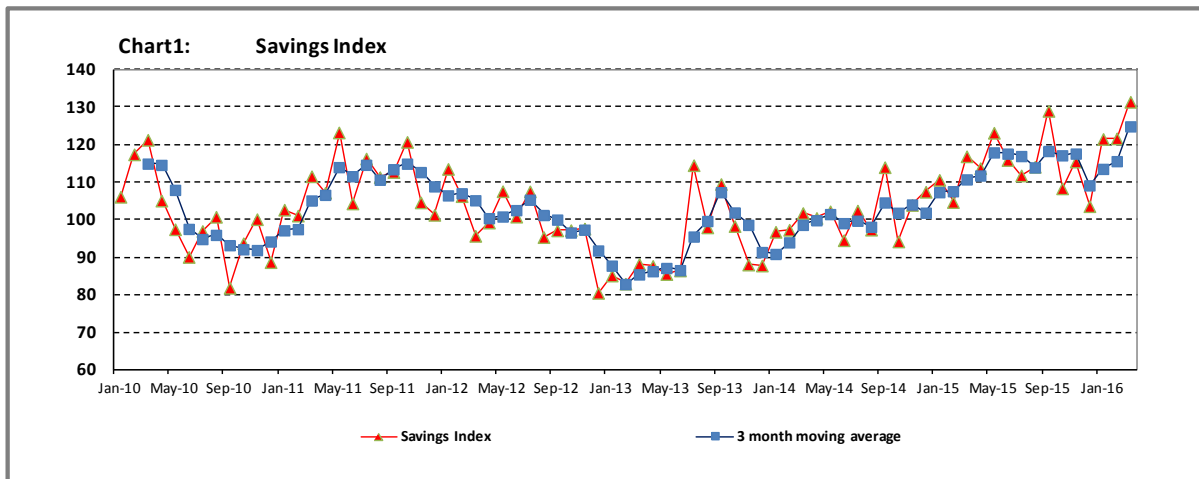


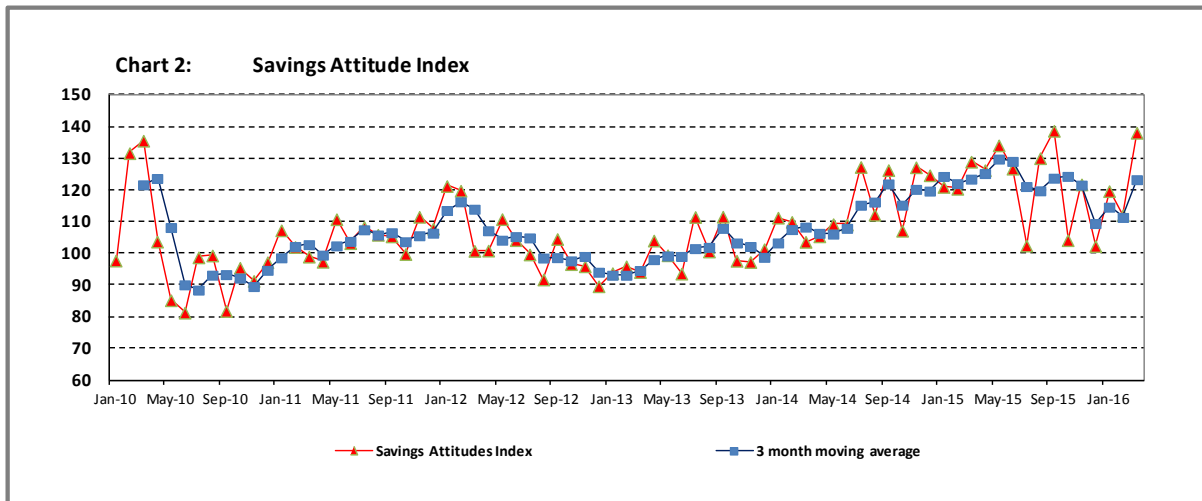
## The Nationwide UK (Ireland) Savings Index (Chart 1)

- The Savings Index increased in March to 131 from 122 in February. The three-month moving average, which smoothes out much of the monthly volatility also increased in March to 125.
- The Savings Environment sub-index fell this month to 125 from 131 in February. This reflects a large decline in consumers thinking that government policy is accommodative of saving.
- The Savings Attitude sub-index increased by 26 index points to 138 this month. This was driven by a large increase in the sub index asking how consumers feel about the amount they are able to save while the index that asks consumers if they are able to save was relatively unchanged in March.



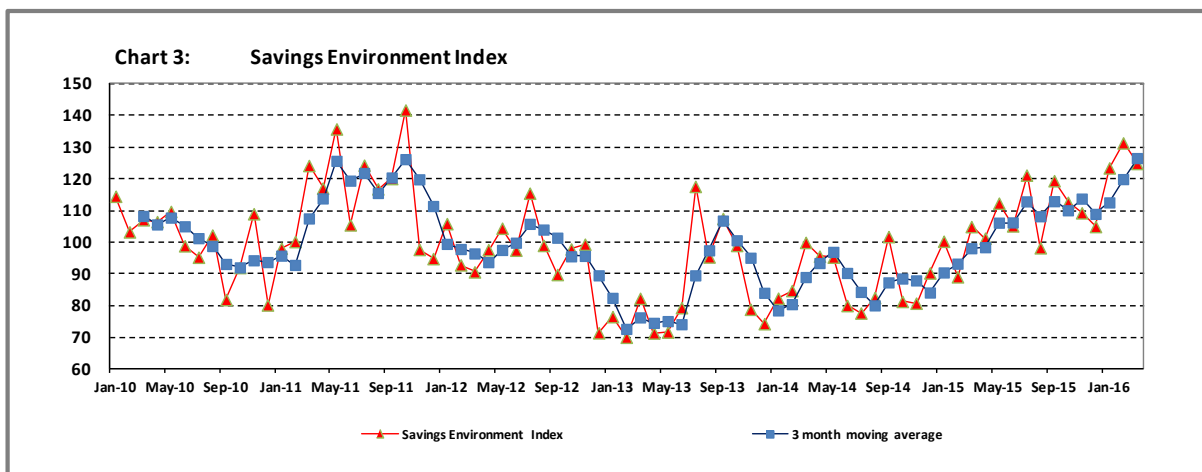
## The Savings Attitude Index (Chart 2)

- The Savings Attitude sub-index asks respondents about their saving behaviour and how they feel about the amount they save.
- The sub-index increased this month to 138 index points from 112 in February. The results reported in the sub-index this month primarily reflects an increase in the proportion of those aged under 50 in the amount they are able to save.
- There was, however, an increase in the proportion of those aged both over and under 50 reporting feeling positive about the amount they saved in March.
- As well as this, there was an increase in the proportion of positive responses in relation to the question asking do you save regularly, increasing to 42.3 per cent from 41 per cent last month.



### The Savings Environment Index (Chart 3)

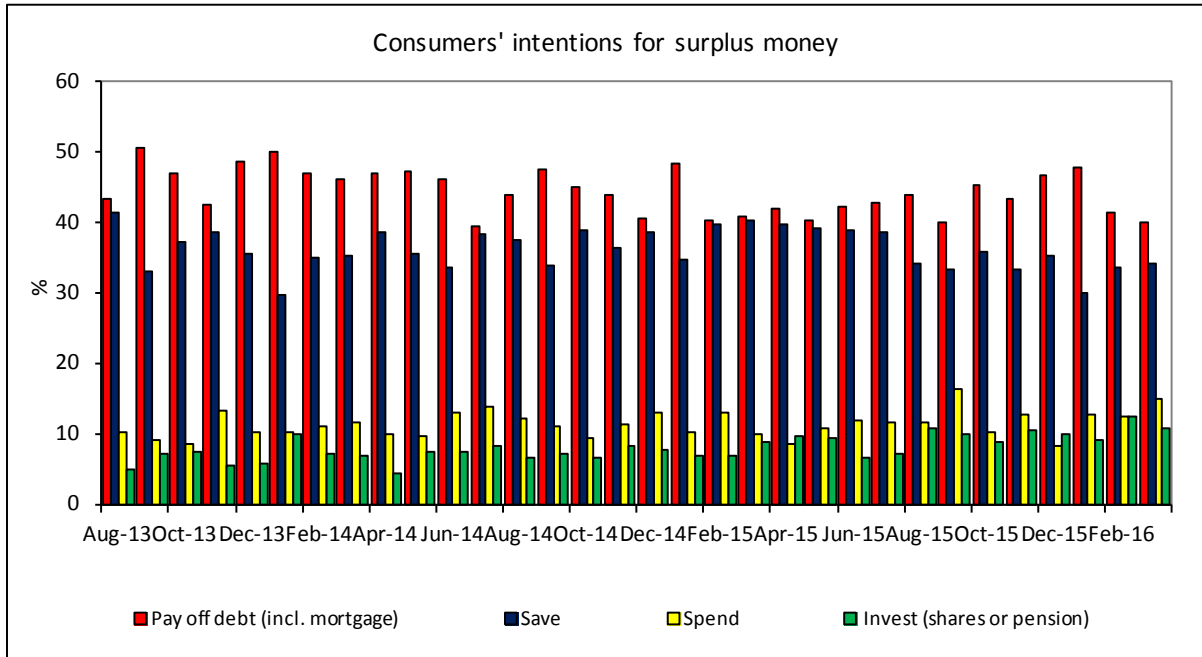
- The Savings Environment sub-index asks whether or not respondents believe that the current period is a good time to save and whether they think government policy encourages people to save.
- The index fell to 125 index points from 131 in February. The three-month moving average did however, increase from 120 to 127 in March.
- The decrease in the index this month is primarily being driven by changes in younger people's perception of current government policy encouraging saving.
- The sub-index which asks people is it a good time to save increased slightly this month but this was more than offset by the large decrease in the sub index relating to government policy encouraging saving. The decline this month seems to be driven by the under 50's age group with 54.6 per cent of them feeling negative in their view of it being a good time to save given the current economic situation.



### Consumer's intentions for any surplus money (chart 4)

- Consumers are also asked about their preference as to how they might allocate any money over and above their everyday needs. The share of respondents who report that they would use the surplus to pay off debts, including their mortgage decreased this month to 40.1 per cent from 41.4 per cent last month. A further 15.0 per cent of respondents indicated they

would spend the surplus money, up from 12.4 per cent in February, while 10.8 per cent said they would invest it. The proportion of respondents who would choose to save the money increased this month to 34.1 per cent from 33.7 per cent in February.



Note: Prior to January 2011 the Nationwide (UK) Ireland Savings Index was constructed using quarter 1, 2010 as its base period. From January 2011, The Index has been rebased using the year 2010 as the base period. The method for calculating the savings attitudes sub-index was altered slightly so as to reflect a constant share of respondents who reported saving about what they should in the positive and negative categories so as to reduce short-term volatility.