

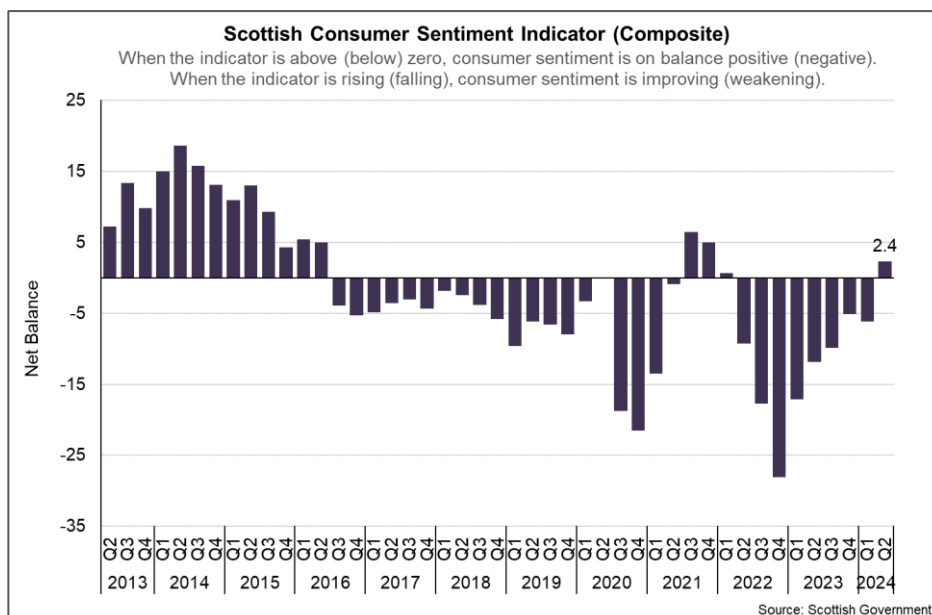
Scottish Consumer Sentiment Indicator Quarter 2 2024 (April to June)

Release date: 31 July 2024

Key Points

In Quarter 2 2024 (April to June), the Scottish Consumer Sentiment Indicator turned positive and stood at 2.4, increasing by 8.5 points compared to Q1 2024 and indicating a strengthening in sentiment over the quarter.

Sentiment has improved over the past year as a whole, with the indicator increasing 14.2 points compared to Q2 2023. The indicator is stronger than the quarterly series average (-1.7) and at its highest level since Q4 2021, reflecting the modest improvement in the economic and financial conditions facing households since the start of this year.



Introduction

The Scottish Consumer Sentiment Indicator is a composite measure of consumer sentiment in Scotland based on a quarterly survey of households' current

sentiment and future expectations of: Scottish economic performance, security of households' financial position, and attitudes to spending money. Excel tables of the results are available online alongside the publication, and include a monthly breakdown of the results.

The latest survey for Q2 2024 was conducted online between 1 April and 30 June 2024, with a total sample size of 3,111 adults. The indicator represents the balance of respondents who report that consumer sentiment is positive/negative.

An Official Statistics in Development Publication for Scotland

These statistics are official statistics in development. Official statistics in development may be new or existing statistics, and will be tested with users, in line with the standards of trustworthiness, quality, and value in the [Code of Practice for Statistics](#).

Scottish Government statistics are regulated by the Office for Statistics Regulation (OSR). OSR sets the standards of trustworthiness, quality and value in the [Code of Practice for Statistics](#) that all producers of official statistics should adhere to.

Results Breakdown

Composite Indicator

In Q2 2024, the composite Consumer Sentiment Indicator was 2.4, increasing by 8.5 points compared to Q1 2024, indicating that consumer sentiment strengthened over the quarter. This was driven by an improvement in all of the five sub-indicators of sentiment, covering current and expected economic performance, current and expected household finances and attitude to spending.

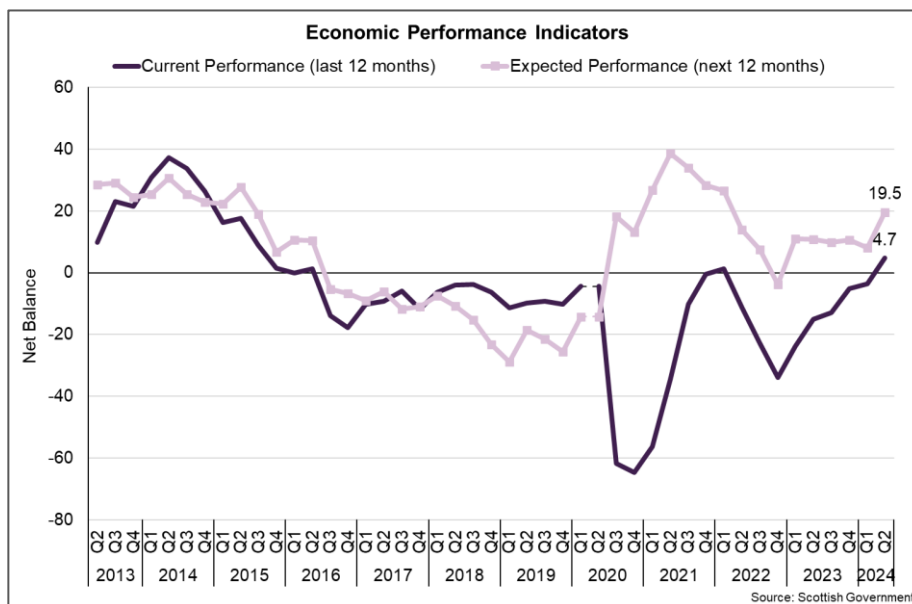
Current economic performance (4.7) returned to positive territory for the first time since Q1 2022 indicating that on balance, respondents consider the economy is performing more strongly than last year. However, current household finances (-4.3) and attitudes to spending (-11.8), despite strengthening over the quarter, remain in negative territory.

Looking ahead, household finances expectations (3.6) also returned to positive territory for the first time since Q1 2022, which alongside a further improvement in expected economic performance (19.5) indicates that respondents on balance expect the outlook to improve over the coming year.

Results	Net Balances		Change between Q1 2024 and Q2 2024
	Latest Quarter (Q2 2024)	Previous Quarter (Q1 2024)	
Consumer Sentiment composite indicator	2.4	-6.2	8.5
Current indicators			
(a) Economy performance	4.7	-3.5	8.2
(c) Households' finances	-4.3	-11.5	7.2
(e) Attitude to spending	-11.8	-21.1	9.3
Expectation indicators			
(b) Economy performance - next 12 months	19.5	8.1	11.4
(d) Households' finances - next 12 months	3.6	-2.8	6.4
Note: The consumer sentiment indicator score is the average of the net balances for each question topic. The net balance is the difference between the percentage of respondents reporting an improvement and those reporting a weakening. Scores are subject to rounding therefore differences in scores over the quarter may not sum.			

Economic Performance

The Economic Performance indicators reflect how respondents consider Scotland's economy is currently performing relative to 12 months earlier and how they expect it will be performing in 12 months' time relative to current performance.



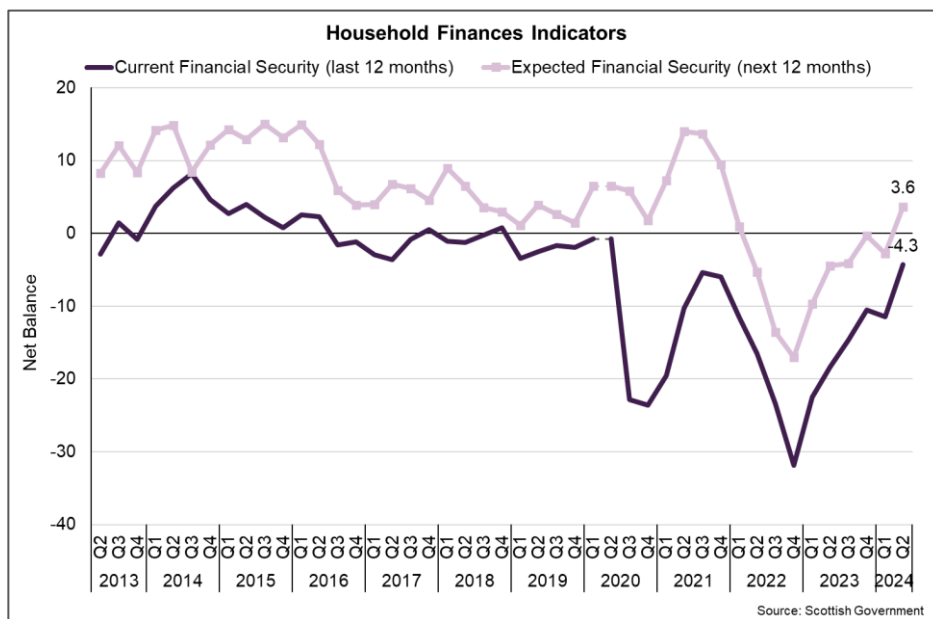
The indicator for Scotland's current economic performance in Q2 2024 is 4.7, meaning that the balance of respondents consider the economy is performing better than 12 months ago. The indicator has strengthened, increasing by 8.2 points over the quarter and is 19.8 points higher than the same quarter last year. It is also at its highest level since Q3 2015.

The indicator for Scotland's expected economic performance is 19.5, remaining in positive territory, and meaning that the balance of respondents expect economic

performance to be better in 12 months' time. The indicator increased by 11.4 points over the quarter and is 8.8 points higher than in Q2 2023 indicating that sentiment regarding the economic outlook has improved over both the quarter and the past year.

Household Finances

The Household Finances indicators reflect how secure respondents consider their current household financial position to be relative to 12 months earlier and how secure they expect it to be in 12 months' time relative to its current position.

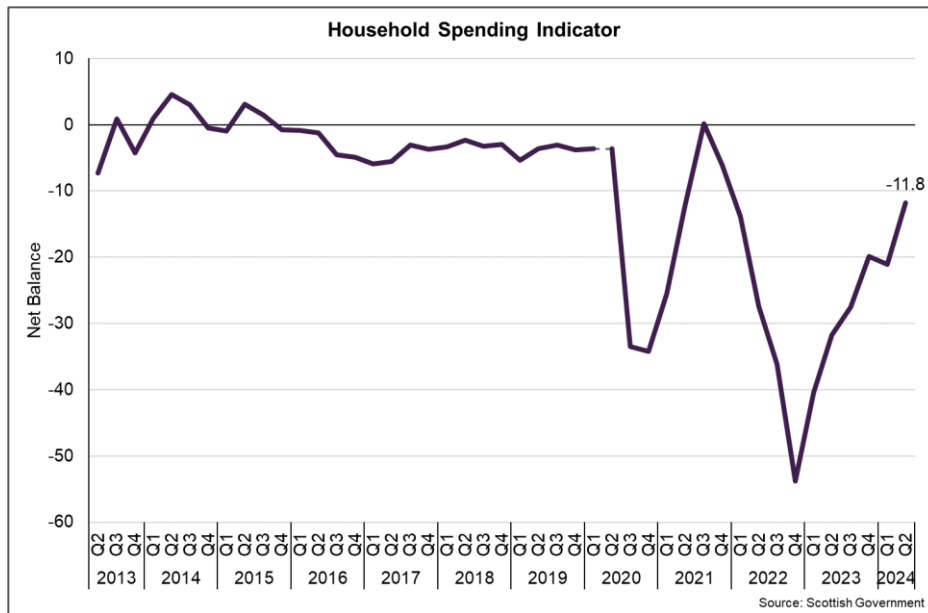


The indicator for current security of households' financial position is -4.3 in Q2 2024, implying that the balance of respondents consider their current household financial security to be in a worse position than 12 months ago. The indicator increased by 7.2 points compared to Q1 2024 indicating a strengthening in sentiment over the quarter, and is 14.1 points higher than in Q2 2023, indicating an improvement in sentiment regarding their financial security over the past year.

The indicator for expected security of households' financial position in Q2 2024 was 3.6, implying that the balance of respondents expect their household financial security to be better in 12 months' time. The indicator increased by 6.4 points compared to Q1 2024 indicating a strengthening in sentiment over the quarter, and is 8.1 points higher than in Q2 2023, indicating an improvement over the past year in household sentiment regarding their expected financial security.

Household Spending

The Household Spending indicator reflects how relaxed respondents currently feel about spending money relative to 12 months earlier.



The indicator for household attitude to spending was -11.8 in Q2 2024, reflecting that the balance of respondents are less relaxed about spending money than 12 months ago. The indicator increased by 9.3 points compared to Q1 2024 indicating a strengthening in sentiment over the quarter, and is 20 points higher than in Q2 2023, indicating that sentiment regarding spending has improved over the past year.

Data and Methodology

The Scottish Consumer Sentiment Indicator has been compiled quarterly since Q2 2013, initially based on a face-to-face survey of approximately 2,250 adults in Scotland. As a result of the coronavirus pandemic, the consumer sentiment survey was paused in March 2020 and restarted as an online survey in June 2020 with a quarterly sample of c. 3,000 adults in Scotland.¹

The survey asks respondents questions to ascertain whether sentiment has improved, declined or remained unchanged across 5 indicators:

- Current Scottish economic performance over the past 12 months;
- Expected Scottish economic performance over the next 12 months;

¹ Due to the coronavirus pandemic, data were not collected in the last two weeks of March 2020 and in April and May 2020. Therefore there are no results for Q2 2020 as a whole and in Q1 2020 results are based on 2,129 adults instead of 2,250.

- c. Current security of households' financial position over the past 12 months;
- d. Expected security of households' financial position over the next 12 months;
- e. Current attitude to spending money over the past 12 months.

Indicator scores for each question are presented in the form of net balances. The net balances are calculated by subtracting the percentage of respondents that report a decline in sentiment from the percentage of respondents that report an improvement in sentiment, excluding respondents that report unchanged sentiment. In each quarter this shows whether the balance of responses is positive, negative or balanced. From this, the composite Consumer Sentiment Indicator score is derived as the average of the net balances for each of the five indicators.

On a quarterly basis, the distribution of responses to questions and the net balances provide a snapshot of consumer sentiment. The change in net balances between time periods can also show whether sentiment is improving or weakening. Taken together, the latest net balance scores, and the change compared to previous periods, provide an early signal of potential changes in household spending, a key component of Scottish GDP.

This publication is currently classed as Official Statistics in Development. Official statistics in development may be new or existing statistics, and will be tested with users, in line with the standards of trustworthiness, quality, and value in the Code of Practice for Statistics. These statistics are currently being developed and have been published to involve users and stakeholders in their development, and to build in quality and understanding.

Background Information

The following supporting documents have been published:

- Excel tables of results, including monthly data.

The Scottish Consumer Sentiment Indicator also features in the Monthly Economic Bulletin and the Chief Economist's Scottish Economic Insights report. Links to the latest versions of these publications can be found and accessed at: [Economic briefs and bulletins - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/economic-briefs-and-bulletins/)

The next quarterly publication of the Scottish Consumer Sentiment Indicator is due in October 2024.

Tell us what you think

We are always interested to hear from our users about how our statistics are used, and how they can be improved.

Feedback survey

We'd appreciate it if you would complete our short [feedback survey](#) on this publication.

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