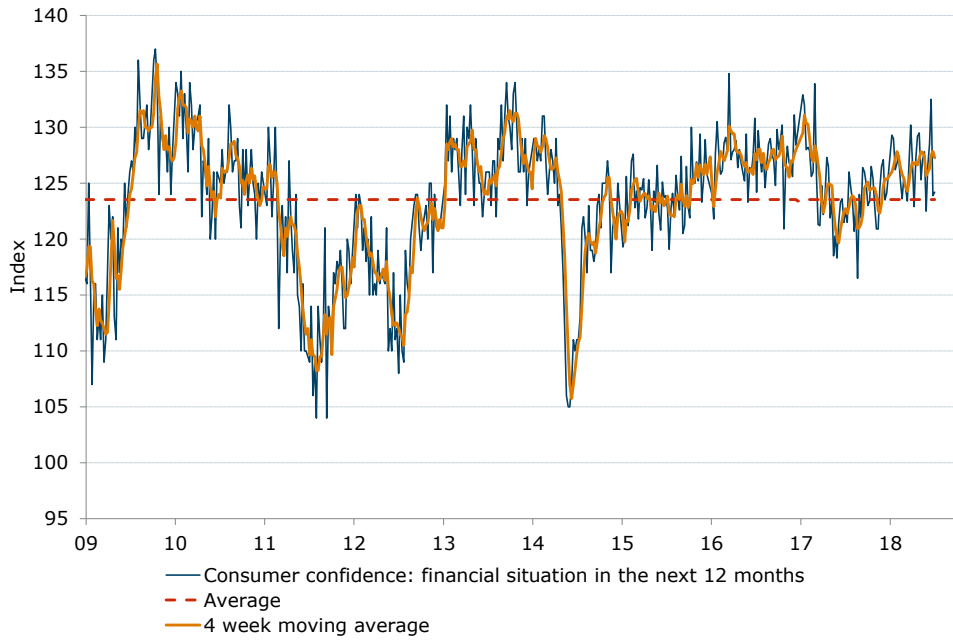
Note: Financial conditions index is an average of 'financial situation compared to a year ago' and 'financial situation next year' sub-indices. Economic conditions index is an average of 'economic conditions in 12 months' and 'economic conditions in five years' sub-indices.

**Figure 4. Views towards current finances rose 2.8%**



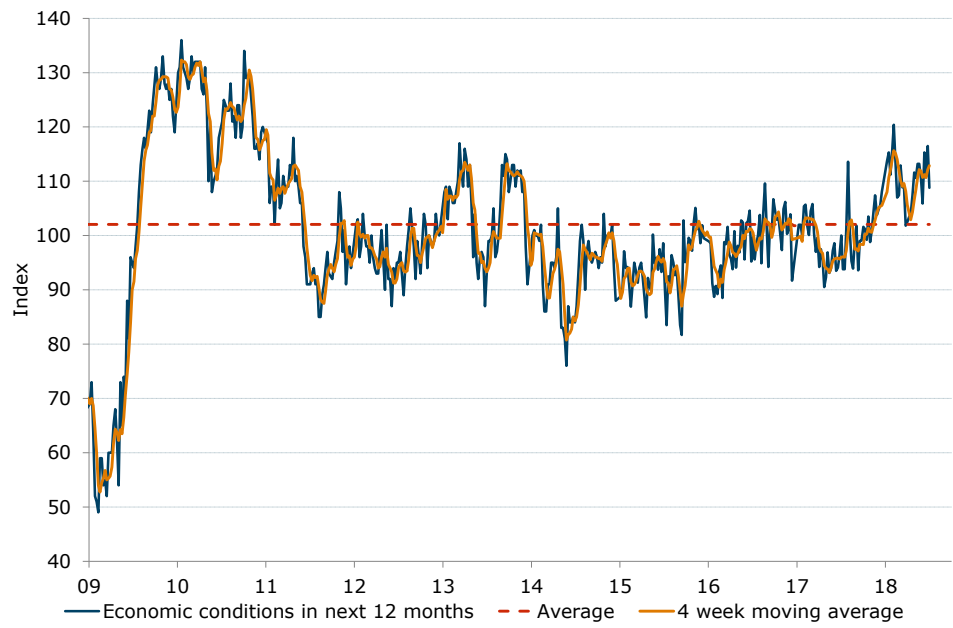
Source: ANZ-Roy Morgan

**Figure 5. ...while future conditions edged up 0.2%**



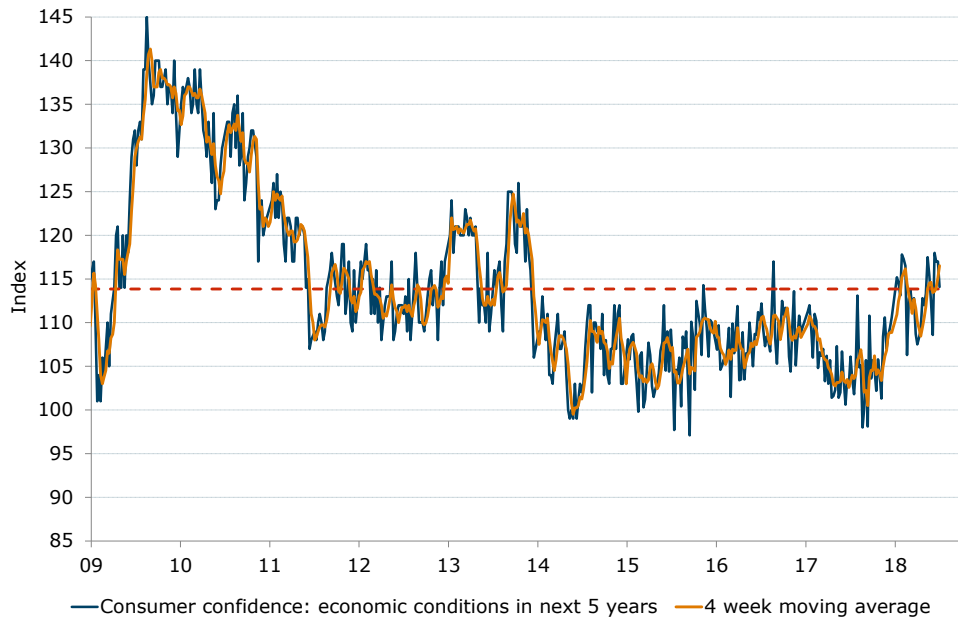
Source: ANZ-Roy Morgan

**Figure 6. Sentiment towards current economic conditions fell 6.6%**



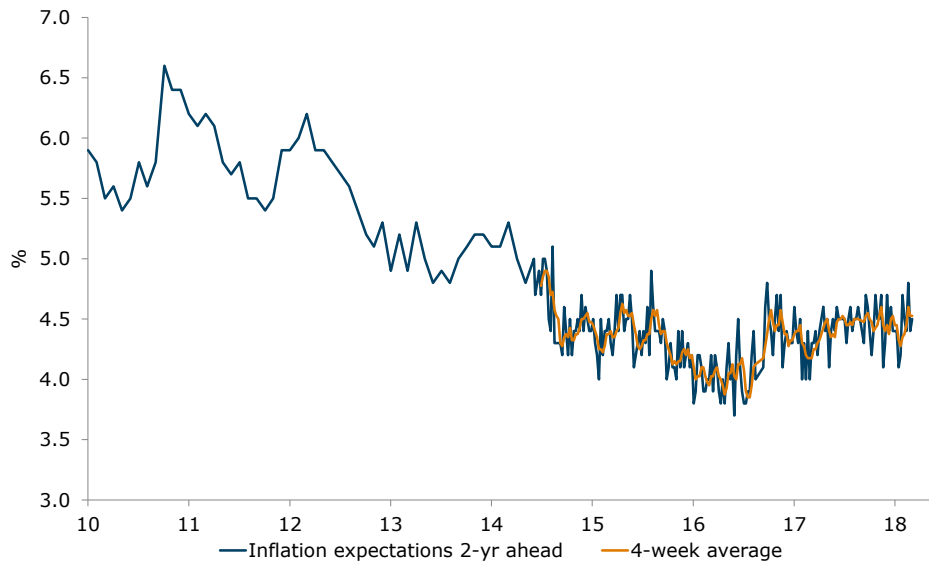
Source: ANZ-Roy Morgan

**Figure 7. ...along with views towards future economic conditions which declined 2.5%**



Source: ANZ-Roy Morgan

**Figure 8. Four-week moving average inflation expectations were unchanged at 4.5%**



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

Source: ANZ-Roy Morgan



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