

News Release

AUGUST 2019

KASI CONSUMER CONFIDENCE INDEX

GHANA, CAMEROON, IVORY COAST, KENYA, TANZANIA, SOUTH AFRICA & NIGERIA

Tanzania's economy slows in first quarter of 2019

KEY FINDINGS

KASI CCI falls 4 points

Current economic conditions sub-index drops 6 points to -19

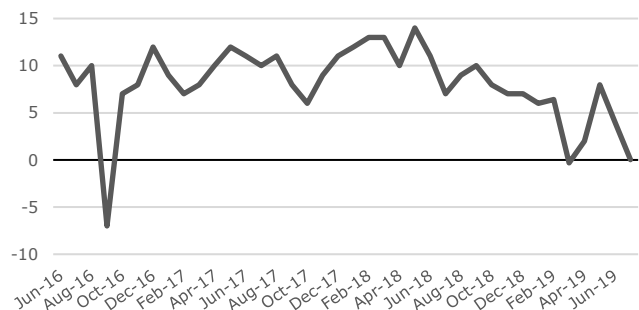
Economic expectations sub-index falls 3 points to +8

In July, the KASI CCI fell 4 points from +4 to 0. Tanzania and Cameroon saw a considerable drop in their scores falling 11 and 9 points, respectively. The rest of the countries tracked by KASI did not see much movement in their CCI scores. Ghana's CCI slightly improved by 4 points to -33 while Nigeria's CCI fell 5 points to +24.

Current economic conditions sub-index drops 6 points to -19

Consumers' confidence in current economic conditions fell to a score of -19 in July. This is the second consecutive month that consumers' confidence in current economic conditions has fallen. The two sub-indexes that make up the current economic conditions sub-index, job prospects sub-index and large purchases sub-index, both fell by 6 points to -36 and -3, respectively. Spurring these declines were poorer job prospects in Tanzania and reduced confidence in making large purchases in Cameroon.

KASI CCI



Economic expectations sub-index falls 3 points to +8

KASI saw a modest fall in consumers' economic expectations sub-index in July; the sub-index fell from +11 to +8. Since making positive gains in April and May, the sub-index has fallen 6 points in the past two months. Similar to the previous month, small declines in most sub-indices measuring consumers' long-term outlook on the economy contributed to the slight contraction in the main sub-index.

Tanzania's economy slows in first quarter of 2019

Tanzania's economic growth slowed to 6.6% (year-on-year) in the first quarter of 2019, down from 7.5% recorded in the first quarter of 2018. The slowdown in GDP growth is largely due to smaller economic growth in construction, agriculture, and manufacturing industries.

Construction is the largest contributor to Tanzania's GDP and the industry's GDP growth

was down 2.4 percentage points in the first quarter of 2019, at 13.2%, from first quarter 2018 growth numbers (15.6%). Likewise, Tanzania's agriculture industry, the third largest industry in the country, and manufacturing industry saw a slowdown in economic activity. Crop production grew 6% in the first quarter of 2019 compared to 8.9% in the same period last year, and GDP growth in manufacturing reached 4.8% in the first

quarter in 2019 versus 5.3% attained the year before.

KASI's CCI for Tanzania fell significantly by 11 points due largely to lowered job prospects, possibly stemming from less jobs in construction, manufacturing and agriculture. Given the fall in CCI, it is likely that Tanzania's GDP growth will slow down in 2019.

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Methodology

KASI Consumer Confidence Score (KASI CCI) is a composite index compiled from a seven-question survey that runs monthly via our consumer polls in the countries covered. The data output is based on a fresh, randomly selected representative sample of city dwellers aged 18-64.

Released the first week of every month, KASI CCI provides a focused view on consumer perceptions in seven African urban centers (Ghana, Nigeria, Kenya, South Africa, Cameroon, Ivory Coast, and Tanzania) where most spending in the continent is concentrated.

For each question, the final metric will be a 'balance measure' of the percentage of positive responses minus the percentage of negative responses. The overall metric will be an average across all the questions.

August 2019 data were collected 07/18 to 08/06, 2019.

For further information on the KASI CCI survey methodology, please contact info@kasiinsight.com

About KASI Insight

KASI Insight is an award-winning consumer and market intelligence firm that provides reliable data and actionable insights on the largest economies in Africa to the global business community.

Turn the best of the African consumer into a competitive advantage. We engage, question, learn from consumers and market participants in over 10 markets in Africa to uncover what success means to them in order to help your company take a leadership position in these markets.

With our consumer indices, we provide greater visibilities into the economic realities of Africa.

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