

The Conference Board[®] Global Consumer Confidence Survey
conducted in collaboration with **nielsen**

July 3, 2019

GLOBAL CCI 2nd QUARTER 2019 RESULTS



Issues we will be addressing today

1. Global and regional results for 2nd quarter of 2019
 - ✓ Comparison over time
 - ✓ Difference between regions
 - ✓ What does it mean for the economy?
2. Critical underlying factors driving consumer sentiment
 - ✓ Job prospects
 - ✓ Personal finance situation
 - ✓ Spending intentions
 - ✓ Biggest concerns of consumers
 - ✓ What does it mean for consumption expenditure?



Today's Presenters



Denise Dahlhoff
Senior Researcher,
Consumer Research
The Conference Board



Ilaria Maselli
Senior Economist, Europe
The Conference Board



John Forsyth
Institute Leader, Consumer
Dynamics Institute
The Conference Board



Regan Leggett
Executive Director, Thought
Leadership and Foresight
The Nielsen Company



Bart van Ark (Moderator)
Global Chief Economist
The Conference Board



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About The Conference Board® Global Consumer Confidence Index*

- Inception of survey in 2005 by Nielsen, taken over by The Conference Board in 2017, soft launched in 2018, officially launched April 2019.
- Survey of 32,000 online consumers in 64 countries throughout Asia-Pacific, Europe, Latin America, Middle East/Africa and North America
- Sample covers internet users, selected on representativity of age and gender by country, and weighted to be represent internet consumers
- Uses a minimum reporting standards of 60% internet penetration or an online population of 10 million for survey inclusion.
- Index for China is based on a mixed methodology of more than 2,400 respondents.
- Additional survey topics including detailed spending behaviors and general economic conditions

* Data and methodology differ from *The Conference Board® Consumer Confidence Surveys* for US and the *Index of Consumer Confidence* by The Conference Board of Canada based on postal surveys.



The biggest concerns of respondents in Q2-2019 (economic and political factors)

Selection of biggest concern over next 6 months (economic and political factors)							
	Global	North America	Asia-Pacific	Europe	<i>Euro Area</i>	Latin America	Africa & Middle East
Economy	16%	10%	18%	12%	9%	20%	14%
Job security	12%	5%	13%	9%	9%	13%	19%
Increasing food prices	5%	4%	4%	6%	4%	5%	5%
Political stability	5%	8%	5%	5%	6%	6%	4%
Increasing utility bills	5%	4%	3%	7%	8%	6%	5%
Debt	4%	10%	2%	6%	5%	4%	3%

Source: The Conference Board® Global Consumer Confidence Index, Q2-2019



Three key questions and methodology in The Conference Board® Global Consumer Confidence Index

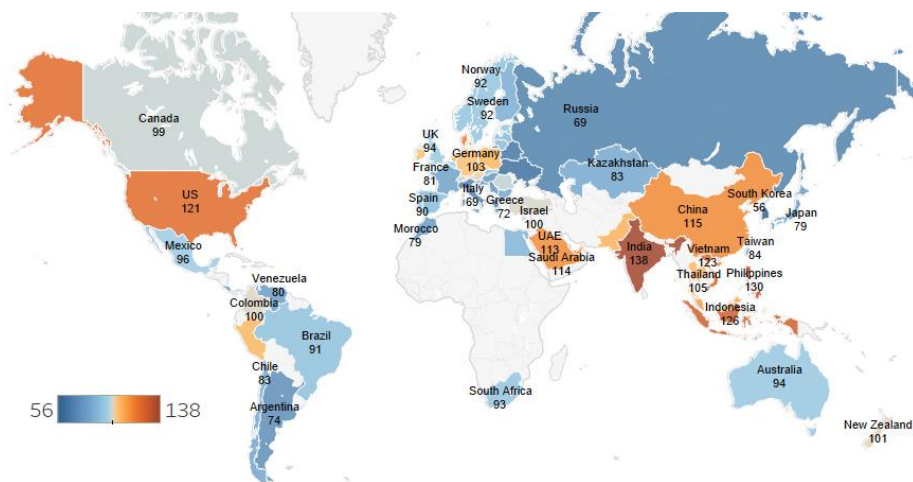
- Three key questions:
 1. Respondents' perception of job prospects over the next 12 months
 2. Respondents' perception of own personal finances over the next 12 months
 3. Respondents' perception of how good of a time it is to buy needed/wanted goods and services
- Methodology:
 - For each respondent, a score is assigned to each of the three questions according to the response, ranging from 200 for “Excellent” to 0 for “Bad”
 - For each respondent, an index is computed by taking the average score of the three questions
 - Within each country, an average index is computed across all respondents, using weighted responses
 - For each region, the index is first computed for each country, and then aggregated across countries by computing a weighted average



The Conference Board® Global Consumer Confidence Index remains strong and at historically high levels

Large economies, the US, China, India, and Germany all remain among those with high confidence levels

Confidence in all regions held steady or improved with the exception of Latin America



Region	2019 Q2	2019 Q1	Point change
Global Consumer Confidence Index	107	106	1
Europe	87	83	4
Euro Area 16*	89	87	2
Asia-Pacific	117	117	0
Latin America	91	95	-4
Africa & The Middle East	97	96	1
North America	119	118	1

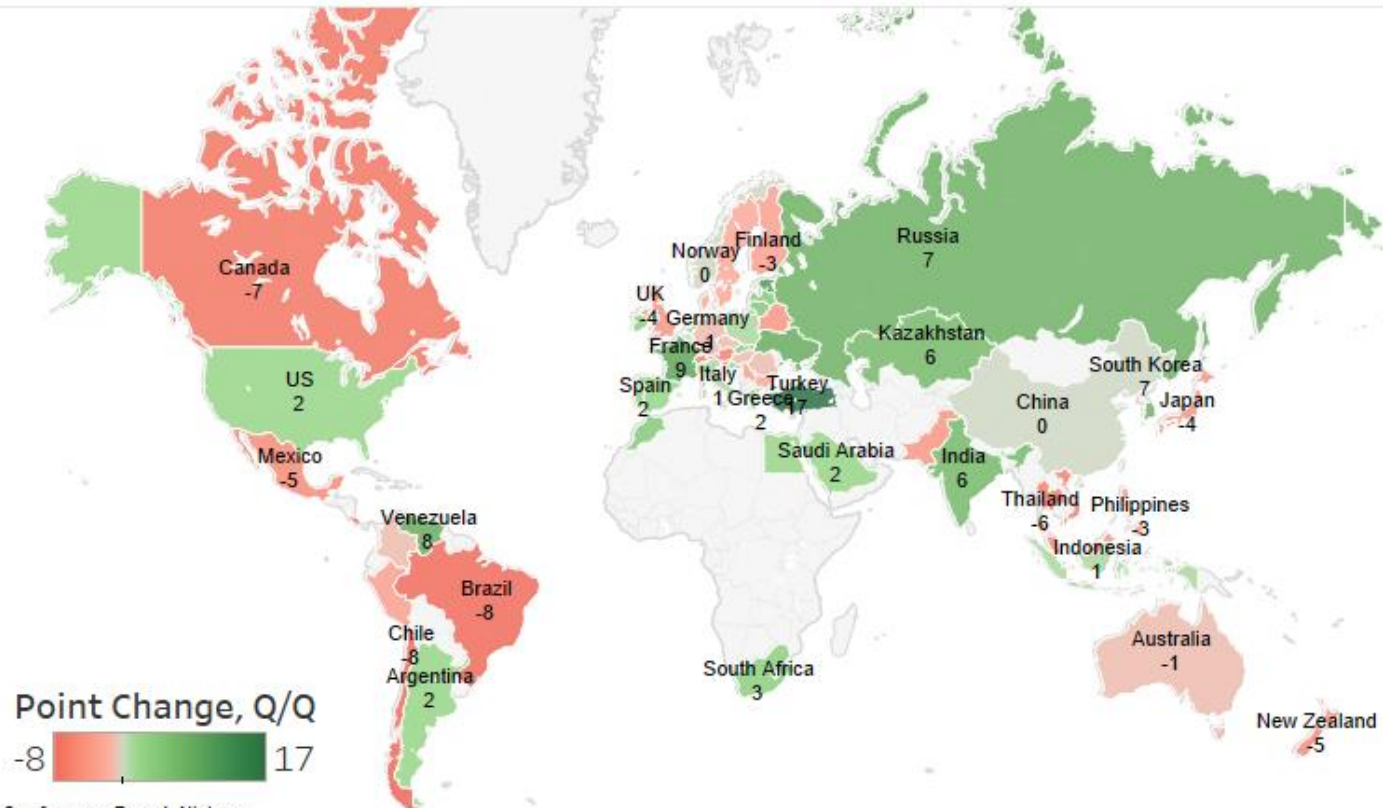
* The Euro Area 16 grouping consists of Austria, Belgium, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Netherlands, Portugal, Slovakia, Slovenia, and Spain.

Source: The Conference Board in collaboration with Nielsen



In Q2, just 28 out of 64 markets saw an improvement in confidence, compared to 33 markets in Q1

CHANGE IN GLOBAL CONSUMER CONFIDENCE INDEX, Q2 2019 (Q-o-Q point change): +1.0



Sources: The Conference Board, Nielsen



Global Consumer Confidence Index Q2 2019 Rankings

Consumer Market	Rank	Q2 2019	Consumer Market	Rank	Q2 2019	Consumer Market	Rank	Q2 2019
India	1	138	Israel	22	100	Egypt	43	87
Philippines	2	130	Turkey	23	100	Finland	44	85
Indonesia	3	126	Hong Kong	24	100	Taiwan	45	84
Vietnam	4	123	Canada	25	99	Slovenia	46	84
US	5	121	Switzerland	26	99	Bulgaria	47	83
Denmark	6	117	Romania	27	98	Chile	48	83
China	7	115	Belgium	28	96	Kazakhstan	49	83
Saudi Arabia	8	114	Mexico	29	96	France	50	81
UAE	9	113	UK	30	94	Venezuela	51	80
Malaysia	10	110	Portugal	31	94	Japan	52	79
Netherlands	11	110	Australia	32	94	Morocco	53	79
Czech Republic	12	107	South Africa	33	93	Croatia	54	77
Pakistan	13	107	Singapore	34	92	Hungary	55	77
Peru	14	106	Sweden	35	92	Serbia	56	75
Poland	15	106	Norway	36	92	Costa Rica	57	75
Thailand	16	105	Slovakia	37	92	Argentina	58	74
Ireland	17	104	Estonia	38	92	Greece	59	72
Germany	18	103	Brazil	39	91	Italy	60	69
Austria	19	101	Spain	40	90	Russia	61	69
New Zealand	20	101	Lithuania	41	90	Belarus	62	66
Colombia	21	100	Latvia	42	89	Ukraine	63	63
						South Korea	64	56

Sources: The Conference Board, Nielsen



Global Consumer Confidence Index Q2 2019 Levels

	2019 Q2	2019 Q1	Point Change		2019 Q2	2019 Q1	Point Change
Global CCI	107	106	1	Europe	87	83	4
Asia-Pacific	117	117	0	Austria	101	107	-6
Australia	94	95	-1	Belarus	66	70	-4
China	115	115	0	Belgium	96	96	0
Hong Kong	100	100	0	Bulgaria	83	85	-2
India	138	132	6	Croatia	77	75	2
Indonesia	126	125	1	Czech Republic	107	108	-1
Japan	79	83	-4	Denmark	117	119	-2
Malaysia	110	115	-5	Estonia	92	81	11
New Zealand	101	106	-5	Finland	85	88	-3
Philippines	130	133	-3	France	81	72	9
Singapore	92	92	0	Germany	103	104	-1
South Korea	56	49	7	Greece	72	70	2
Taiwan	84	84	0	Hungary	77	78	-1
Thailand	105	111	-6	Ireland	104	101	3
Vietnam	123	129	-6	Israel	100	98	2
Africa & The Middle East	97	96	1	Italy	69	68	1
Egypt	87	85	2	Kazakhstan	83	77	6
Morocco	79	75	4	Latvia	89	85	4
Pakistan	107	111	-4	Lithuania	90	86	4
Saudi Arabia	114	112	2	Netherlands	110	108	2
South Africa	93	90	3	Norway	92	92	0
UAE	113	113	0	Poland	106	105	1
Latin America	91	95	-4	Portugal	94	91	3
Argentina	74	72	2	Romania	98	99	-1
Brazil	91	99	-8	Russia	69	62	7
Chile	83	91	-8	Serbia	75	78	-3
Colombia	100	101	-1	Slovakia	92	89	3
Costa Rica	75	83	-8	Slovenia	84	90	-6
Mexico	96	101	-5	Spain	90	88	2
Peru	106	109	-3	Sweden	92	94	-2
Venezuela	80	72	8	Switzerland	99	105	-6
North America	119	118	1	Turkey	100	83	17
Canada	99	106	-7	UK	94	98	-4
US	121	119	2	Ukraine	63	55	8

Sources: The Conference Board, Nielsen



The biggest concerns of respondents in selected Euro Area economies Q2-2019 (economic and political factors)

Selection of biggest concern over next 6 months					
	France	Germany	Italy	Spain	UK
Economy	7%	5%	17%	13%	13%
Job security	7%	3%	14%	19%	6%
Increasing food prices	9%	3%	3%	3%	5%
Political stability	4%	7%	7%	11%	10%
Increasing utility bills	11%	8%	7%	8%	6%
Debt	3%	5%	5%	3%	7%

Source: The Conference Board® Global Consumer Confidence Index, Q2-2019



Optimism about Jobs and Personal Finances are high, but Spending Intentions are much more moderate

The three drivers of consumer confidence remain favorable and strong in most markets

Job Prospects



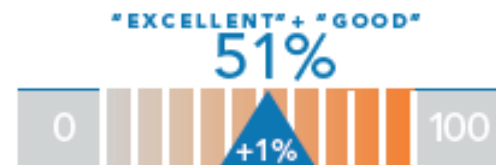
Global optimism about the short-term outlook for the labor market remains high, and widespread, with consumers in North America and Asia-Pacific the most optimistic. Consumers in Latin America and Africa & the Middle East, however, are less optimistic about job prospects and concerns appear to be growing.

Personal Finances



Expectations regarding personal finances have improved in all regions except Latin America; and the most optimistic consumers reside in North America and Asia-Pacific. Consumers in Latin America, however, are positive about their financial prospects, despite concerns about the outlook for the labor market.

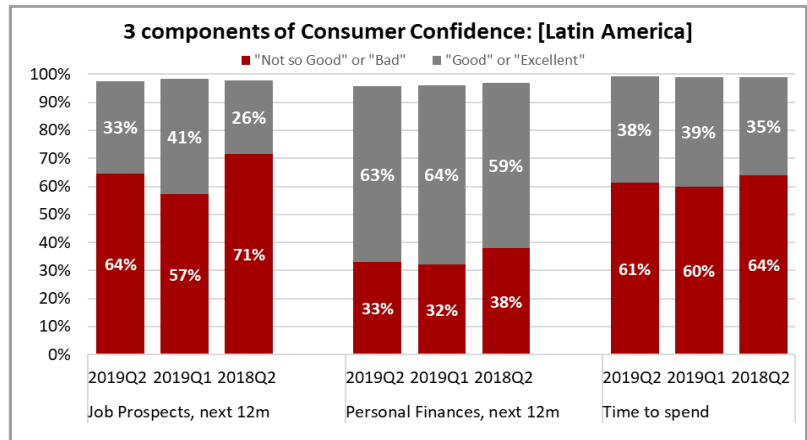
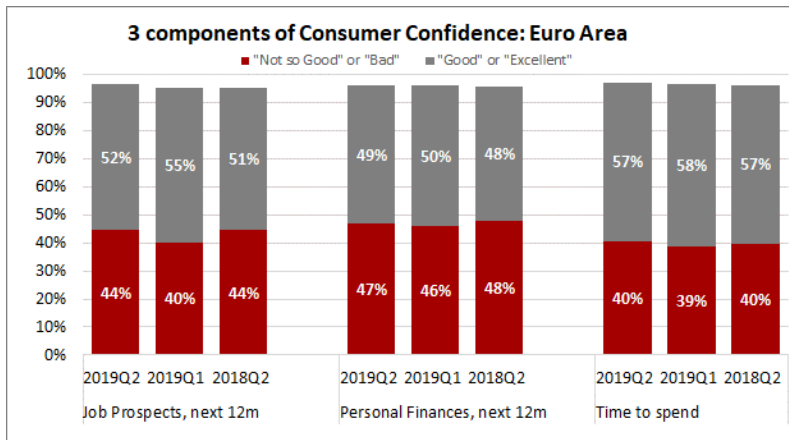
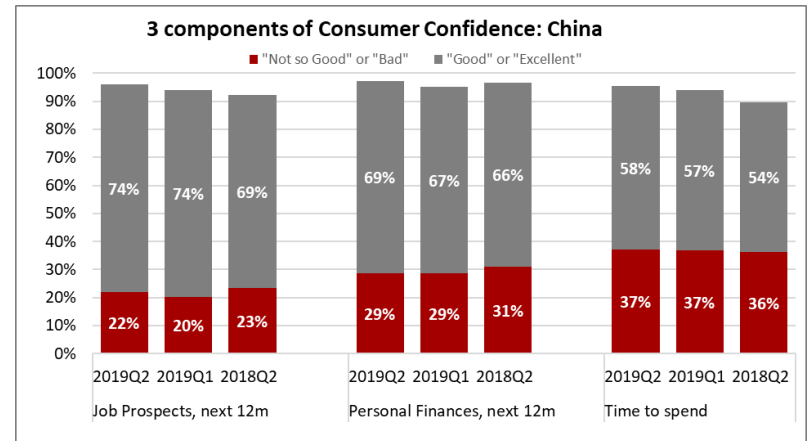
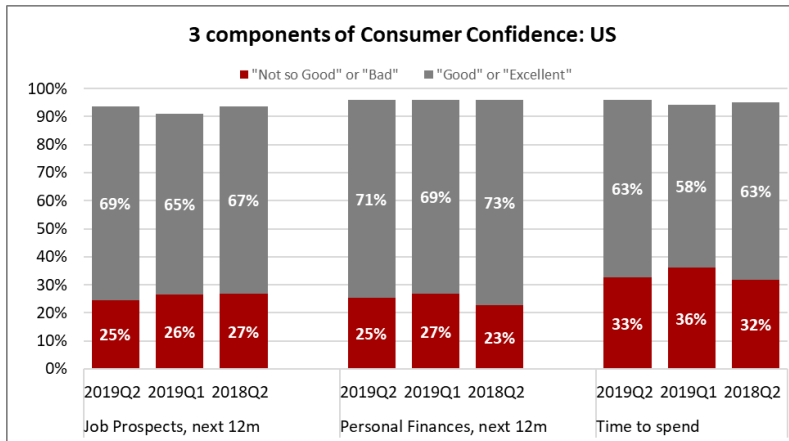
Spending Intentions



More consumers say that now is a good time to spend, with consumers in North America and Asia-Pacific the most buoyant. While spending intentions among consumers in other regions also appear to be on the upswing, their optimism is much more moderate than that of their North American and Asia-Pacific counterparts.



However, there are regional differences. Will the caution in spending intentions actually reduce consumer spending?



The biggest concerns of respondents in Q2-2019 (personal and social factors)

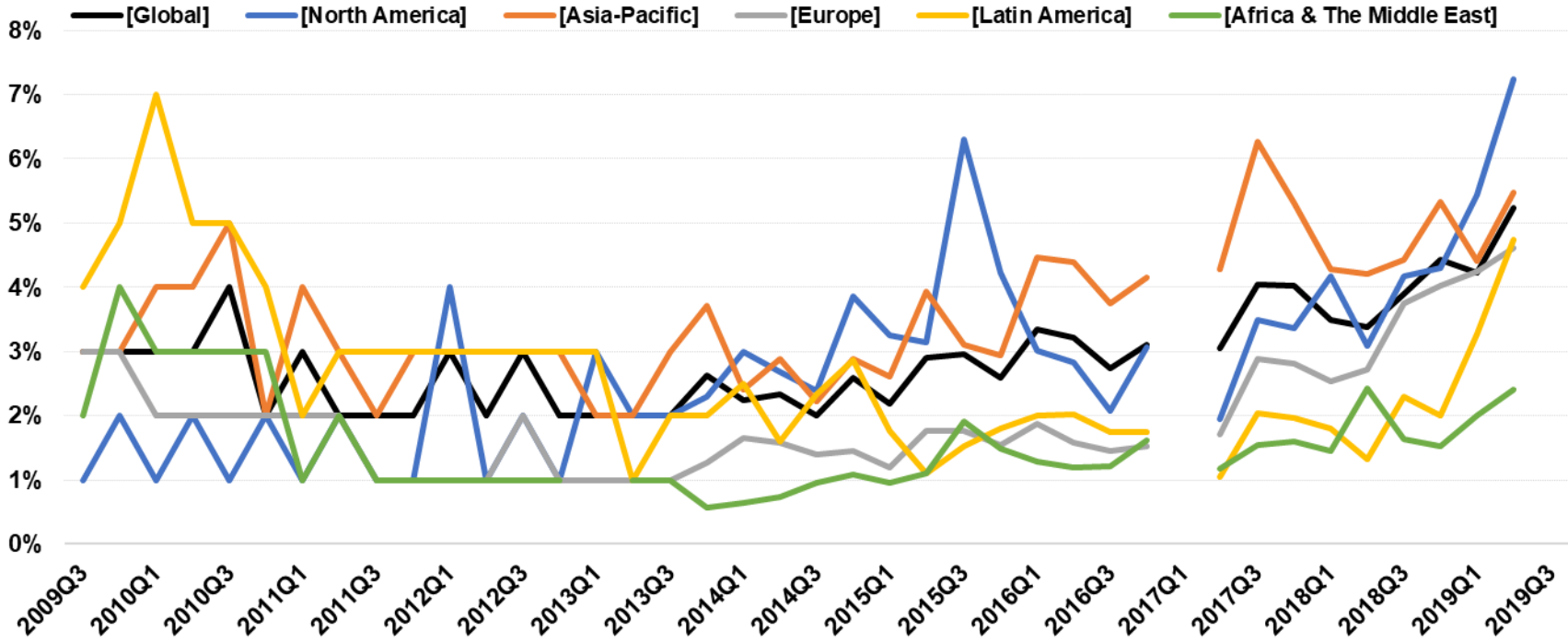
Selection of biggest concern over next 6 months (personal and social factors)							
	Global	North America	Asia-Pacific	Europe	Euro Area	Latin America	Africa & Middle East
Health	11%	11%	12%	11%	10%	7%	6%
Work-life balance	9%	4%	12%	4%	4%	7%	6%
Immigration	2%	8%	0%	4%	6%	1%	2%
Global warming	5%	7%	5%	5%	7%	5%	2%
Crime	3%	3%	2%	4%	5%	10%	3%
Terrorism	4%	8%	4%	5%	6%	1%	3%

Source: The Conference Board® Global Consumer Confidence Index, Q2-2019



Global warming rising as a top concern

2.05 Biggest concern over next 6 mos: Global warming



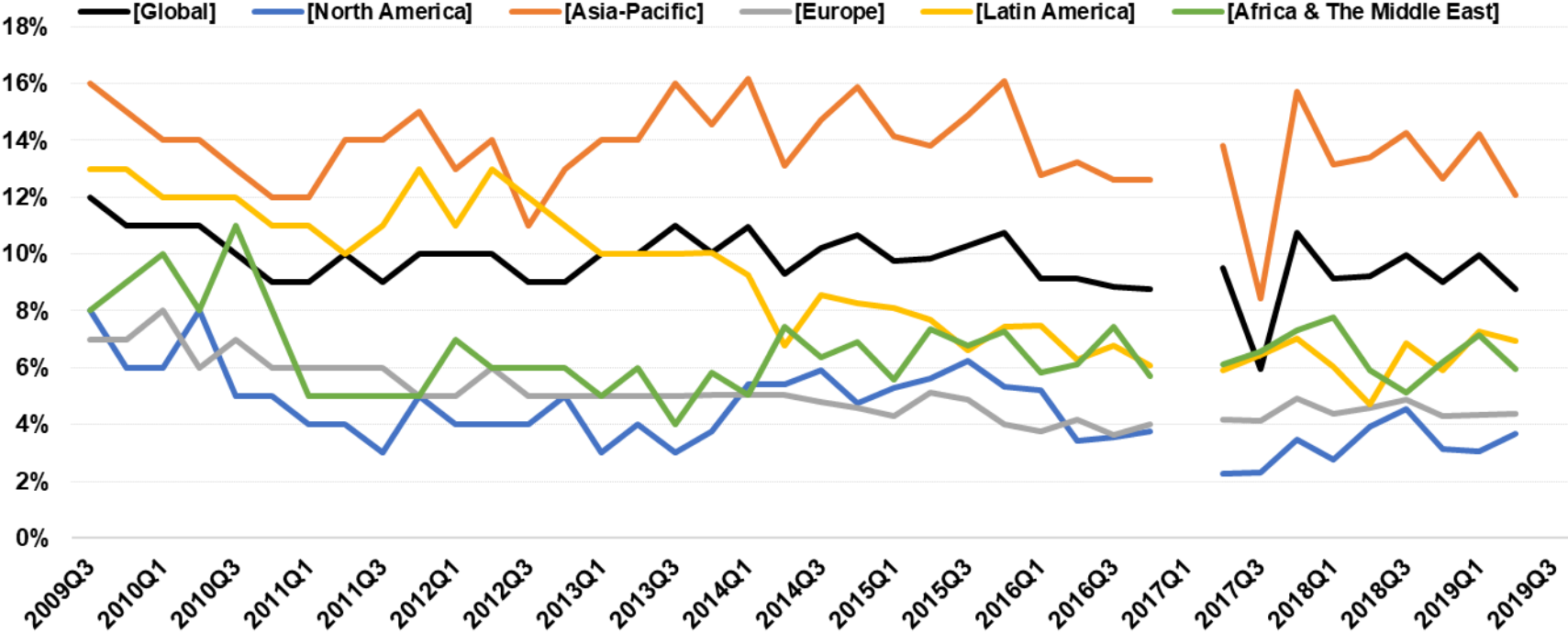
Sources: The Conference Board, Nielsen

Source: The Conference Board Global Consumer Confidence Index, in collaboration with Nielsen, Q2 2019



Work-life balance trends

2.10 Biggest concern over next 6 mos: Work/life balance



Sources: The Conference Board, Nielsen

Source: The Conference Board Global Consumer Confidence Index, in collaboration with Nielsen, Q2 2019



Consumer spending

After taking care of essential living expenses, what do consumers spend their extra cash on?

Percent*	Global	North America	Asia-Pacific	Europe	Euro Area	Latin America	Africa & The Middle East
Putting into savings	51%	44%	62%	39%	41%	34%	37%
Holidays/vacations	42	29	51	38	42	25	23
New clothes	39	25	46	37	40	31	27
Out-of-home entertainment	32	20	37	29	31	33	21
New technology products	28	17	37	18	19	19	17
Home improvements/decorating	26	22	31	23	21	20	16
Quarter-over-quarter change	Global	North America	Asia-Pacific	Europe	Euro Area	Latin America	Africa & The Middle East
Putting into savings	-1%	3%	-3%	0%	2%	2%	1%
Holidays/vacations	-2	-3	-3	1	1	-1	2
New clothes	1	-4	2	2	3	3	0
Out-of-home entertainment	-2	3	-5	1	1	1	-3
New technology products	-2	-6	-2	0	0	0	-1
Home improvements/decorating	-1	-2	-1	0	-2	1	-2

* Multiple responses permitted

Source: The Conference Board Global Consumer Confidence Index, in collaboration with Nielsen, Q2 2019



More about The Conference Board® Global Consumer Confidence Index*

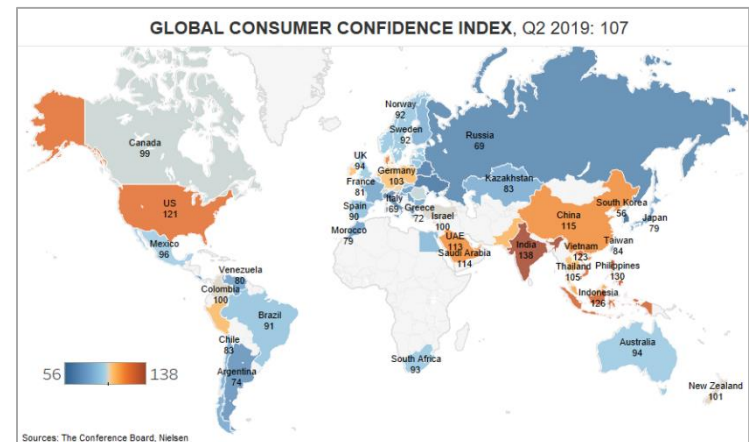
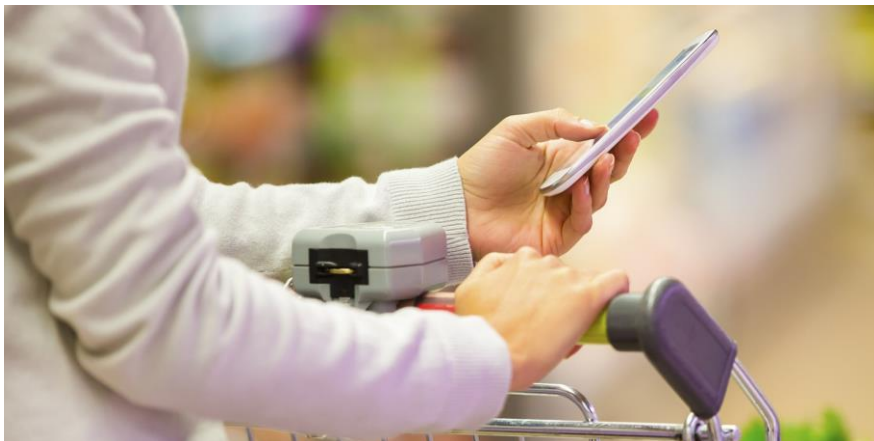
Global CCI webpage: <https://www.conference-board.org/data/bcicountry.cfm?cid=15>

Main report Q2-19: 30 July 2019

Special report on Asia-Pacific: 1 August 2019

Special report in Europe: 2 August 2019

Next release Q3-19: 9 October 2019



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