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Financial confidence in Ireland rises for the first time in 21 months

The Standard Life Financial Confidence Index has risen for the first time in 21 months, which may be the clearest signal yet that Irish adults believe the worst of the economic crisis is over. Measured out of a score of 100, the quarterly index hit an all time high of 66.7 in March 2008, but fell continually for the following year and a half, hitting a low of 52.6 in September 2009.

Brendan Barr, Head of Marketing at Standard Life confirmed that "The overall index rose 2% from 52.6% in September 2009 to 54.6% in December 2009. This is the first increase in nearly 2 years and hopefully increased confidence signals a positive impact for the real economy. Our latest survey was taken during the second half of December, after one of the toughest budgets in years, so this is even more encouraging news."

Whilst both men and women experienced a similar increase in confidence over the last quarter, men (57.9%) continue to remain more confident than women (51.5%). During the last quarter of 2009, younger adults aged 25-34 experienced the largest increase in financial confidence rising a hefty 5.8% to 54.2%. Adults aged over 65 experienced a slight decrease in financial confidence over the quarter but this older age group remains the most financially secure demographic group with a score of 63.6%.

On a regional basis, Barr stated that "those living in the capital remain the most financially secure scoring 58.4%, whilst those in Munster are currently the least financially secure with a score of 52.5%."

Compared to a year ago most groups have a similar level of financial confidence, with the largest increases recorded by those living in Dublin (58.4%, up 3%), and those aged 18-24 (52.6%, an increase of +2.2%). The groups who experienced the largest decreases in financial confidence over the last year were those aged 45-54 (52.1%, a drop of 3.2%) and those in Rest of Leinster (53.5%, down 2.7%).

The following table gives a score for each demographic and regional group over the last quarter of 2009 and over the 12 months from December 2008 to December 2009.

Standard Life Financial Confidence Index*	Dec 2009	Sep 2009	3mth Change	Dec 2008	12mth Change
Republic of Ireland Adults 18+	54.6	52.6	2.0	54.8	-0.2
Male	57.9	55.7	2.2	56.6	1.3
Female	51.5	49.6	1.9	52.9	-1.4
18-24	52.6	48.7	3.9	50.4	2.2
25-34	54.2	48.4	5.8	52.9	1.3
35-44	51.2	48.9	2.3	51.7	-0.5
45-54	52.1	52.5	-0.4	55.3	-3.2
55-64	56.3	56.5	-0.2	57.0	-0.7
65+	63.6	64.9	-1.3	63.8	-0.2
Dublin	58.4	56.8	1.6	55.4	3.0
Rest of Leinster	53.5	51.4	2.1	56.2	-2.7
Munster	52.5	51.7	0.8	53.9	-1.4
Connaught/Ulster	53.5	49.1	4.4	53.0	0.5
Retired	62.6	65.6	-3.0	64.0	-1.4
Non-retired	53.5	50.4	3.1	53.2	0.3
Working	55.9	52.2	3.7	53.8	2.1

Notes for Editors

- These results are based on an independent online survey conducted by Research Plus Ltd on behalf of Standard Life Ireland. 1,019 adults aged 18 and over, in the Republic of Ireland, were surveyed between 18 – 30 December 2009.
- The Standard Life Financial Confidence Index is a measure of how financially secure people feel on a scale of 1 to 10. The results are averaged and then converted to give a total score on a percentile basis.
- Dublin refers to Dublin city and county. Rest of Leinster refers to Leinster excluding Dublin. Connaught/Ulster refers to Connaught plus Donegal, Cavan and Monaghan.

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