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GLOBAL ADSPEND FORECAST DOWNGRADED TO 3.4% GROWTH IN 2013

London, 28th June 2013

The latest Consensus Ad Forecast from Warc, the marketing intelligence service, indicates that global advertising expenditure will increase by 3.4% in 2013, a downgrade of -0.6pp from the previous forecast in January 2013. Adspend is expected to pick up next year with growth of 5.4%.

Warc's Consensus Ad Forecast is based on a weighted average of adspend predictions at current prices from ad agencies, media monitoring companies, analysts, Warc's own team and other industry bodies.

Of the 13 markets covered in the report, nine are forecast to register growth in adspend in 2013. With the exception of Australia and Japan, predictions for all countries have been cut since January.

The strongest performers will be Russia and China, which are expected to see all-media growth of 12.1% and 9.7% respectively, and are forecast to maintain strong growth through 2014.

Spain and Italy are set to be the worst performers this year, with predicted declines in advertising spend of -9.5% and -8.1% respectively. The outlook for both countries has deteriorated significantly in the last six months, with forecasts down by around 7pp. France (-2.0%) and Germany (-0.1%) are also expected to see drops in spend this year.

Adspend growth by country

	Yr-on-yr % change (2013 vs 2012)	Percentage point difference vs January 2013
Russia	12.1	-0.2
China	9.7	-1.2
India	8.4	-0.1
Brazil	8.1	-1.7
Canada	3.3	-0.4
UK	2.7	-0.3
Australia	2.3	0.2
US	1.8	-0.4
Japan	1.6	0.3
Germany	-0.1	-1.3
France	-2.0	-2.1
Italy	-8.1	-7.0
Spain	-9.5	-6.7
Global	3.4	-0.6

Source: Warc's Consensus Ad Forecast (www.warc.com)



All media, bar newspapers and magazines, are predicted to record year-on-year growth in 2013, with internet up most on 13.9%. Internet and out of home are the only channels for which forecasts have been upgraded from January. Estimates for all other channels have fallen.

Adspend growth by medium

	Yr-on-yr % change (2013 vs 2012)	Percentage point difference vs January 2013
Internet	13.9	0.1
Out of home	3.1	0.2
TV	2.5	-0.7
Cinema	1.6	-2.2
Radio	1.4	-0.6
Magazines	-4.3	-1.8
Newspapers	-4.6	-1.9

Source: Warc's Consensus Ad Forecast(www.warc.com)

Suzy Young, Data and Journals Director, Warc said: "The global ad outlook for 2013 has worsened since the start of the year, significantly so in Western Europe. The UK is the only ad market in the region expected to record annual growth. "

END

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About Warc Forecasts & Data

Warc (www.warc.com) has produced trusted and independent data on advertising expenditure and media costs for more than 25 years. It has partnerships with leading advertising organisations in more than 80 countries.

The *Warc Consensus Ad Forecast* is updated four times a year and provides estimates for total advertising expenditure and expenditure on seven individual media for 13 markets. The markets covered by the forecast are: Australia, Brazil, Canada, China, France, Germany, India, Italy, Japan, Russia, Spain, UK and US.

The media covered by Warc's forecasts are: TV, newspapers, magazines, internet, outdoor, radio and cinema. Totals for individual media include both display and classified advertising. The figures for internet advertising expenditure incorporate display, classified and search.

Warc data products are available on subscription from www.warc.com. They are used by leading advertisers, media agencies and media owners in all markets. To find out more about Warc's data products and its flagship online service, www.warc.com, visit www.warc.com/Topics/ForecastsandData.topic or take a free trial at www.warc.com/trial