

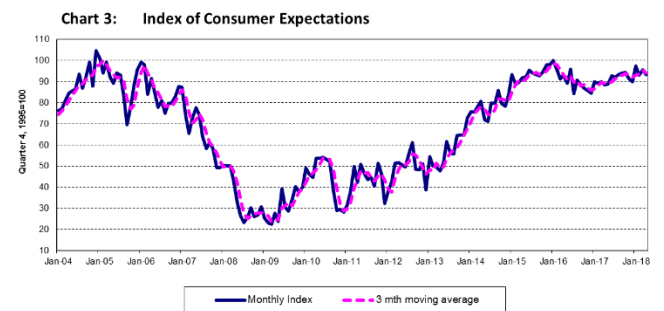
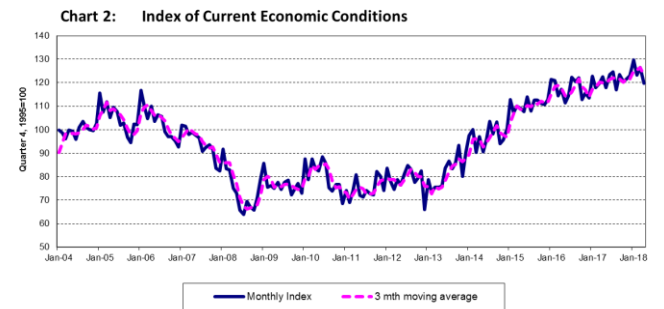
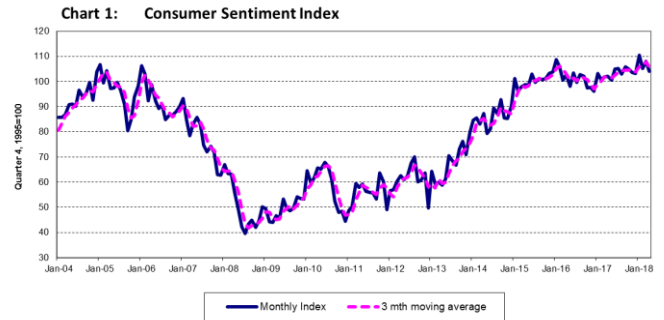


The Consumer Sentiment Index in April fell to 104.0 from 108.1 in March. On an annual basis, the Consumer Sentiment Index (Chart 1) rose by 2.0 index points. The deterioration of the index over the last month has occurred largely due to weaker sentiment with respect to current economic conditions. From an annual perspective the Index has reached an important milestone, with April's yearly increase marking the 12th consecutive month of the index rising.

Current Economic Situation

The Index of Current Economic Conditions tracks developments in consumers' personal financial situations over the past 12 month as well as their views on whether the present represents a good time to make major purchases. The Index (Chart 2) fell by 6.6 index points to 119.8 for April 2018. Households reported a weakening of sentiment towards their current financial position as well as whether it is a good time to make major purchases. On an annual basis, the Index also pulled back falling by 2.6 index points.

The Index of Consumer Expectations tracks consumers' outlook with respect to future economic developments over the next year, taking into account respondents' expectations of their future personal finances as well as of the broader economy's performance. The Index (Chart 3) weakened somewhat, falling to 93.4 in April (-2.3 index points). Attitudes regarding the future growth prospects of the wider economy remained unchanged. Similarly, expectations of future financial situations fell slightly (-0.6 index points). It was mainly a strong downward revision in the unemployment outlook that led to expectations reducing slightly for April (-8.7 index points). Annually, Consumer Expectations also showed the strongest performance, rising by 5.1 index points compared to April 2016.



Personal Financial Situation

In April, less households indicated that their personal financial situation improved over the last 12 months (-6.4 index points). Similarly to March 2018, attitudes towards expected financial situations over the next 12 months fared better, falling slightly to 122.2 index points. Annually, expectations of future financial situations maintained strong growth (+6.8 index points). Current financial circumstances, however, fell marginally by 0.1 index points marking the indicator's first annual fall since February 2017.

Table 1: Survey Index Results

Measure ¹	Long-Run average ²	Δ month-on-month	Apr. 2017	Mar. 2018	Apr. 2018
Overall Consumer Sentiment Index	94.2	↓4.0	102.0	108.1	104.0
Index of Current Conditions	108.4	↓6.6	122.4	126.4	119.8
Index of Consumer Expectations	84.6	↓2.3	88.3	95.7	93.4
Personal Financial Situation over last 12 months	84.0	↓6.4	103.1	109.4	103.0
Personal Financial Situation over next 12 months	103.4	↓0.6	115.4	122.7	122.2
General Economic Outlook	66.6	- 0.0	65.3	69.7	69.7
Outlook for Unemployment	88.1	↓8.7	88.5	101.0	92.3
Major Purchases	128.4	↓6.8	138.4	140.5	133.7

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

(2) Average value between April 2013 and April 2018

Disclaimer

This report has been reviewed prior to publication. The authors are solely responsible for the content and the views expressed.

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 April 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 website.