



IRIS Economic Report

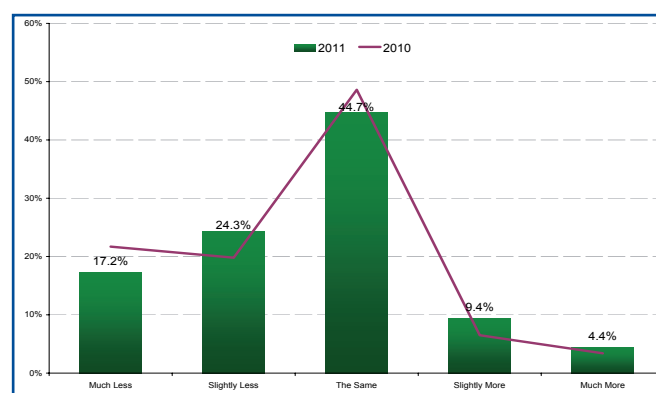
Spending Intentions for Christmas 2011

What are the spending intentions of Illawarra households this Christmas?

As part of its December quarter Illawarra Consumer Sentiment Monitor, IRIS Research asked almost 500 local households about their spending intentions this Christmas. The survey was conducted Tuesday 13th - Saturday 17th December 2011, using IRIS's Computer Aided Telephone Interviewing (CATI) system. The results show that almost two thirds of Illawarra households will not be doing any Christmas shopping online.

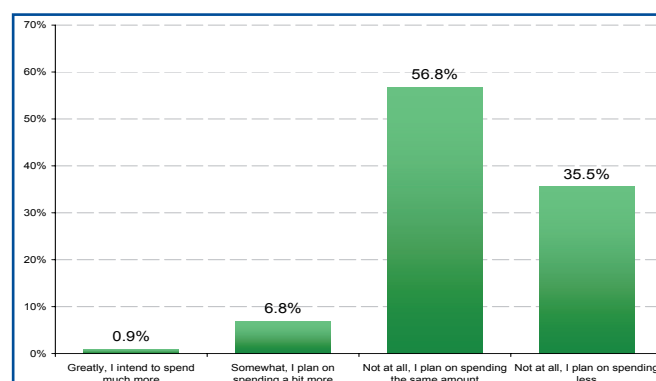
Spending on Christmas Presents

When asked how much residents intend to spend on Christmas presents compared to last year, nine out of twenty residents (44.7%) said they intend to spend about the same this Christmas. 13.8% of respondents said that they will exceed the amount spent on presents in 2010, up 3.9% pts, with 4.4% intending to spend 'much more' than last years spend. Meantime, 41.5% of Illawarra households indicated that they will be spending less this Christmas, which is on par with the December 2010 survey.



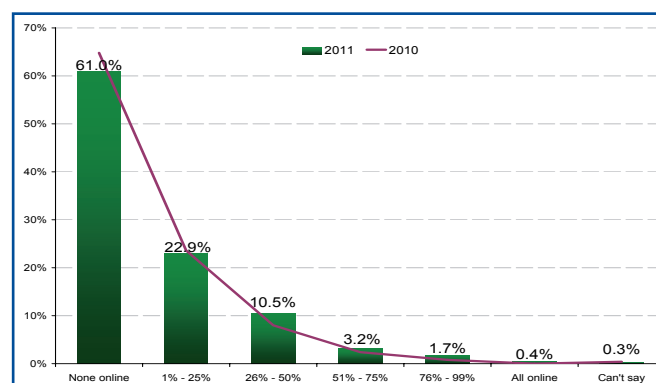
The Impact of Interest Rate Cuts

The end of 2011 has brought two interest rate cuts, however just 7.7% of Illawarra households indicated that this had influenced them to spend more this Christmas. Over half of the residents surveyed (56.8%) indicated that the impact of the rate decreases was minimal and that they would spend about the same as last year. Over a third of Illawarra residents (35.5%) stated that the rate cuts had not helped their plans to spend, and that they would be spending less.



Online Christmas Shopping

Three in five local households (61.0%) said they will not complete any of their Christmas shopping online, which is a slightly lower proportion compared to last December. 22.9% of locals plan to buy a quarter or less of their Christmas shopping through the Internet. One in ten Illawarra residents (10.5%) said that between a quarter and half of their Christmas budget would be spent online. 5.3% of local households indicated that over half of their shopping would be bought online during the Christmas period (up 2.1% pts).



You can download a copy of this report or the full December edition of the *Illawarra Consumer Sentiment Monitor* report from the IRIS Research website www.iris.org.au.

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