

Two of the three main indices recovered in November. The main sentiment Index increased marginally to 97.8 in November from 97.3 in October. The Index of Current Economic Conditions rose to 115.6 this month from 112.9 in October. The Index of Consumer Expectations which focuses on the economic outlook over the next year continued to decline in November, falling by 1.1 index points down to 85.8.

General Economic Situation

With respect to future economic conditions, sentiment rose only slightly in November by 0.3 index points. There was a 2 percentage point increase in the proportion of people having a positive perception of the future economy this month. There was however, a dis-improvement in unemployment prospects with both a 3 percentage point increase in the proportion who felt more negative, while there was a 1 percentage point fall in the proportion of people feeling positive. Consumer's view of making major purchases also worsened this month, however the index only fell marginally down to 129.3

Chart 1: Consumer Sentiment Index

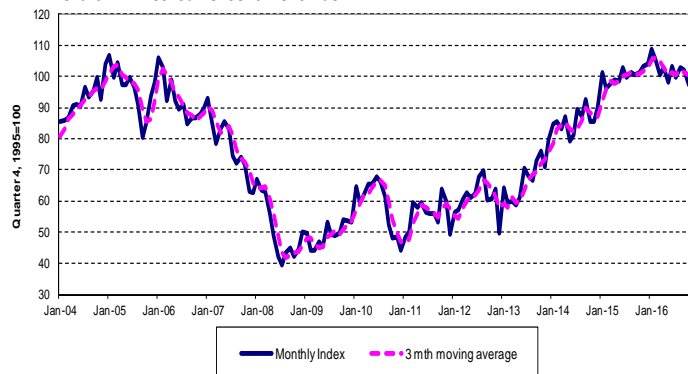


Chart 3: Index of Current Economic Conditions

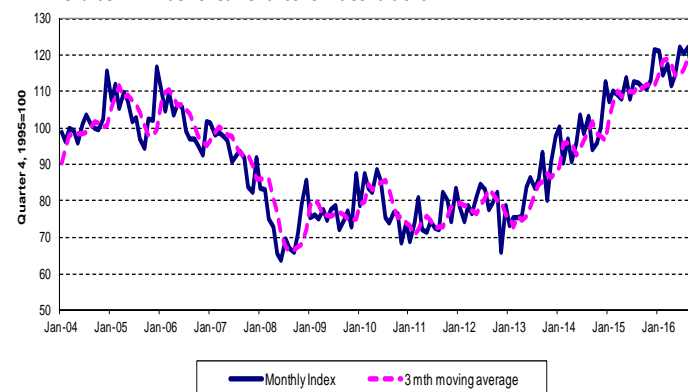
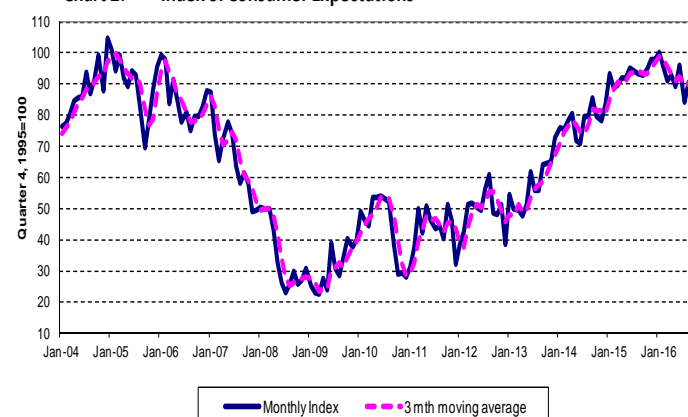


Chart 2: Index of Consumer Expectations



Personal Financial Situation

Consumer's perception of their financial situation's broadly improved in November. The component asking how people feel about their personal financial situation compared with 12 months ago experienced a relatively large increase of 8.7 index points. This consisted of an increase of 6 percentage points in those who view their current personal financial situation positively when compared with 12 months ago and a 4 percentage point fall in the proportion of people feeling negative.

Consumers are feeling more slightly more negative about their future financial situation however, with the proportion of respondents feeling positive falling by 1 percentage point. This likely reflects growing uncertainty in the international economy following events such as Brexit and the US election.

Table 1: Survey Index Results

Measure ¹	Long-Run average ²	Δ month-on-month	Nov 2015	Oct 2016	Nov 2016
Overall Consumer Sentiment Index	82.1	↑0.5	103.1	97.3	97.8
Index of Current Conditions	96.3	↓2.7	110.8	112.9	115.6
Index of Consumer Expectations	72.5	↓1.1	97.9	86.9	85.8
Personal Financial Situation over last 12 months	67.2	↑8.7	96.0	90.2	98.9
Personal Financial Situation over next 12 months	86.9	↓0.7	122.7	115.9	115.2
General Economic Outlook	58.3	↑0.3	76.5	62.0	62.3
Outlook for Unemployment	76.0	↓4.2	98.7	87.5	83.3
Major Purchases	120.2	↓2.3	123.0	131.6	129.3

[1] Index values: Quarter 4, 1995 = 100.

[2] Average value between Nov 2011 and Nov 2016.

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 with 12 months ago, as well as their perception of the current buying environment for large household purchases.

The data are 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 were 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. More details on www.esri.ie.

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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.