

- Savings Index fell back from 105 in August to 102 in September
- Savings Attitude Sub Index fell 8 points to 104
- Savings Environment Sub Index was unchanged at 99

### Savings Index

- The savings index fell back from 105 to 102 in September. Despite the pullback savings sentiment has improved over the past twelve months.
- The move lower was driven exclusively by weaker attitudes towards saving in September. The savings attitudes subindex fell from 112 to 104 while the savings environment index was unchanged at 99.
- The savings habit is still strong among Irish people – 50% of Irish people were regular savers in September. This was up slightly from 49% in August and matched the average incidence of regular saving over the past year. Since the inception of the savings index the average incidence of regular saving has been 40%, highlighting that Irish savings patterns at present remain strong.
- The regular saving habit remained stronger among younger savers in September. 56% of people under 50 were saving regularly in September, up from 50% in August and slightly higher than the 55% average over the past twelve months. In contrast the percentage of older people (over 50s) regularly saving fell back to 41% in the month, down from 48% in August and lower than the 12 month average of 43%.
- The percentage of people that felt they weren't saving enough rose from 38% in August to 45% in September. This was a big driver in the fall in the savings attitudes subindex. The 45% September reading is in line with the average over the last 12 months though, so this doesn't necessarily point to a notable step up in peoples' anxiety levels about the amounts they're saving. However at the margin it could reflect a desire to pick up the pace of saving as we move closer to Christmas.
- Nervousness around Brexit could also be a contributory factor but the evidence here was mixed. Peoples' dissatisfaction levels with the amounts they were saving increased in the month which could indicate greater Brexit apprehension. For example, 49% of people in the Border Midwest region were dissatisfied with the amounts they were saving in September, up from 42% in August. However, the incidence of any saving (regular and occasional) also slipped most visibly in the border Midwest region, suggesting that if anxiety levels around Brexit are rising that they're not yet clearly translating into greater precautionary saving patterns there.
- Generally Irish people were still of the view that it was a good time to save in September – 41% felt it was a good time to save while 28% felt it was a bad time. This was largely unchanged compared to the August responses although older savers' views of the saving environment deteriorated in September with more savers over 50 seeing it as a bad time to save (39%) than a good time (33%). This

could reflect the re-emergence of frustrations around the rates of return on lump sum deposits in this low interest rate environment.

- Confidence in the saving environment improved on a six month horizon however with almost double the amount of people seeing it as a good time to save in six months (41%) compared to those who saw it as a bad time (21%).

**For media queries or interview opportunities, please contact:**

Mark Leech, Media Relations Manager @ Bank of Ireland

Tel: +353 (0)76 623 4773

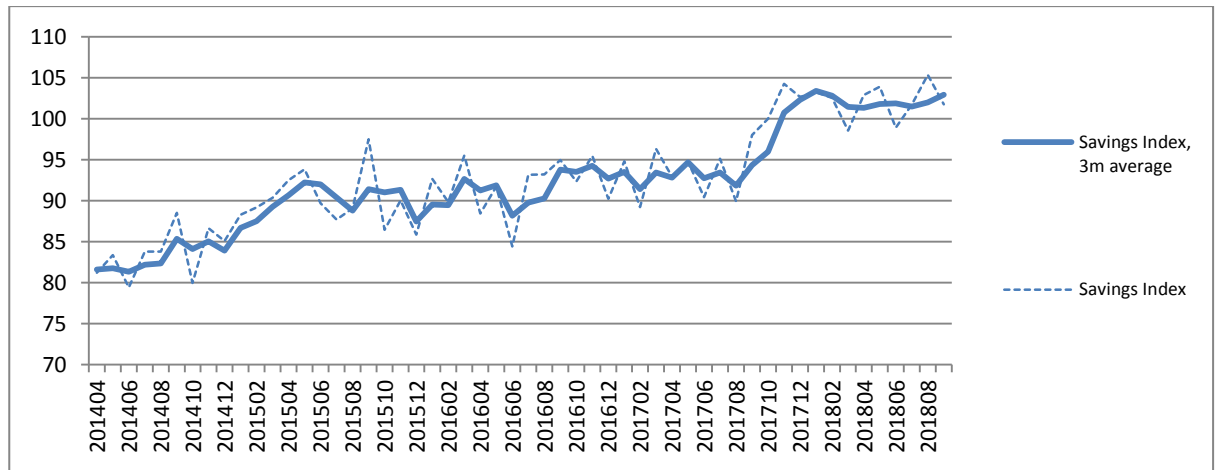
E: [Mark.Leech@boi.com](mailto:Mark.Leech@boi.com)

**Appendix:**

**Table 1 Savings Index and sub-indexes, monthly (Base=October 2017)**

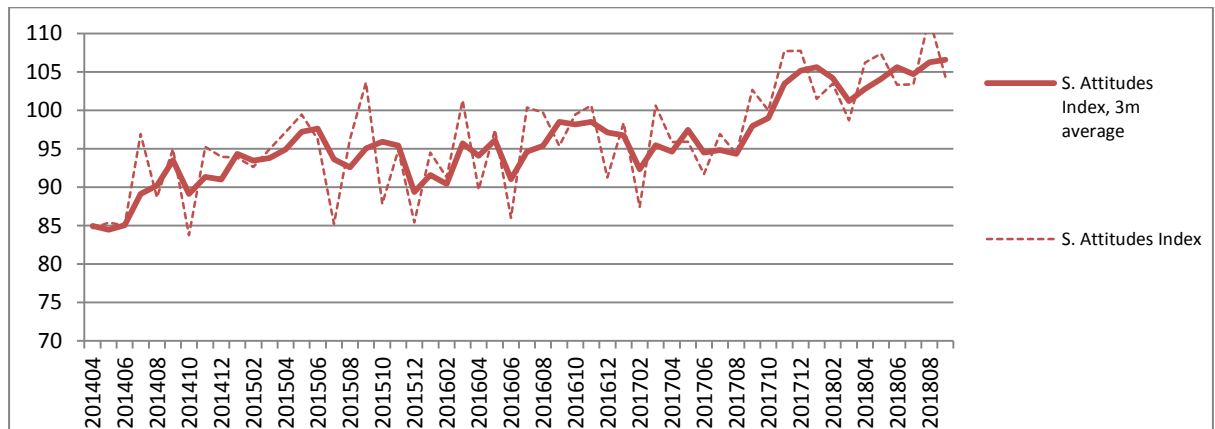
Month	Savings Index		
	Overall	Attitudes	Environment
Oct-17	<b>100</b>	100	100
Nov-17	<b>104</b>	108	101
Dec-17	<b>103</b>	108	98
Jan-18	<b>103</b>	101	105
Feb-18	<b>103</b>	103	102
Mar-18	<b>99</b>	99	98
Apr-18	<b>103</b>	106	100
May-18	<b>104</b>	107	100
Jun-18	<b>99</b>	103	94
Jul-18	<b>102</b>	103	100
Aug-18	<b>105</b>	112	99
Sep-18	<b>102</b>	104	99

**Table 2 - Savings Index**



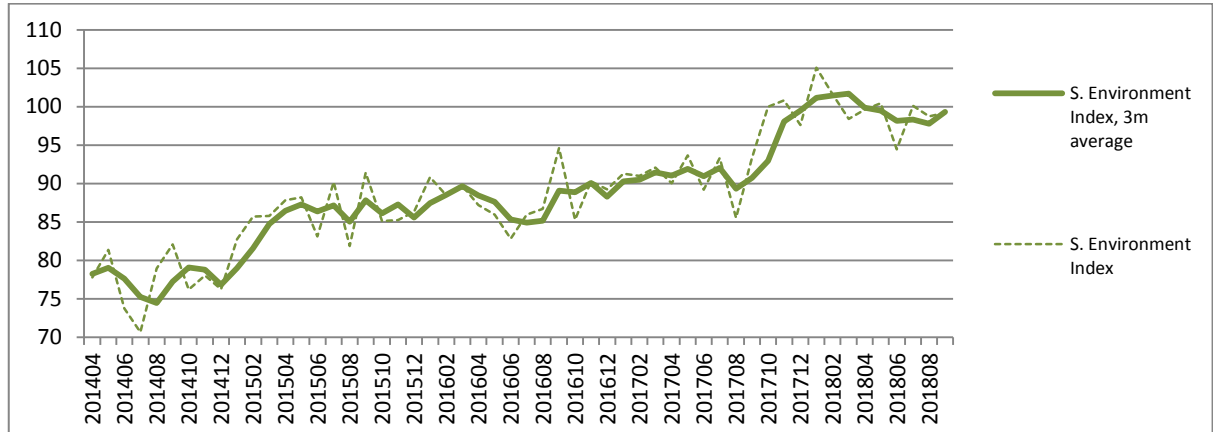
- The Savings Index is an overall measure of consumer sentiment towards saving. It is composed of two sub-indices: Savings Attitudes and Savings Environment. In September 2018 the overall monthly Savings Index fell by 3 points to 102.

**Figure 3 - Savings Attitudes Sub-Index**



- The Savings Attitude sub-index is built on two questions which ask respondents about their saving behaviour and how they feel about the amount they save. In September 2018 the sub-index fell from 112 to 104 – the incidence of regular saving rose slightly to 50% but people there was a fall in satisfaction levels around how much people were saving each month and this dragged the subindex down.

**Figure 4 - Savings Environment Sub- Index**



- The Savings Environment Index is built on two questions which ask whether or not respondents believe that the current period is a good time to save and whether or not they believe that in 6 months' time it will be a good time to save. This sub-index was unchanged at 99 in September with 41% of the view that now was a good time to save.

**About the Savings Index:** The Bank of Ireland/ESRI Savings Index tracks household views on attitudes towards savings as well as understanding their perspectives on the current and future savings environment. Understanding savings behaviour provides insight into how households smooth consumption, plan to make big purchases and build up buffers which can be drawn down in times of economic stress.

The Bank of Ireland Savings Index is produced monthly from a minimum sample of 800 consumers aged 15 years and above. The ESRI carries out the Savings and Investment Index research to ensure the indices represent a national sample.

For further information contact:

Tom McCabe – Bank of Ireland – [tom.mccabe2@boi.com](mailto:tom.mccabe2@boi.com)

or

Conor O'Toole – ESRI – [conor.otoole@esri.ie](mailto:conor.otoole@esri.ie)