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Consumer Confidence Stalls in Mid July as Australians Remain Cautious

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Australia's economic pulse remained mostly flat this past week, with the ANZ Roy Morgan Consumer Confidence index barely shifting, settling at 86.3 in mid July. This stability masks significant variations across states, suggesting Australians remain wary about their financial outlook, particularly amid rising cost of living pressures and ongoing fiscal uncertainty. Despite minor improvements in Victoria and New South Wales, confidence dipped in Queensland and South Australia, while Western Australia saw virtually no movement.

The latest survey data from the Australian and New Zealand Banking Group (ANZ) and Roy Morgan paints a picture of a public grappling with economic unease. Only 20 percent of Australians now feel they are better off financially than a year ago, down one percentage point from the previous week. In contrast, 45 percent said they are worse off, a figure that reflects persistent economic strain among middle and working class families. While this pattern varies between states, the underlying national sentiment remains cautiously pessimistic.

Looking ahead, Australians' expectations for their personal finances over the coming year have declined. Only 26 percent expect to be better off next year, down four percentage points, while 31 percent believe their situation will worsen. This downward trend suggests many households are bracing for continued economic headwinds, exacerbated by inflation and interest rate concerns. Confidence in the broader national economy also remains fragile. While the number of Australians anticipating "good times" for the economy over the next year held steady at 11 percent, 28 percent expect "bad times," a two point drop from last week.



In a broader context, this sustained lack of confidence is a red flag for consumer spending and economic recovery. The current federal government's fiscal policies have done little to reverse these attitudes, especially among those feeling the squeeze of increased taxation and sluggish wage growth. Unless there is a significant shift in both economic policy and cost of living relief, confidence may continue to stagnate or decline. For now, Australians appear to be digging in for a cautious and uncertain second half of the year, with many delaying major purchases or investment decisions. The numbers don't lie: real economic optimism will require more than rhetoric. It demands results.