

Press Release

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UK consumer confidence research conducted during September 2008
The next press release will be published on Friday 31 October 2008

Early rise in Consumer Confidence in September knocked back by financial market upheavals

The GfK NOP Index saw a second consecutive rise in confidence during the first half of September; however, following the late September financial market upheavals, GfK NOP ran an additional wave, which showed confidence knocked back to the August level.

- The regular Consumer Confidence interviewing was conducted over the weekends 5-7 and 12-14 September 2008. This is the data on which the EU Commission monthly figures are based.
- The additional wave was conducted over the weekend 19-21 September 2008. This wave was merged with the 5-7 September results, to give our own updated average for September showing the affect of financial market upheavals.

Date

30 September 2008

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Measure	EU Commission official figures: Sept 2008 'regular survey' (weekends 1 & 2)	Sept 2008 update survey (weekends 1 & 3)	Aug 2008	Sept 2007
Overall Index Score	-32	-36	-36	-7
Personal Financial situation over last 12 months	-19	-19	-16	+4
Personal Financial situation over next 12 months	-11	-12	-12	12
General Economic situation over last 12 months	-62	-66	-69	-29
General Economic situation over next 12 months	-40	-38	-47	-19
Climate for major purchases	-32	-38	-38	-3



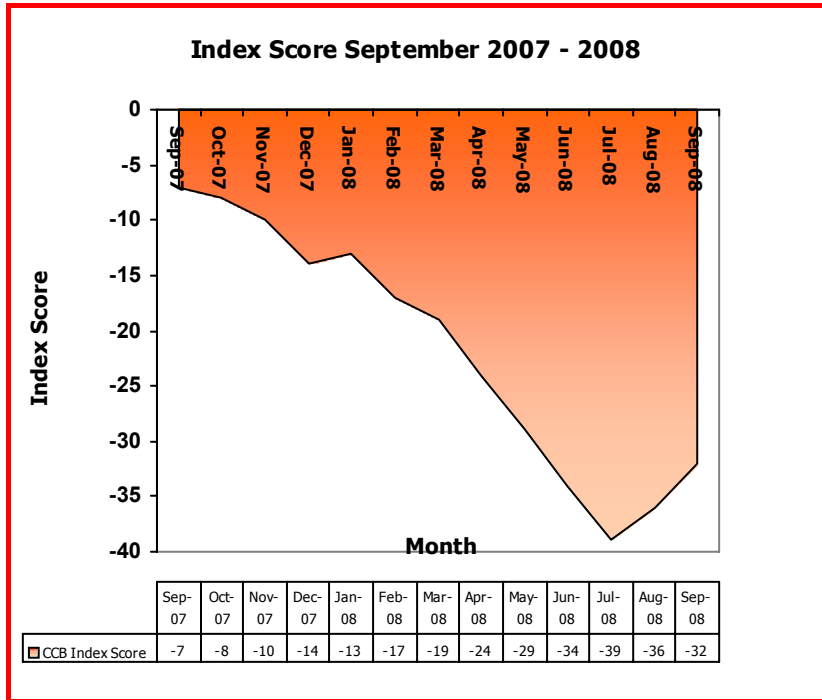
Rachael Joy in the Consumer Confidence team at GfK NOP commented, "In the first half of September, we saw a second small improvement in consumer confidence, although this is still at a level not seen since the 1990's recession. The major purchase index in particular showed its first increase in twelve months (although it is still a massive 29 points lower than this time last year); possibly a reflection of the discount offers available on the high street as retailers try to attract consumers to buy.

"When we look at our additional wave, to see how the late September financial upheavals had affected this rise, the additional findings show that, while the rise in confidence has taken a blow, it is not enormous – merely taking us back to the August level. Indeed, confidence in the General Economic situation for the coming 12 months increased between the two waves – possibly due to the prompt support plans announced for the stricken banks. The figure showing the biggest hit is the 'climate for major purchases', which lost all the six points it had gained since the August level, as people hold back on big spending while they wait to see what the future holds.

"Looking at the overall trend, I'd say we're seeing a tentative lift in UK consumer confidence, although we're still at the levels not seen since the 1990s recession. The indication is that people are coming to terms with the thought of living through a depression. While they are still nervous of their personal financial situation and the economy in general, we could be seeing the start of people acclimatising to the situation."

UK Consumer Confidence Measures September 2008 - EU Commission figures

The EU Commission are basing their September figures on the 'regular' survey fieldwork run over the first two weekends in September, which showed the Index Score of -32. These figures are as follows.



The overall index score this month has increased four points to -32, twenty-five points lower than this time last year. This increase has been caused by a rise across four of the five measures. The annual moving average has dropped to -22.

Measure	↑↔↓	Sept 2008	Aug 2008	Sept 2007
Overall Index Score	↑4	-32	-36	-7
Personal Financial situation over last 12 months	↓3	-19	-16	+4
Personal Financial situation over next 12 months	↑1	-11	-12	12
General Economic situation over last 12 months	↑7	-62	-69	-29
General Economic situation over next 12 months	↑7	-40	-47	-19
Climate for major purchases	↑6	-32	-38	-3

Personal Financial Situation

The index measuring changes in personal finances during the *last* year has dropped by three points to a score of -19; this is twenty-three points lower than this time last year.

The forecast for personal finances over the *next* year has risen by one point to a score of -11. This is also twenty-three points lower than this time last year.

General Economic Situation

The measure for the general economic situation of the country during the *last* twelve months has risen by seven points with a score of -62; this remains a massive thirty-three points lower than this time last year.

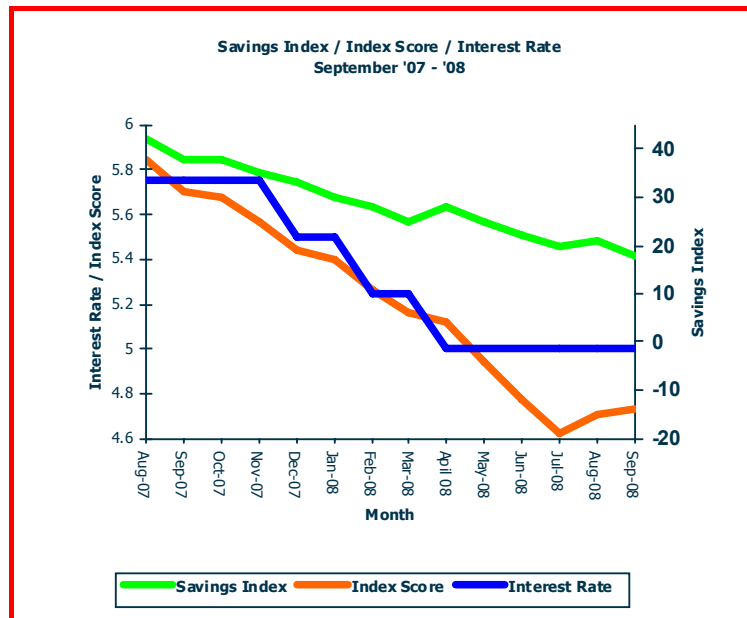
Expectations for the general economic situation over the *next* twelve months have also increased by seven points to -40; twenty-one points lower than this time last year.

Climate for Major Purchases

The major purchases measure has increased by six points, from -38 to -32; this is twenty-nine points lower than this time last year. This is the first increase for this measure in twelve months.

Savings Index

The 'now is a good time to save' Index, which was only run over the first two weekends in September, showed a three point drop to +18, twenty points lower than this time last year.



For more information, or to arrange an interview, please contact Amanda Wheeler, PR Manager on 020 7890 9386 or amanda.wheeler@gfk.com

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Notes to the editor:



- The UK Consumer Confidence Survey from GfK NOP was conducted amongst a sample of 2007 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 5th – 14th September 2008.
- Additional interviewing was carried out during the weekend 19th – 21st September this was then merged with interviewing carried out 5th – 7th September (total sample 2005). If you are interested in seeing the results for this interviewing then please contact Rachael.Joy@gfk.com
- The figures contained within the Consumer Confidence Barometer have an estimated margin of error of +/-2%
- Results for the Consumer Confidence Barometer are available on the last working day of each month at 00.01am the next release is Friday 31st October 2008.
- **Any published material requires a reference to both GfK NOP and the European Commission e.g. 'Research carried out by GfK NOP on behalf of the European Commission'.**
- This study has been running since 1974. Basic data is available from 1982, full data from 1996. Subscriptions and full data sets are available.

The table below provides an overview of the questions asked to obtain the individual index measures:

Personal financial Situation (Q1/Q2)	This index is based on the following questions to consumers: How has the financial situation of your household changed over the last 12 months? Q2 '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)
General Economic Situation (Q3/Q4)	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?' 'How do you expect the general economic situation in this country to develop over the next 12 months?' (a lot better – a little better – stay(ed) the same – a little worse - a lot worse)
Climate for major purchases (Q8)	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?' (right time – neither right nor wrong time – wrong time)
Savings Index (Q10)	This Savings 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) (Commented on but not included in the Index score)

About GfK NOP Ltd

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