

ANZ-Roy Morgan Australian Consumer Confidence Media Release

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***Methodology change:**
 From 3 January 2022, the interviews for the consumer confidence survey will be conducted throughout the week (Monday to Sunday). Previously they were done at the end of the week (Saturday and Sunday).

Sharp drop in confidence

- Consumer confidence declined 7.6% last week, dropping to its lowest level since October 2020, as Omicron surged across Australia and testing facilities came under immense strain.
- All the confidence subindices registered losses. 'Current financial conditions' dropped 11.3% and 'future financial conditions' fell 4.3%, with 19% of the respondents expecting to be 'worse off' financially this time next year – the highest since September 2020.
- 'Current economic conditions' decreased by 7.6% and 'future economic conditions' softened 3.9%.
- 'Time to buy a major household item' declined 11.4%, falling to its lowest since August 2020. 'Weekly inflation expectations' and its four-week moving average was unchanged at 4.9%.

ANZ-Roy Morgan Consumer Confidence and inflation expectations

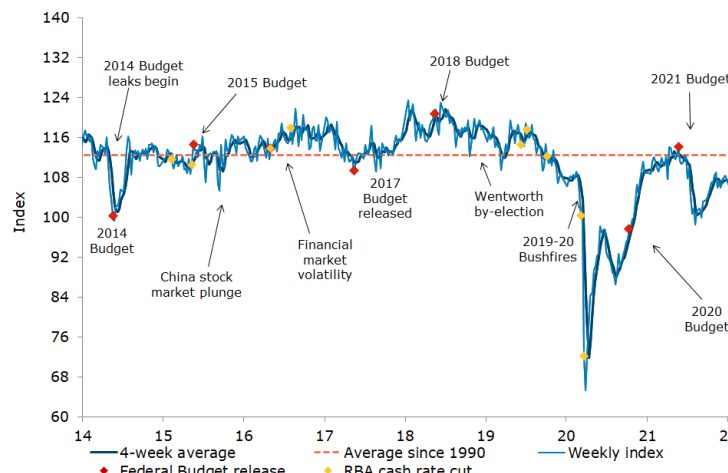
| Last week (10–16 Jan) | Weekly change, % | Four-week average | Monthly average since 1990 | Inflation expectations (four-week ma) |
|-----------------------|------------------|-------------------|----------------------------|---------------------------------------|
| 97.9 | -7.6% | 105.1 | 112.4 | 4.9% |

This weekly ANZ-Roy Morgan Australian Consumer Confidence Rating is based on 1,516 interviews conducted online and over the telephone during the week to Sunday*. Not seasonally adjusted. Further data history on page 6.

ANZ Head of Australian Economics, David Plank, commented:

Consumer confidence dropped 7.6% last week as Omicron case numbers surged. Confidence is now below the neutral level of 100 for all states, though it is above neutral in the Territories (on admittedly small samples). It is also lower than the level during the Delta surge. Consumer confidence readings are usually positive during the month of January and the level of 97.9 is the weakest January result since 1992, when the Australian economy was experiencing sharply rising unemployment. We don't think the economy is as weak as these data might suggest, with the shock of the Omicron surge and strains on testing capability the key drivers of the fall rather than underlying economic conditions. But the result highlights that concerns about COVID have the potential to significantly impact the economy if they linger.

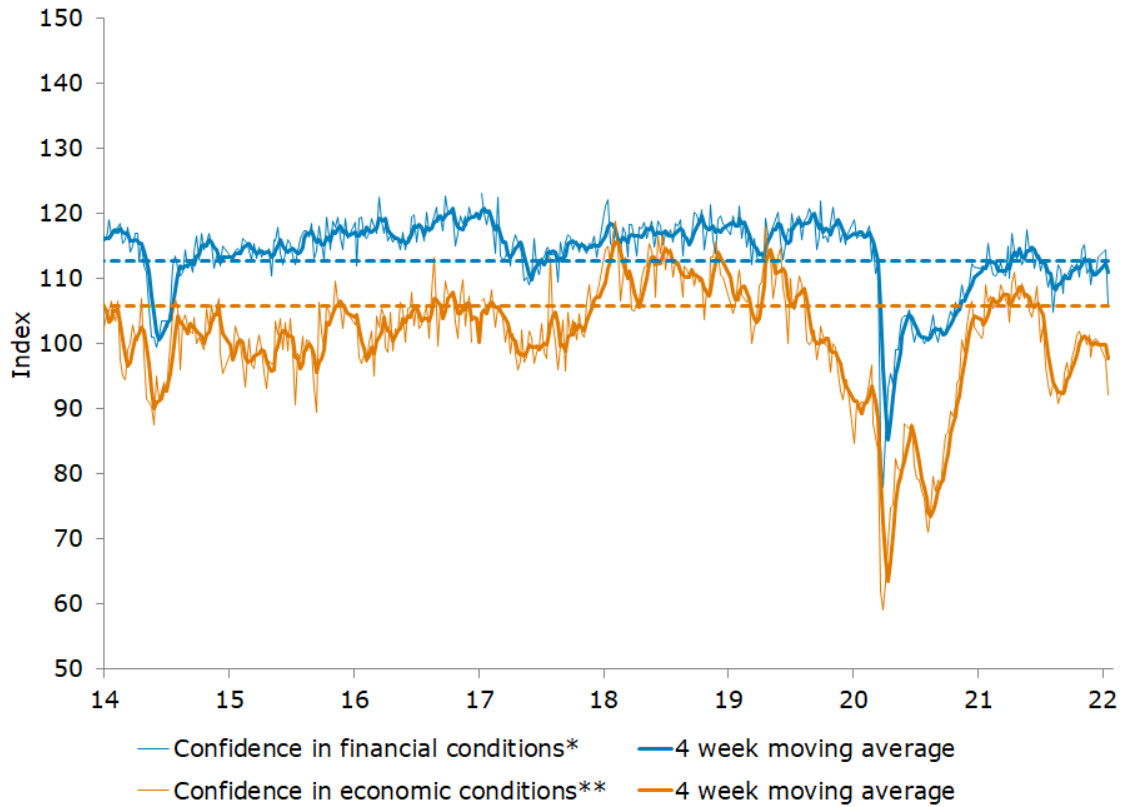
Confidence down 7.6%



Source: ANZ-Roy Morgan, ANZ Research



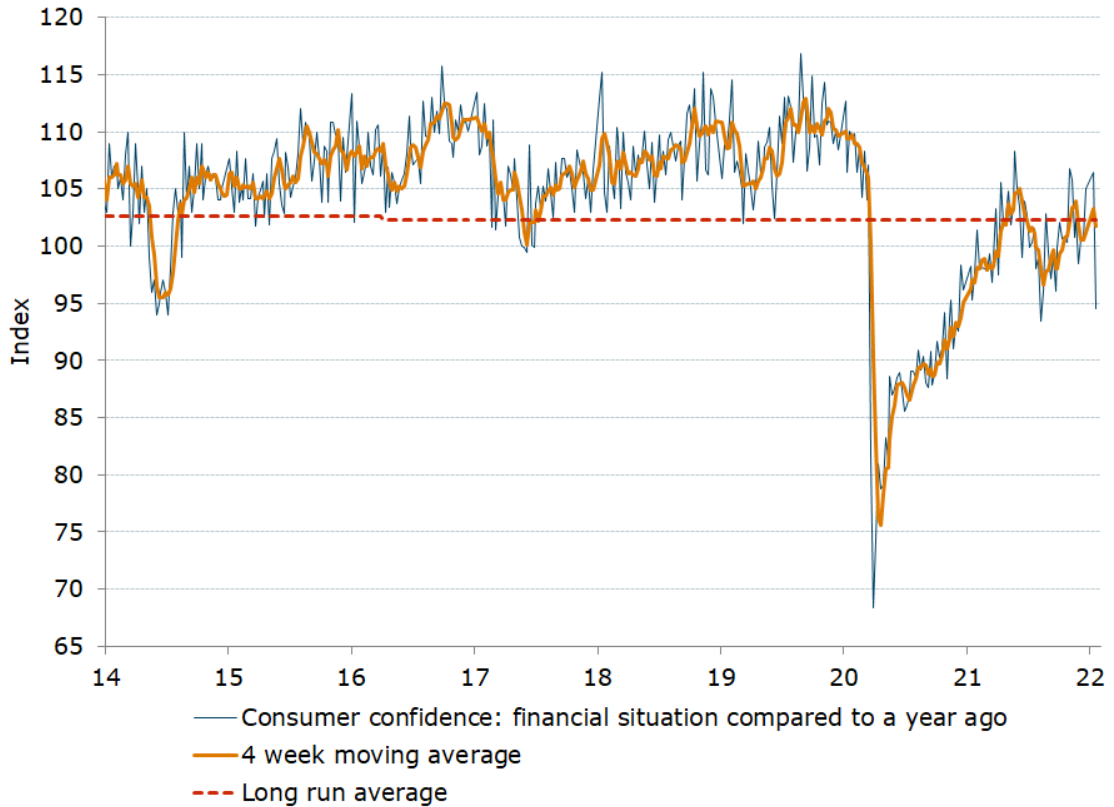
Figure 1. Both financial conditions and economic conditions worsened



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 financial conditions' dropped 11.3%

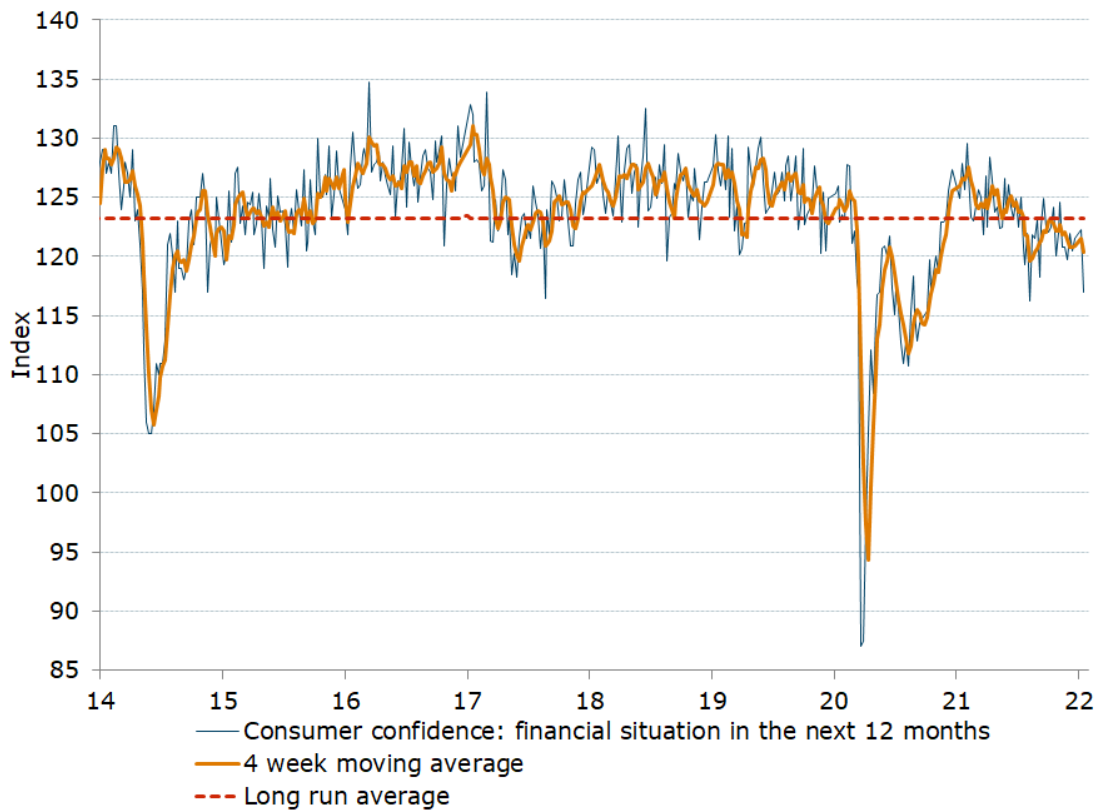


Source: ANZ-Roy Morgan



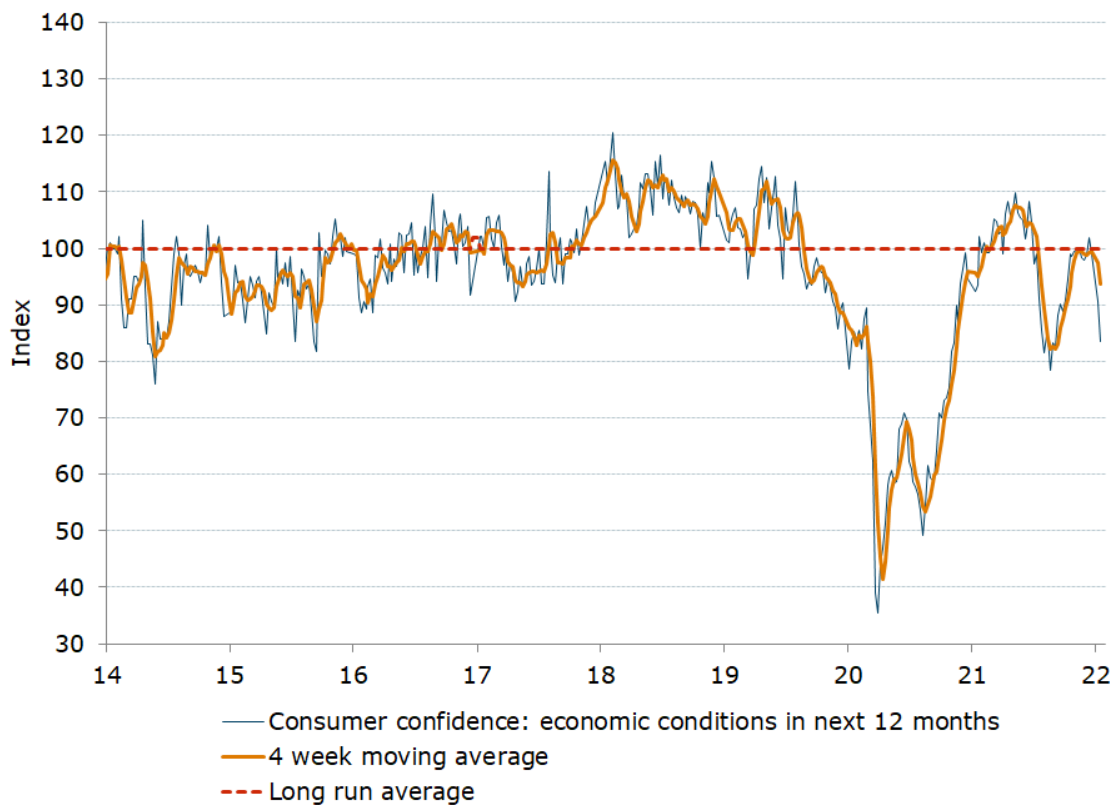
Charts

Figure 3. 'Future financial conditions' decreased 4.3%



Source: ANZ-Roy Morgan

Figure 4. 'Current economic conditions' declined 7.6%

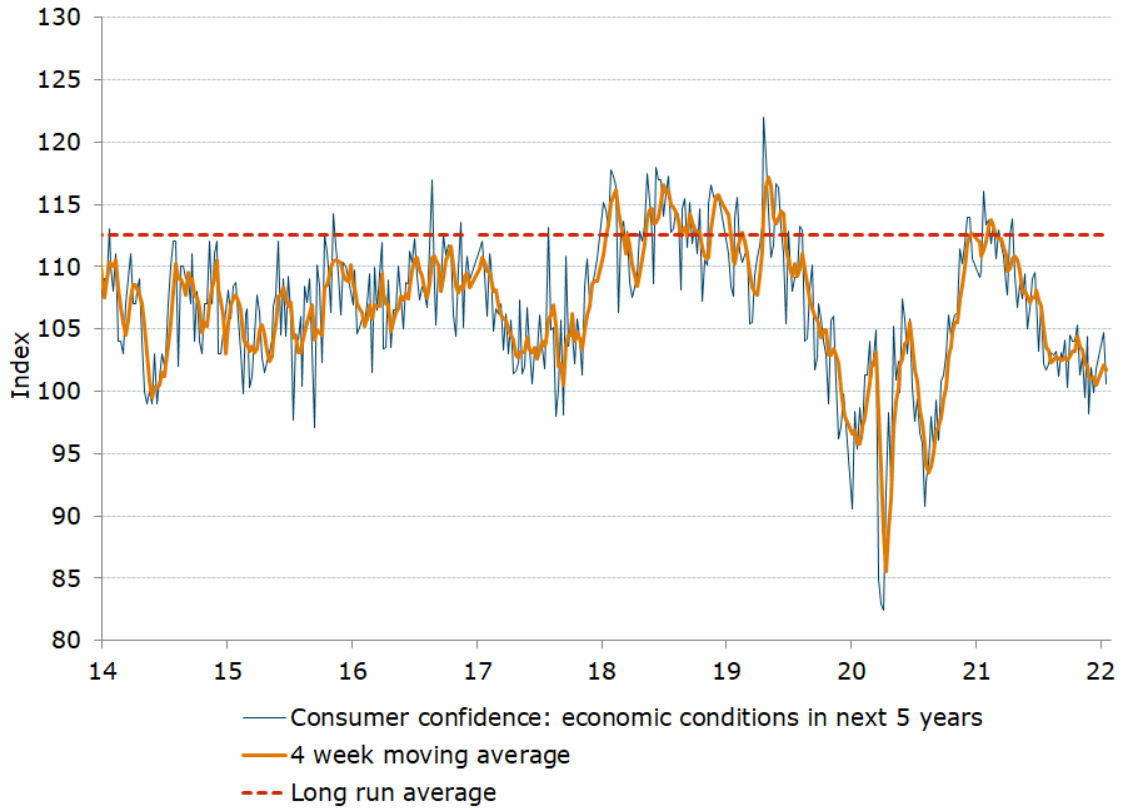


Source: ANZ-Roy Morgan



Charts

Figure 5. 'Future economic conditions' fell 3.9%



Source: ANZ-Roy Morgan

Figure 6. 'Time to buy a major household item' plunged 11.3%

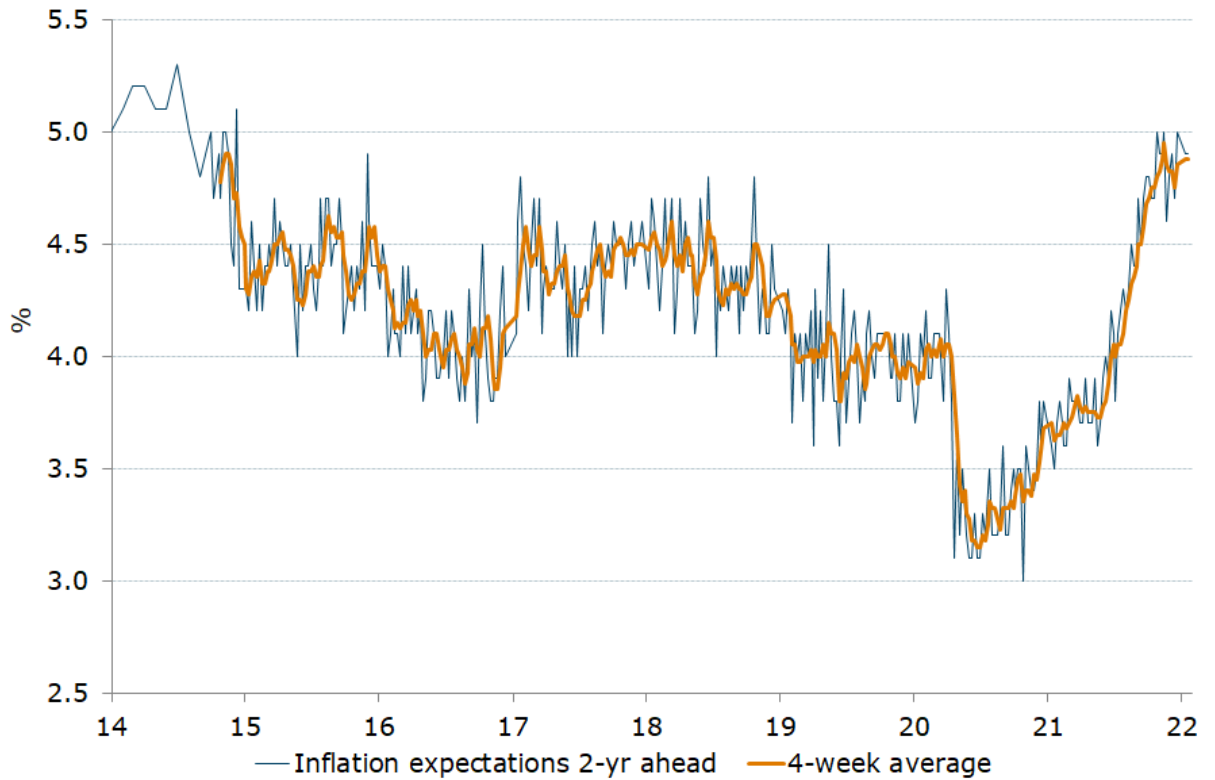


Source: ANZ-Roy Morgan



Charts

Figure 7. Weekly inflation expectations and its four-week moving average were unchanged at 4.9%



* 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 (%) |
| Avg since 2001 | 115 | - | 102 | 124 | 103 | 113 | 132 | - |
| 2010 avg | 124 | - | 101 | 127 | 124 | 130 | 139 | 5.7 |
| 2011 avg | 114 | - | 97 | 117 | 101 | 116 | 140 | 6.0 |
| 2012 avg | 113 | - | 99 | 118 | 97 | 113 | 138 | 5.8 |
| 2013 avg | 119 | - | 104 | 128 | 106 | 118 | 139 | 5.0 |
| 2014 avg | 111 | - | 104 | 121 | 94 | 106 | 132 | 4.9 |
| 2015 avg | 112 | - | 107 | 124 | 94 | 106 | 131 | 4.4 |
| 2016 avg | 115 | - | 109 | 127 | 99 | 108 | 134 | 4.1 |
| 2017 avg | 114 | - | 105 | 124 | 100 | 105 | 135 | 4.4 |
| 2018 avg | 119 | - | 108 | 126 | 109 | 113 | 135 | 4.4 |
| 2019 avg | 114 | - | 109 | 126 | 101 | 109 | 126 | 4.0 |
| 10-Jan-21 | 108.9 | 109.6 | 98.2 | 124.9 | 92.4 | 109.1 | 120.1 | 3.6 |
| 17-Jan-21 | 108.7 | 109.5 | 95.3 | 127.9 | 93.5 | 109.6 | 117.2 | 3.5 |
| 24-Jan-21 | 111.2 | 109.5 | 97.6 | 125.7 | 102.0 | 116.1 | 114.8 | 3.7 |
| 31-Jan-21 | 112.1 | 110.2 | 101.4 | 129.6 | 99.3 | 113.3 | 117.0 | 3.8 |
| 7-Feb-21 | 111.4 | 110.9 | 97.9 | 126.9 | 101.0 | 113.8 | 117.4 | 3.7 |
| 14-Feb-21 | 109.9 | 111.2 | 98.1 | 123.3 | 99.2 | 111.8 | 117.0 | 3.6 |
| 21-Feb-21 | 109.2 | 110.7 | 98.0 | 123.0 | 99.2 | 113.6 | 112.4 | 3.6 |
| 28-Feb-21 | 110.3 | 110.2 | 97.8 | 124.3 | 101.6 | 110.6 | 117.1 | 3.9 |
| 7-Mar-21 | 111.9 | 110.3 | 99.3 | 125.7 | 105.3 | 112.9 | 116.2 | 3.8 |
| 14-Mar-21 | 110.9 | 110.6 | 96.8 | 125.0 | 104.7 | 111.7 | 116.3 | 3.8 |
| 21-Mar-21 | 110.4 | 110.9 | 98.9 | 121.8 | 102.6 | 110.8 | 118.2 | 3.8 |
| 28-Mar-21 | 112.3 | 111.4 | 103.3 | 126.8 | 103.1 | 108.5 | 119.6 | 3.7 |
| 4-Apr-21 | 107.7 | 110.3 | 97.5 | 122.5 | 99.1 | 107.7 | 111.7 | 3.7 |
| 11-Apr-21 | 114.1 | 111.1 | 105.6 | 128.4 | 106.1 | 112.5 | 118.1 | 3.9 |
| 18-Apr-21 | 114.0 | 112.0 | 102.0 | 126.4 | 108.2 | 113.9 | 119.7 | 3.7 |
| 25-Apr-21 | 112.4 | 112.1 | 102.5 | 123.8 | 105.9 | 109.2 | 120.8 | 3.7 |
| 2-May-21 | 112.7 | 113.3 | 104.8 | 124.2 | 106.8 | 106.7 | 121.1 | 3.7 |
| 9-May-21 | 111.6 | 112.7 | 101.9 | 122.4 | 109.8 | 108.6 | 115.4 | 3.9 |
| 16-May-21 | 112.5 | 112.3 | 103.5 | 122.5 | 106.4 | 107.4 | 122.5 | 3.6 |
| 23-May-21 | 114.2 | 112.8 | 108.3 | 126.6 | 105.5 | 109.4 | 121.6 | 3.7 |
| 30-May-21 | 111.4 | 112.4 | 105.0 | 123.6 | 105.0 | 105.0 | 118.4 | 3.9 |
| 6-Jun-21 | 110.7 | 112.2 | 103.4 | 126.1 | 101.7 | 106.6 | 115.8 | 4.0 |
| 13-Jun-21 | 111.0 | 111.8 | 99.0 | 124.2 | 103.1 | 109.0 | 119.6 | 3.9 |
| 20-Jun-21 | 112.4 | 111.4 | 103.9 | 123.2 | 108.2 | 109.5 | 117.5 | 4.2 |
| 27-Jun-21 | 112.2 | 111.6 | 102.6 | 124.9 | 104.5 | 107.6 | 121.6 | 4.1 |
| 4-Jul-21 | 107.8 | 110.9 | 99.9 | 122.5 | 97.2 | 103.2 | 116.2 | 3.8 |
| 11-Jul-21 | 110.0 | 110.6 | 100.3 | 125.0 | 98.9 | 107.0 | 118.5 | 4.1 |
| 18-Jul-21 | 104.3 | 108.6 | 101.5 | 120.8 | 91.1 | 102.2 | 106.0 | 4.2 |
| 25-Jul-21 | 100.7 | 105.7 | 98.0 | 119.3 | 85.6 | 101.7 | 99.0 | 4.3 |
| 1-Aug-21 | 101.8 | 104.2 | 99.0 | 122.0 | 81.6 | 102.2 | 104.2 | 4.2 |
| 8-Aug-21 | 98.6 | 101.4 | 93.4 | 116.2 | 84.7 | 103.1 | 95.6 | 4.3 |
| 15-Aug-21 | 101.1 | 100.6 | 96.1 | 121.9 | 84.3 | 102.9 | 100.4 | 4.5 |
| 22-Aug-21 | 101.6 | 100.8 | 102.8 | 121.5 | 78.5 | 103.2 | 102.0 | 4.4 |
| 29-Aug-21 | 101.8 | 100.8 | 99.5 | 123.1 | 83.2 | 101.2 | 102.2 | 4.4 |
| 5-Sep-21 | 100.0 | 101.1 | 97.2 | 118.2 | 82.6 | 103.1 | 98.9 | 4.7 |
| 12-Sep-21 | 103.1 | 101.6 | 99.1 | 122.6 | 88.2 | 102.5 | 103.1 | 4.5 |
| 19-Sep-21 | 103.3 | 102.1 | 96.1 | 124.9 | 90.1 | 104.1 | 101.5 | 4.7 |
| 26-Sep-21 | 103.7 | 102.5 | 99.9 | 122.5 | 88.9 | 100.3 | 107.2 | 4.8 |
| 3-Oct-21 | 104.6 | 103.7 | 102.1 | 122.1 | 90.8 | 104.5 | 103.8 | 4.8 |
| 10-Oct-21 | 105.6 | 104.3 | 100.6 | 122.5 | 94.6 | 104.0 | 106.5 | 4.7 |
| 17-Oct-21 | 107.0 | 105.2 | 100.5 | 124.2 | 98.9 | 104.0 | 107.1 | 4.7 |
| 24-Oct-21 | 106.8 | 106.0 | 100.3 | 120.0 | 98.6 | 105.3 | 109.7 | 5.0 |
| 31-Oct-21 | 108.4 | 107.0 | 106.8 | 122.1 | 99.4 | 101.3 | 112.3 | 4.9 |
| 7-Nov-21 | 109.0 | 107.8 | 105.8 | 124.6 | 99.7 | 102.8 | 112.4 | 4.9 |
| 14-Nov-21 | 106.0 | 107.6 | 100.8 | 120.8 | 100.1 | 99.5 | 108.6 | 5.0 |
| 21-Nov-21 | 107.4 | 107.7 | 102.4 | 120.8 | 98.4 | 104.4 | 110.9 | 4.6 |
| 28-Nov-21 | 106.0 | 107.1 | 98.5 | 119.7 | 97.8 | 98.2 | 116.0 | 4.8 |
| 5-Dec-21 | 107.5 | 106.7 | 100.6 | 122.0 | 98.8 | 101.9 | 114.3 | 4.9 |
| 12-Dec-21 | 108.0 | 107.2 | 100.8 | 120.5 | 101.8 | 99.9 | 116.8 | 4.7 |
| 19-Dec-21 | 108.4 | 107.5 | 105.0 | 121.5 | 99.1 | 101.8 | 111.3 | 5.0 |
| 9-Jan-22 | 106.0 | 107.5 | 106.5 | 122.3 | 90.5 | 104.7 | 105.8 | 4.9 |
| 16-Jan-22 | 97.9 | 105.1 | 94.5 | 117.0 | 83.6 | 100.6 | 93.7 | 4.9 |

Source: ANZ-Roy Morgan



Important notice

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