

Press release

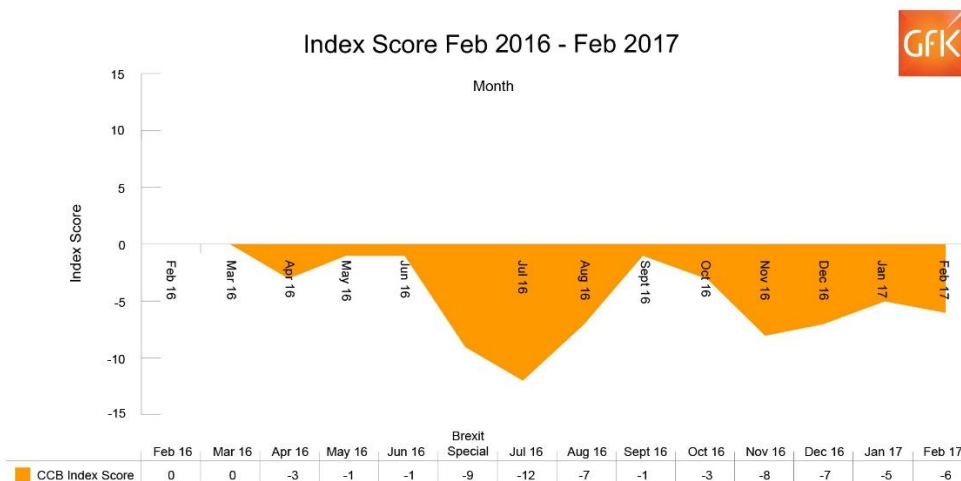
UK Consumer Confidence drops one point in February to -6

February 28, 2017

Stuart Ridsdale
 T + 44 7790 951229
 stuart@greenfieldscommunications.com

Major Purchase Index down for second month in a row

GfK's long-running Consumer Confidence Index has decreased one point this month to -6. Three of the five measures saw decreases in February, and two measures saw increases.



Source: GfK Consumer Confidence Barometer on behalf of the European Commission (Feb 2017)

Joe Staton, Head of Market Dynamics at GfK, says:

“Against a backdrop of rising food and fuel prices, sterling depreciation, nominal earnings growth and a burgeoning fear of rapid inflation, concern about our personal financial situation for 2017 has contributed to a drop in UK consumer confidence this month (to -6). Any momentum behind the post-Brexit, debt-fuelled, consumer-spending boom now appears to be softening. Mounting pressures on disposable income are starting to bite as witnessed by two months of falling retail sales (ONS) and a further drop in the Major Purchase Index (this month down by five points). Consumer spending continues to drive economic growth in the UK so any further fall in confidence could support forecasts for a slowdown of the overall economy this year.”

GfK UK Limited
 25 Canada Square
 Canary Wharf
 London E14 5LQ

T +44 20 7890 9000
 F +44 20 7890 9001
www.gfk.com

Place of registration:
 England and Wales

Company number:
 2512551

Registered office:
 GfK UK Limited
 25 Canada Square
 Canary Wharf
 London E14 5LQ

UK Consumer Confidence Measures – February 2017

The Overall Index Score has dropped one point this month to -6. Three of the five measures saw decreases in February, and the remaining two measures increased.

Measure	↑↔↓	Feb 2017	Jan 2017	Dec 2016	Feb 2016
Overall Index Score	↓1	-6	-5	-7	0
Personal Financial Situation over last 12 months	↓2	1	3	0	5
Personal Financial Situation over next 12 months	↓4	3	7	3	8
General Economic Situation over last 12 months	↑3	-21	-24	-26	-10
General Economic Situation over next 12 months	↑3	-20	-23	-23	-12
Major Purchase Index	↓5	5	10	12	12
Savings Index (commented on but not used in Index Score)	↓2	-4	-2	-5	-2

Source: GfK Consumer Confidence Barometer on behalf of the European Commission (Feb 2017)



Personal Financial Situation

The index measuring changes in personal finances during the last 12 months has decreased by two points this month to +1; this is four points lower than this time last year.

The forecast for personal finances over the next 12 months has decreased by four points this month to +3; this is five points lower than February 2016.

General Economic Situation

The measure for the General Economic Situation of the country during the last 12 months has increased three points this month to -21; this is 11 points lower than February 2016.

Expectations for the General Economic Situation over the next 12 months have increased three points this month to -20; this is eight points lower than February 2016.

Major Purchase Index

The Major Purchase Index has decreased five points this month to +5; this is seven points lower than this time last year.

Savings Index

The Savings Index has decreased two points to -4; this is two points lower than February 2016.

- ENDS -

EDITOR'S NOTE: Please source all information to GfK.

For further details or to arrange an interview, please contact Stuart Ridsdale at Greenfields Communications E: stuart@greenfieldscommunications.com
Tel: 07790 951229 OR
Lucy Green E: lucy@greenfieldscommunications.com Tel: 07817 698366

About the survey

- The UK Consumer Confidence Barometer is conducted by GfK on behalf of the EU, with similar surveys being conducted in each European country. In producing its own reports on the whole of Europe, the EU applies a seasonal adjustment to the data, to smooth out any changes that are functions, at least in part, of the time of year.
- Historically, the UK data **have not** been seasonally adjusted in this way, and to maintain comparability, GfK continues **not** to apply this adjustment. This can lead to situations where the EU figures show different movements in a particular month from those produced by GfK. Individual months may be affected, but the long-term trend is not.
- The UK Consumer Confidence Survey from GfK was conducted amongst a sample of 2001 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 1st – 15th February 2017.
- 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 (unless the final working day of a month is a Monday, in which case the results are published on the Friday preceding the final working day). The release date for March 2017 is Friday March 31st 2017.
- **Any published material requires a reference to both GfK and the European Commission e.g. 'Research carried out by GfK on behalf of the European Commission'.**
- This study has been running since 1974. Back data is available from 1996.
- The table below provides an overview of the questions asked to obtain the individual index measures:

Personal Financial Situation (Q1/Q2)	<p>This index is based on the following questions to consumers: ‘How has the financial situation of your household changed over the last 12 months?’</p> <p>‘How do you expect the financial position of your household to change over the next 12 months?’ (a lot better – a little better – stay(ed) the same – a little worse – a lot worse)</p>
General Economic Situation (Q3/Q4)	<p>This index is based on the following questions to consumers: ‘How do you think the general economic situation in this country has changed over the last 12 months?’</p> <p>‘How do you expect the general economic situation in this country to develop over the next 12 months?’</p> <p>(a lot better – a little better – stay(ed) the same – a little worse - a lot worse)</p>
Major Purchase Index (Q8)	<p>This index is based on the following question to consumers: ‘In view of the general economic situation, do you think now is the right time for people to make major purchases such as furniture or electrical goods?’</p> <p>(right time – neither right nor wrong time – wrong time)</p>
Savings Index (Q10)	<p>This index is based on the following question to consumers: ‘In view of the general economic situation do you think now is?’ (a very good time to save – a fairly good time to save – not a good time to save – a very bad time to save)</p> <p>(Commented on but not included in the Index Score)</p>

About GfK

GfK is the trusted source of relevant market and consumer information that enables its clients to make smarter decisions. More than 13,000 market research experts combine their passion with GfK’s long-standing data science experience. This allows GfK to deliver vital global insights matched with local market intelligence from more than 100 countries. By using innovative technologies and data sciences, GfK turns big data into smart data, enabling its clients to improve their competitive edge and enrich consumers’ experiences and choices.

For more information, please visit www.gfk.com or follow GfK on Twitter: https://twitter.com/GfK_en

Responsible under press legislation:
 Marketing, GfK
 Ben Murphy
 25 Canada Square
 Canary Wharf, London E14 5LQ
Natasha.fernando@gfk.com