



智經研究中心

Bauhinia Foundation Research Centre

香港消費者信心意見調查

Hong Kong Consumer Confidence Survey

第三季度報告 2009
Third Quarter Report

CONSUMER CONFIDENCE SURVEY

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1. Survey Objective and Method

The Public Governance Programme of Lingnan University was commissioned by the Bauhinia Foundation Research Centre to conduct the Consumer Confidence Survey (hereafter, the Survey). The key objective of the Survey is to assess consumer confidence in Hong Kong.

The Survey is a telephone interview survey. Data collection of the Survey took place between 7 and 13 September 2009. The target respondents are Hong Kong permanent residents aged 18 or above.

To ensure the representativeness of the data, a sample of telephone numbers was randomly selected from Hong Kong Telephone Directory. The last two digits of the telephone numbers were replaced by two random numbers. Eligible samples within households were input and the computer would randomly draw one of the eligible samples to be our respondents.

A total of 1,008 respondents were successfully interviewed. The response rate is 31.7%. The margins of error are estimated to be $\pm 3.1\%$ at 95% confidence level.

The Survey is the second one of a series of quarterly survey exercises, with the first survey completed in June 2009. The Survey consists of two parts. Questions in Part One ask respondents about their perceptions of Hong Kong's overall economic conditions, Hong Kong's employment situations and respondents' household incomes currently, in next three months and in next twelve months. Questions in Part Two ask respondents about their various economic and consumption behaviours.

Every question has a "favourable" answer (e.g. economic conditions have been improved, no household members are unemployed) and an "unfavourable" answer (e.g. economic conditions have been worsened, some

household members are unemployed). From the data of this survey, the **index scores** of each of the questions in the survey period (September 2009) can be calculated.¹

The **Bauhinia Hong Kong Consumer Confidence Index** is calculated from the index scores of all the questions asking respondents about their economic expectations and economic behaviours in the short term future (next three months).² It shows the consumers' confidence over economic expectations and economic behaviours in the short term future.

The **Bauhinia Hong Kong Consumer Expectations Index** is calculated from the index scores of the three questions asking respondents about their medium term future economic expectations (perceptions of Hong Kong's overall economic conditions, Hong Kong's employment situations and respondents' household incomes).³ It shows the consumers' expectations of economic conditions in the medium term future.

The change in the index score of a question indicates the change in the consumers' confidence or economic conditions as represented by the question. The index scores in the base period (June 2009) are set to be 100.0, and the index scores in this survey are compared with those in the base period (June 2009 = 100.0). In general, an increase in the index score indicates an improvement of the consumers' confidence or economic conditions, and a decrease in the index score indicates a worsening of the consumers' confidence or economic conditions, as represented by that index score.

¹ We subtract the percentage of respondents who chose the "unfavourable" answer from the percentage of respondents who chose the "favourable" answer, and then add 100 to the difference, to obtain the relative score of the question. The relative score takes a value between 0 and 200. When it exceeds 100, that means more respondents chose the "favourable" answer than those choosing the "unfavourable" one; when it is smaller than 100, that means more respondents chose the "unfavourable" answer than those choosing the "favourable" one. The index score of the question is the ratio of the relative score of this question to that in the base period (June 2009).

² The Bauhinia Hong Kong Consumer Confidence Index is calculated by taking the arithmetic mean of the index scores of all the questions relating to the short term future.

³ The Bauhinia Hong Kong Consumer Expectations Index is calculated by taking the arithmetic mean of the index scores of the three questions relating to the medium term future economic expectations (perceptions of Hong Kong's overall economic conditions, Hong Kong's employment situations and respondents' household incomes).

2. Findings

2.1 Index scores of different questions

The following table shows the index scores for the present/past three months, next three months and next twelve months of different questions (June 2009 = 100.0):

	Present / Past 3 months	Next 3 months	Next 12 months
Hong Kong's overall economic conditions	151.1	124.1	106.1
Hong Kong's employment situations	192.6	143.8	101.7
Respondents' household incomes	120.3	111.4	107.4
Unemployment of respondents' family members	102.9	103.9	--
Property purchase by respondents' families	169.1	117.0	--
Respondents' expenses on daily necessities	128.2	113.7	--
Respondents' spending on non-recurrent large purchases	112.6	104.4	--
Respondents' investment in financial products	109.1	105.2	--

For data details, please refer to Statistical Tables 1 to 9 in the Appendix.

2.2 Bauhinia Hong Kong Consumer Confidence Index

After calculation, **the Bauhinia Hong Kong Consumer Confidence Index for the survey period (September 2009) is 115.4** (June 2009 = 100.0).

2.3 Bauhinia Hong Kong Consumer Expectations Index

After calculation, **the Bauhinia Hong Kong Consumer Expectations Index for the survey period (September 2009) is 105.1** (June 2009 = 100.0).

2.4 In view of paragraphs 2.1 to 2.3, the following observations can be obtained:

- The Bauhinia Hong Kong Consumer Confidence Index is 115.4 (June 2009 = 100.0). It indicates that consumers' confidence over economic expectations and economic behaviours in the short term future (next three months) has strengthened significantly *vis-à-vis* the previous survey three months ago.
- The Bauhinia Hong Kong Consumer Expectations Index is 105.1 (June 2009 = 100.0). It indicates that consumers' expectations of economic conditions in the medium term future (next twelve months) have strengthened slightly *vis-à-vis* the previous survey three months ago.
- Regarding Hong Kong's overall economic conditions, Hong Kong's employment situations and their household incomes, respondents' current perceptions have improved very significantly, their expectations in next three months have improved significantly, and their expectations in next twelve months have improved only slightly.
- The employment situation of respondents' family members has not improved much over the past three months, and their expectation in next three months has not improved much *vis-à-vis* the previous survey three months ago.
- Property purchase by respondents' families over the past three months has increased significantly, so has the percentage of respondents with increased expenses on daily necessities over the past three months. Respondents' expectations in next three months regarding property purchase by respondents' families and respondents' expenses on daily necessities have also improved significantly *vis-à-vis* the previous survey three months ago.
- The percentages of respondents with increased spending on non-recurrent large purchases and increased investment in financial products have increased significantly over the past three months, but their expectations in next three months have improved only slightly *vis-à-vis* the previous survey three months ago.

3. Statistical Tables

1. Do you think the overall economic conditions of Hong Kong have improved or worsened over the past 3 months?
Do you think the overall economic conditions of Hong Kong will improve or worsen in next 3 months?
Do you think the overall economic conditions of Hong Kong will improve or worsen in next 12 months?

	Present		Next 3 months		Next 12 months	
	N	%	N	%	N	%
Improve	414	41.1	441	43.8	536	53.2
No change	280	27.8	261	25.9	136	13.5
Worsen	242	24.0	163	16.2	105	10.4
Don't know / No comments	70	6.9	143	14.2	230	22.8
Declined to answer	2	0.2	0	0.0	1	0.1
Total	1,008	100.0	1,008	100.0	1,008	100.0

2. Do you think Hong Kong's employment situations have improved or worsened over the past 3 months?
Do you think Hong Kong's employment situations will improve or worsen in next 3 months?
Do you think Hong Kong's employment situations will improve or worsen in next 12 months?

	Present		Next 3 months		Next 12 months	
	N	%	N	%	N	%
Improve	248	24.6	392	38.9	486	48.2
No change	230	22.8	239	23.7	134	13.3
Worsen	415	41.2	228	22.6	144	14.3
Don't know / No comments	113	11.2	146	14.5	242	24.0
Declined to answer	2	0.2	3	0.3	2	0.2
Total	1,008	100.0	1,008	100.0	1,008	100.0

3. Has your household income increased or decreased over the past 3 months?
Do you think your household income will increase or decrease in next 3 months?
Do you think your household income will increase or decrease in next 12 months?

	Present		Next 3 months		Next 12 months	
	N	%	N	%	N	%
Improve	126	12.5	162	16.1	261	25.9
No change	683	67.8	646	64.1	446	44.2
Worsen	171	17.0	93	9.2	84	8.3
Don't know / No comments	22	2.2	101	10.0	210	20.8
Declined to answer	6	0.6	6	0.6	7	0.7
Total	1,008	100.0	1,008	100.0	1,008	100.0

4. Has anyone in your family been unemployed over the past 3 months?
Is it likely for anyone in your family to be unemployed in next 3 months?

	Past 3 months		Next 3 months	
	N	%	N	%
Yes	165	16.4	119	11.8
No	821	81.4	715	70.9
Don't know / No comments	16	1.6	167	16.6
Declined to answer	6	0.6	7	0.7
Total	1,008	100.0	1,008	100.0

5. Has your family purchased any properties over the past 3 months?
Is it likely that your family will purchase properties in next 3 months?

	Past 3 months		Next 3 months	
	N	%	N	%
Yes	42	4.2	37	3.7
No	957	94.9	934	92.7
Don't know / No comments	6	0.6	36	3.6
Declined to answer	3	0.3	1	0.1
Total	1,008	100.0	1,008	100.0

6. Have you increased or decreased expenses on daily necessities over the past 3 months?

Are you going to increase or decrease expenses on daily necessities in next 3 months?

	Past 3 months		Next 3 months	
	N	%	N	%
Increase	212	21.0	178	17.7
More or less the same	480	47.6	515	51.1
Decrease	307	30.5	265	26.3
Forgotten / Don't know / No comments	5	0.5	48	4.8
Declined to answer	4	0.4	2	0.2
Total	1,008	100.0	1,008	100.0

7. Have you spent over \$3,000 on a single non-recurrent purchase (e.g. traveling overseas, buying a new model TV set or branded handbag) over the past 3 months?

Are you going to spend over \$3,000 on a single non-recurrent purchase (e.g. traveling overseas, buying a new model TV set or branded handbag) in next 3 months?

	Past 3 months		Next 3 months	
	N	%	N	%
Yes	379	37.6	280	27.8
No	624	61.9	624	61.9
Forgotten / Don't know / No comments	2	0.2	102	10.1
Declined to answer	3	0.3	2	0.2
Total	1,008	100.0	1,008	100.0

8. Have you made any financial investment over the past 3 months (e.g. equities, fixed income products, FX products or derivatives, investment funds, insurance/ savings schemes)?

	Past 3 months	
	N	%
Yes	259	25.7
No	746	74.0
Forgotten	1	0.1
Declined to answer	2	0.2
Total	1,008	100.0

9. Have you increased or decreased your investment in financial products (e.g. equities, fixed income products, FX products or derivatives, investment funds, insurance / savings schemes) over the past 3 months?

Are you going to increase or decrease your financial investment in next 3 months?

[Only those who answered “yes” in Table 8 were asked this question.]

	Past 3 months		Next 3 months	
	N	%	N	%
Increase	89	34.4	66	25.5
More or less the same	100	38.6	101	39.0
Decrease	68	26.3	48	18.5
Forgotten / Don't know / No comments	1	0.4	44	17.0
Declined to answer	1	0.4	0	0.0
Total	259	100.0	259	100.0

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