

- Key points
- **NI consumer sentiment subdued but little changed in early 2026**
- **Slight easing in negativity about economic activity contrasts with increased concerns about outlook for jobs**
- **NI consumers still gloomy about household finances but slight hint they think the worst may be over**

**NORTHERN IRELAND CREDIT UNION
CONSUMER SENTIMENT INDEX
IN PARTNERSHIP WITH CORE RESEARCH**

FEBRUARY 2026

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Northern Ireland consumers still nervous as conflicting factors drive thinking on outlook for economy and household finances

Pre-release copy; EMBARGOED TO 00.01AM Friday 6th March 2026

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- **NI consumer sentiment largely unchanged in past three months as offsetting influences balance out**
- **Worries about economic outlook ease back a little but nervousness about job prospects increases**
- **Worries on household finances persist but slight hint the worst could be over**
- **NI consumer mood matches rest of UK of late but falls slightly short of marginal gains in confidence metrics for other economies**

Summary

Northern Ireland consumer confidence was largely unchanged between November 2025 and February 2026, as there were modest but broadly offsetting changes in consumer thinking on some of the key drivers of the outlook for the economy and household finances.

There was a slight easing in concerns around the economic outlook that had intensified sharply in the previous quarter. The continued resilience of both the local economy and the broader global economy in recent months means that **while Northern Ireland consumers are still overwhelmingly negative about the economic outlook, they are slightly less nervous than they were three months ago.**

In contrast, Northern Ireland consumers were notably more concerned by a pullback in jobs growth accompanied by a step-up in redundancies in Northern Ireland of late, which, coupled with a gloomier tone around commentary on employment prospects worldwide of late, led to a notably more negative assessment of the outlook for the Northern Ireland labour market.

Northern Ireland consumers remain worried about their personal finances in early 2026 but these worries have not worsened of late possibly because inflation has eased slightly and there has been a small drop in fuel prices in the past three months. However, a generally uncertain outlook together with some retrenchment after Christmas outlays means that the February sentiment survey has seen some pullback in spending plans.

The broadly unchanged Northern Ireland consumer sentiment reading between November and February contrasts with a sharp improvement seen in the February 2025. A year ago, it seems that Northern Ireland consumers warmed to the view that inflation was falling back, the growth outlook seemed to be improving and the Northern Ireland assembly might deliver some element of progress on domestic constraints.

However, **continuing cost-of-living strains, the threat posed by tariffs and other shifts in US policymaking, persistent challenges in UK and Northern Ireland public finances, and increased nervousness about job prospects have combined to keep the mood relatively gloomy among consumers in Northern Ireland and elsewhere.**

Unchanged sentiment reading reflects contrasting influences on Northern Ireland consumer thinking in early 2026

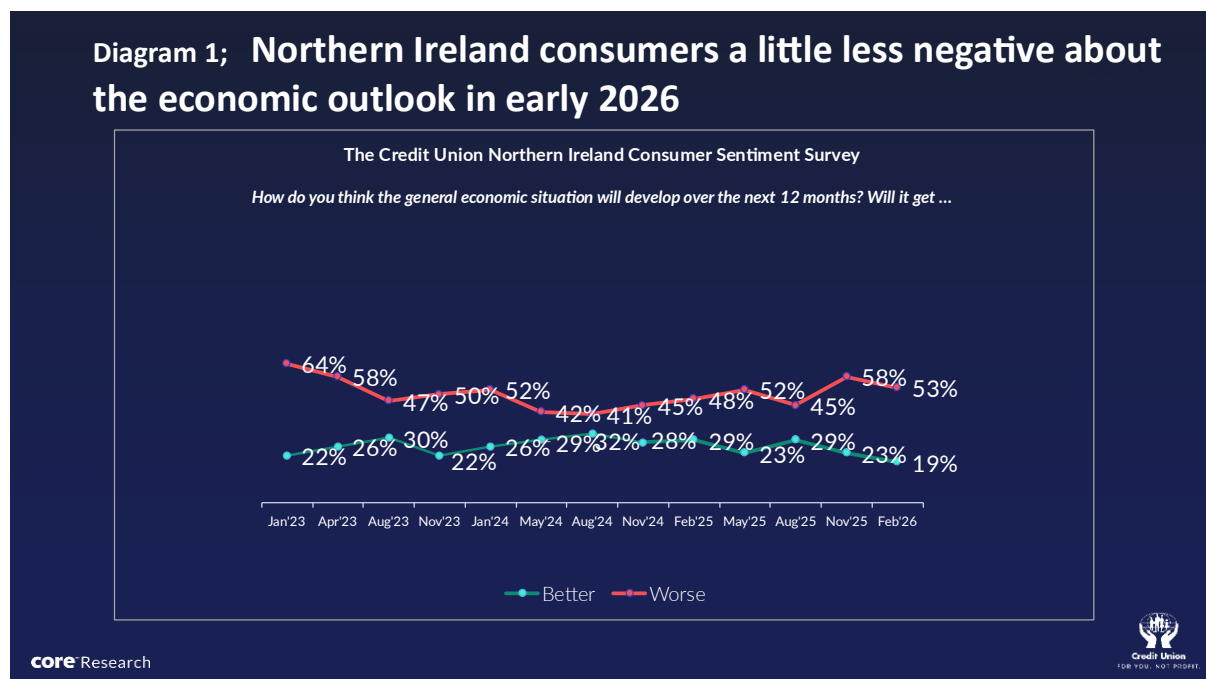
Overall, **the Northern Ireland consumer sentiment reading for February 2026 is broadly similar to that seen in November** but driving this outcome have been fairly modest and effectively offsetting movements in various elements of the survey.

After a large improvement in sentiment in August was reversed in the November survey, **it might be suggested that the February 2026 reading paints a picture of a Northern Ireland consumer who is very much in ‘wait and worry’ mode.**

Concerns about the economic outlook have increased notably of late

As usual, The February 2026 Credit Union Northern Ireland Consumer Sentiment Survey (in partnership with Core Research) asked Northern Ireland consumers both ‘macro’ questions in relation to the general economic outlook and ‘micro’ questions in relation to their own household finances.

Diagram 1 below shows how results from the current and previous surveys to highlight how Northern Ireland consumers thinking on the twelve-month outlook for the economy has evolved through the past four years.



As the diagram above illustrates, **the balance of thinking among Northern Ireland consumers about the economic outlook has improved slightly of late.** That said, it remains the case that the majority of Northern Ireland consumers see economic conditions worsening in the next twelve months. In spite of a marginal improvement in

the February survey, it remains the case that more than twice as many consumers think conditions will deteriorate as think they will improve.

While the share of consumers expecting a worsening of the economic environment has eased back modestly, it remains at a relatively high level. Moreover, the February survey also saw a drop in the share of consumers who expect the economy to improve in the coming year.

The combination of declines in both positive and negative views on the economic outlook in the latest Northern Ireland consumer sentiment survey hints that **consumers may see the economy stuck on a relatively sluggish growth trajectory.**

While there is little to suggest the prospect of a marked strengthening in Northern Ireland economic conditions anytime soon, it should also be noted that recent years have seen economic activity in Northern Ireland remain reasonably resilient and significantly healthier than had been feared by consumers (or most economists).

The most recent official data point to further solid gains in activity in the third quarter of 2025, with the Northern Ireland economy continuing to post notably stronger growth than in the rest of the UK. While there may have been some softening towards end-year, business survey data suggest some element of recovery at the start of 2026.

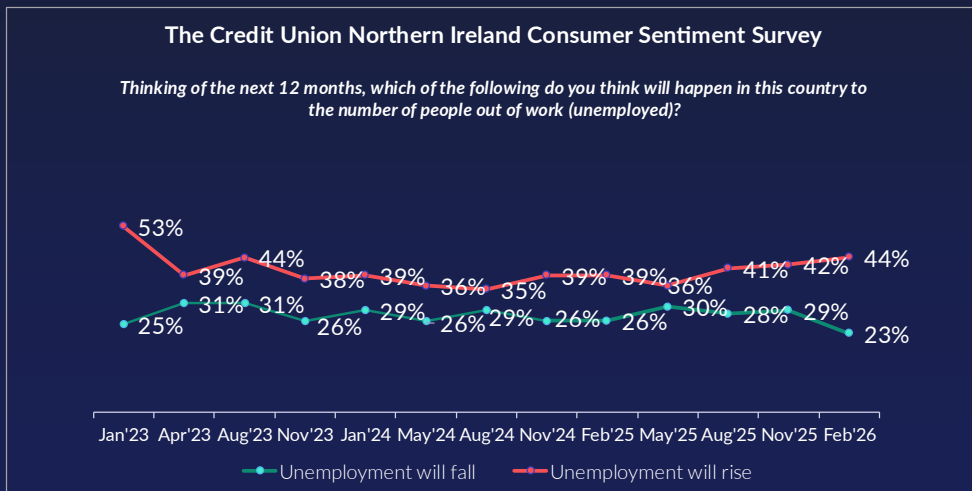
The continued improvement in activity as measured by the Northern Ireland composite economic index might hint at slightly stronger momentum than a range of recent forecasts that suggest Northern Ireland economic growth is likely to continue at a relatively modest or sluggish pace.

Overall, the February sentiment survey reading suggests that Northern Ireland consumers lean towards the widely held view that activity in the local economy will remain constrained. There is also some sense that they see fewer developments that would translate into a sharply better or worse economic environment emerge through the course of 2026.

Worsening in employment outlook contrasts with most other survey elements

Although Northern Ireland consumers were marginally less negative about general economic prospects in February, their thinking on the outlook for jobs clearly worsened in the past three months, as diagram 2 below illustrates.

Diagram 2 Unemployment worries increase in early 2026



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As diagram 2 above shows **Northern Ireland consumers remain clearly negative on the outlook for employment** but, unlike the change in thinking on prospects for activity, they appear significantly more concerned now than they were in August. **It is notable that the latest weakening in thinking primarily reflects a drop in the share of Northern Ireland consumers who think the jobs market might improve in 2026, with a fairly limited increase in those who think it will worsen.**

Consumers poorer assessment of the Northern Ireland labour market over the past three months coincided with mixed news on the jobs front during that time. While there was a slight pick-up in numbers at work in Northern Ireland in the final quarter, there was a drop in employment for the year as a whole. 2025 also saw a slight uptick in an already highly elevated inactivity rate.

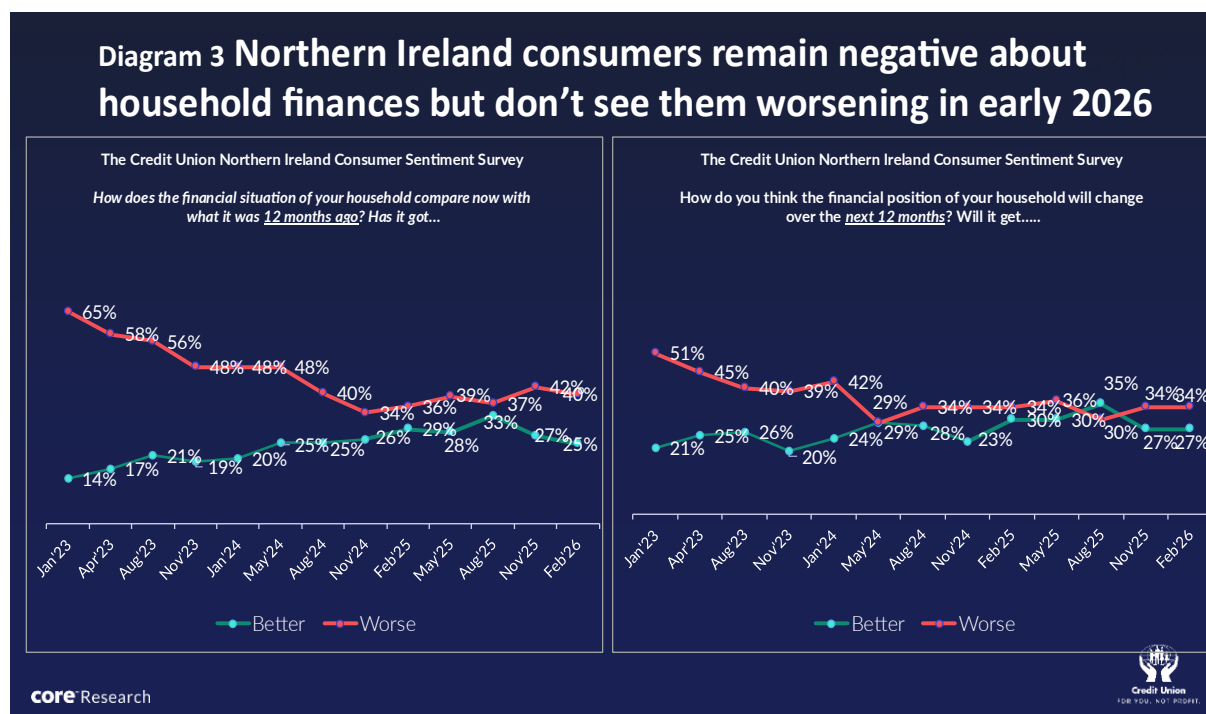
Official data showed a pick-up in redundancies of late, and while there were several new job announcements, recent months saw a significant number of high-profile layoffs across a wide variety of sectors. We would note that in a generally uncertain climate news of layoffs tends to resonate more with consumers than news of new jobs.

We would also highlight that the limited impact of solid economic activity on employment in Northern Ireland in 2025 may point towards some structural weakening in job prospects in Northern Ireland (and elsewhere). In part, this could reflect a caution in new hiring because of current uncertainties but it may also owe something to AI-related adjustments in employment planning.

Northern Ireland consumers still worried but not quite as anxious about cost-of-living concerns

As has been the case for the past couple of years, the major factor impacting the everyday financial circumstances of Northern Ireland consumers has been continuing increases in living costs. By extension, this means cost-of-living concerns continue to exert a major influence on consumer sentiment.

As a result, the Northern Ireland Consumer Sentiment Survey has consistently shown markedly negative assessments of household financial circumstances in recent years. As diagram 3 indicates, consumer views on their household finances remain distinctly negative in early 2026 but there has been no worsening in their thinking in the past three months.



The latest survey period saw a slight easing in inflation, a marginal drop in oil prices and a broadly steady increase in employee earnings. **Although inflation is no longer running at anything like the pace seen through 2022 and 2023, the level of living costs in Northern Ireland remains elevated.** Indeed, so too does inflation, running at 3.8% in terms of retail prices (or a still troubling 3% in regard to consumer prices).

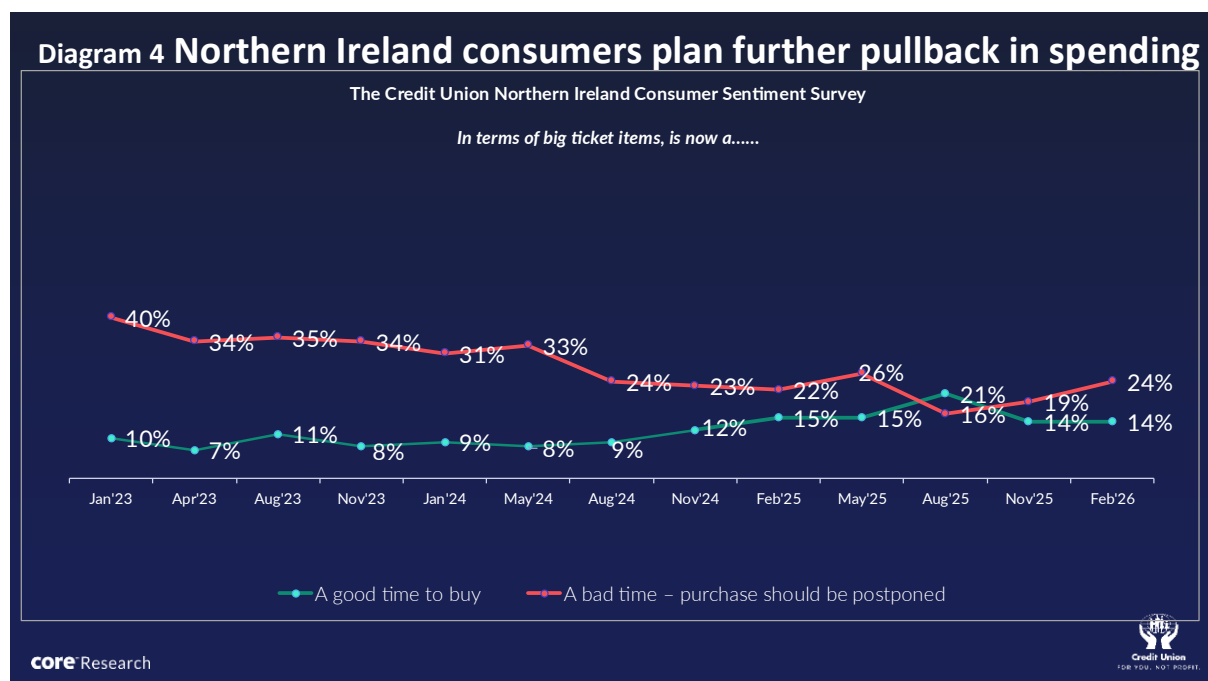
Not surprisingly, this means that **many Northern Ireland consumers remain concerned about their household finances because of continued pressure on their spending power.**

Northern Ireland consumers notably more cautious in their spending plans in early 2026

In keeping with the generally cautious tone of the February November sentiment survey, Northern Ireland consumers signalled a further pullback in spending plans.

As diagram 4 below illustrates, there has been a significant downgrade in spending plans in the past two surveys. That said, the current level of spending plans while lower than those seen through 2025 is less negative than those seen through 2023 and 2024.

One possible explanation of the weaker tone of spending plans of late is that Northern Ireland consumers have changed their thinking in relation to living costs through the course of 2025. They now see higher inflation as an enduring feature of the Northern Ireland economic landscape and, accordingly have downgraded their spending capacity somewhat. Of course, circumstances of persistent upward pressure on living costs would also likely encourage a greater post-Christmas pullback in spending plans.



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The Northern Ireland Credit Union Consumer Sentiment Survey is a quarterly survey of a representative sample of 350 adults. Core Research undertake the survey administration and data collection for the survey. This tranche of the survey was live between the 4th and 18th February 2026

