



Illawarra Regional Information Service

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Consumer confidence weakens while spending patterns remain strong

The latest edition of the *IRIS Research Consumer Sentiment Monitor* has revealed consumer confidence was weaker throughout the Illawarra region compared to this time last year. The *Illawarra Consumer Sentiment Index* contracted by 5 pts to 74 pts from June 2014, 12 pts below the long term June quarter average. Analysis has revealed this result was driven by a weaker perceived job availability and lack of confidence around the housing market.

Looking at the relative financial position of households compared to the June 2014 quarter, Illawarra households were slightly worse off, with the *Current Financial Position Index* weakening to 96 pts (down by 2 pts). This result however, was on par with the long term average for a June quarter.

Looking ahead to the next twelve months, local residents are slightly more optimistic about their financial situation with the *Future Financial Position Index* gaining 1 pt to sit at 103 pts. This result falls 4 pts below the average June level of 107 pts.

Despite interest rates remaining low during the June quarter, consumer confidence deteriorated for the property market with the *Dwelling Purchase Index* sitting 30 pts below the previous year result, at 50 pts.

A greater share of local households outlaid money for clothing and footwear, with 87.8% purchasing these items during the three months to June 2015, up by 7.1% pts from the previous June quarter. 40.7% of residents purchased household furniture and equipment, in line with the previous June quarter result (39.9%) and the long term average (40.4%).

The volume of residents making a motor vehicle purchase remained on par with the June 2014 quarter at 12.2%. Looking ahead, locals remain hesitant to plan new vehicle purchases over the next three months.

Further comment:

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Media Release

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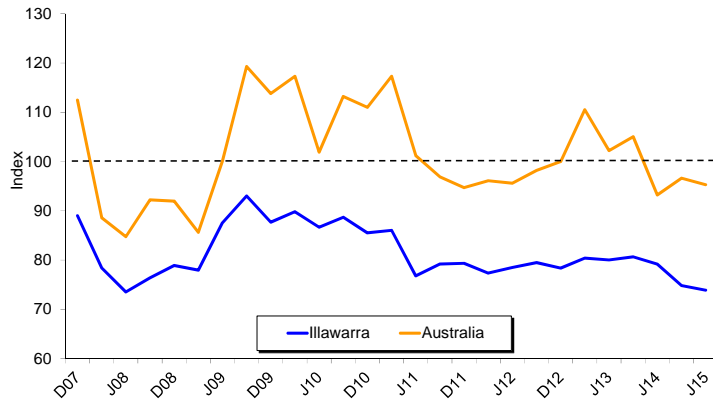
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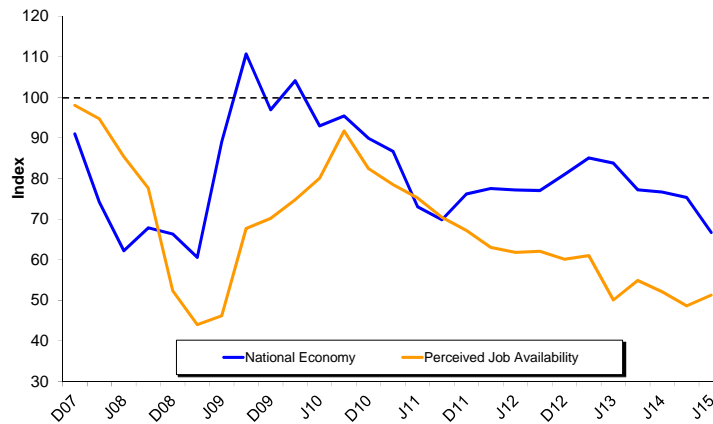
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CONSUMER SENTIMENT INDEX



ECONOMIC CONDITIONS



CONDITIONS FOR BUYING A PROPERTY

