

# ANZ-Roy Morgan Australian Consumer Confidence Media Release

22 October 2019



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## Confidence in partial recovery

- ANZ-Roy Morgan Australian Consumer Confidence made a partial recovery last week, rising 0.6% after the prior week's 1.2% drop.
- Current finances dropped 2.4%, however. This component is now down nearly 10% from its August high. Future finances gained 0.4%, taking it back above its long term average.
- Current economic conditions gained 0.3%, while future economic conditions declined by 1.1%. Both the subindices are below their long-term average.
- The 'Time to buy a household item' measure gained 5.1%. There have been some big up and down swings in this measure in recent months, but it remains below its long-run average.
- Inflation expectations were stable at 4.1%.

## ANZ-Roy Morgan Consumer Confidence and inflation expectations

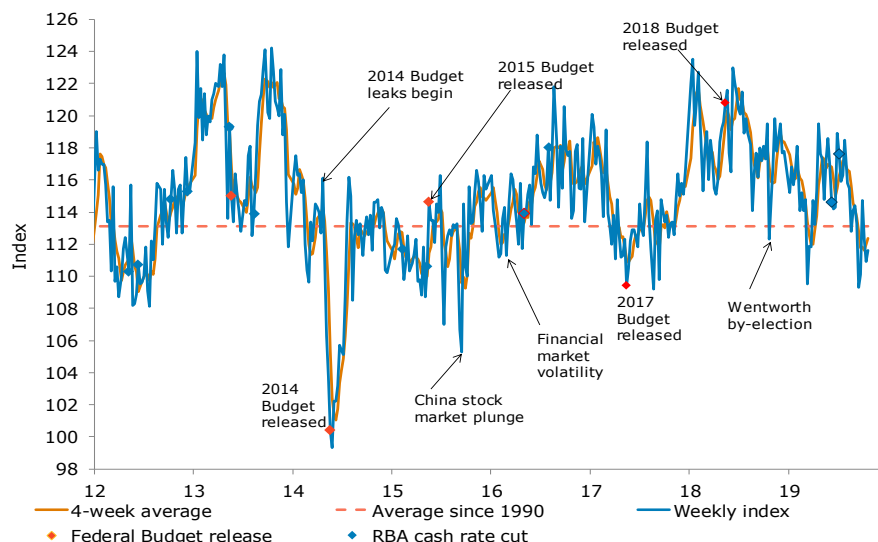
| Last week<br>(19–20 Oct) | Weekly<br>change, % | Four-week<br>average | Monthly<br>average<br>since 1990 | Inflation expectations<br>(4-week ma) |
|--------------------------|---------------------|----------------------|----------------------------------|---------------------------------------|
| 111.6                    | 0.6%                | 112.4                | 113.1                            | 4.1%                                  |

Data collected last weekend (Saturday and Sunday), based on around 1,000 face-to-face interviews. Not seasonally adjusted. Further data history on page 6.

## ANZ Head of Australian Economics, David Plank, commented:

Confidence eked a small gain on the back of a strong rebound in the 'Time to buy a household item' subindex. Outside of this, the results were mixed, perhaps reflecting the news flow over the week. On the positive side, Australia's unemployment rate moved lower on the back of a decent employment report. But the IMF's downgrade to Australia's economic outlook attracted a lot of attention, as did the slowdown in China's data. Of particular note, current finances dropped 2.4% – the second big fall in the past three weeks. This measure is still well above average, but is now down close to 10% from its August high. If consumers lose confidence in their own finances when they are also worried about the broader economic outlook then there may be a material impact on spending.

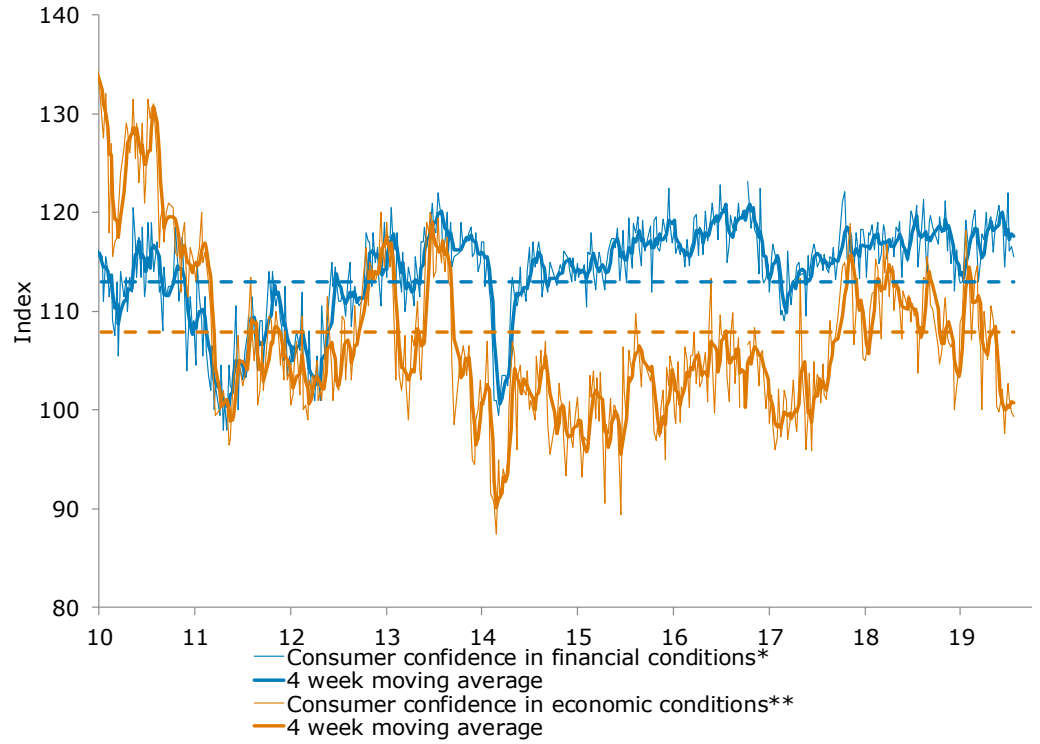
## Confidence gained 0.6%



Source: ANZ-Roy Morgan



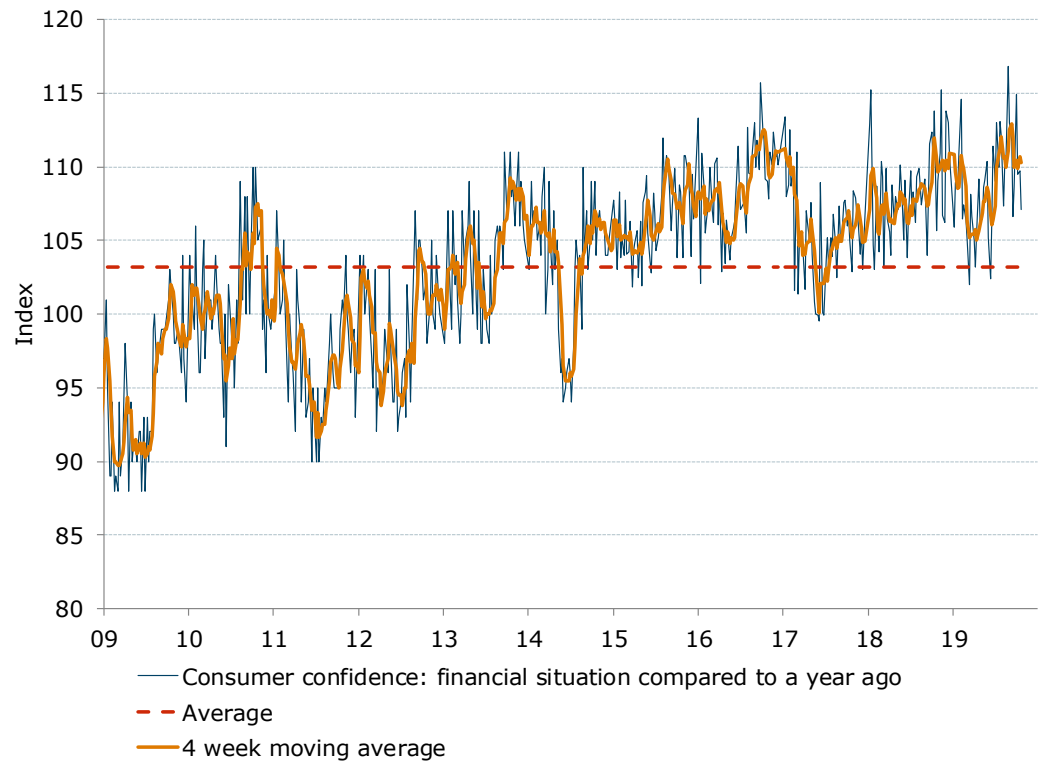
**Figure 1. Financial and economic conditions declined**



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.

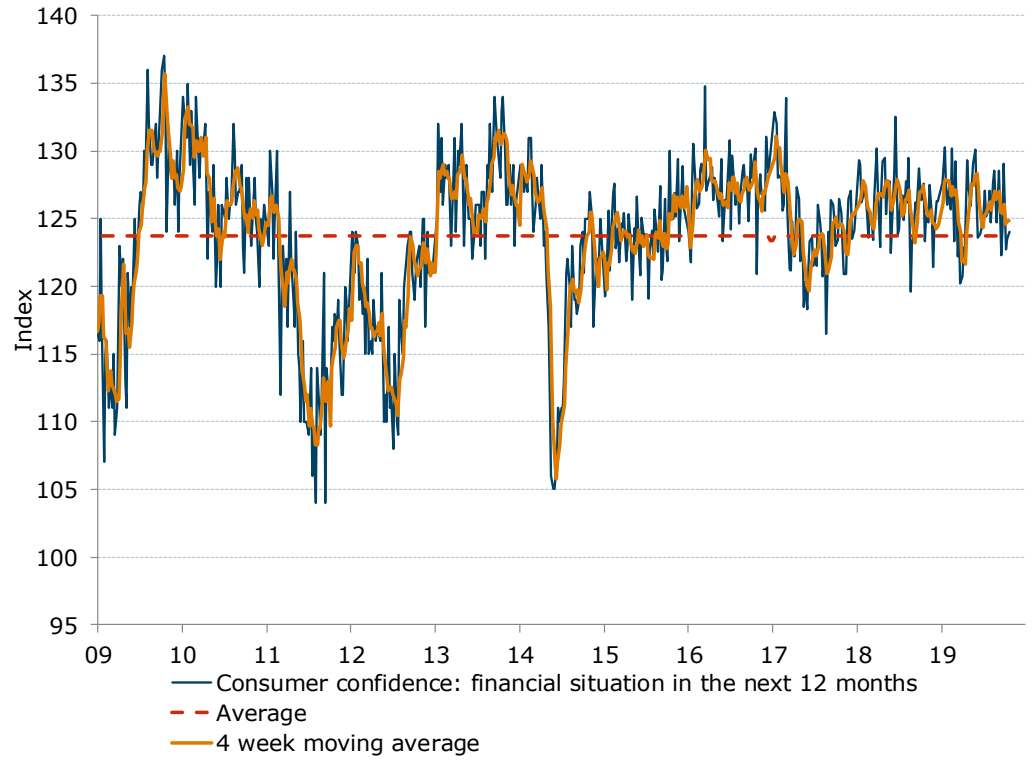
**Figure 2. 'Current finances' down**



Source: ANZ-Roy Morgan

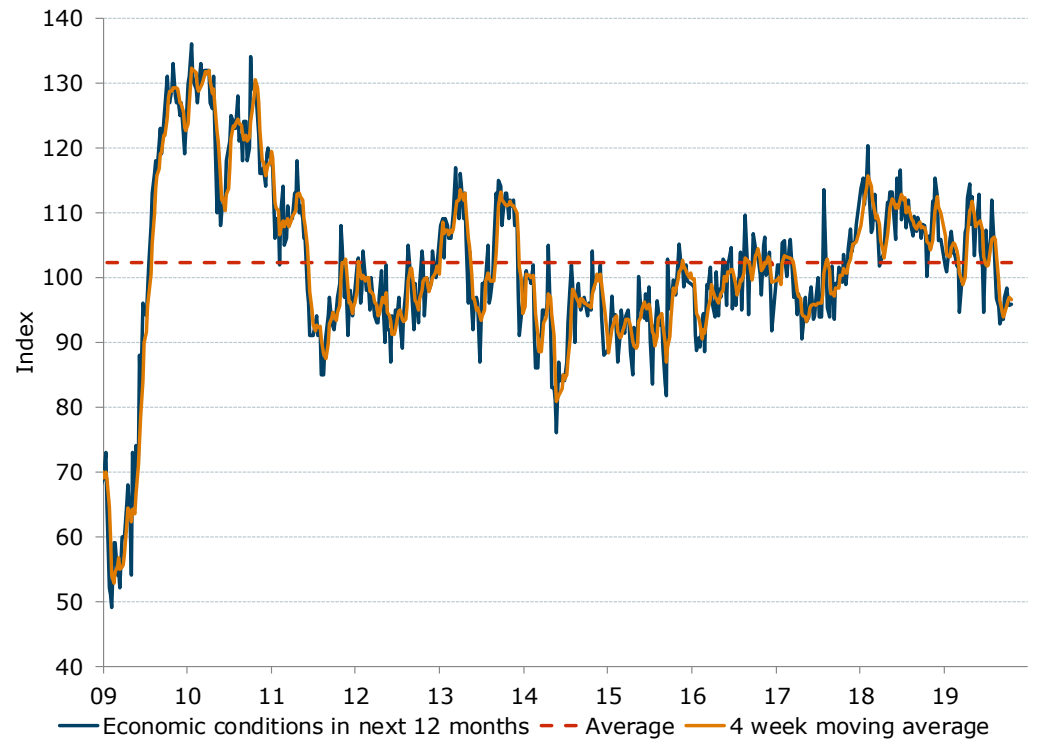


**Figure 3. 'Future financial conditions' gained 0.4%**



Source: ANZ-Roy Morgan

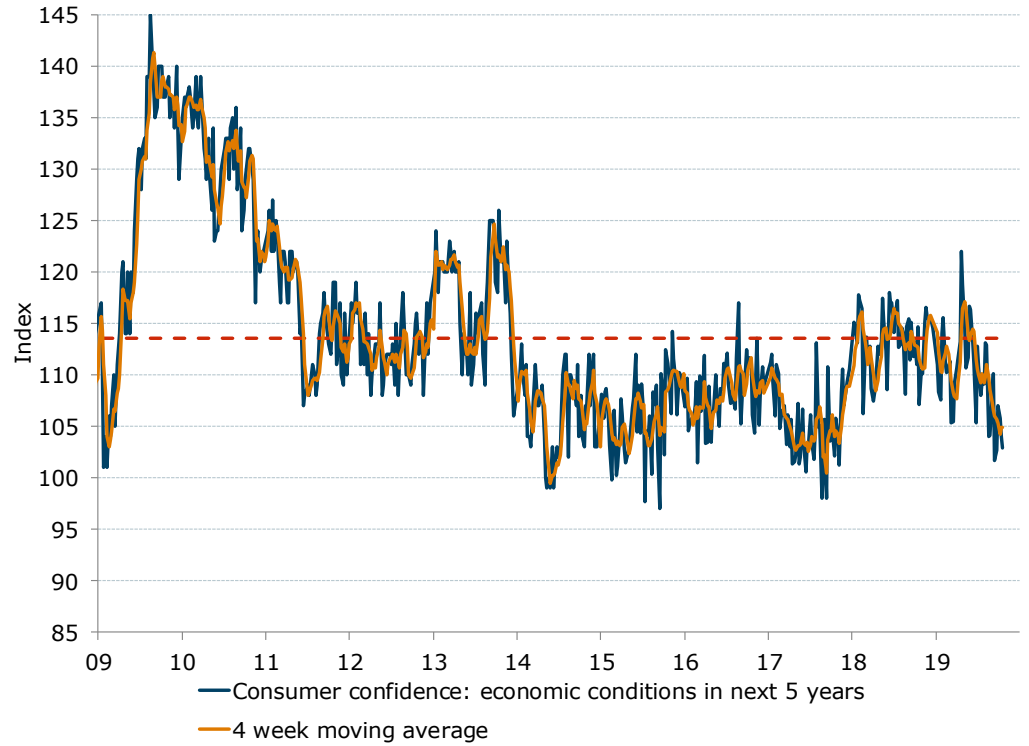
**Figure 4. 'Current economic conditions' gained but below long-term average**



Source: ANZ-Roy Morgan

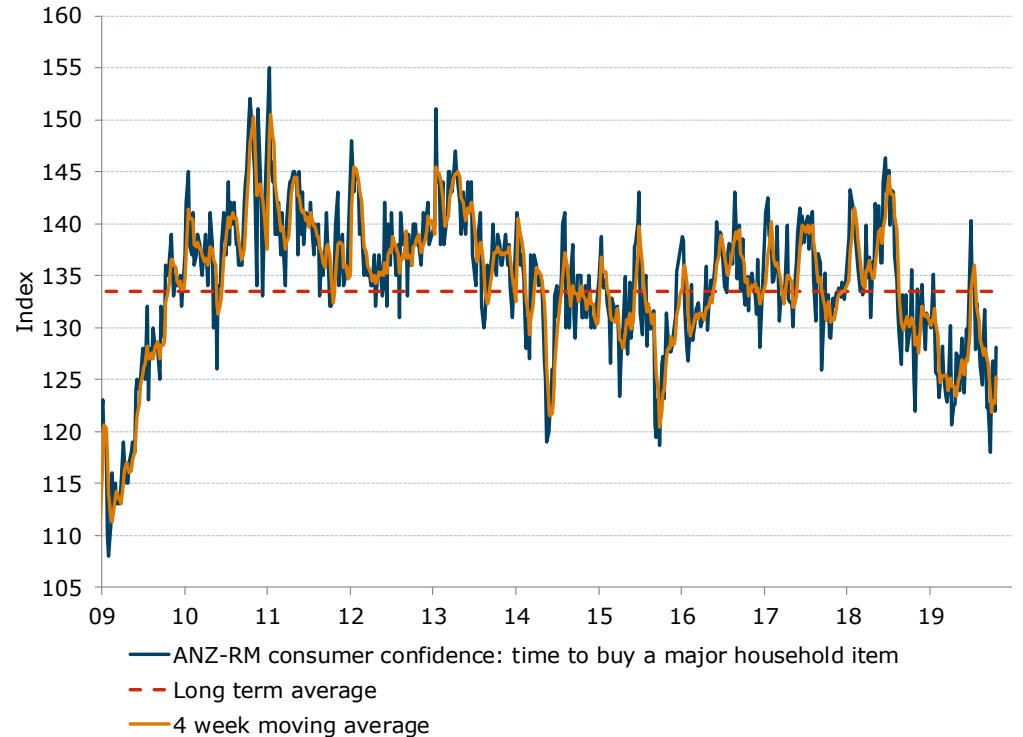


**Figure 5. 'Future economic conditions' lost 1.1% – its third weekly decline**



Source: ANZ-Roy Morgan

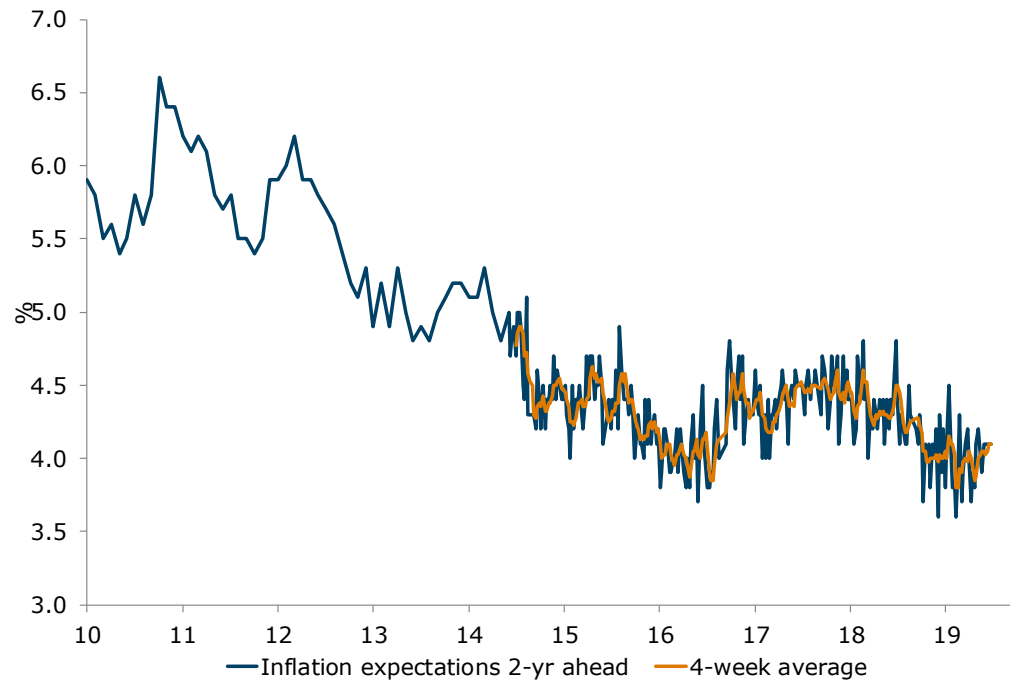
**Figure 6. 'Time to buy a household gained 5.1% after losing 3.9% last week**



Source: ANZ-Roy Morgan



**Figure 7. Four-week moving average inflation expectations stable at 4.1%**



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

Source: ANZ-Roy Morgan



## Data table

**Table 1. ANZ-Roy Morgan Australian Consumer Confidence**

|                       | Headline index |                       | Subindices                                    |                                  |                                  |                                     | Inflation Expectations                |  |
|-----------------------|----------------|-----------------------|---|----------------------------------|----------------------------------|-------------------------------------|---------------------------------------|--|
|                       | Last week      | 4-week moving average | 1. Financial situation compared to a year ago | 2. Financial situation next year | 3. Economic conditions next year | 4. Economic conditions next 5 years | 5. Time to buy a major household item | 6. Inflation expectations 2-year ahead (%) |
| <b>Avg since 2001</b> | 116            | -                     | 103   | 124                              | 105                              | 114                                 | 134                                   | -  |
| <b>2011 avg</b>       | 114            | -                     | 97  | 117                              | 101                              | 116                                 | 140                                   | 6.0  |
| <b>2012 avg</b>       | 113            | -                     | 99  | 118                              | 97                               | 113                                 | 138                                   | 5.8  |
| <b>2013 avg</b>       | 119            | -                     | 104   | 128                              | 106                              | 118                                 | 139                                   | 5.0  |
| <b>2014 avg</b>       | 111            | -                     | 104   | 121                              | 94                               | 106                                 | 132                                   | 4.9  |
| <b>2015 avg</b>       | 112            | -                     | 107   | 124                              | 94                               | 106                                 | 131                                   | 4.4  |
| <b>2016 avg</b>       | 115            | -                     | 109   | 127                              | 99                               | 108                                 | 134                                   | 4.1  |
| <b>2017 avg</b>       | 114            | -                     | 105   | 124                              | 100                              | 105                                 | 135                                   | 4.4  |
| <b>2018 avg</b>       | 119            | -                     | 108   | 126                              | 109                              | 113                                 | 135                                   | 4.4  |
| <b>28-Oct-18</b>      | 114.6          | 115.9                 | 109.0   | 125.2                            | 106.4                            | 110.5                               | 121.9                                 | 4.4  |
| <b>4-Nov-18</b>       | 116.8          | 115.8                 | 110.9   | 124.7                            | 104.4                            | 110.1                               | 133.7                                 | 4.1  |
| <b>11-Nov-18</b>      | 119.8          | 115.9                 | 115.2   | 127.5                            | 111.7                            | 115.1                               | 129.5                                 | 4.3  |
| <b>18-Nov-18</b>      | 117.8          | 117.3                 | 106.7   | 125.2                            | 109.9                            | 116.6                               | 130.7                                 | 4.2  |
| <b>25-Nov-18</b>      | 118.6          | 118.3                 | 106.2   | 121.4                            | 115.4                            | 115.7                               | 134.1                                 | 4.1  |
| <b>2-Dec-18</b>       | 119.5          | 118.9                 | 113.8   | 124.2                            | 112.5                            | 115.3                               | 131.6                                 | 4.1  |
| <b>9-Dec-18</b>       | 117.7          | 118.4                 | 113.0   | 126.3                            | 105.7                            | 115.6                               | 127.9                                 | 4.5  |
| <b>16-Dec-18</b>      | 117.8          | 118.4                 | 110.7   | 126.3                            | 105.9                            | 114.6                               | 131.4                                 | 4.3  |
| <b>6-Jan-19</b>       | 115.2          | 117.6                 | 105.9   | 127.7                            | 101.5                            | 111.0                               | 130.0                                 | 4.2  |
| <b>13-Jan-19</b>      | 116.8          | 116.9                 | 108.9   | 130.3                            | 100.9                            | 108.4                               | 135.1                                 | 4.1  |
| <b>20-Jan-19</b>      | 115.7          | 116.4                 | 108.6   | 127.2                            | 104.3                            | 107.6                               | 130.8                                 | 4.3  |
| <b>27-Jan-19</b>      | 116.5          | 116.1                 | 111.0   | 126.0                            | 106.1                            | 114.0                               | 125.7                                 | 4.1  |
| <b>3-Feb-19</b>       | 118.1          | 116.8                 | 114.6   | 127.7                            | 107.1                            | 115.6                               | 125.3                                 | 3.7  |
| <b>10-Feb-19</b>      | 114.1          | 116.1                 | 106.5   | 125.7                            | 103.7                            | 111.2                               | 123.3                                 | 4.1  |
| <b>17-Feb-19</b>      | 115.2          | 116.0                 | 107.4   | 130.2                            | 103.5                            | 110.3                               | 124.6                                 | 4.0  |
| <b>24-Feb-19</b>      | 114.1          | 115.4                 | 106.4   | 123.3                            | 101.8                            | 110.9                               | 128.2                                 | 4.1  |
| <b>3-Mar-19</b>       | 114.8          | 114.6                 | 105.0   | 129.2                            | 102.7                            | 111.4                               | 125.5                                 | 3.8  |
| <b>10-Mar-19</b>      | 109.5          | 113.4                 | 102.0   | 122.2                            | 94.6                             | 105.4                               | 123.4                                 | 4.1  |
| <b>17-Mar-19</b>      | 111.9          | 112.6                 | 108.1   | 124.3                            | 99.1                             | 105.5                               | 122.8                                 | 4.0  |
| <b>24-Mar-19</b>      | 111.8          | 112.0                 | 106.6   | 120.2                            | 99.0                             | 109.3                               | 124.0                                 | 4.2  |
| <b>31-Mar-19</b>      | 114.7          | 112.0                 | 105.0   | 120.7                            | 107.0                            | 110.7                               | 130.2                                 | 3.6  |
| <b>7-Apr-19</b>       | 113.2          | 112.9                 | 103.2   | 122.8                            | 107.7                            | 111.6                               | 120.6                                 | 4.3  |
| <b>14-Apr-19</b>      | 115.3          | 113.8                 | 105.4   | 122.9                            | 112.2                            | 113.3                               | 122.6                                 | 3.9  |
| <b>21-Apr-19</b>      | 119.5          | 115.7                 | 109.2   | 129.3                            | 114.4                            | 122.0                               | 122.6                                 | 4.2  |
| <b>28-Apr-19</b>      | 117.6          | 116.4                 | 106.3   | 127.4                            | 108.1                            | 118.8                               | 127.5                                 | 3.8  |
| <b>5-May-19</b>       | 117.3          | 117.4                 | 106.5   | 125.9                            | 112.5                            | 114.5                               | 127.1                                 | 4.1  |
| <b>12-May-19</b>      | 114.8          | 117.3                 | 108.6   | 127.6                            | 103.4                            | 110.7                               | 123.9                                 | 4.5  |
| <b>19-May-19</b>      | 117.2          | 116.7                 | 109.1   | 129.1                            | 107.3                            | 111.7                               | 129.0                                 | 4.0  |
| <b>26-May-19</b>      | 118.6          | 117.0                 | 110.4   | 130.1                            | 110.5                            | 116.7                               | 125.3                                 | 3.8  |
| <b>2-Jun-19</b>       | 116.9          | 116.9                 | 105.2   | 126.4                            | 112.8                            | 116.4                               | 123.7                                 | 3.8  |
| <b>9-Jun-19</b>       | 114.6          | 116.8                 | 102.4   | 123.6                            | 104.0                            | 113.1                               | 129.8                                 | 3.6  |
| <b>16-Jun-19</b>      | 114.2          | 116.1                 | 106.4   | 123.9                            | 101.6                            | 111.0                               | 128.2                                 | 4.0  |
| <b>23-Jun-19</b>      | 114.3          | 115.0                 | 111.4   | 124.2                            | 94.6                             | 105.4                               | 136.0                                 | 4.3  |
| <b>30-Jun-19</b>      | 118.9          | 115.5                 | 109.0   | 125.5                            | 107.2                            | 112.8                               | 140.3                                 | 3.7  |
| <b>7-Jul-19</b>       | 117.6          | 116.3                 | 113.0   | 127.1                            | 103.3                            | 110.9                               | 133.8                                 | 3.9  |
| <b>14-Jul-19</b>      | 115.9          | 116.7                 | 110.0   | 125.2                            | 102.3                            | 108.0                               | 133.8                                 | 4.1  |
| <b>21-Jul-19</b>      | 116.3          | 117.2                 | 113.1   | 125.6                            | 105.8                            | 109.1                               | 127.9                                 | 4.2  |
| <b>28-Jul-19</b>      | 118.5          | 117.1                 | 112.1   | 127.1                            | 111.9                            | 109.1                               | 132.4                                 | 4.0  |
| <b>4-Aug-19</b>       | 115.8          | 116.6                 | 107.3   | 124.7                            | 105.1                            | 113.2                               | 128.9                                 | 3.7  |
| <b>11-Aug-19</b>      | 115.5          | 116.5                 | 110.1   | 127.7                            | 100.6                            | 112.9                               | 126.3                                 | 3.9  |
| <b>18-Aug-19</b>      | 112.8          | 115.7                 | 110.3   | 128.5                            | 96.8                             | 104.0                               | 124.5                                 | 3.8  |
| <b>25-Aug-19</b>      | 114.1          | 114.6                 | 116.8   | 124.7                            | 95.4                             | 104.2                               | 129.5                                 | 4.1  |
| <b>1-Sep-19</b>       | 114.4          | 114.2                 | 113.0   | 126.3                            | 92.8                             | 108.2                               | 131.7                                 | 4.2  |
| <b>8-Sep-19</b>       | 113.3          | 113.7                 | 111.7   | 128.5                            | 94.1                             | 110.1                               | 122.3                                 | 4.0  |
| <b>15-Sep-19</b>      | 109.3          | 112.8                 | 106.6   | 122.3                            | 93.5                             | 101.7                               | 122.6                                 | 3.9  |
| <b>22-Sep-19</b>      | 110.1          | 111.8                 | 108.6   | 124.3                            | 96.9                             | 102.7                               | 118.0                                 | 4.1  |
| <b>29-Sep-19</b>      | 114.7          | 111.9                 | 114.9   | 129.1                            | 98.3                             | 107.0                               | 124.3                                 | 4.1  |
| <b>6-Oct-19</b>       | 112.3          | 111.6                 | 109.5   | 122.7                            | 96.6                             | 105.8                               | 126.8                                 | 4.1  |
| <b>13-Oct-19</b>      | 110.9          | 112.0                 | 109.7   | 123.5                            | 95.6                             | 104.0                               | 121.9                                 | 4.1  |
| <b>20-Oct-19</b>      | 111.6          | 112.4                 | 107.1   | 124.0                            | 95.9                             | 102.9                               | 128.1                                 | 4.1  |

Source: ANZ-Roy Morgan



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[4 April 2019]

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