

## News Release

DO NOT RELEASE UNTIL 5:00 AM ET, July 3, 2019

### **Global Consumers Remain Confident, But Improvements Less Broad-Based Across Markets** *As uncertainties remain elevated, strong confidence levels may not translate into more spending*

- **Global Consumer Confidence improved slightly; index remains at historically high levels**
- **Overall, 28 out of 64 markets saw improvements in confidence levels**
- **Europe sees recovery in confidence – large improvements in France and Turkey, but UK consumers increasingly face challenges**
- **Asia-Pacific benefits from strong conditions in China, India and Indonesia**
- **Latin America sees largest broad-based decline**

**New York, NY, July 3, 2019...**Consumers across major global markets – including China, India, Indonesia, the United States, and Germany – remain confident, according to **The Conference Board® Global Consumer Confidence Index**. Large improvements are seen in several major economies, including France, South Korea and Turkey, while confidence waned in Brazil, Canada, Mexico and the United Kingdom. Overall, a smaller number of markets are seeing further improvements in confidence. High levels of confidence may therefore not translate into greater spending in the coming quarters, amid growing economic and geopolitical uncertainties.

Globally, **The Conference Board® Global Consumer Confidence Index**, conducted in collaboration with Nielsen, increased slightly in the second quarter to 107, up from 106 in the first quarter. The index has been relatively flat in recent quarters, hovering at historically high levels since late last year. Consumers are likely to sustain spending, but more cautiously amid a slowing global economy. Looking ahead, rising uncertainties related to trade disputes and geopolitical imbalances may create a more volatile scenario in which consumers will grow increasingly vigilant regarding their spending.

#### **Improvements Uneven Across Regions**

Confidence levels strengthened in several mature and emerging markets. However, the strengths and weaknesses among the regions were not as balanced as in Q1. Now, just 28 out of 64 markets saw an improvement, down from 33 markets in Q1 (see table on page 5).

“High confidence levels are positive news for businesses in most regions, as they can be seen as a strong predictor of economic prospects,” said Bart van Ark, Global Chief Economist of The Conference Board. “However, the slight decline in the number of markets showing an improvement in confidence reflects rising uncertainties about global trade, import tariffs, and greater geopolitical imbalances.”

Despite higher tariffs, confidence in China and the U.S. remains high. Latin America, a region with historically low levels of confidence, experienced a rather large drop in confidence driven by large declines in Brazil and Mexico. Increasing job pessimism amid rising unemployment in Brazil, coupled with continuing economic policy uncertainties in both Mexico and Brazil, remain impediments for the region.

In Europe, confidence improved and is back at an all-time high. However, confidence in the UK declined four points, most likely the result of Brexit and the ensuing political and economic uncertainties around this event. Sentiment in the Euro Area also improved, with a notable gain in France. German consumers are still relatively optimistic, but this market continues to experience a softening in confidence, which bears watching over the next several quarters.

### **Drivers of Consumer Confidence Remain Strong in Most Markets**

Global optimism about the short-term outlook for the labor market remains high, with 59 percent of global consumers seeing good or excellent labor market conditions. However, consumers in Latin America and the Middle East and Africa are less optimistic about job prospects, and concerns appear to be growing. Personal financial expectations remain strong at 63 percent and has increased in all regions except Latin America. More consumers also say now is a good time to spend, although cautiously; the most optimistic reside in North America and Asia.

“While spending intentions have improved in the majority of the regions in the world, consumers are generally cautious and fiscally prudent,” said van Ark. “This is clearly reflected in the greater willingness of consumers in most regions to save once they have taken care of their essential living expenses.”

“Consumers appear to be showing some constraint when it comes to spending on discretionary products and services, such as home improvement and bigger-ticket items such as new tech products, although to a lesser degree in Europe and Latin America,” said Denise Dahlhoff, Senior Researcher, Consumer Research at The Conference Board. “In Asia Pacific, using disposable money for out-of-home entertainment has notably dipped in recent quarters. On the other hand, spending on new clothes has grown, especially in the Euro Area and Latin America; the only exception is North America, where this category has markedly dropped.”

### **Index is Latest Addition to The Conference Board’s Economic Indicators Program**

The Global Consumer Confidence Index is a recent addition to The Conference Board’s portfolio of economic indicators, which includes the Consumer Confidence Index® for the US, The Conference Board Measure of CEO Confidence™, the Employment Trends Index™, The Conference Board Help Wanted OnLine® Index, and Leading Economic Indexes for 12 countries, the Euro Area and globally.

The Global Consumer Confidence Index, based on responses from 32,000 online consumers in 64 markets throughout Asia-Pacific, Europe, Latin America, the Middle East and Africa, and North America, was acquired from Nielsen, which first began the survey in 2005. Nielsen, which is a leading global provider of information and analytics

around what consumers buy and watch, continues to collaborate with The Conference Board on conducting the global survey.

The series for the world, the 64 countries covered and regional aggregates as well as information on several components of the index, including job prospects, personal finances and spending intentions, are released on a timely basis in summary format to the public during the first two weeks of each quarter. Detailed data series are made available on a complimentary basis to members of The Conference Board.

### **Global Regional Highlights for the Second Quarter of 2019**

**Asia-Pacific** - Consumers in this region remain extremely confident, with China, India and Indonesia serving as the main pillars of global confidence. Two of the more mature economies in the region, Japan and Korea, saw confidence move in opposite directions – it declined in the former, while in the latter it improved, both largely due to changes in the job outlook.

**Latin America** - Confidence declined across the region, most notably in Brazil and Mexico. Increasing job pessimism amid rising unemployment in Brazil, coupled with continuing economic policy uncertainties in both countries, are impediments for the region. Only Argentina and Venezuela, countries with extremely disadvantageous political and economic challenges, saw some improvement.

**Africa and The Middle East** - While the average confidence level in this vast region increased only marginally, improvements were broad based. Improvements in Saudi Arabia, South Africa, and Morocco were neutralized by a sharp decline in Pakistan.

**North America** - Confidence in the U.S. remains near historic highs as consumers have so far shaken off trade and tariff uncertainties. Confidence levels in Canada, on the other hand, declined in the latest quarter, likely driven by elevated household debt conditions and an anemic growth outlook for 2019.

**Europe** - Consumer confidence in Europe improved and is back at historical highs. Sentiment in the Euro Area improved with a notable gain in France. Germany continues to experience some weakening in confidence, even though the index is still at a relatively high level. Confidence in the UK dropped further and is now well below 100 – a result of Brexit and the ensuing political and economic uncertainties around this event.

Source: July 2019 *Global Consumer Confidence Survey*  
The Conference Board / Release #6100

### **About The Conference Board® Global Consumer Confidence Survey**

The Conference Board publishes the quarterly Global Consumer Confidence Index at 5:00 AM ET.  
The Conference Board Global Consumer Confidence release schedule for 2019:  
Wednesday, October 09, 2019 (for Q3 2019 data)

The Global Consumer Confidence Index Highlights, full report and technical notes to this series are available on The Conference Board [website](#).

### About The Conference Board

The Conference Board is the member-driven think tank that delivers trusted insights for what's ahead. Founded in 1916, we are a non-partisan, not-for-profit entity holding 501 (c) (3) tax-exempt status in the United States.

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### About Nielsen

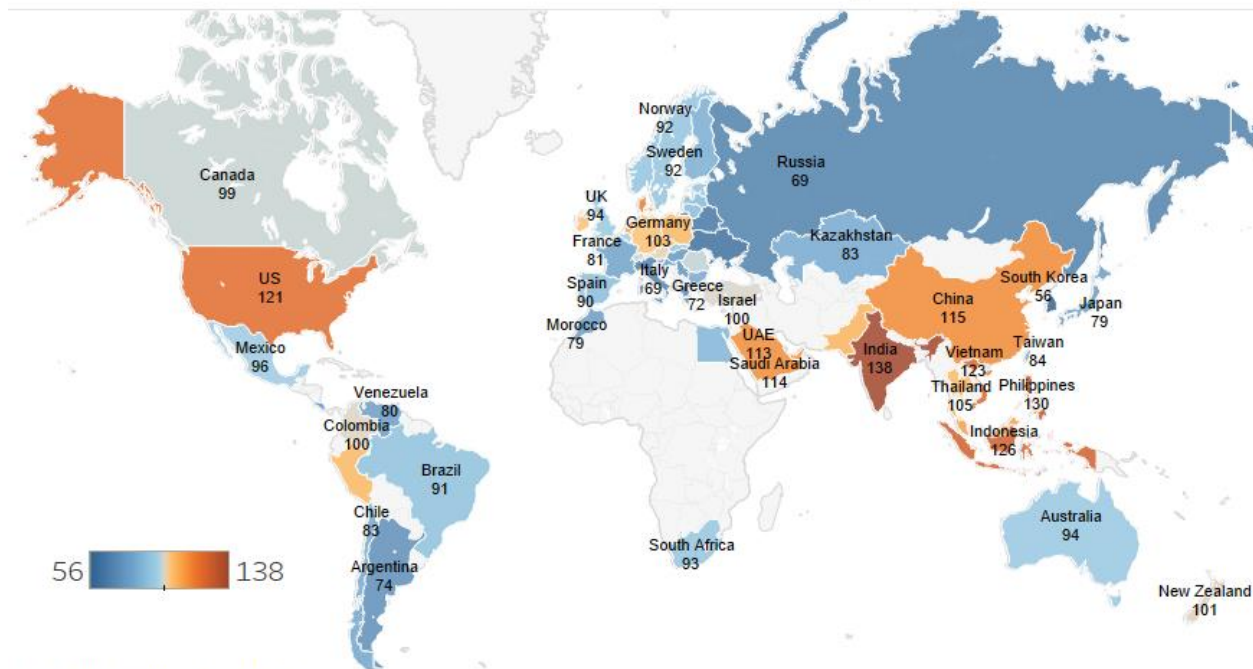
Nielsen Holdings plc (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers watch and buy. Nielsen's Watch segment provides media and advertising clients with Total Audience measurement services for all devices on which content — video, audio and text — is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry's only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen also provides its clients with analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries, covering more than 90 percent of the world's population. For more information, visit [www.nielsen.com](http://www.nielsen.com).

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## GLOBAL CONSUMER CONFIDENCE INDEX, Q2 2019: 107



Sources: The Conference Board, Nielsen

	2019 Q2	2019 Q1	Point Change
<b>Global Consumer Confidence Index</b>	<b>107</b>	<b>106</b>	<b>1</b>
<b>Asia-Pacific</b>	<b>117</b>	<b>117</b>	<b>0</b>
Australia	94	95	-1
China	115	115	0
Hong Kong	100	100	0
India	138	132	6
Indonesia	126	125	1
Japan	79	83	-4
Malaysia	110	115	-5
New Zealand	101	106	-5
Philippines	130	133	-3
Singapore	92	92	0
South Korea	56	49	7
Taiwan	84	84	0
Thailand	105	111	-6
Vietnam	123	129	-6
<b>Africa &amp; The Middle East</b>	<b>97</b>	<b>96</b>	<b>1</b>
Egypt	87	85	2
Morocco	79	75	4
Pakistan	107	111	-4
Saudi Arabia	114	112	2
South Africa	93	90	3
UAE	113	113	0
<b>Latin America</b>	<b>91</b>	<b>95</b>	<b>-4</b>
Argentina	74	72	2
Brazil	91	99	-8
Chile	83	91	-8
Colombia	100	101	-1
Costa Rica	75	83	-8
Mexico	96	101	-5
Peru	106	109	-3
Venezuela	80	72	8
<b>North America</b>	<b>119</b>	<b>118</b>	<b>1</b>
Canada	99	106	-7
US	121	119	2

	2019 Q2	2019 Q1	Point Change
<b>Europe</b>	<b>87</b>	<b>83</b>	<b>4</b>
<b>Euro Area 16*</b>	<b>89</b>	<b>87</b>	<b>2</b>
Austria	101	107	-6
Belarus	66	70	-4
Belgium	96	96	0
Bulgaria	83	85	-2
Croatia	77	75	2
Czech Republic	107	108	-1
Denmark	117	119	-2
Estonia	92	81	11
Finland	85	88	-3
France	81	72	9
Germany	103	104	-1
Greece	72	70	2
Hungary	77	78	-1
Ireland	104	101	3
Israel	100	98	2
Italy	69	68	1
Kazakhstan	83	77	6
Latvia	89	85	4
Lithuania	90	86	4
Netherlands	110	108	2
Norway	92	92	0
Poland	106	105	1
Portugal	94	91	3
Romania	98	99	-1
Russia	69	62	7
Serbia	75	78	-3
Slovakia	92	89	3
Slovenia	84	90	-6
Spain	90	88	2
Sweden	92	94	-2
Switzerland	99	105	-6
Turkey	100	83	17
UK	94	98	-4
Ukraine	63	55	8

Note: The quarterly US data shown here are based on *The Conference Board*® Global Consumer Confidence Survey and are included to enable country/regional comparisons. These data and methodology differ from the Consumer Confidence Survey® and Consumer Confidence Index® which are published monthly by The Conference Board. For more information, see: <https://www.conference-board.org/data/consumerconfidence.cfm>

Note: The quarterly data for Canada shown here are based on The Conference Board® Global Consumer Confidence Survey and are included to enable country/regional comparisons. These data and methodology differ from the Index of Consumer Confidence, which are published monthly by The Conference Board of Canada. For more information, see: [https://www.conferenceboard.ca/topics/economics/Consumer\\_confidence.aspx](https://www.conferenceboard.ca/topics/economics/Consumer_confidence.aspx)