



News Release

April 20 2011

Some 4.5 million fewer savers, investors or borrowers point to weaker prospects for financial services businesses compared to a year ago

Despite some encouraging spring sunshine, the mood of the consumer is both gloomy and pessimistic.

This quarter's JGFR UK Financial Activity Barometer reports the weakest demand for savings, investment or borrowing products since March 2008 in the midst of the recession. New 9-year survey lows are recorded for cash savings, regular life schemes, selling securities, personal loans and property purchase intentions.

Some 4.5 million fewer people than a year ago and 1.5 million fewer than in December intend to save, invest or borrow pointing to weak business volumes across many product areas in the coming months.

Commented John Gilbert, Chief Executive of JGFR:

"This quarter's findings reflect the sharp fall in consumer confidence and financial well-being during the winter. Job uncertainty and rising inflation have squeezed household finances. Only tax-incentivised savings products have held up this quarter. The outlook for the property market shows no sign of improving, with the lack of funding by the 'Bank of Mum & Dad' and very weak demand among Londoners particularly negative. Regionally there are considerable differences in demand – for financial services businesses understanding where these differences are is essential"

For the full press release visit the Members Area or email j.gilbert@jgfr.co.uk