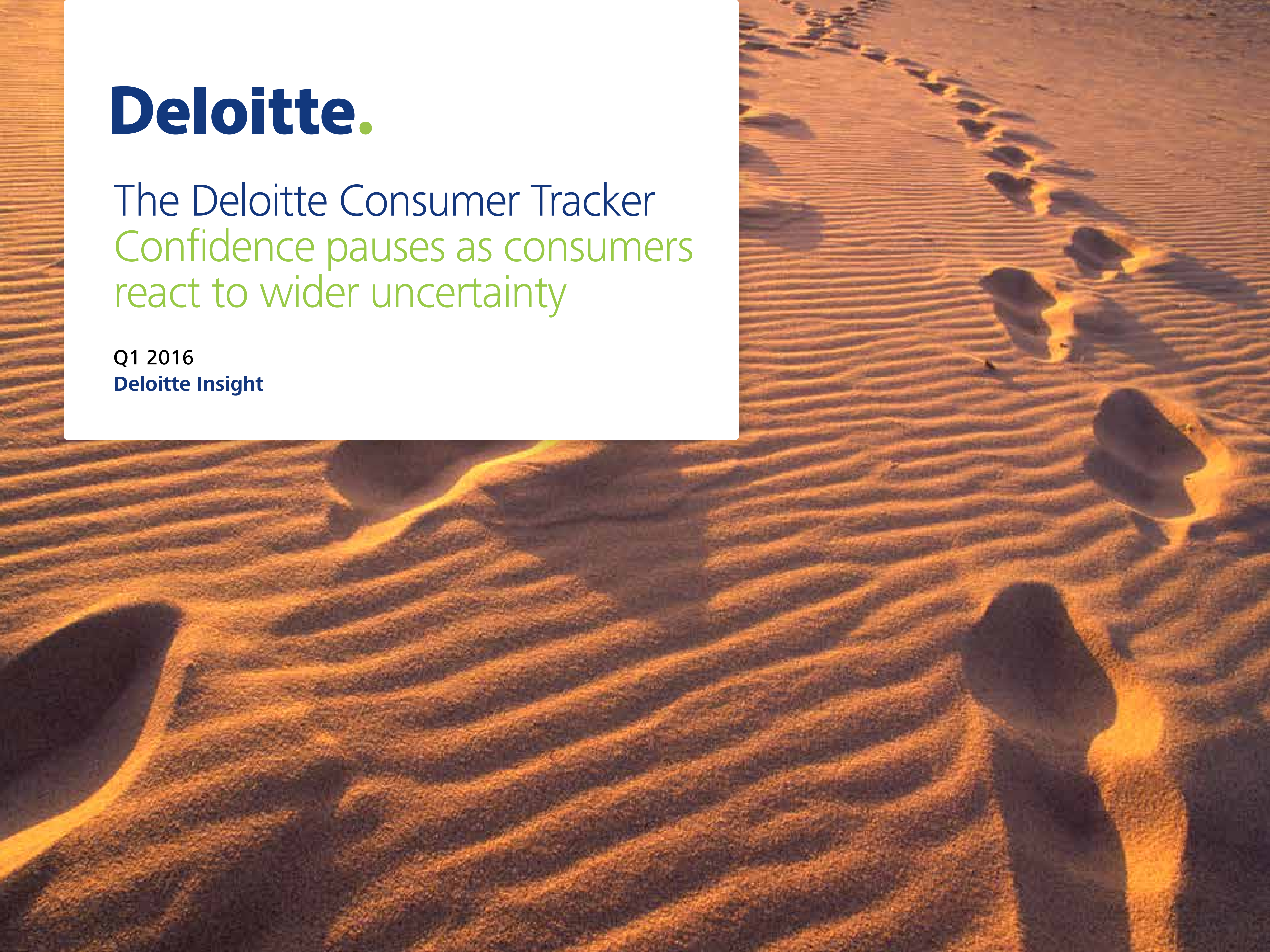
Deloitte.

The Deloitte Consumer Tracker
Confidence pauses as consumers react to wider uncertainty

Q1 2016

Deloitte Insight



The Deloitte Consumer Tracker – Q1 2016
Key indicators

Confidence in level of disposable income (q/q)*
Previous -11%
Latest -14%

Discretionary spending (y/y)*
Previous -8%
Latest -7%

ONS retail sales value growth Feb-16 (y/y)
Previous +2.7%
Latest +2.1%

Overall consumer confidence (q/q)*
Previous -7%
Latest -8%

Essentials spending (y/y)*
Previous +5%
Latest +5%

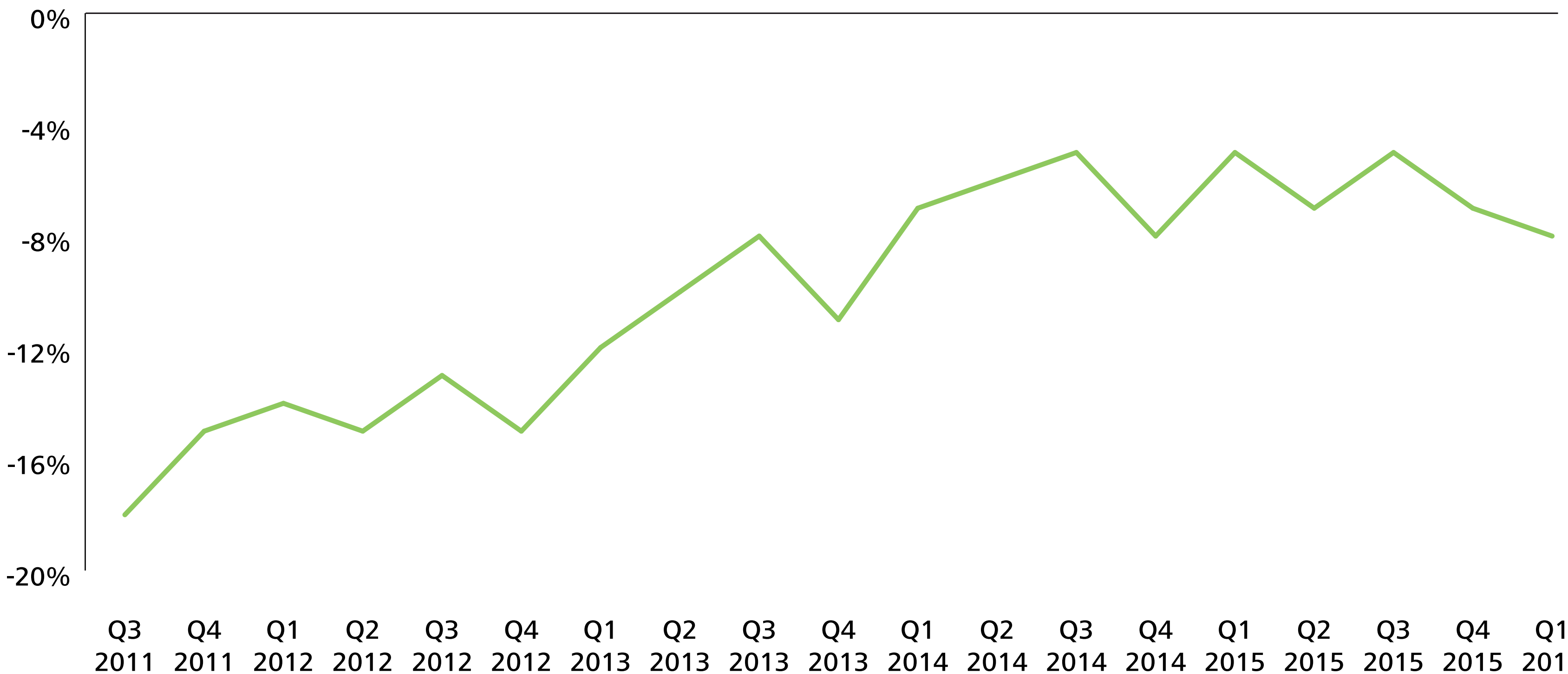
CPI inflation Mar-16 (y/y)
Previous +0%
Latest +0.5%

*Net balances

The Deloitte Consumer Tracker – Q1 2016
Confidence pauses as consumers react to wider uncertainty

Chart 1. Deloitte Consumer Confidence

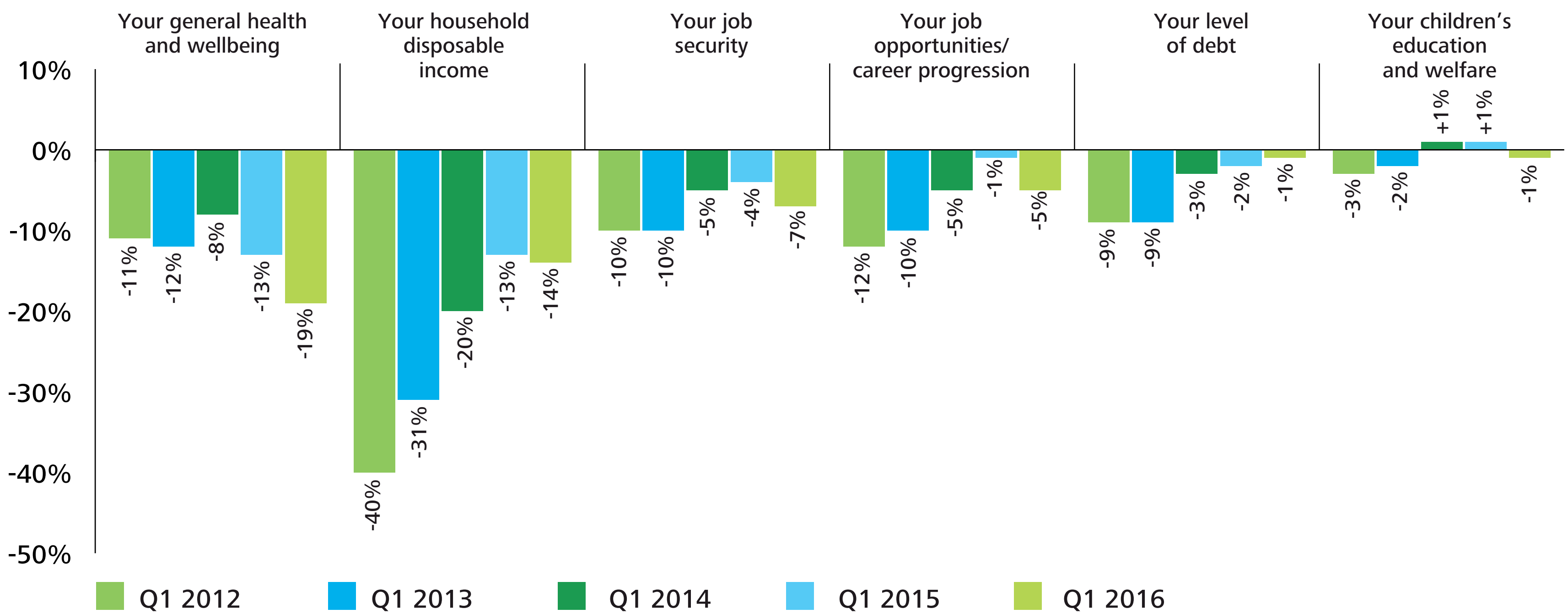
Net % of UK consumers who said their level of confidence has improved over the past three months



The Deloitte Consumer Tracker – Q1 2016
Health and wellbeing drives fall in confidence

Chart 2. UK consumer sentiment about personal situation

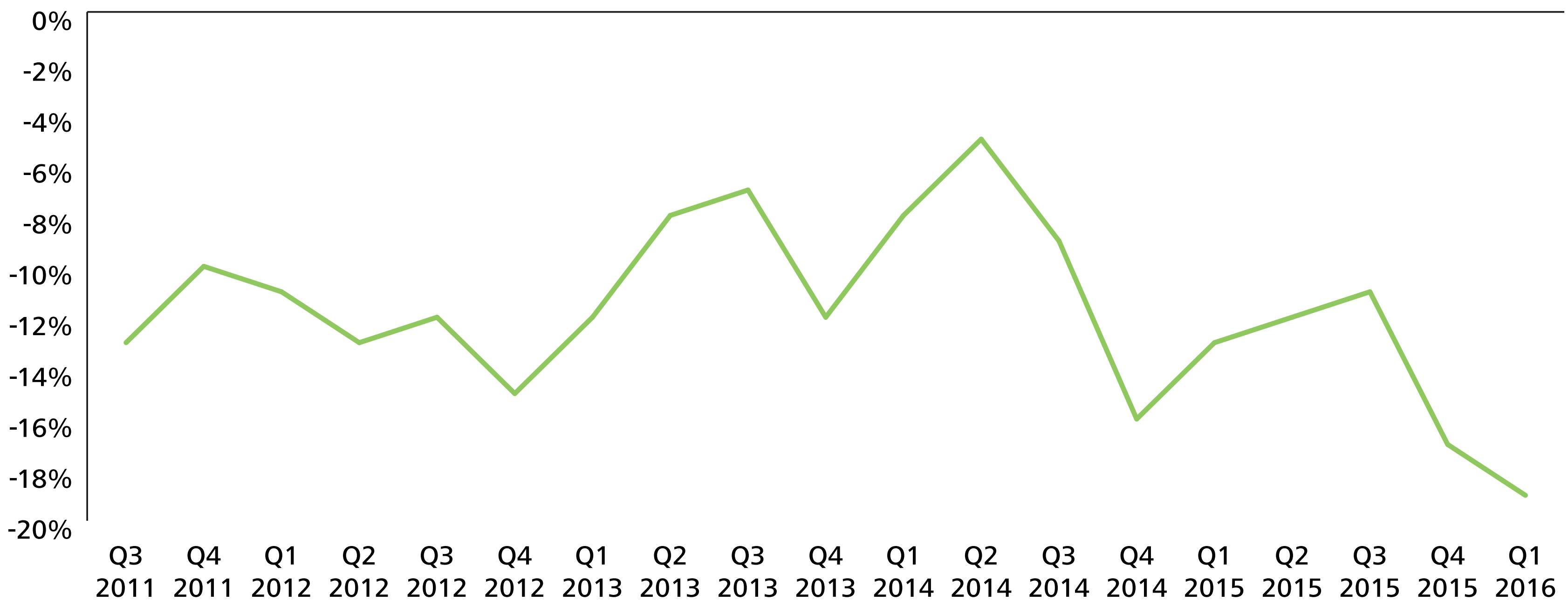
Net % of consumers who said their level of confidence had improved in the past three months



The Deloitte Consumer Tracker – Q1 2016
Health and wellbeing drives fall in confidence

Chart 3. Consumer sentiment about general health and wellbeing

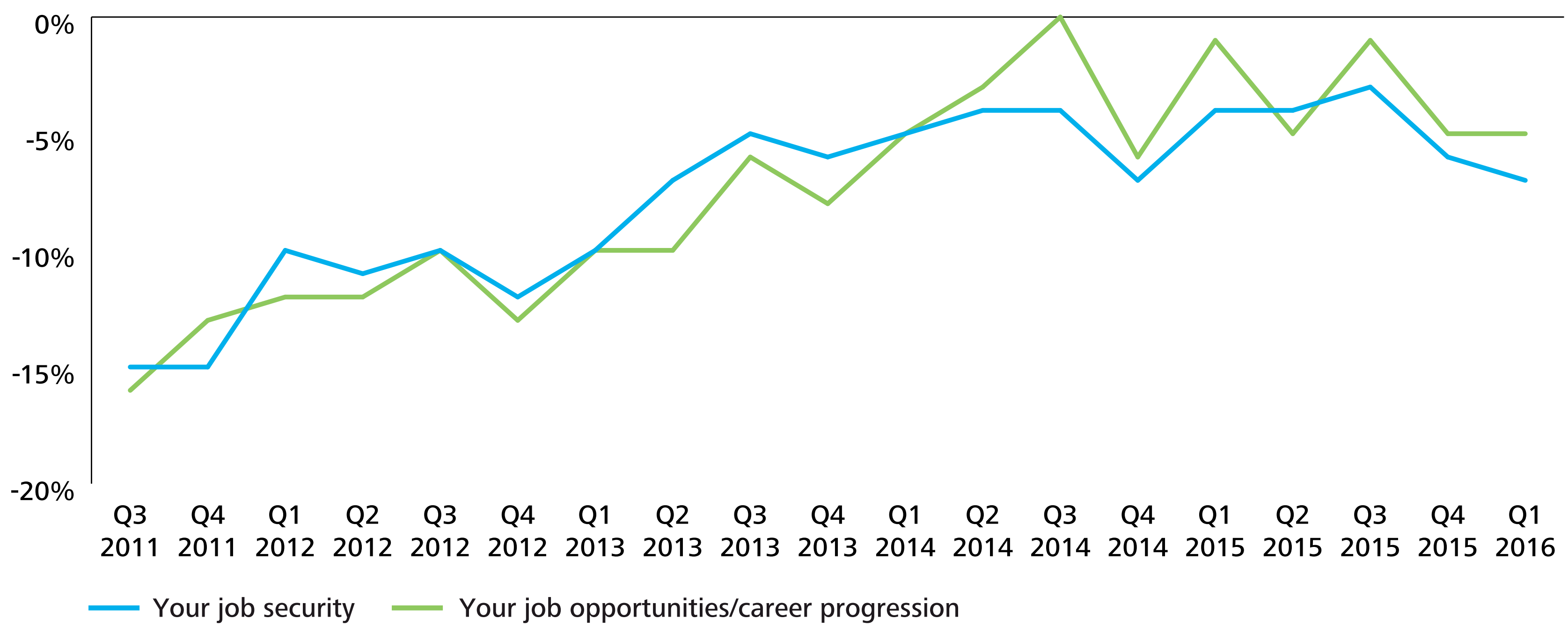
Net % of consumers who said their wellbeing has improved over the past three months



The Deloitte Consumer Tracker – Q1 2016
Health and wellbeing drives fall in confidence

Chart 4. Consumer sentiment about job security and job opportunities

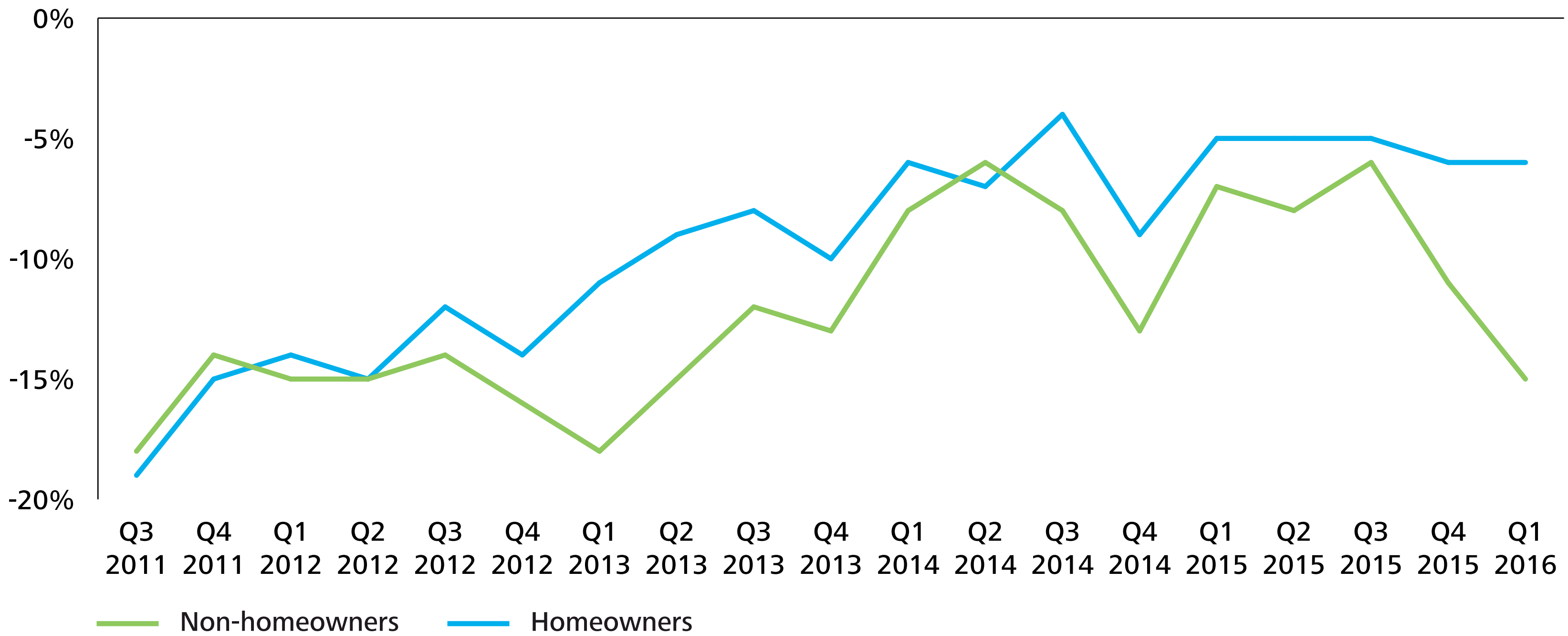
Net % of UK consumers who said their level of confidence has improved over the pas three months



The Deloitte Consumer Tracker – Q1 2016
Confidence among Londoners and non-homeowners falls

Chart 5. Overall confidence of non-home owners vs homeowners

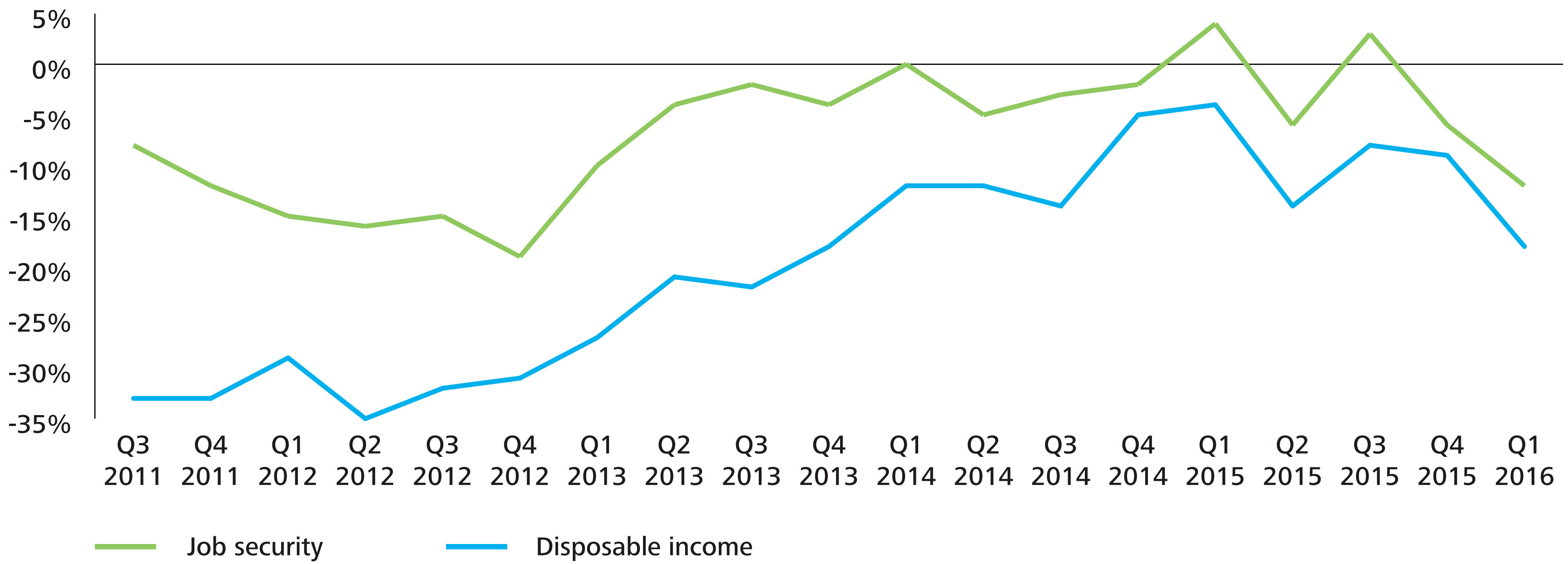
Net % of non-homeowners and homeowners who say their confidence has improved



The Deloitte Consumer Tracker – Q1 2016
Confidence among Londoners and non-homeowners falls

Chart 6. Consumer confidence in London

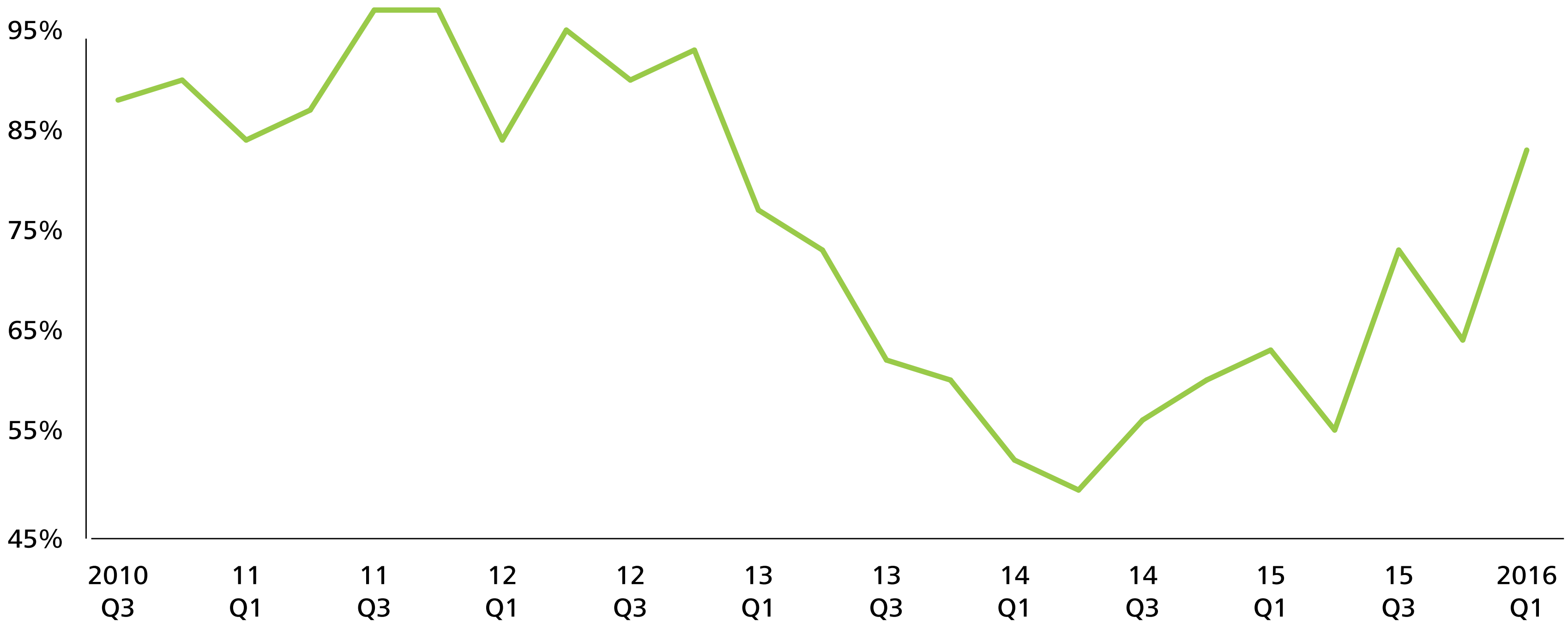
Net % of people in London who say their confidence has improved



The Deloitte Consumer Tracker – Q1 2016
Confidence among Londoners and non-homeowners falls

Chart 7. Deloitte CFO Survey

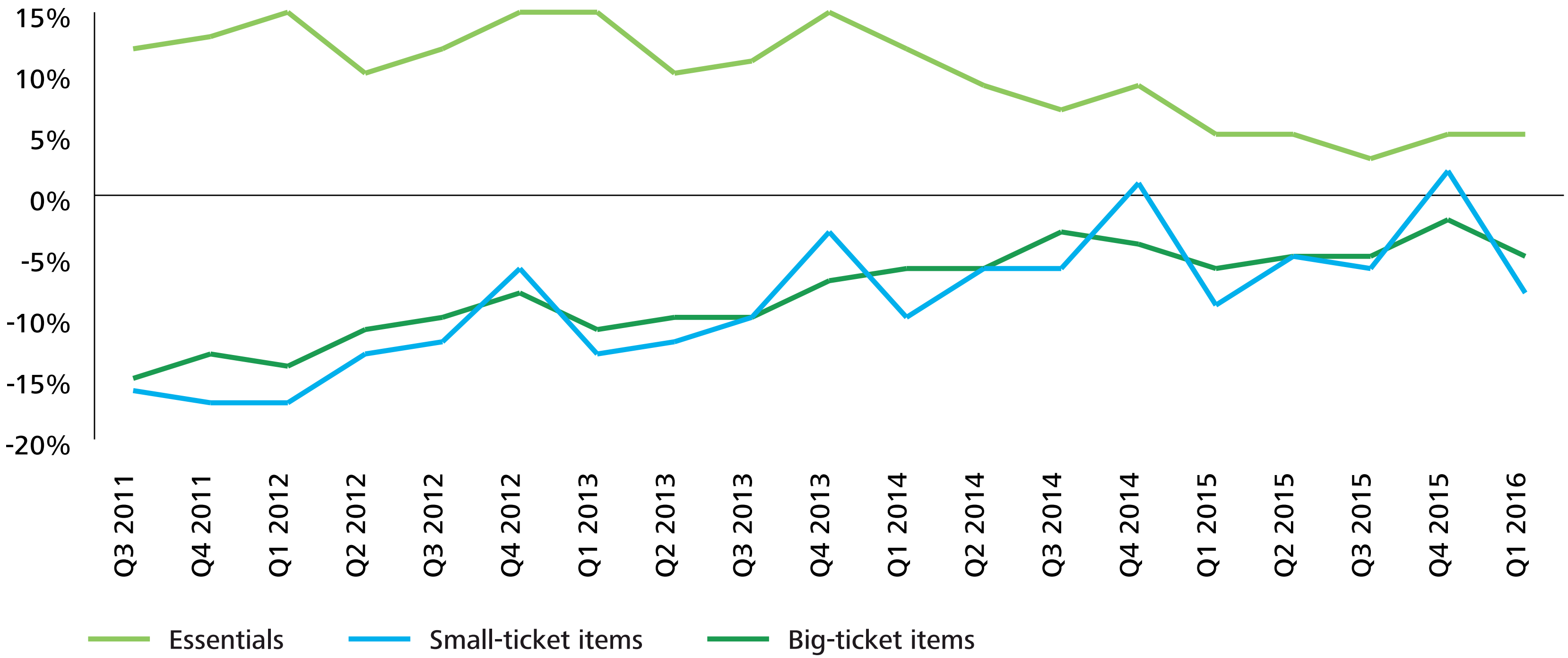
% of CFOs who rate the level of external financial and economic uncertainty facing their business as above normal, high or very high



The Deloitte Consumer Tracker – Q1 2016
Spending remains robust

Chart 8. Essentials vs discretionary

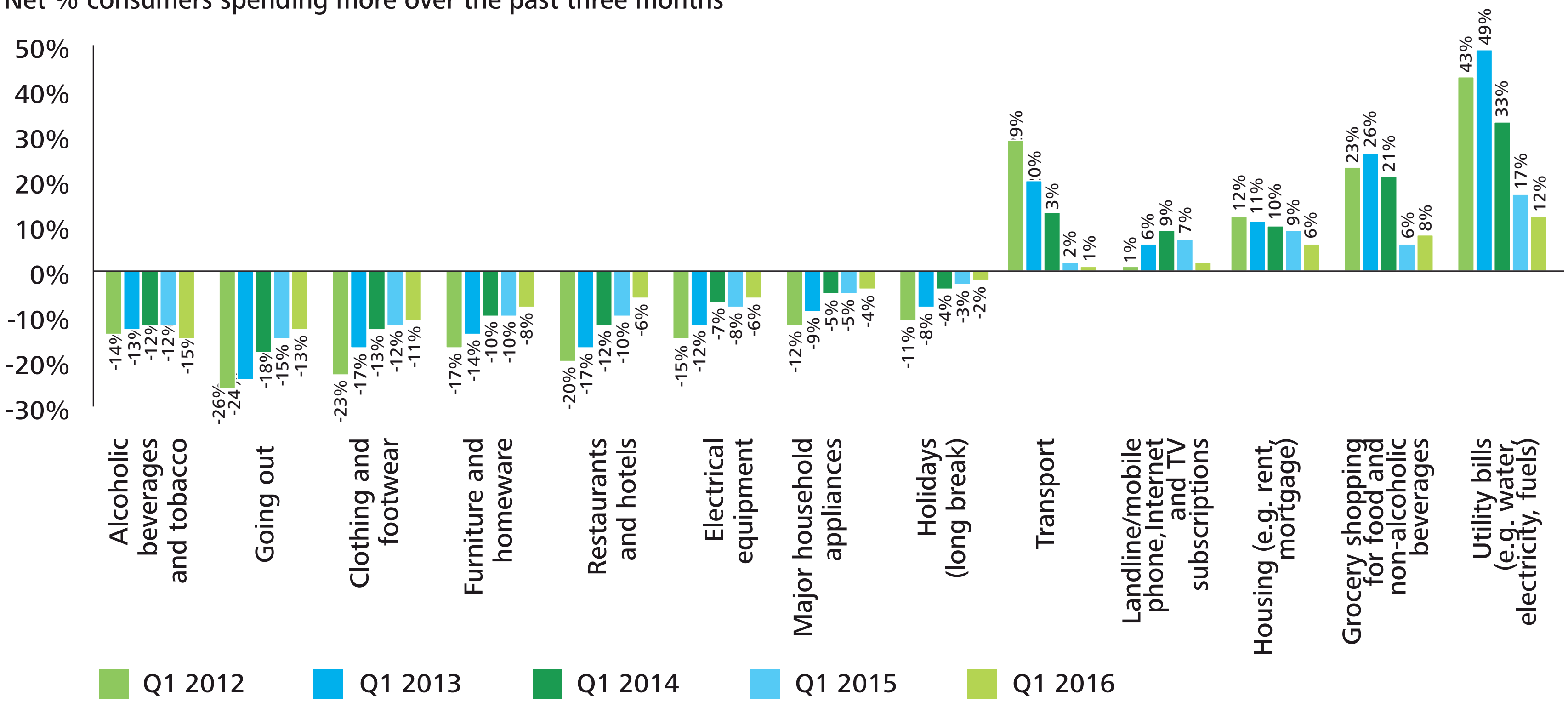
Net % UK consumers spending more by category



The Deloitte Consumer Tracker – Q1 2016
Spending remains robust

Chart 9. Category spending in the last three months

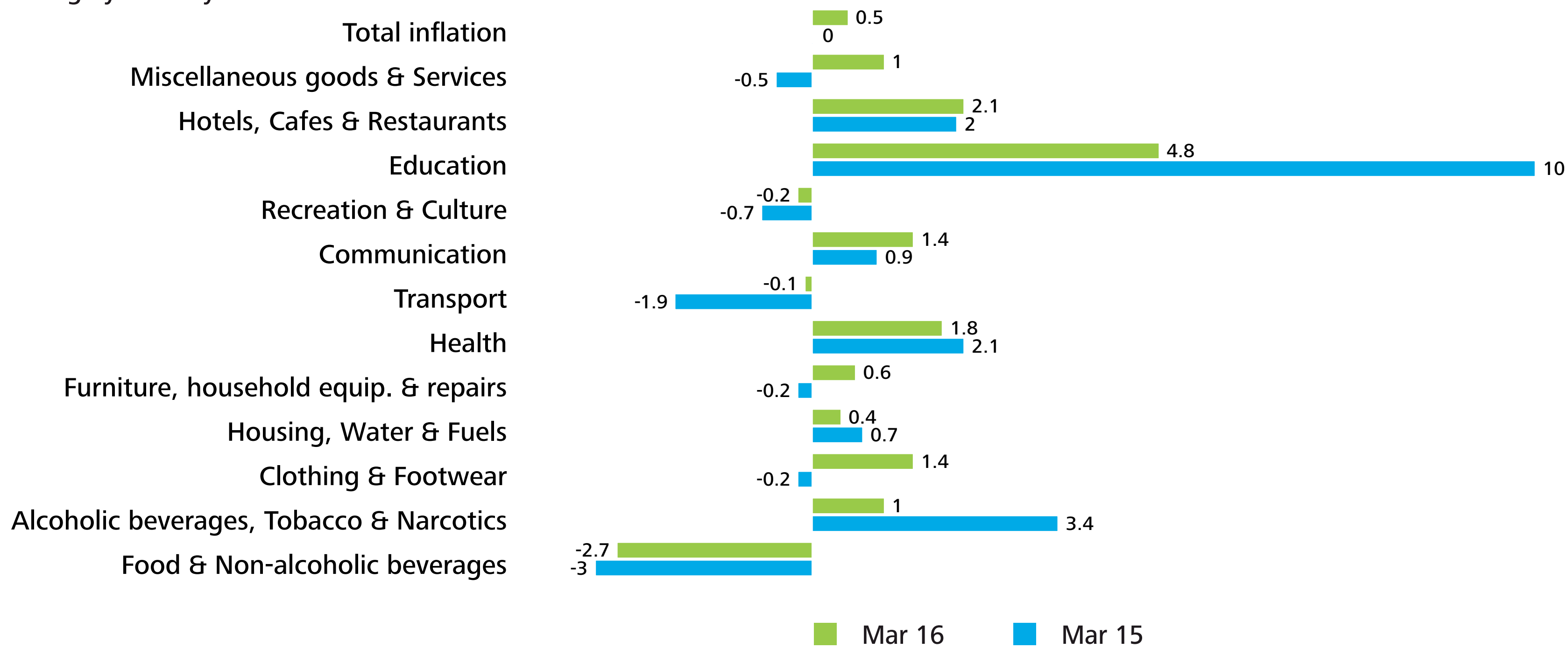
Net % consumers spending more over the past three months



The Deloitte Consumer Tracker – Q1 2016
Spending remains robust

Chart 10. Inflation (CPI)

% change year-on-year

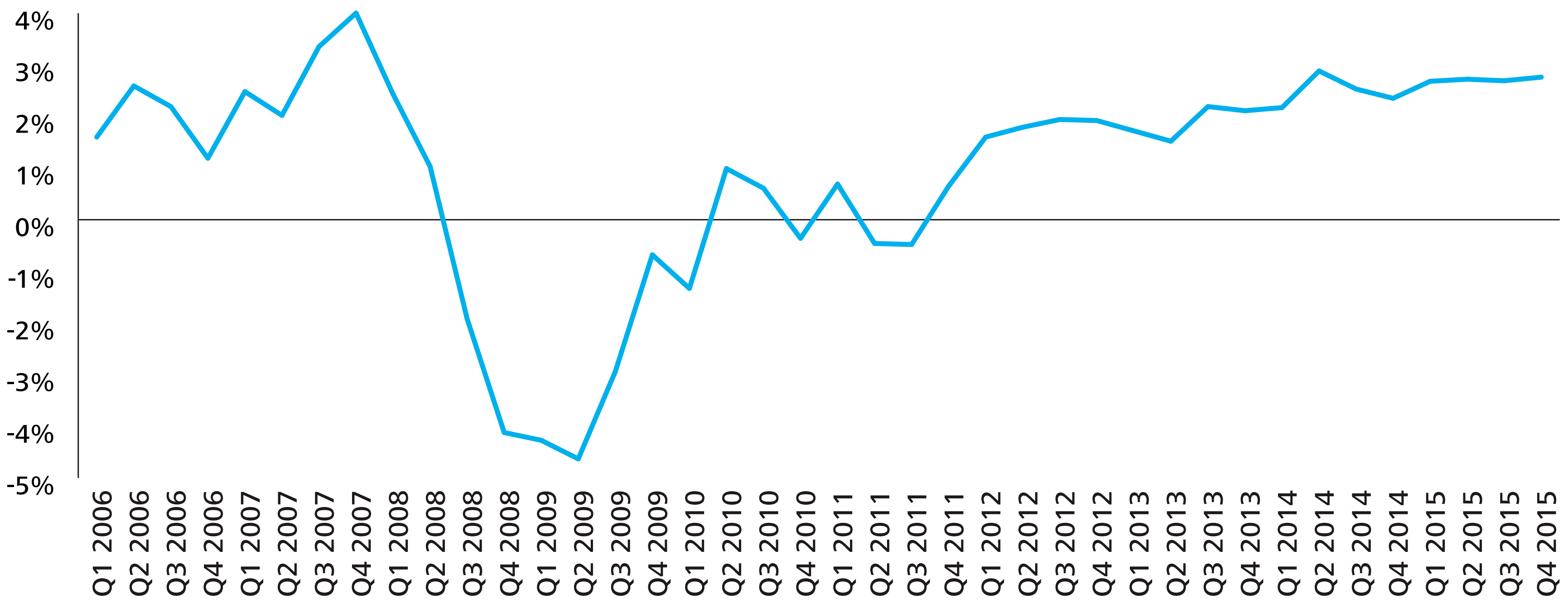


Source: ONS

The Deloitte Consumer Tracker – Q1 2016
Spending remains robust

Chart 11. Consumer expenditure

Annual % change year on year

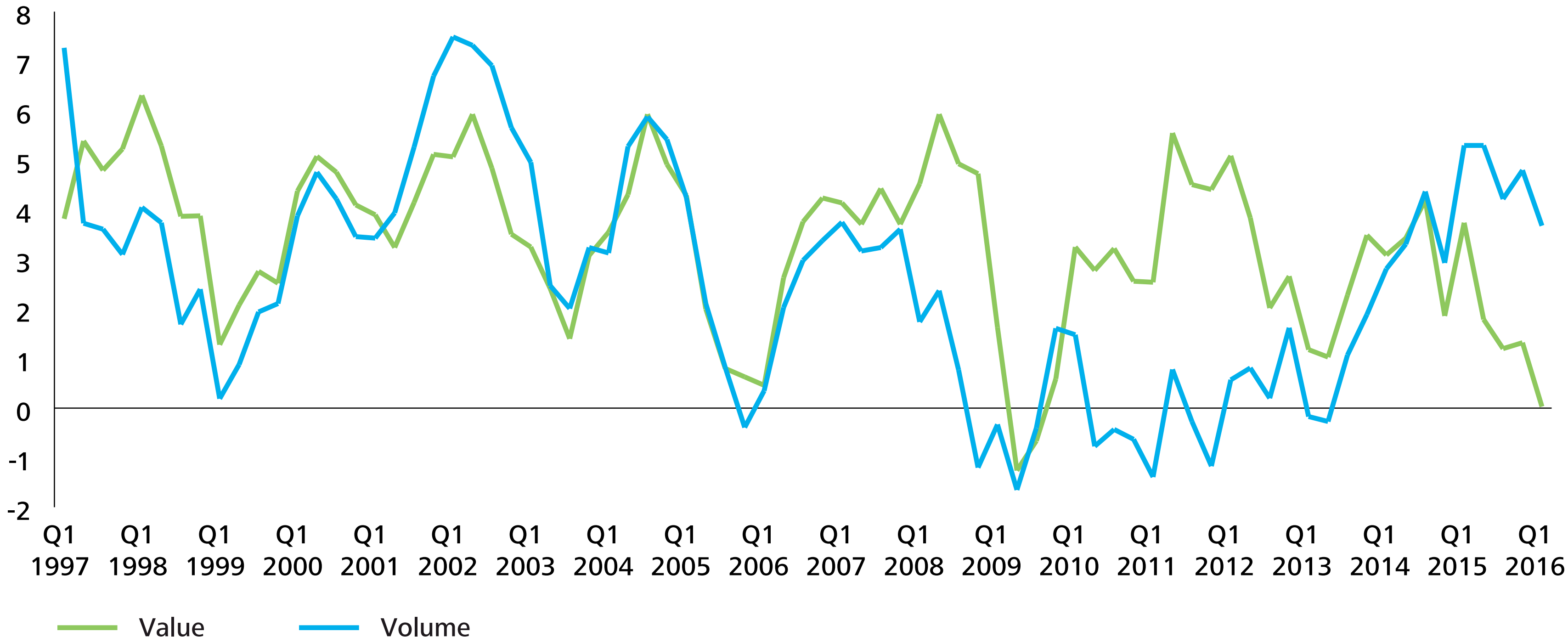


Source: ONS

The Deloitte Consumer Tracker – Q1 2016
Spending remains robust

Chart 12. Retail sales

% change in volume and value year-on-year

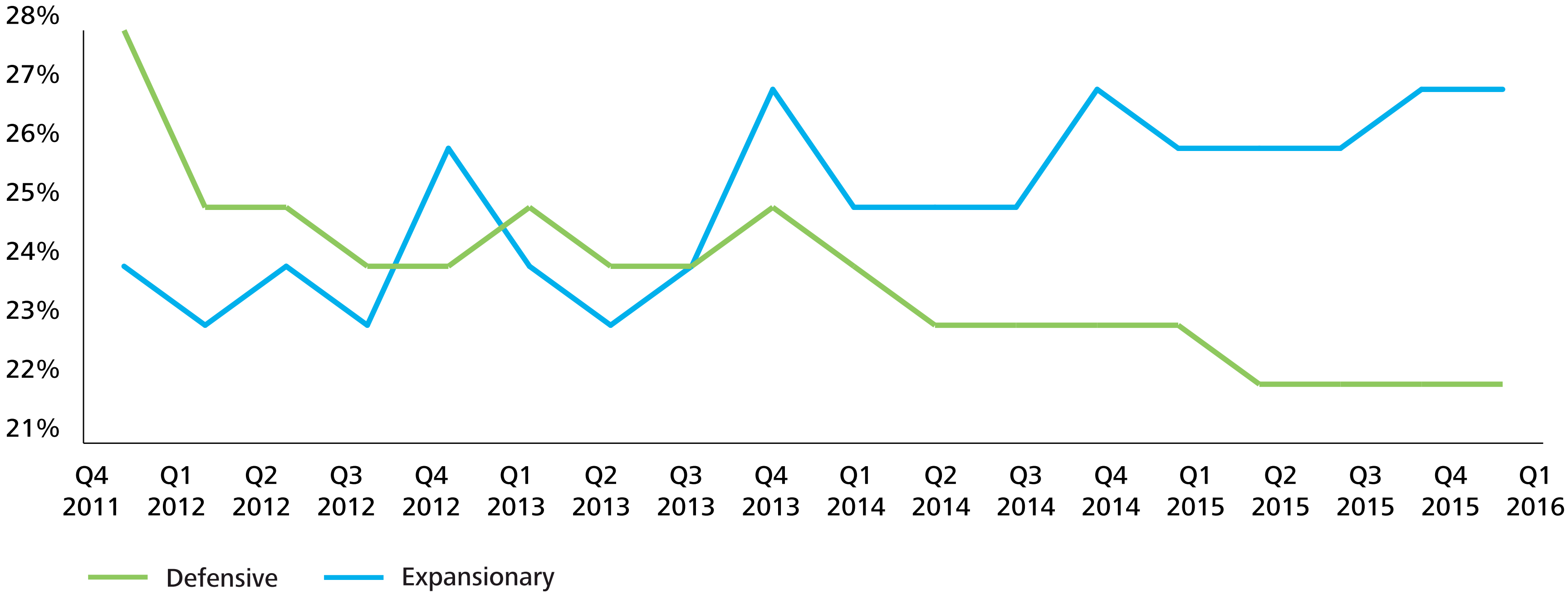


Source: ONS

The Deloitte Consumer Tracker – Q1 2016
Spending remains robust

Chart 13. Expansionary and defensive spending behaviour

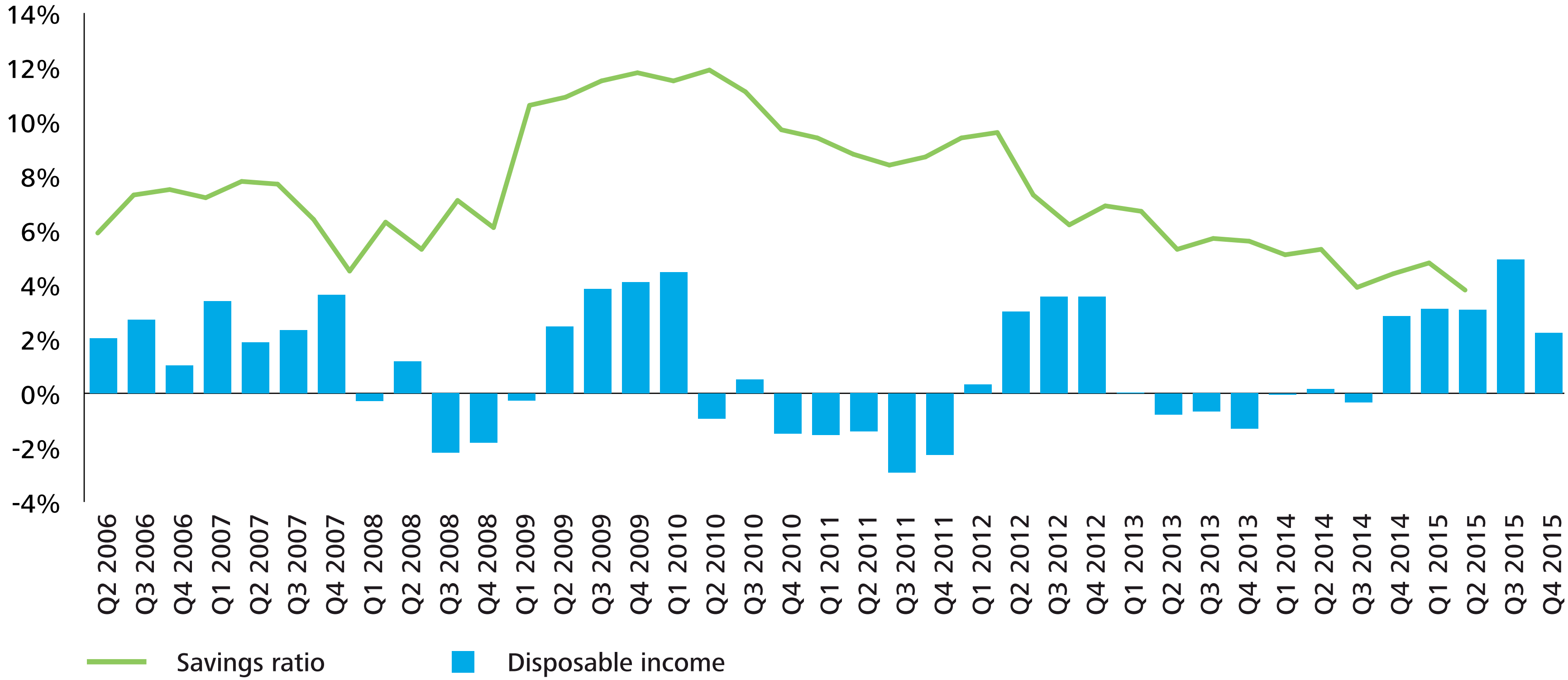
% UK consumers spending more or less



The Deloitte Consumer Tracker – Q1 2016
Income and debt both growing

Chart 14. Income vs savings ratio

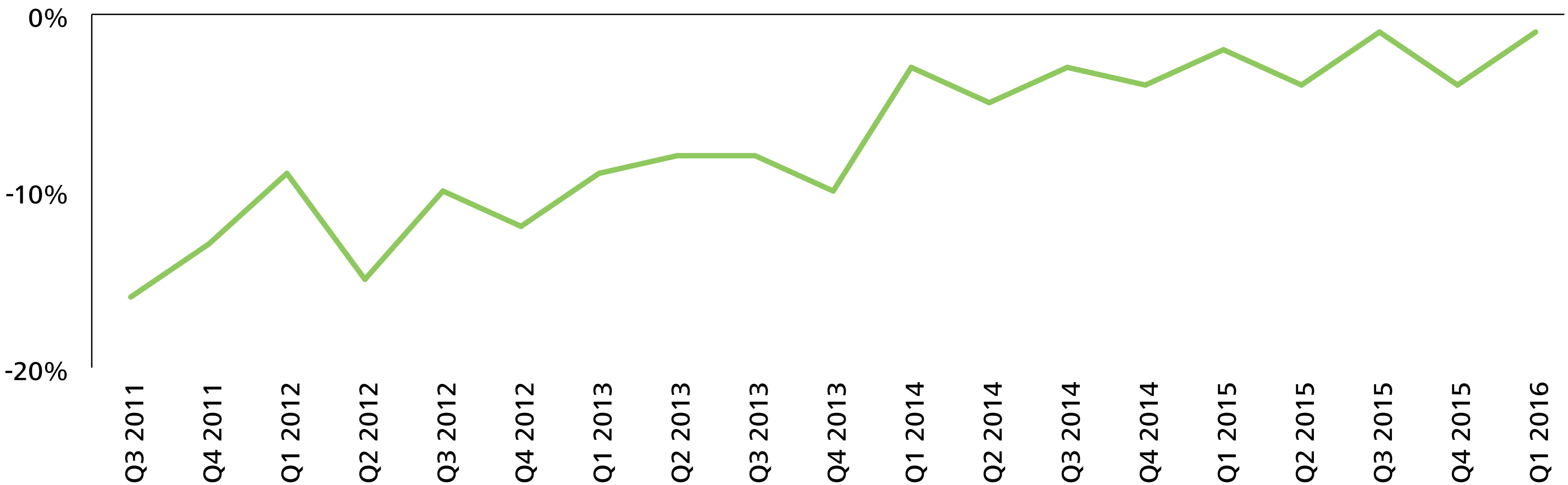
Net % of UK consumers saving more vs UK household year-on-year disposable income growth



The Deloitte Consumer Tracker – Q1 2016
Income and debt both growing

Chart 15. Consumer confidence in their level of debt

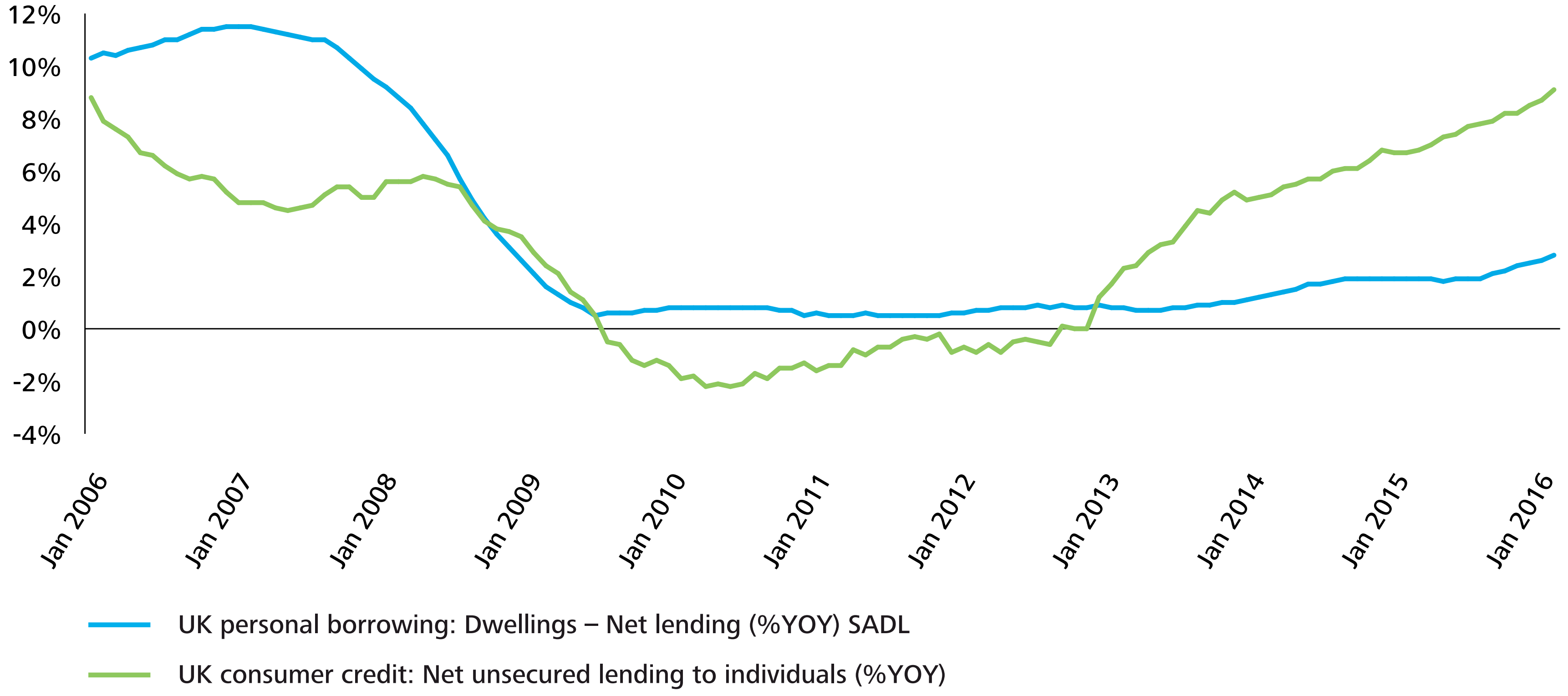
Net % of consumers who said their confidence has improved over the last three months



The Deloitte Consumer Tracker – Q1 2016
Income and debt both growing

Chart 16. Consumer credit

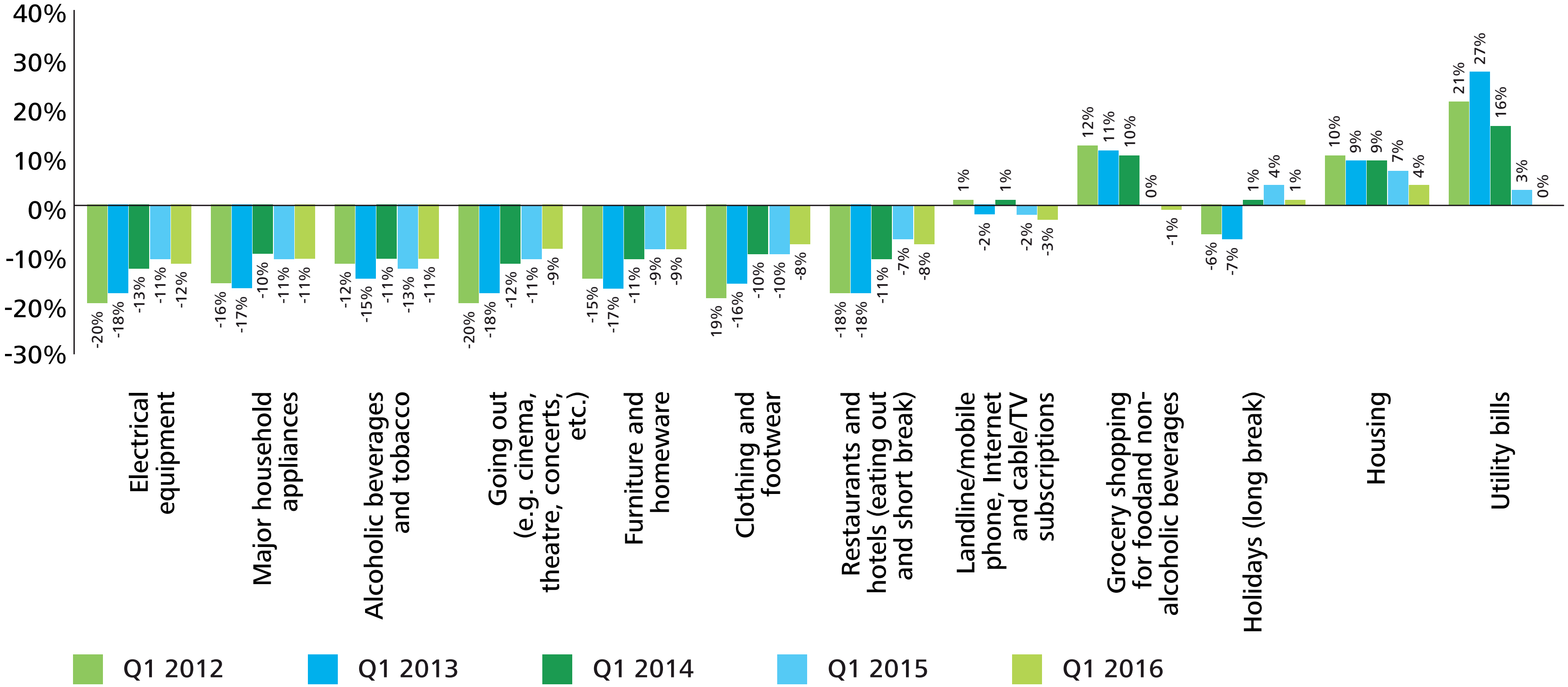
Net secured and unsecured lending to individuals (% change year-on-year)



The Deloitte Consumer Tracker – Q1 2016
Possible headwinds in the coming months

Chart 17. Category spending over the next three months

Net % of UK consumers spending more by category



The Deloitte Consumer Tracker – Q1 2016
Possible headwinds in the coming months

Chart 18. Consumer indicators: Now and a year ago

	Old	New	Change
	Dec-Feb 2015	Nov-Jan 2016	
Unemployment	5.6%	5.1%	↓
	Jan-15	Jan-16	
Average weekly earnings growth rate	1.7%	2.2%	↑
	Mar-15	Mar-16	
Interest rates	0.5%	0.5%	↕

The Deloitte Consumer Tracker – Q1 2016

Possible headwinds in the coming months

Chart 19. Economic confidence

Consumer confidence in the general economic situation over the coming 12 months

Source: GfK

The Deloitte Consumer Tracker – Q1 2016
Contacts

Contacts

Nigel Wixcey
Industry Leader, Consumer Business
020 7303 5007
nigelwixcey@deloitte.co.uk

Ian Geddes
Lead Partner, UK Retail
020 7303 6519
igeddes@deloitte.co.uk

Graham Pickett
Lead Partner, UK Travel,
Hospitality and Leisure
01293 761232
gcpickett@deloitte.co.uk

Authors

Ben Perkins
Head of Research
Consumer Business
020 7307 2207
beperkins@deloitte.co.uk

Aino Tan
Research Manager
Consumer Business
020 7007 4406
aintan@deloitte.co.uk

Rebecca Thomson
Research Manager
Consumer Business
020 7007 0891
rebthomson@deloitte.co.uk

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom. Tel: +44 (0) 20 7936 3000 Fax: +44 (0) 20 7583 1198.

Designed and produced by The Creative Studio at Deloitte, London. J5410