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OF THE CONSUMER™



CONSUMER CONFIDENCE

**CONCERNS AND SPENDING INTENTIONS
AROUND THE WORLD**

QUARTER 3, 2016

GLOBAL CONSUMER CONFIDENCE REFLECTS UNEVEN TRENDS AROUND THE WORLD

- Global consumer confidence increased one point from the second quarter to a score of 99.
- Confidence gains were seen throughout most measured markets in Asia-Pacific, Latin America and Europe. Meanwhile, confidence decreased in four of six Africa/Middle East markets and in one of two North American markets.
- Five of the world's top 10 economies posted optimistic scores of 100 or higher: U.S. (106), China (106), U.K. (106), Germany (100) and India (133).
- Concerns about terrorism increased across Europe, North America and Asia-Pacific in the third quarter.
- In Europe, consumer confidence improved in 26 of 34 measured markets from the second quarter. The U.K.'s score increased eight points.
- In Asia-Pacific, confidence increased in 10 of 14 countries, while four markets were flat from the second quarter. Robust improvements came from Hong Kong, Thailand and Singapore.
- In Latin America, confidence increased in six of seven markets, including Brazil, which posted its first upswing in two years.
- In the Africa/Middle East region, South Africa posted a solid confidence increase of nine points.

Third-quarter global consumer confidence remained stable at 99, an increase of one point from the second quarter and no change from the previous year (Q3 2015). Country-level scores, however, varied dramatically throughout the regions, reflecting considerable economic diversity around the world. In Asia-Pacific, consumer confidence scores ranged from a high of 133 to a low of 46, with similar divergent scores in Europe (from 107 to 50), Latin America (from 104 to 57) and Africa/Middle East (from 108 to 70). In North America, however, confidence scores were more closely aligned in the U.S. (106) and Canada (97).

Overall, the latest survey showed confidence gains throughout most markets in Asia-Pacific (and no declines from the previous quarter), Latin America and Europe. Conversely, confidence declined in four of six Africa/Middle East markets and in one of two North American markets. Regionally, Asia-Pacific's score of 109 increased two-points from the second quarter, followed by North America at 105, which declined six points. Confidence in Africa/Middle East fell two points to 87, while confidence in Latin America posted its first upswing in 2016, with a five-point rise to 83. Europe showed slow consumer confidence momentum: a one-point increase in the second quarter and a two-point rise in the third quarter returned the region to its year-ago score of 81.

“Economic circumstances still vary widely globally, and within regions such as Asia-Pacific. So it is notable that in the Asia-Pacific region, overall consumer confidence has been resilient, as have consumer spending trends,” said Louise Keely, executive vice president, Nielsen. “Still, Asia-Pacific is an area to watch: The region's relatively strong growth is dependent in part on global economic conditions, including those of China.”

In the latest online survey, conducted Aug. 10–Sept. 2, 2016, five of the world's top 10 economies posted scores of 100 or higher, up from three that reached the milestone in the second quarter. The U.K. (106) and Germany (100) joined India (133), the U.S. (106) and China (106) with at-or above-baseline consumer confidence scores in the third quarter. Index levels for the other five biggest economies showed mixed levels of below-the-baseline pessimism: Canada (97), Brazil (84), Japan (71), France (69) and Italy (57). In total, 16 of 63 markets—representing countries from all five regions, and marking four more markets than the second quarter—reported optimistic levels above 100.

In the emerging BRICS markets, Brazil posted a confidence upswing of 10 points in the third quarter. “Brazil appears to be through the worst and perhaps set to rebound,” said Keely. “Consumer confidence reflects the increased optimism about overall economic prospects. If Brazil is able to successfully pull out of recession and consumer spending can recover, that would contribute to overall strength in the region.”

The Nielsen Consumer Confidence Index measures perceptions of local job prospects, personal finances and immediate-spending intentions. Consumer confidence levels above and below a baseline of 100 indicate degrees of optimism and pessimism, respectively. Within a country, period-to-period movements of seven points or more are considered statistically significant. At a global level, movements of two points are statistically significant; at a regional level, three- to four-point movements are statistically significant. The Nielsen Global Survey of Consumer Confidence and Spending Intentions, established in 2005, measures consumer confidence, major concerns and spending intentions among more than 30,000 respondents with internet access in 63 countries.

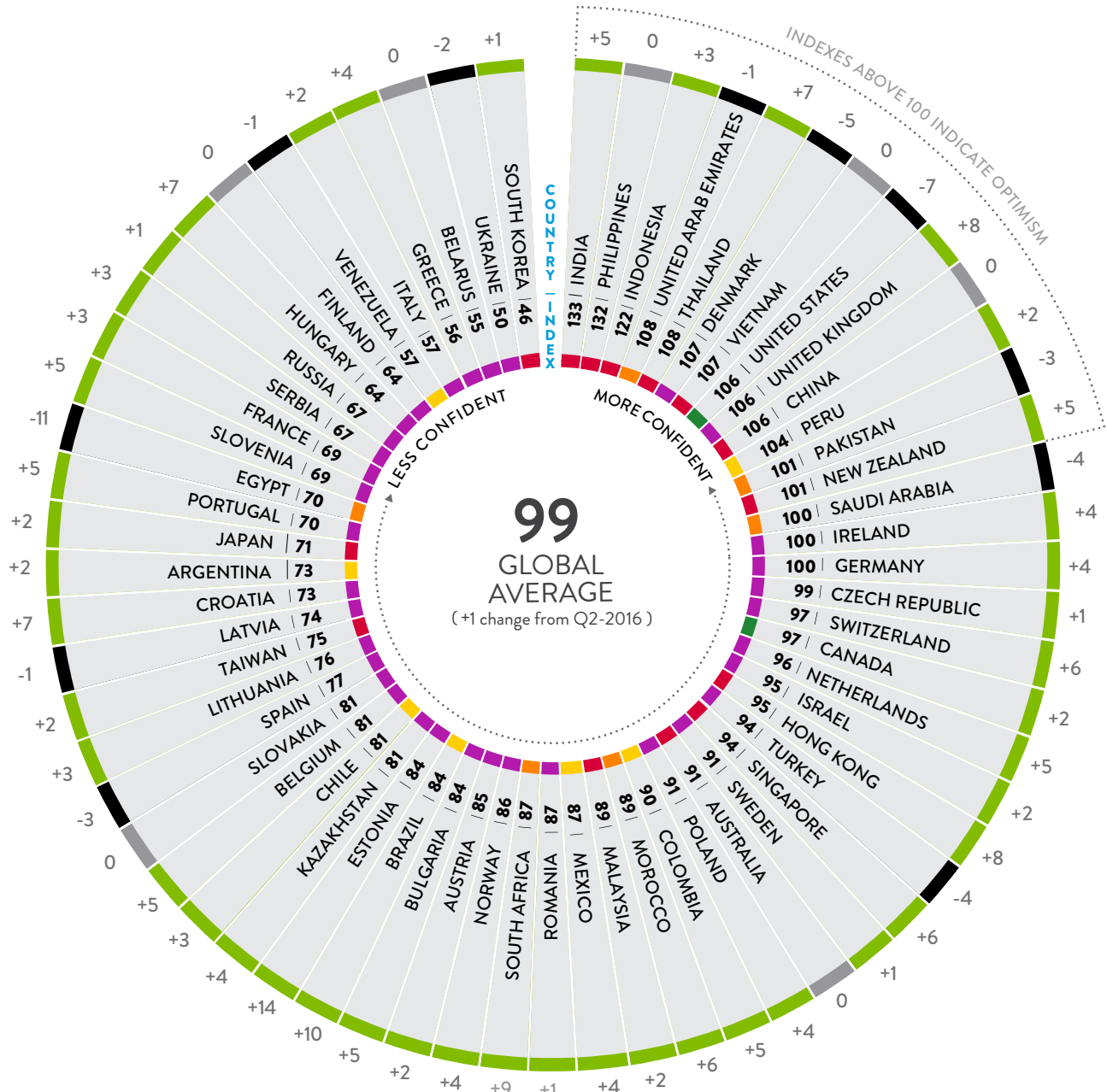
ABOUT THE GLOBAL SURVEY METHODOLOGY

The findings in this survey are based on an online methodology in 63 countries. While an online survey methodology allows for tremendous scale and global reach, it provides a perspective only on the habits of existing internet users, not total populations. In developing markets where online penetration is still growing, audiences may be younger and more affluent than these countries' general populations. Three Sub-Saharan African countries (Ghana, Kenya and Nigeria) utilize a mobile survey methodology and are not included in the global or Middle East/Africa averages discussed throughout this report. In addition, survey responses are based on claimed behavior, rather than actual metered data. Cultural differences in reporting sentiment are likely factors in the measurement of economic outlook across countries. The reported results do not attempt to control or correct for these differences; therefore, caution should be exercised when comparing across countries and regions, particularly across regional boundaries.

GLOBAL CONSUMER CONFIDENCE SURVEY

63 COUNTRIES – 3-MONTH TREND
Q3-2016 NIELSEN CONSUMER CONFIDENCE INDEX*

● DECREASE ● INCREASE ● NO CHANGE



● NORTH AMERICA ● LATIN AMERICA ● EUROPE ● AFRICA, MIDDLE EAST ● ASIA-PACIFIC

*Survey is based on respondents with Internet access. China survey results reflect a mixed methodology. Index levels above and below 100 indicate degrees of optimism/pessimism.

U.S. CONCERNS ABOUT TERRORISM AND POLITICAL INSTABILITY ESCALATED

U.S. consumer confidence remained on solid footing in the third quarter with a score of 106, despite a decline of seven points from the second quarter. More than half of U.S. respondents were confident that personal finances (61%) and immediate-spending intentions (52%) would be good or excellent in the next 12 months, a decline of nine percentage points and six percentage points, respectively, from the second quarter. The positive outlook for jobs also retreated from 56% in the second quarter to 50% in the latest survey.

U.S. respondents also showed a pullback in spending intentions in the third quarter. While intentions to save increased two percentage points to 46%, plans to spend across all lifestyle areas declined, with the biggest quarterly drop of eight percentage points for holidays/vacations (24%), followed by declines of seven percentage points for out-of-home entertainment (20%), six percentage points for home improvements (24%) and four percentage points for new technology (18%).

“Though the U.S. labor market is strong—with employment and wages rising—this is an uncertain time for Americans with the approaching election and continued terrorism concerns,” said Keely. “While consumer confidence has not been severely dented, consumer uncertainty is reflected in the moderate weakening of discretionary spending intentions.”

While the economy remained the biggest or second-biggest concern for 31% of U.S. respondents, it declined three percentage points from the second quarter, as worries about terrorism and political stability increased. More than one-fifth of U.S. respondents (21%) said terrorism was their biggest or second-biggest concern—a rise of four percentage points from the second quarter and the highest percent the country has seen in the seven years the sentiment has been tracked on the survey. With U.S. presidential elections approaching in November, apprehension about the country’s political stability escalated to 18%, rising four percentage points from the second quarter. Other top concerns centered on health (15%), debt (14%) and job security (12%).

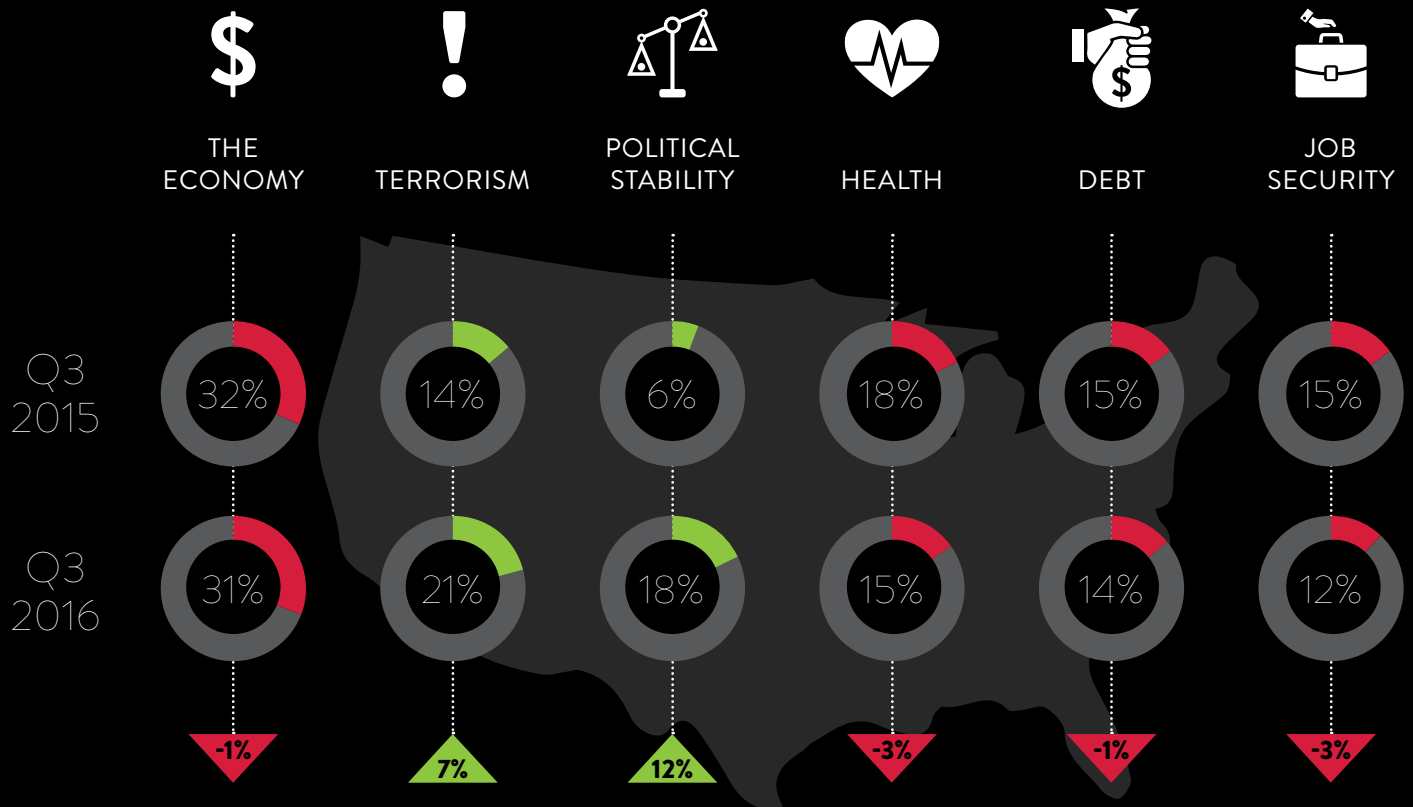
In Canada, confidence increased two points to 97 in the second quarter, as all three confidence indicators improved from the previous quarter. More than half of Canadian respondents said personal finances would be good or excellent in the next 12 months (60%), an increase of two percentage points from the second quarter. While favorable job prospect sentiment (44%) and immediate-spending intentions (43%) also increased in the third quarter—rising three percentage points and four percentage points, respectively—they remained at lower levels.

The economy was the biggest or second-biggest concern for 29% of Canadian respondents, representing no change from the second quarter. Canadian respondents also expressed concern about increasing food prices (22% of respondents, down three percentage points from Q2), increasing utility bills (22%, up five points) and debt (18%, down two points).

U.S. CONCERNS ARE SHIFTING

WORRIES ABOUT TERRORISM AND POLITICAL STABILITY ROSE TO A SEVEN-YEAR SURVEY HIGH BIGGEST OR SECOND-BIGGEST CONCERN

● INCREASE ● DECREASE



Source: Nielsen Global Survey of Consumer Confidence & Spending Intentions, Q3 2016

THE ROAD TO RECOVERY IN EUROPE HAS BEEN SLOW AND CHALLENGING

In Europe, consumer confidence improved in 26 of 34 measured markets from the second quarter, with scores ranging from a high of 107 in Denmark to a low of 50 in Ukraine. In four of the region's top five economies, consumer confidence increased: it rose by four points in Germany (to 100), eight points in the U.K. (106), three points in France (69) and two points in Italy (57). Spain posted a decline of three points to 77.

While confidence is still at low levels in many countries in the region, overall indicators moved in a positive direction, led by an increase of three percentage points in job confidence (to 32%). There were one-point increases in personal-finance sentiment (42%) and immediate-spending intentions (34%).

German respondents remained the most optimistic about job prospects in the region, as 60% rate the outlook good or excellent in the next 12 months—a rise of one percentage point from the second quarter. The job outlook also improved 10 percentage points in the U.K. (to 46%), eight points each in Sweden (42%) and the Netherlands (41%), and seven points each in Poland (37%) and Switzerland (56%). Denmark respondents were most confident about personal finances, at 64%, a decline from 72% in the second quarter.

“German consumer confidence rose in the third quarter to a country-record level of 100 from a year ago despite a slight but steady decline over the previous three quarters,” said Ingo Schier, managing director, Nielsen Germany. “Job optimism is still at a high level, but a more positive sentiment is also reflected in the perception of personal finances and the willingness to spend money. While the growth rate of the German economy is expected to be somewhat slower in the second half of the year, more consumers believe now is a good time to spend. Nevertheless, geopolitical events of the past several months did not leave Germans unaffected. Terrorism was by far the biggest concern in the third quarter, but it has not yet had an immediate impact on the consumer climate in Germany.”

In the immediate post-Brexit-vote U.K., consumer confidence rose eight points to 106, as the job outlook surged 10 percentage points to 46%, personal-financial sentiment rose four percentage points to 55%, and immediate-spending intentions increased three percentage points to 53%. In a separate Nielsen Brexit survey conducted monthly in the U.K. to track post-Brexit sentiment among respondents who expressed pro- and anti-Brexit views, the latest September results showed consumer confidence returned to a pre-Brexit level of 102. Nielsen is closely monitoring the ongoing consumer sentiment in the lead-up to the Brexit negotiations, which will begin March 2017, when Article 50 of the Lisbon treaty is formally activated.

“It’s a good time to be a consumer in the U.K.,” said Steve Smith, managing director, Nielsen U.K. and Ireland. “Confidence remains upbeat, thanks to high employment, limited inflation, low prices and a great summer. With Christmas trading starting soon, we expect the price competition across retail to continue. Speculation that consumer confidence would plummet in the aftermath of the Brexit vote has not yet been fulfilled, and until inflation starts to creep in during 2017 and shoppers know more about the plan for Brexit, we don’t expect sentiment or spend to change much.”

Terrorism continued to be a leading concern for Europeans in the third quarter. Nearly three in 10 European respondents (29%) said terrorism was their biggest or second-biggest concern, an increase of five percentage points from the second quarter and a new high for the region. Concerns about terrorism were highest in Turkey (59%, placing it in the top two concerns), France (48%, up eight percentage points from Q2), Germany (44%, up 11 points), Switzerland (40%, up six points), Belgium (38%, up seven points), Austria (34%, up seven points), the Netherlands (34%, up seven points), the Czech Republic (33%, up six points), Italy (32%, up 11 points) and the U.K. (29%, up two points). The economy and job security also were major concerns, cited by 19% and 18% of European respondents, respectively.

“The European economies appear to be sluggish, and there is increased pessimism about continued expansion in Europe, though inflation has risen recently in the Euro area,” said Keely. “Still, European consumer confidence has not taken a hit. That may be because labor markets have continued to strengthen overall, though there is additional room for improvement.”

CONSUMER CONFIDENCE INCREASED IN MOST EUROPEAN MARKETS IN Q3

PERCENTAGE-POINT CHANGE FROM Q2 2016	INDEX	
-5	107	Denmark
8	106	U.K.
4	100	Ireland
4	100	Germany
1	99	Czech Republic
6	97	Switzerland
5	96	Netherlands
2	95	Israel
-4	94	Turkey
4	91	Poland
1	91	Sweden
1	87	Romania
4	86	Norway
2	85	Austria
14	84	Estonia
5	84	Bulgaria
0	81	Slovakia
4	81	Kazakhstan
5	81	Belgium
-3	77	Spain
3	76	Lithuania
-1	74	Latvia
7	73	Croatia
5	70	Portugal
5	69	Slovenia
3	69	France
1	67	Russia
3	67	Serbia
7	64	Hungary
0	64	Finland
2	57	Italy
4	56	Greece
0	55	Belarus
-2	50	Ukraine

Source: Nielsen Global Survey of Consumer Confidence & Spending Intentions, Q3 2016

MOUNTING TERRORISM CONCERNS ARE HIGHEST IN EUROPE

PERCENT WHO SAY TERRORISM IS THEIR BIGGEST OR SECOND-BIGGEST CONCERN

● INCREASE ● DECREASE ● NO CHANGE

	Q3 2016	YEAR-OVER-YEAR PERCENTAGE POINT CHANGE
TURKEY	59%	1 ▲
FRANCE	48%	22 ▲
GERMANY	44%	21 ▲
SWITZERLAND	40%	18 ▲
BELGIUM	38%	19 ▲
AUSTRIA	34%	13 ▲
NETHERLANDS	34%	16 ▲
CZECH REPUBLIC	33%	10 ▲
ITALY	32%	17 ▲
U.K.	29%	8 ▲
DENMARK	26%	13 ▲
SWEDEN	26%	10 ▲
NORWAY	26%	11 ▲
POLAND	25%	15 ▲
SLOVAKIA	23%	8 ▲
ISRAEL	23%	4 ▲
SPAIN	22%	12 ▲
BULGARIA	21%	16 ▲
IRELAND	21%	10 ▲
CROATIA	20%	6 ▲
PORTUGAL	20%	15 ▲
KAZAKHSTAN	19%	NA ▬
HUNGARY	19%	13 ▲
SLOVENIA	18%	10 ▲
SERBIA	17%	6 ▲
LATVIA	16%	15 ▲
ROMANIA	16%	9 ▲
FINLAND	15%	10 ▲
ESTONIA	14%	10 ▲
RUSSIA	10%	6 ▲
GREECE	9%	6 ▲
LITHUANIA	6%	5 ▲
UKRAINE	5%	-2 ▼
BELARUS	4%	NA ▬

Source: Nielsen Global Survey of Consumer Confidence & Spending Intentions, Q3 2016

A MORE UPBEAT SENTIMENT ABOUNDED ACROSS THE ASIA-PACIFIC REGION

The Asia-Pacific region recorded the highest and lowest confidence scores of Nielsen's 63-country survey, ranging from a high of 133 in India to a low of 46 in South Korea. Overall, however, economic sentiment was more upbeat in the third quarter, as confidence increased in 10 of 14 countries, while four markets remained flat from the second quarter. Robust confidence improvements came from Hong Kong (95, up eight points), Thailand (108, up seven points), Singapore (94, up six points), India (133, up five points) and New Zealand (101, up five points). The Philippines (132), Vietnam (107), China (106) and Australia (91) were flat from the second quarter. Seven of 14 Asia-Pacific markets posted scores above the optimism baseline of 100 points, with New Zealand reaching the milestone for the first time since the first quarter of 2015.

"The mood of New Zealand consumers is improving, along with the New Zealand dollar, dairy prices and the economy," said Rob Clark, managing director, Nielsen New Zealand. "The consumer packaged-goods market continues to grow: Year-on-year sales increased by 2.1%, and unit sales grew by 2.5%, while inflation remains low. A stable economy is creating more jobs. More than half of New Zealand respondents (54%) predict job prospects will be good or excellent over the coming year, up nine percentage points from the previous quarter (46%)."

Regionally, all confidence indicators improved in the third quarter. Six in 10 respondents in the region were confident about job prospects in the coming year, compared with a global average of 48%. Asia-Pacific respondents were also optimistic about their personal finances, with 63% believing they would be good or excellent in next 12 months, an increase of two percentage points from the second quarter. Half of regional respondents were confident about immediate-spending intentions, an increase of one point from the second quarter. The outlook for jobs and sentiment about personal finances in the year ahead increased in 11 of 14 markets.

In China, the region's economic engine and the world's largest developing economy, confidence remained unchanged from the second quarter at 106, the same level as one year ago. Six in 10 Chinese respondents were confident

about their personal finances (60%) and job prospects (58%) in the coming year, and just under half (49%) said now is a good time to spend.

“China’s economy is generally in good shape and on track for stable economic growth and restructuring,” said Yan Xuan, president, Nielsen Greater China. “While facing continued downward pressure and global market uncertainties, China may experience some short-term pains during its economic transformation, but the country has huge potential, sufficient advantages and plenty of space for maneuvering. The country’s new economy is vibrant, new businesses are booming, and new growth momentum is accumulating. The service industry accounted for more than 50% of GDP, while high-tech production in the industrial sector grew 10.2% year on year. In addition, consumption contributed more than 70% to overall GDP growth in the first six months of the year.”

India’s consumer confidence score returned to 133, one point below the first-quarter score, after a temporary drop in the second quarter. All confidence indicators increased to near first-quarter levels: Personal-finance sentiment increased five percentage points to 83%, the job outlook increased four percentage points to 82%, and immediate-spending intentions rose four percentage points to 68%.

“In India, the renewed levels of consumer confidence in the third quarter is in line with the observation that second quarter was a temporary dip; testimony that the fundamentals of the economy remain strong,” said Prasun Basu, President-South Asia, Nielsen. “This is further supported by delayed but good monsoons, controlled inflation, a positive economic outlook and the onset of the festive season. The fast-moving consumer goods market shows a similar pattern of bounce back in the third quarter, following a muted second quarter. The rise in confidence is supported by the Indian consumers’ view of improved job prospects and state of personal finances.”

Hong Kong’s consumer confidence saw a boost in the third quarter after two previous quarters of declines. Personal-financial sentiment rose nine percentage points from the second quarter to 54%, the outlook for jobs increased nine percentage points to 32%, and immediate-spending intentions jumped eight percentage points to 46%.

While the biggest or second-biggest concerns remained relatively unchanged in the region from the second quarter, worries about terrorism increased five percentage points to 11%—the highest percentage the region has seen in the seven years the sentiment has been tracked on the survey. The top concerns in the region continued to be centered on the economy (cited by 32%), work/life balance (25%), health (24%) and job security (21%).

CONSUMER CONFIDENCE INCREASED IN 10 OF 14 ASIA-PACIFIC MARKETS IN Q3

● INCREASE ● DECREASE ● NO CHANGE

PERCENTAGE-POINT CHANGE FROM Q2 2016	INDEX	
5	133	India
0	132	Philippines
3	122	Indonesia
7	108	Thailand
0	107	Vietnam
0	106	China
5	101	New Zealand
8	95	Hong Kong
6	94	Singapore
0	91	Australia
2	89	Malaysia
2	75	Taiwan
2	71	Japan
1	46	South Korea

Source: Nielsen Global Survey of Consumer Confidence & Spending Intentions, Q3 2016

CONFIDENCE IN LATIN AMERICAN MOVED IN A POSITIVE DIRECTION

While the regional consumer confidence score for Latin America was low at 83, sentiment moved in a positive direction, rising five points from the second quarter. Confidence increased in six of seven markets in the region, where scores ranged from a high of 104 in Peru to a low of 57 in Venezuela. Venezuela's score declined one point from the second quarter.

Regionally, there were increases in all confidence indicators, with the biggest rise in personal-finance sentiment, which jumped seven percentage points from the second quarter to 58%. While an optimistic outlook for jobs in the next 12 months was low at 26%, it was an improvement from 21% in the second quarter. Immediate-spending intentions increased four percentage points from the second quarter to 31%.

Brazil, the region's largest economy, posted its first consumer confidence upswing in two years, rising 10 points to 84 from the second quarter. Personal finance-sentiment jumped 12 percentage points to 63%, the outlook for jobs rose eight percentage points to 24%, and immediate-spending intentions increased five percentage points to 33% from the second quarter.

"In Brazil, the rapid recovery of consumer confidence, amid a more stable political scenario, reflects a more positive outlook for a sustainable economic expansion cycle in the coming years," said Luis Arjona, managing director, Nielsen Brazil. "Recent government actions to strengthen fiscal policy and promote investments have already had a positive impact on lower inflation (from 10.7% in 2015 to a projected 7% in 2016) and interest rates. While actual consumption spending may experience a gradual increase, consumer sentiment is clearly more positive as we approach the holiday season."

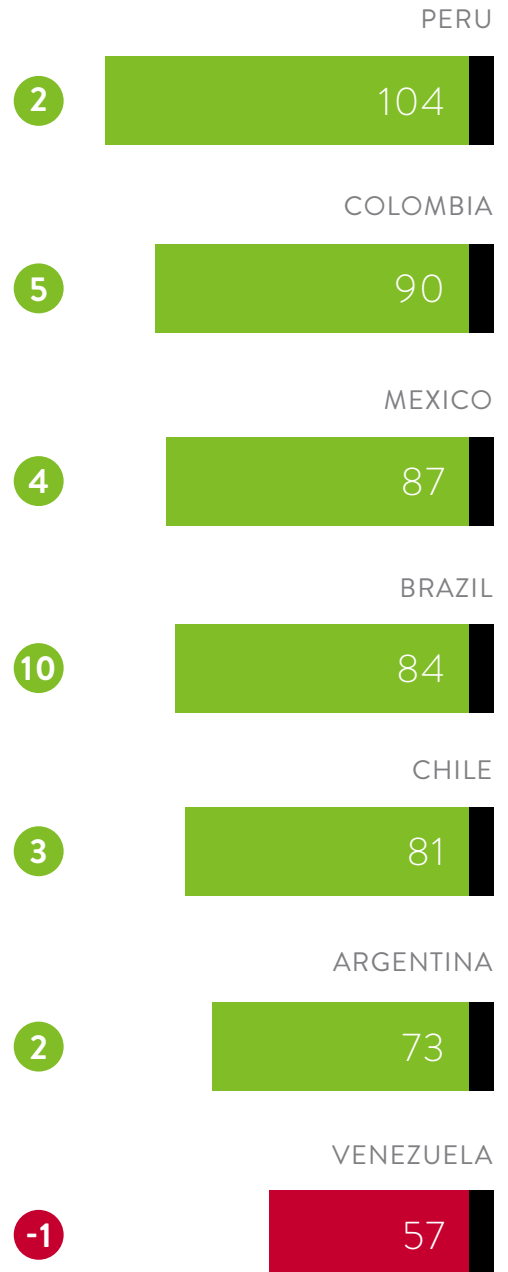
In the five other countries measured in the region, confidence increased two points in Peru (to 104), five points in Colombia (90), four points in Mexico (87), three points in Chile (81) and two points in Argentina (73).

The economy was the biggest or second-biggest concern for 34% of Latin American respondents, representing no change from the previous three quarters. Economic concerns were followed by worries about job security (cited by 24%, down two percentage points from the second quarter) and crime (21%, no change from second quarter). Other concerns were increasing food prices (18%) and health (17%), each of which increased one percentage point.

CONSUMER CONFIDENCE INCREASED IN 6 OF 7 LATIN AMERICA MARKETS IN Q3

● INCREASE ● DECREASE ● NO CHANGE

PERCENTAGE-POINT CHANGE FROM Q2 2016 INDEX



Source: Nielsen Global Survey of Consumer Confidence & Spending Intentions, Q3 2016

CONFIDENCE DECLINED IN FOUR OF SIX MIDDLE EAST/AFRICA MARKETS

In the six Middle East/Africa countries measured, confidence scores ranged from a high of 108 in the United Arab Emirates (a one-point decrease from the second quarter) to a low of 70 in Egypt (an 11-point decrease). Regionally, confidence fell two points to 87, the region's lowest reading since Q1 2013, as optimism fell in four markets from the second quarter.

Confidence scores were at or just above the optimism baseline for Pakistan (101) and Saudi Arabia (100), despite declines of three and four points, respectively, from the second quarter. The most robust confidence increase in the region came from South Africa, with a nine-point rise to 87. Morocco's confidence also increased, rising six points to 89 in the third quarter.

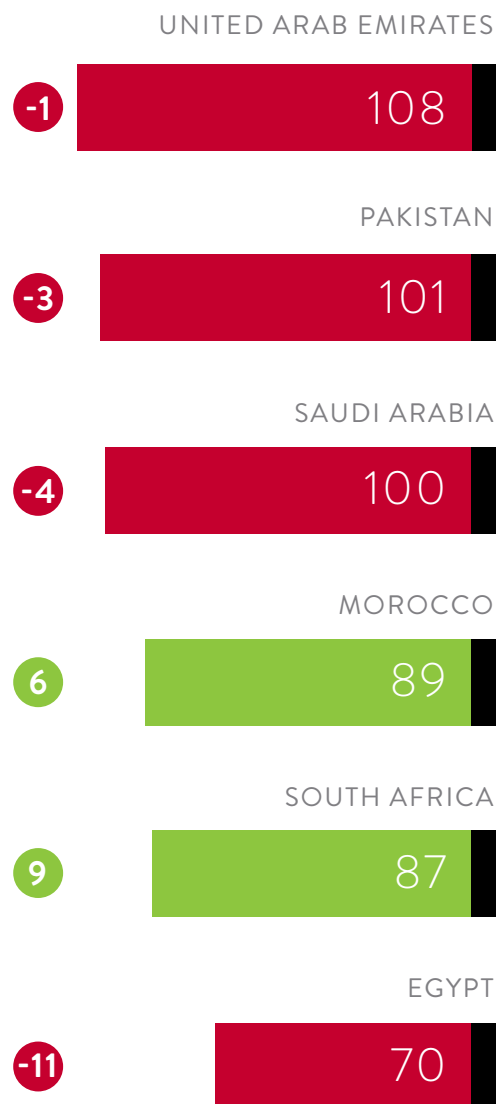
"In South Africa, the economic environment continues to be challenging, but consumer optimism was buoyed in the third quarter amid several positive developments in the country," said Bryan Sun, country leader, Nielsen Africa. "The GDP growth rate rose to 3.3% in the second quarter, recovering from a 1.2% contraction in the previous period. It's the highest growth rate since the fourth quarter of 2014, mainly boosted by manufacturing, mining and real estate activities. While food inflation is worsening due to the drought, the overall consumer price index (CPI) has been stable, and lending rates did not rise as expected. Additionally, local government elections held in August resulted in a major party shift that promised significant reform in service delivery and anti-corruption, which should positively affect the job market."

CONSUMER CONFIDENCE DECLINED IN FOUR OF SIX MIDDLE EAST/AFRICA MARKETS IN Q3

● INCREASE ● DECREASE ● NO CHANGE

PERCENTAGE-POINT CHANGE FROM Q2 2016

INDEX



Source: Nielsen Global Survey of Consumer Confidence & Spending Intentions, Q3 2016

Egypt's confidence score of 70 is the lowest score in the 10 years the country index has been tracked on the Nielsen survey. Personal-finance sentiment declined seven percentage points to 42%, the outlook for jobs went down six percentage points to 25%, and immediate-spending intentions decreased eight percentage points to 23% from the second quarter.

“In Egypt, local currency devaluation against the dollar recently fell to a record low, and prices have increased across all verticals,” said Tamer Elaraby, managing director, Nielsen Egypt. “Amid the current situation, consumer confidence in the economy has declined by double digits in the third quarter. Steps are underway to secure a bailout by the International Monetary Fund to ease the current situation and to increase supplies of basic goods over the coming months. Depending on multiple economic corrections due to take place, we hope to see a more optimistic sentiment in the next quarter.”

Job security was the biggest or second-biggest concern for 29% of Africa/Middle East respondents, an increase of one percentage point from the second quarter. Job concerns were followed by worries about the economy (26%) and increasing food prices (16%); both concerns showed no change from the second quarter. Worry about work/life balance (15%) was up two percentage points from the second quarter, and concern about parents' welfare and happiness (13%) was down one percentage point.



CONFIDENCE CONTINUED TO CLIMB IN KENYA

Of the three sub-Saharan African countries measured by Nielsen using a mobile survey methodology (Nigeria, Kenya and Ghana), Kenya replaced Nigeria with the highest consumer confidence score, rising six points from the second quarter—the third consecutive quarter it has increased. Nigeria's score of 113 was a decline of nine points from the second quarter—the lowest score for the country in the three-year history of the Nielsen mobile survey. Ghana's score rose five points to 109 after three previous quarters at 104.¹

In Kenya, immediate-spending intentions increased 21 percentage points from the second quarter, rising to 53% of respondents who said now is a good time to spend. Personal finance-sentiment also increased in the second quarter, jumping six percentage points to 72%. Meanwhile, job-prospect sentiment decreased four percentage points from the second quarter to 56%.

In Ghana, all three confidence indicators increased in the third quarter. The outlook for jobs rose 13 percentage points from the second quarter, followed by personal-finance sentiment (78%), which increased nine percentage points, and immediate-spending intentions (42%), which jumped seven percentage points. Half of Ghana respondents said they had spare cash—an increase of 16 percentage points from the second quarter.

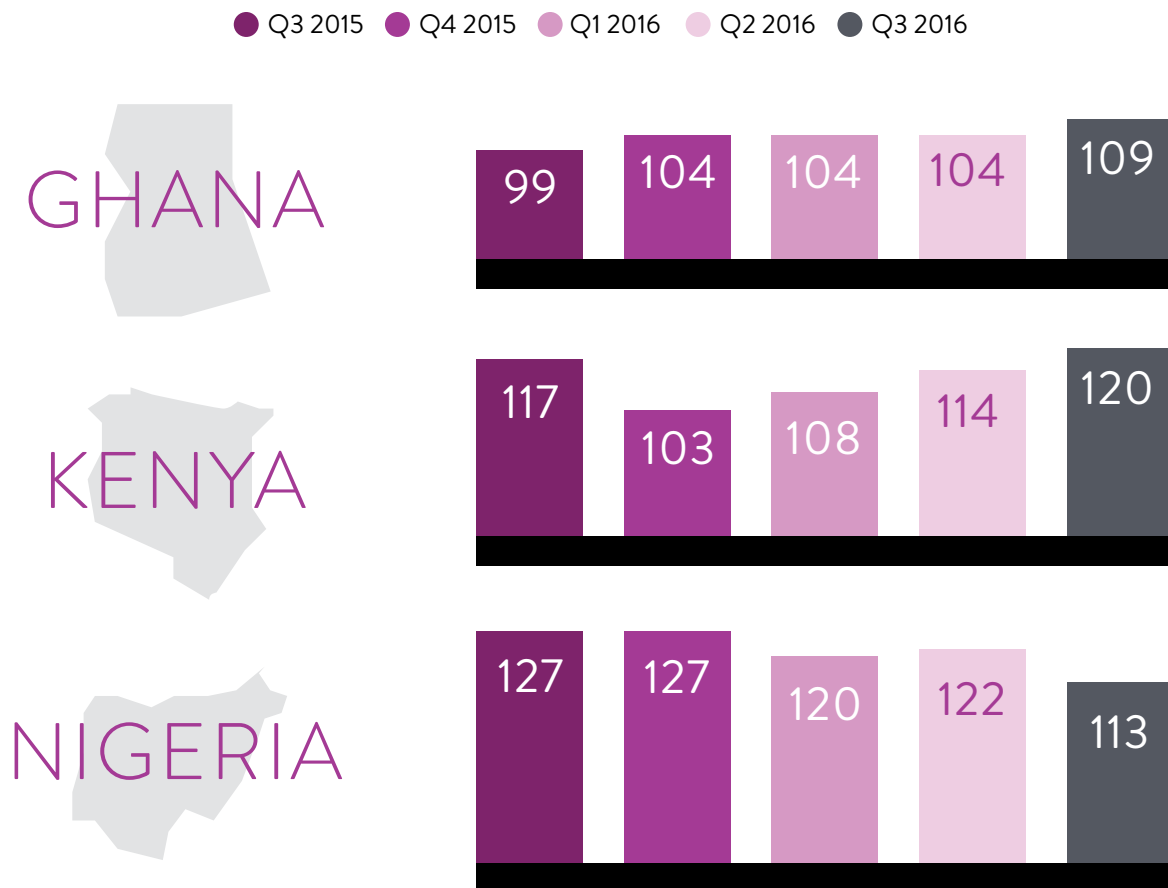
“In Ghana, there are signs of general mood improvement as power supply, exchange rates and inflation stabilizes,” said Abhik Gupta, managing director, Nielsen East and West Africa. “This is due to retailers’ perceived view on improvements in the ease of doing business in Ghana, an increase in consumer spend in stores, and growing consumer willingness to try new products. Ghanaian consumers also display more positive sentiment about job prospects but remain price conscious in today’s high-inflation environment, in which 60% of consumers base their product choice on price and affordability. Combined with this are a stable GDP growth outlook and business views at their most favorable levels since the second quarter of 2014.”

¹Ghana, Kenya and Nigeria were added to Nielsen’s measurement of consumer confidence in the first quarter of 2014 using a mobile survey methodology, which differs from the online methodology used to report consumer confidence and spending intentions for the other 63 countries outlined in this report. Therefore, these three Sub-Saharan African markets are not included in the global index discussed throughout this report.

Conversely, all three confidence indicators declined in Nigeria from the second quarter. Immediate-spending intentions declined most, dropping 13 percentage points to 35%. The outlook for jobs declined seven percentage points to 58%, and personal-finance sentiment declined five percentage points to 75%. Just over one-third of Nigeria respondents (36%) said they had spare cash, down from nearly half (49%) in the second quarter.

“Nigerian market conditions remain extremely constrained, following the slump in commodity prices—in particular oil,” said Gupta. “Fuel and power supply issues also have plagued the economy, as have the foreign-exchange crisis and the devaluation of Nigeria’s currency, the naira. In April this year, the IMF revised the Nigerian 2016 growth rate down from the original forecast of 3.2% to 2.3%. The five main reasons for this were lower oil prices, shortfalls in non-oil revenues, deterioration in finances of state and local governments, increased disruptions in private-sector activity due to constraints in access to foreign exchange, and a resurgence of security concerns.”

CONSUMER CONFIDENCE RISES IN GHANA AND KENYA IN Q3



Source: Nielsen Global Survey of Consumer Confidence & Spending Intentions, Q3 2016
 Sub-Saharan Africa countries use a mobile methodology

COUNTRIES IN THE STUDY

ASIA-PACIFIC

MARKET	INTERNET PENETRATION
Australia	93%
China	52%
Hong Kong	80%
India	37%
Indonesia	34%
Japan	91%
Malaysia	68%
New Zealand	94%
Philippines	53%
Singapore	81%
South Korea	92%
Taiwan	84%
Thailand	60%
Vietnam	52%

LATIN AMERICA

MARKET	INTERNET PENETRATION
Argentina	79%
Brazil	68%
Chile	80%
Colombia	59%
Mexico	56%
Peru	59%
Venezuela	62%

EUROPE

MARKET	INTERNET PENETRATION
Austria	83%
Belarus	59%
Belgium	85%
Bulgaria	57%
Croatia	75%
Czech Republic	80%
Denmark	96%
Estonia	84%
Finland	94%
France	84%
Germany	88%
Greece	63%
Hungary	76%
Ireland	83%
Israel	73%
Italy	62%
Kazakhstan	54%
Latvia	82%
Lithuania	82%
Netherlands	96%
Norway	96%
Poland	68%
Portugal	68%
Romania	56%
Russia	71%
Serbia	66%
Slovakia	83%
Slovenia	73%
Spain	77%
Sweden	95%
Switzerland	87%
Turkey	60%
United Kingdom	92%
Ukraine	43%

AFRICA/MIDDLE EAST

MARKET	INTERNET PENETRATION
Egypt	37%
Morocco	61%
Pakistan	18%
Saudi Arabia	65%
South Africa	49%
United Arab Emirates	92%

NORTH AMERICA

MARKET	INTERNET PENETRATION
Canada	93%
United States	87%

Source: Miniwatts Marketing, *Internet World Stats*, Jun. 30, 2016 (Europe is updated through Nov. 30, 2015), www.internetworldstats.com

SUB-SAHARAN AFRICA

MARKET	MOBILE PENETRATION*
Ghana	130%
Kenya	81%
Nigeria	81%

*Based on mobile handsets divided by population.
Source: *CIA World Factbook*, July 2015

ABOUT THE NIELSEN GLOBAL SURVEY

The Nielsen Global Survey of Consumer Confidence and Spending Intentions was conducted Aug. 10–Sept. 2, 2016, and polled more than 30,000 online consumers in 63 countries throughout Asia-Pacific, Europe, Latin America, the Middle East/Africa and North America. The sample includes internet users who agreed to participate in this survey and has quotas based on age and sex for each country. It is weighted to be representative of internet consumers by country. Because the sample is based on those who agreed to participate, no estimates of theoretical sampling error can be calculated. However, a probability sample of equivalent size would have a margin of error of $\pm 0.6\%$ at the global level. This Nielsen survey is based only on the behavior of respondents with online access. Internet penetration rates vary by country. Nielsen uses a minimum reporting standard of 60% internet penetration or an online population of 10 million for survey inclusion. The China Consumer Confidence Index is compiled from a separate mixed-methodology survey among 3,500 respondents in China. The Sub-Saharan African countries in this study are compiled from a separate mobile survey methodology among 1,600 respondents in Ghana, Kenya and Nigeria. The Nielsen Global Survey, which includes the Global Consumer Confidence Index, was established in 2005.

ABOUT NIELSEN

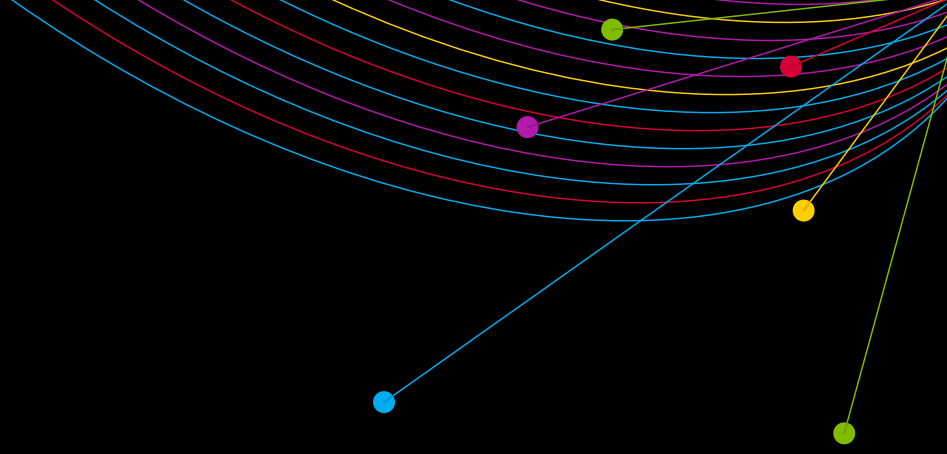
Nielsen Holdings plc (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers watch and buy. Nielsen's Watch segment provides media and advertising clients with Total Audience measurement services for all devices on which content — video, audio and text — is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry's only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen also provides its clients with analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries, covering more than 90% of the world's population.

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