ANZ-Roy Morgan Australian Consumer Confidence Media Release

7 July 2020



This is not personal advice. It does not consider your objectives or circumstances. Please refer to the Important Notice.

Contributors

Catherine Birch Senior Economist +61 439 627 968 Catherine.Birch@anz.com

Shaurya Mishra Junior Economist +91 80 6795 0463 Shaurya.Mishra@anz.com

Contact research@anz.com Follow us on Twitter @ANZ_Research

Series available at **Bloomberg** AU: ALLX AUANZ <GO> NZ: ALLX NZANZ <GO>

Previous reports available to subscribers on ANZ Live

Confidence falls to an eight-week low

- Confidence declined 1.0% last week, following a 4.6% fall the week before.
- There was a little improvement in the financial conditions sub-indices, with 'current finances' gaining 0.7% and 'future finances' up 1.9%.
- But economic conditions weakened further with 'current economic conditions' declining 2.2% and 'future economic conditions' falling 2.7%.
- 'Time to buy a household item' fell by 3.1% following the 4.9% decrease last week. 'Inflation expectations' was stable at 3.2% (four-week moving average).

ANZ-Roy Morgan Consumer Confidence and inflation expectations

Last weekend Weekly (4-5 Jul) change, %		Four-week average	Monthly average since 1990	Inflation expectations (four-week ma)	
92.1	-1.0%	95.0	112.8	3.2%	

This weekly ANZ-Roy Morgan Australian Consumer Confidence Rating is based on 1,443 interviews conducted online and over the telephone on the weekend. Not seasonally adjusted. Further data history on page 6.

ANZ Senior Economist, Catherine Birch, commented:

Confidence fell a further 1% last week, taking it to an eight-week low. Although there was a marginal improvement in how people felt about their financial conditions, confidence in economic conditions continued to deteriorate. This was not surprising, with new COVID-19 case numbers continuing to escalate in Melbourne. While the return to lockdown has so far been localised to 12 postcodes, the confidence effect is more pervasive. The uncertainty also appears to be discouraging households from committing to large purchases, with 'time to buy a major household item' falling heavily for a second week.

Consumer confidence fell 1%

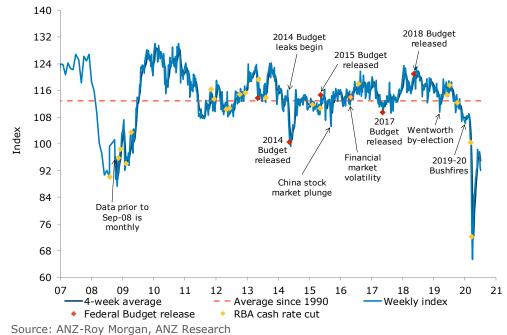
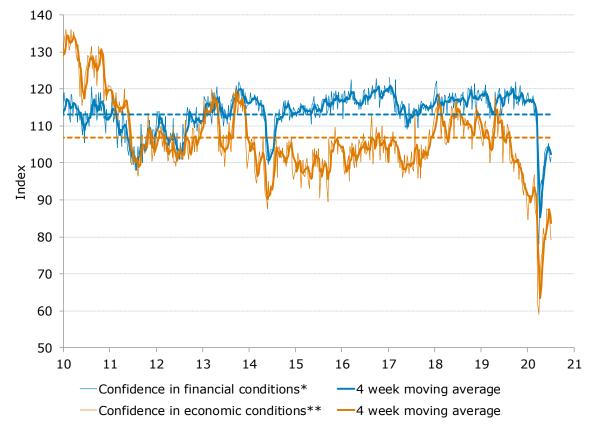




Figure 1. Confidence in economic conditions deteriorated further but there was a small improvement in financial conditions



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.

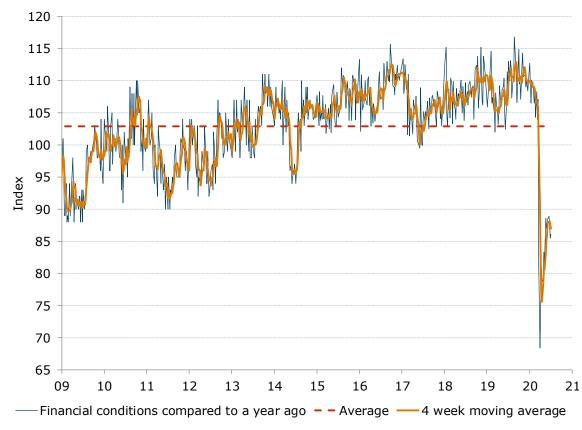


Figure 2. Confidence in 'current financial conditions' was up a notch

Source: ANZ-Roy Morgan





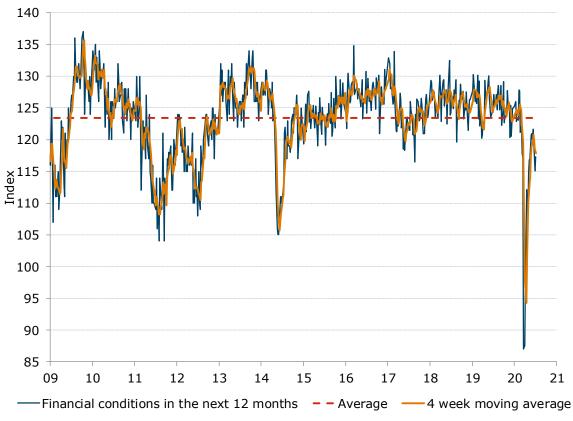
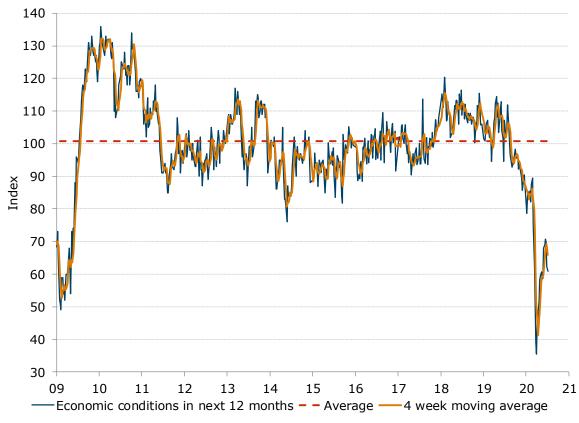
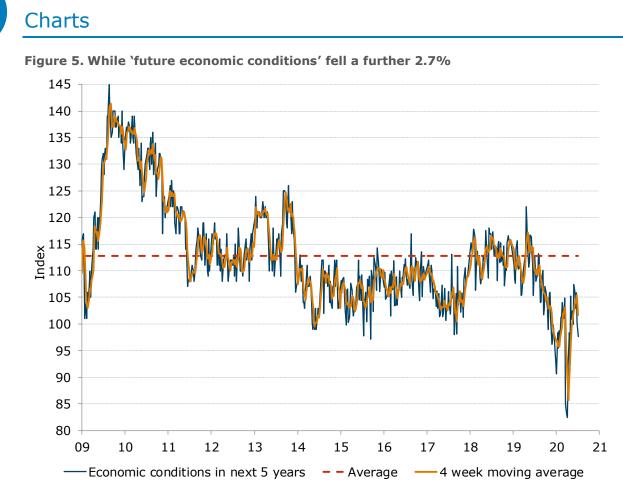


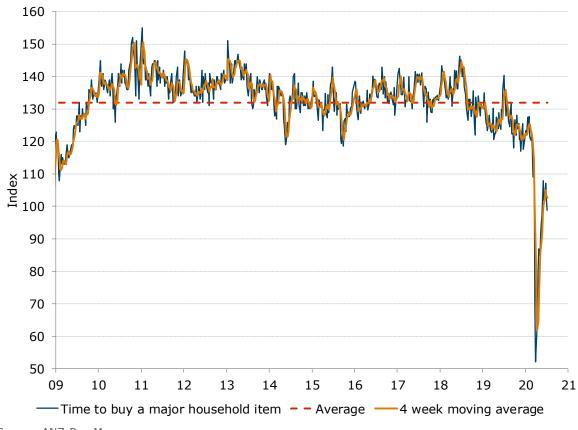
Figure 3. 'Future financial conditions' also gained











Source: ANZ-Roy Morgan





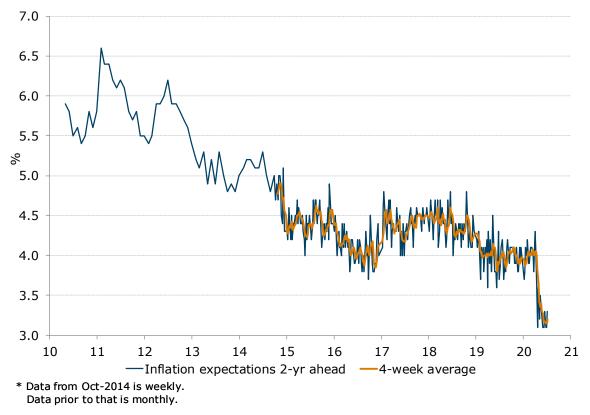




Table 1. ANZ-Roy	[,] Morgan	Australian	Consumer	Confidence
------------------	---------------------	------------	----------	------------

	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	116	-	103	124	104	113	133	-		
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		
21-Jul-19	116.3	117.2	113.1	125.6	105.8	109.1	127.9	4.2		
28-Jul-19	118.5	117.1	112.1	127.1	111.9	109.1	132.4	4.0		
4-Aug-19	115.8	116.6	107.3	124.7	105.1	113.2	128.9	3.7		
11-Aug-19	115.5	116.5	110.1	127.7	100.6	112.9	126.3	3.9		
18-Aug-19	112.8	115.7	110.3	128.5	96.8	104.0	124.5	3.8		
25-Aug-19	114.1	114.6	116.8	124.7	95.4	104.2	129.5	4.1		
1-Sep-19	114.4	114.2	113.0	126.3	92.8	108.2	131.7	4.2		
8-Sep-19	113.3	113.7	111.7	128.5	94.1	110.1	122.3	4.0		
15-Sep-19	109.3	112.8	106.6	122.3	93.5	101.7	122.6	3.9		
22-Sep-19	110.1	111.8	108.6	124.3	96.9	102.7	118.0	4.1		
29-Sep-19	114.7	111.9	114.9	129.1	98.3	107.0	124.3	4.1		
6-0ct-19	112.3	111.6	109.5	122.7	96.6	105.8	126.8	4.1		
13-Oct-19	110.9	112.0	109.7	123.5	95.6	104.0	121.9	4.1		
20-Oct-19	111.6	112.4	107.1	124.0	95.9	102.9	128.1	4.1		
27-Oct-19	110.4	111.3	112.5	124.5	92.1	99.0	123.9	3.9		
3-Nov-19	113.5	111.6	114.3	127.7	94.5	105.7	125.5	3.9		
10-Nov-19	111.1	111.7	110.6	125.6	93.0	106.0	120.6	4.1		
17-Nov-19	109.9	111.2	110.9	125.8	90.6	100.8	121.1	3.8		
24-Nov-19	106.8	110.3	110.8	120.3	89.4	96.2	117.1	3.8		
1-Dec-19	108.1	109.0	109.0	125.4	85.7	97.2	123.3	4.1		
8-Dec-19	109.0	108.5	110.1	120.5	89.0	99.8	125.6	3.9		
15-Dec-19	108.0	108.0	108.4	124.9	90.4	98.6	117.6	4.1		
5-Jan-20	106.2	107.8	112.7	125.3	78.7	90.6	123.3	3.7		
12-Jan-20	107.3	107.6	106.5	126.0	83.5	98.4	121.9	3.8		
19-Jan-20	108.3	107.5	110.1	122.9	85.3	95.4	127.6	4.1		
26-Jan-20	108.0	107.5	109.5	123.5	83.8	98.7	124.5	4.0		
2-Feb-20	108.5	108.0	109.8	123.1	85.6	96.2	127.8	4.2		
9-Feb-20	107.8	108.2	106.5	127.8	82.1	101.3	121.4	3.9		
16-Feb-20	109.1	108.4	108.6	127.7	87.4	101.3	120.3	3.9		
23-Feb-20	108.3	108.4	104.3	121.1	89.5	104.0	122.4	4.1		
1-Mar-20	104.8	107.5	108.3	122.2	74.6	101.0	117.8	4.1		
8-Mar-20	100.4	105.7	104.0	117.8	68.6	102.7	109.1	4.1		
15-Mar-20	100.0	103.4	107.1	117.2	62.2	104.9	108.9	4.0		
22-Mar-20	72.2	94.4	81.5	87.0	39.1	84.9	68.4	3.8		
29-Mar-20	65.3	84.5	68.4	87.5	35.4	82.9	52.1	4.3		
5-Apr-20	71.9	77.4	74.4	97.5	44.1	82.4	61.2	4.1		
12-Apr-20	78.2	71.9	80.9	105.2	46.9	92.1	66.1	3.8		
19-Apr-20	84.2	74.9	78.8	112.1	51.4	98.3	80.3	3.1		
26-Apr-20	85.0	79.8	79.1	108.4	58.1	92.5	86.9	3.6		
3-May-20	89.5	84.2	83.3	114.8	59.4	105.2	84.7	3.2		
10-May-20	90.3	87.3	81.4	116.8	60.7	100.9	91.6	3.5		
17-May-20	92.3	89.3	88.6	117.0	58.5	102.4	94.9	3.3		
24-May-20	92.7	91.2	87.0	120.7	58.7	99.9	97.3	3.2		
31-May-20	98.3	93.4	87.5	120.9	67.9	107.4	107.9	3.1		
7-Jun-20	97.0	95.1	88.5	120.0	69.0	105.7	101.7	3.1		
14-Jun-20	97.5	96.4	88.9	121.7	70.8	103.0	101.7	3.3		
21-Jun-20	97.5	97.6	87.4	117.3	69.7	105.8	105.0	3.1		
	93.0	96.3	85.5	117.5	62.3	100.3	107.2	3.1		
28-Jun-20										



[4 April 2019]

This publication is published by Australia and New Zealand Banking Group Limited ABN 11 005 357 522 ("ANZBGL") in Australia. This publication is intended as thought-leadership material. It is not published with the intention of providing any direct or indirect recommendations relating to any financial product, asset class or trading strategy.

The information in this publication is not intended to influence any person to make a decision in relation to a financial product or class of financial products. It is general in nature and does not take account of the circumstances of any individual or class of individuals. Nothing in this publication constitutes a recommendation, solicitation or offer by ANZBGL or its branches or subsidiaries (collectively "ANZ") to you to acquire a product or service, or an offer by ANZ to provide you with other products or services. All information contained in this publication is based on information available at the time of publication. While this publication has been prepared in good faith, no representation, warranty, assurance or undertaking is or will be made, and no responsibility or liability is or will be accepted by ANZ in relation to the accuracy or completeness of this publication or the use of information contained in this publication. ANZ does not provide any financial, investment, legal or taxation advice in connection with this publication.