

# NZ consumer confidence rises to 4-month high

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**Businesswire – New Zealand consumer confidence edged up to a four-month high and more people deemed it a good time to buy a major household item, according to the latest ANZ-Roy Morgan Consumer Confidence survey**

The overall index climbed to 126 this month, from 121.9 in April, the survey shows. The current conditions index improved 6 percentage points to 108.3. The future conditions index rose 3 to 137.8, narrowing the gap to 29.5.

The confidence survey was taken before the release yesterday of Finance Minister Bill English's 2010 Budget, which may give consumers more reason to smile after he cut personal, corporate and savings taxes and gave a more upbeat account of the economy and the fiscal position. Economists expect Reserve Bank Governor Alan Bollard will be sufficiently certain of recovery and resurgent inflation to raise rates at his next opportunity on June 10.

The result for those asked if they are better or worse off financially than 12 months ago improved to a net -5 from -11 in April, the survey showed. Those expecting to be better off in a year's time climbed 2 points to a net 40.

Looking further out, those polled are becoming more optimistic that New Zealand will have good times over the next five years, with the net number rising to 47 from 45.

Those deeming it a good time to buy a major household item improved to 21 from 16.

New Zealand's economy climbed out of its worst recession in 18 years in the middle of last year. The Treasury yesterday lifted its forecast for gross domestic product growth to 3.2% for the year ending March 31, 2011, from the 2.4% pace it projected in December.