



The difference a year makes

8th June 2010

The AIB-Amárach Recovery Indicator has been running for over a year. Over the past year there has been a marked improvement in the recovery indicator.

- Quite a gloomy picture emerged 12 months ago while the AIB-Amárach Recovery Indicator now paints a slightly more positive view, 16.3 then v 23.8 now.
- Fewer than four in ten Irish people think that the economic situation is bad and getting worse, down from seven in ten a year ago.
- Over a third think that the economic situation has stabilised (up from just 14% in April 2009), and a quarter think it is showing signs of recovery (up from just 8% a year ago).
- There has been a sharp increase in the percentage of those expecting the recession to be over in the next twelve months – from 34% in April 2009 to 42% in May 2010
- Young people and women generally have seen the biggest improvements in optimism in the past twelve months – and in the case of women, they are now more optimistic about the economic situation than men, reversing the picture twelve months ago.
- Against a background of bad news since April 2009, the majority of adults in Ireland still continue to say that they experience happiness and enjoyment a lot.

Spending, Saving and Borrowing:

- Paying off debts remains a major financial priority: for 61% of all adults in May 2010, unchanged since October 2009.
- We appear to be more relaxed about spending: 15% in 2009 v 19% now and ‘saving a lot more’ has declined from 37% in May 2009, to 26% currently.
- When asked what they would do with a ‘surprise prize’ of €10,000, the average response was to save just over €4,000 of the windfall; use just over €3,000 to pay down debts; and then spend the balance of just under €3,000.

The AIB-Amárach Recovery Indicator (ARI) is a monthly tracker of Irish people’s views about the recession and recovery. The Indicator comprises not only perceptions about the state of the economy, but also behavioural and intentional information regarding spending, savings, borrowing and debt repayments.

For further information, please contact:

Ronan Sheridan
Group Press Officer
AIB Group
Bankcentre
Ballsbridge

Dublin 4
Tel: +353-1-641 4651

or

Gerard O'Neill
Chairman
Amarách Research
11 Kingswood Business Centre,
CityWest Business Campus
Dublin 24
Tel: 01-410 5200: 086 245 5004

NOTES TO EDITORS

About the AIB/Amárach Recovery Indicator

Amárach Research has developed the ARI with the support of AIB.

Every month Amárach surveys a nationally representative sample from a combined online and face to face approach. This dual approach is used to achieve a representative reflection of the older population. A total sample of 1,000 Irish adults aged 16+ years is achieved. Consumers are asked to choose from a number of different descriptions of the current state of the economy, and their answers are used to construct the Recovery Indicator.

Note: fieldwork conducted from the 10th-18th May 2010

Full report available on request.