



CONSUMER SENTIMENT INDEX, FEBRUARY 2015

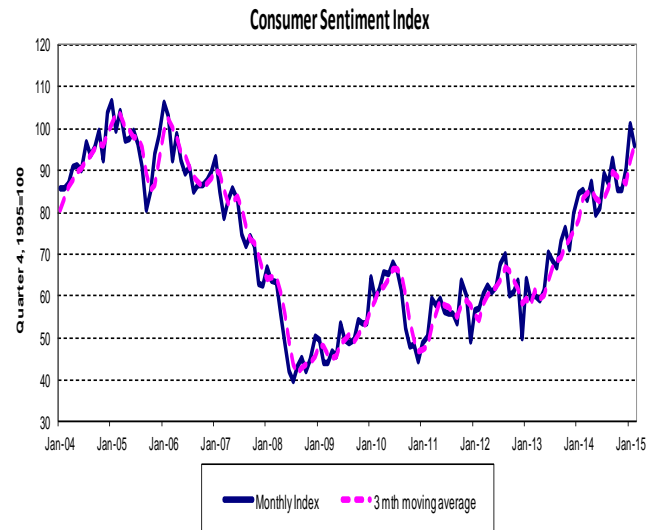
The overall Consumer Sentiment Index decreased in February to 96.1 from 101.1 in January. More importantly however, the 3-month moving average, which smoothes some of the monthly volatility, is continuing on an upward trend increasing from 92.3 in January to 95.9 in February.

Personal Financial Situation

The February findings suggest that consumers are more positive about their personal finances compared to 12 months ago. The proportion of consumers that report improved finances over the past year was 14.3 per cent, up from 12.5 per cent in February 2014. When asked about their financial prospects for the year ahead, there is further evidence of optimism with 22 per cent of consumers expecting to be better off financially in the year ahead. This compares with 18 per cent of respondents in February 2014.

General Economic Situation

Consumers' expectations regarding the economic outlook have remained broadly stable over the course of 2014. The proportion expecting the economic situation to get better stood at 58 per cent in February 2015. While this is down from 63 per cent in January it is 8 percentage points higher than the value recorded in February 2014. Consumers are also much more positive about the outlook for unemployment than they were 12 months ago.



Survey Index Values

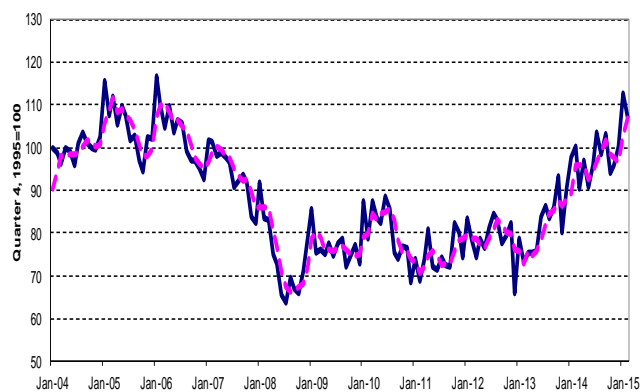
Measure ¹	Long-Run average ²	Δ month-on-month	Feb 2014	Jan 2015	Feb 2015
Overall Consumer Sentiment Index	85.3	↓5.0	85.5	101.1	96.1
Index of Current Conditions	96.9	↓5.6	100.2	112.8	107.2
Index of Consumer Expectations	77.5	↓4.6	75.6	93.2	88.6
Personal Financial Situation over last 12 months	82.9	↓7.4	59.6	81.6	74.2
Personal Financial Situation over next 12 months	86.2	↓10.6	83.1	110.7	100.1
General Economic Outlook	62.3	↓4.7	66.5	77.5	72.8
Outlook for Unemployment	90.8	↑4.4	80.3	94.8	99.2
Major Purchases	108.4	↓4.2	133.6	138.6	134.4

(1) Index values: Quarter 4, 1995 = 100.

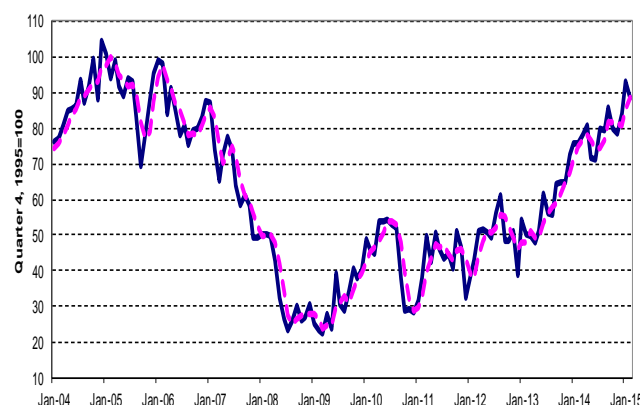
(2) Average value between February 1996 and February 2015.

The Consumer Sentiment Index comprises two sub-indices: an index of consumer expectation that focuses on how consumers view prospects over the next 12 months and an index of current economic conditions, focusing on consumers' view of the present situation. While both indices are down in February they are still substantially higher than the long-run average. The 3-month moving average for both indices has also increased in the month to February 2015

Index of Current Economic Conditions



Index of Consumer Expectations



— Monthly Index — 3mth moving average

Notes

The Index of Consumer Expectations is based on consumers' perceptions of their future financial situation, their economic outlook for the country as a whole and employment expectations. The Index of Current Economic Conditions is based on how consumers feel about their current financial circumstance compared to 12 months ago, as well as their perception of the current buying environment for large household purchases.

The data was obtained from telephone interviews during the first two weeks of the month with around 800 completed questionnaires. The data are re-weighted in line with gender, age and level of educational attainment to ensure the data is fully representative of the national population of adults. Each index is calculated by computing the relative scores (the percent giving favourable replies minus the percent giving unfavourable replies (the balance), plus 100) for each question used in the different indices. Those who reply "Don't Know", "Remain the same" are excluded from the index calculations. Each relative score is rounded to the nearest whole number. The sum of the relative scores is then divided by the base period total for each index.

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Historic data from February 1996 are available on the ESRI website, www.esri.ie and on the KBC Bank Ireland website, www.kbc.ie. A detailed methodology note outlining how the indices are constructed and the most recent release are also available on the websites.