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SAVINGS FAIL TO ROCKET BUT SHOW SPARKLE OF HOPE FOR FUTURE
Nationwide Building Society reveals its latest savings research

Nationwide Building Society's latest savings research* shows that although only a quarter of consumers think they currently save enough, just over half (52%) think that they will be saving the right amount in six months time. This compares to 47% seen in last month's report – an increase of five percentage points. In light of continued market unrest and the approach of one of the most expensive times of year, this small improvement in future sentiment can be seen as a positive sign.

Consumers increased expectations for future savings, follows the 17% increase in the Expectations Index (which reflects consumers' views of the economy and labour market in six months time) within the Nationwide Consumer Confidence Index in October. The index showed a big uplift in those thinking the economic situation would be brighter in six months time, almost doubling from 14% in September to 27% in October. This confidence about the economic situation improving may explain why more consumers feel they will be able to save the right amount in six months time.

The research also reveals:

- 60% of consumers believe they currently save less than they need to, but only three in ten (29%) believe they will still be saving less than they need to in six months time.
- Only 1% of consumers think saving is not at all important, yet 21% of those questioned do not save at all.
- Just under half (47%) of those questioned save on a regular basis but 40% believe that the current economic situation means that now is a bad time to save.
- One in five consumers (20%) believe the Government is encouraging people to save but twice as many (41%) believe that the Government discourages them.

Matthew Carter, director of savings at Nationwide, says: "The fact that half of consumers are still failing to save or are only saving occasionally is a concern, especially with the expensive festive season approaching. However, our latest research shows a slight increase in the number of people who are feeling positive that they will be able to save the correct amount in the future, which is small step in the right direction. I hope more consumers put firm savings plans into action soon.

"The current financial climate will have raised awareness about the importance of having savings, and we hope this, combined with joint industry and Government education programmes, will

encourage people to save regularly going forward. Nationwide is committed to helping consumers of all ages make the most of their money, and has recently launched Nationwide Education, a financial capability programme, to primary schools across the UK to help teach children the importance of good money management.

“We have also recently announced a new partnership with the Citizen’s Advice Bureau. The three year programme will provide independent financial advisors in all bureaux to help consumers make the most of their money and answer any questions they may have.”

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Notes to editors:

* Data was collected between 22 September and 19 October, by TNS, a global market information and insight group. 1,000 people were questioned. Research is collected on a monthly basis and this is the sixth such release using the data collated.

Nationwide Education can be accessed via the following link and includes examples of the classroom activities being rolled out to schools: www.nationwideeducation.co.uk

In October 2008 Nationwide announced a three year partnership with Citizen’s Advice. The Society’s £3 million investment will fund the recruitment and training of 1,300 volunteers over the next three years, who will provide education, training and advice on money matters across the UK.

In November 2007, Nationwide announced its sponsorship of the *Teenager’s Guide to Money*, a book designed to educate young adults about money. In May this year, the Society sent 5,000 copies to schools and colleges across the UK.

Previous releases are available via the following links:

September data release issued 15 October 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1279

August data release issued 8 September 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1262

July data release issued 11 August 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1247

June data release issued 14 July 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1230

May data release issued 18 June 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1219

April data release issued 27 May 2008:

http://www.nationwide.co.uk/mediacentre/PressRelease_this.asp?ID=1210

September’s data was collected between 18 August – 21 September – 1,000 people were questioned
August’s data was collected between 21 July – 17 August by TNS – 1,000 people were questioned.
July’s data was collected between 23 June – 20 July 2008 by TNS – 1,000 people were questioned.
June’s data was collected between 19 May-22 June 2008 by TNS – 1,000 people were questioned.
May’s data was collected between 30 May-1 June 2008 by TNS – 1,010 people were questioned.
April’s data was collected between 18-20 April 2008 by TNS – 1,005 people were questioned.