

PORTFOLIO OF INDICES RESULT RELEASE

The NOIPolls Consumer Confidence Index at 62.7-points for Quarter 1, 2017

Abuja, Nigeria. April 11th, 2017 – The Portfolio of Indices report released by NOIPolls Limited for **Q1, 2017** has revealed that the NOIPolls Consumer Confidence Index (CCI) experienced a 4.6-points increase to stand at 62.7-points. The Consumer Confidence Index is an indicator designed to measure the amount of optimism that consumers have on the state of the economy which is usually expressed by either spending or saving. This current figure indicates that consumers' degree of confidence about the overall state of the economy in relation with their personal financial situation may have slightly improved. There is no doubt that the Intervention of the Central Bank of Nigeria in the foreign exchange market has influenced the general positive attitude of consumers; given that consumers rationally base their decisions on the general outlook of some economic variables such as, inflation rate, interest rate, exchange rate, unemployment rate, etc

Furthermore, the Present Situation Index (PSI), which is one of the two independent variables that make up the CCI, experienced an increase of 10.7-points to stand at 34.3-points, while the other, the Expectation Index (EI) remained the same at 84.-points. Also, all the indicators that constitutes PSI and the EI experienced an increase except the Expected Total Family Income Index which declined by 4.2-points to stand at 67.9-points. The Present Economic Situation Index experienced the highest increase of 14.1-points and this contributed to the overall increase of the CCI. These are the key highlights from the **Q1, 2017 Portfolio of Indices Press Release**.

In **February 2014**, NOIPolls Limited introduced its portfolio of indices; the NOIPolls Personal Well-Being Index (**PWBI**), the NOIPolls Consumer Confidence Index (**CCI**) and the NOIPolls Eagle 30 Business Confidence Index (**EBCI**). The NOIPolls Personal Well-Being Index measures factors impacting on the lives of everyday Nigerians; thereby producing a complete view of the individual's personal well-being. The NOIPolls Consumer Confidence Index provides consumer assessments of the economic situation and their intentions and expectations for the future. The NOIPolls Eagle 30 Business Confidence Index measures business leaders' perceptions and expectations about the Nigerian business environment using the top 30 companies in the country.

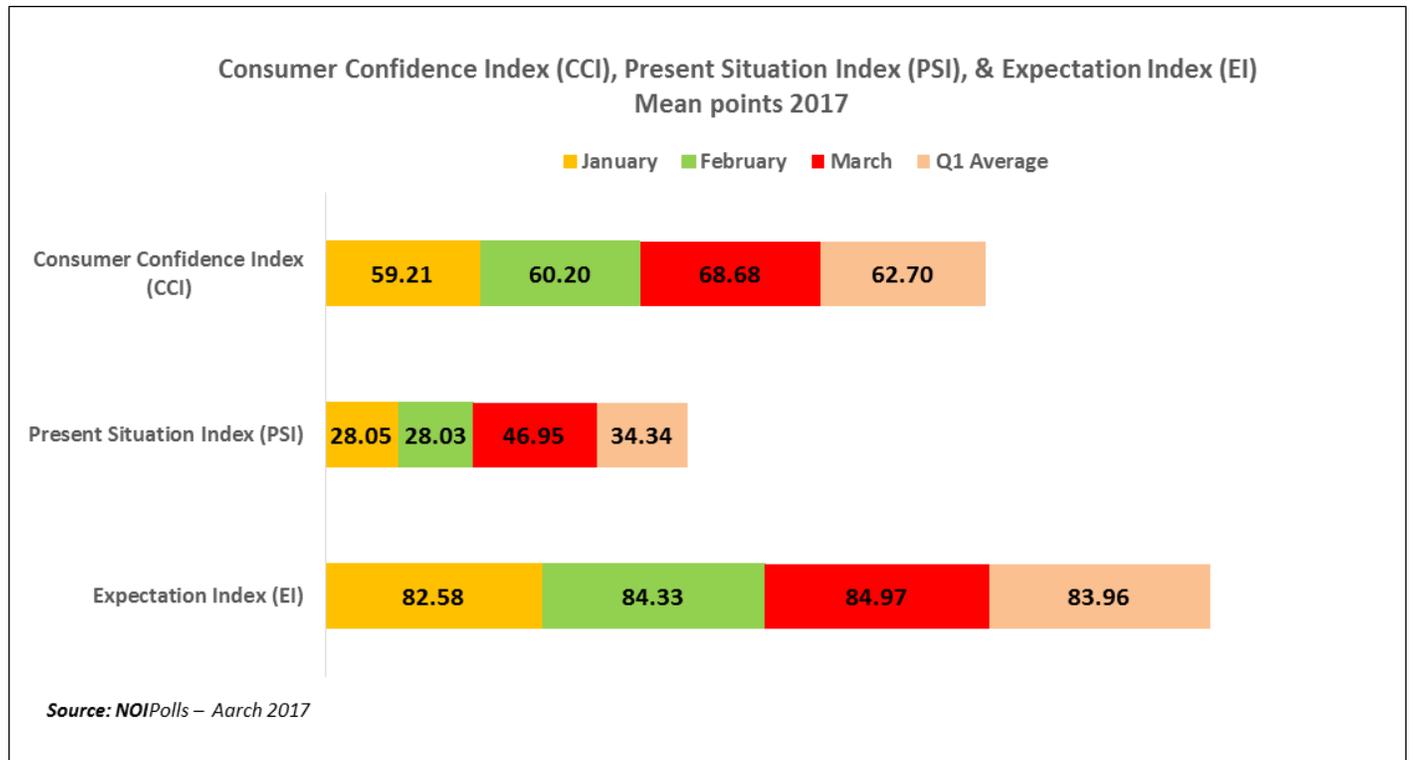
Nigerian businesses, financial and government agencies largely depend on their perceptions and micro assessment of consumers' expectation in making decisions. At best, they draw conclusion on the business environment based on information from their immediate surroundings while the minorities conduct surveys that are time and money consuming. However, the introduction of these indices provides indicators that will ensure stakeholders can detect and respond to changes in consumer behavior, the economy, and the business environment in Nigeria.

This report presents the **Q1, 2017** results for the NOIPolls Consumer Confidence Index (**CCI**).

THE NOIPOLLS CONSUMER CONFIDENCE INDEX (CCI)

In **Q1, 2017**, the NOIPolls Consumer Confidence Index (CCI) experienced an increase of 4.6-points to stand at 62.7-points. This significant increase in the consumer confidence could infer that Nigerians are expected to increase their purchases of goods and services, thus, manufacturers may increase production and stocks whereas, large organisations may increase employment rates, government may also expect improved tax revenues based on the increase in consumer spending. Therefore, it is advised that businesses, economic analysts, investors and the government take advantage of the increase in consumer confidence though with caution because the CCI may adjust dramatically on the day the Index is released. However, this will probably only happen if there is a lot of uncertainty about the economy.

The NOIPolls Consumer Confidence Index consists of 2 independent variables; the Present Situation Index (PSI) and Expectation Index (EI). The PSI measures general consumer thoughts in relation to the present economic situation and in Q1 2017, the PSI stood at 46.9-points. While the EI, which evaluates the overall consumer sentiments toward the short-term future economic situation, stood at 84.9-points in the same period.



The PSI and the EI are made up of a total of 7 variables and all these variables experienced an increase except the Expected Total Family Income Index which experienced a decline. These are highlighted below;

Current Economic Situation Index – 39.5

Consumers have really seen a significant increase in the current economic situation. The Current Economic Index in Q1, 2017 rebounded to **39.5-points** with an impressive **14.1-points** increase from Q4, 2016.

Expectation of the Country’s Economic Situation Index – 93.5

The expectation of the country’s economic situation index slightly increased by 0.01-point to stands at **93.5-points**. This suggests that Nigerians have a high degree of confidence that the current economic situation will improve.

Current Employment Condition Index – 50

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Current figures show a significant increase in their current Employment Condition. This is evidenced by the **8.6-points** increase from Q4, 2016.

Expected Employment Condition Index – 98.4

Expected Employment Condition Index increased by 0.7-points to stand as the highest rated index in **Q1, 2017**. This infers that Nigerians are very positive of better employment opportunities in the future.

Current Prices of Goods and Services Index – 13.5

This index also increased by **0.6-points** to stand at **13.5-points** in **Q1, 2017**. This indicates that consumers perceived the prices of goods and services to be high.

Expectation of Prices of Goods and Services Index – 76

The Expectation of Prices of Goods and Services Index increased by **3.1-points** to stand at **76-points**. This shows that consumers are optimistic that there will be a reduction in prices of the goods and services in the future.

Expected Total Family Income Index – 67.9

The Expected Total Family Income Index declined by **4.2-points** to stand at **67.9-points**. This infers that consumers are somewhat neutral about their expected total family income in comparison with their spending pattern.

TREND ANALYSIS

Trend analysis showed that the PSI increased by 10.7-points to stand at 34.3-points, while the EI remained the same (84-points) with **Q4, 2016**. The increase experienced by the PSI implies that the spending powers of consumers possibly may have been boosted.

Item	Q4, 2016	Q1, 2017	Direction
Consumer Confidence Index	58.1	62.7	↑
Present Situation Index	23.6	34.3	↑
Expectation Index	84.0	84.0	↔

In conclusion, the NOIPolls Consumer Confidence Index increased by 4.6-point to stand at 62.7-points, meaning that there is the propensity to purchase or spend. Also, one of the two independent variables that make up the CCI, the Present Situation Index (PSI), experienced an increase of 10.7-points while the Expectation Index (EI) remained the same in **Q1, 2017**.

Finally, while the CBN forex intervention may have influenced the CCI positively, it is recommended that an in-depth plan should be made to sustain the intervention, while long term plans and policies are implemented to revitalize the economy.

Survey Methods

The Consumer Confidence Index Poll was conducted in **Quarter 1, 2017**. The CCI involved telephone interviews of a random nationwide sample. **3,000** randomly selected phone-owning Nigerians aged 18 years and above, representing the six geopolitical zones in the country, were interviewed. With a sample of this size, we can say with 95% confidence that the results obtained are statistically precise - within a range of plus or minus 3%. NOIPolls Limited, No1 for country specific polling services in West Africa. We conduct periodic opinion polls and studies on various socio-economic and political issues in Nigeria. More information is available at www.noi-polls.com, you can also download NOIPolls Mobile App from the Google and Apple Playstore.

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