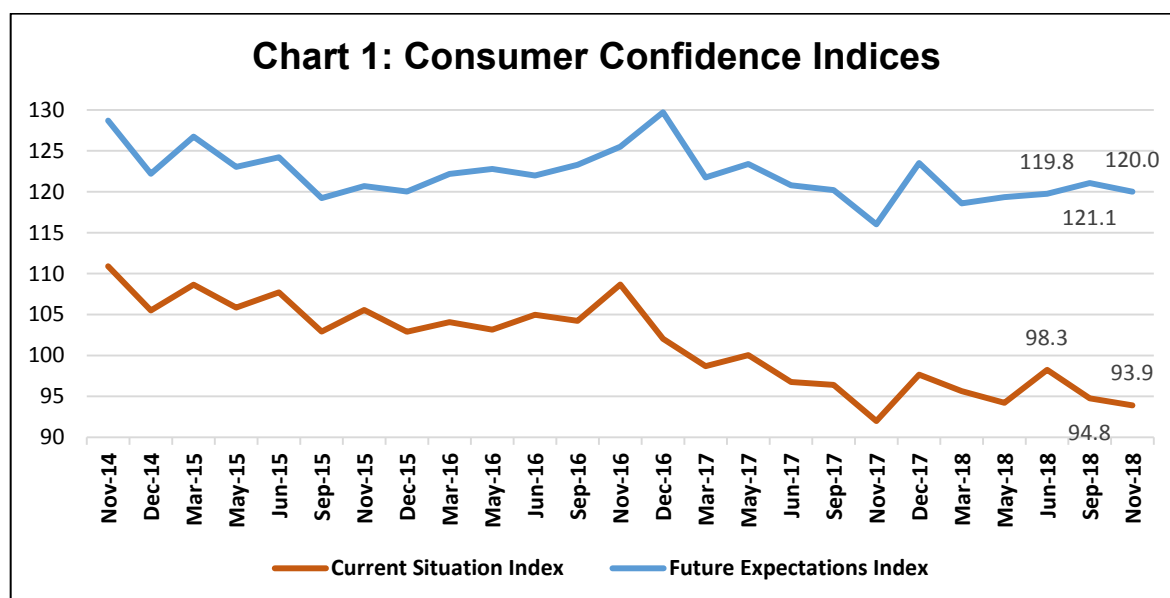


Consumer Confidence Survey

Today, the Reserve Bank released the results of the November 2018 round of its Consumer Confidence Survey (CCS)¹. The survey was conducted in 13 major cities – Ahmedabad; Bengaluru; Bhopal; Chennai; Delhi; Guwahati; Hyderabad; Jaipur; Kolkata; Lucknow; Mumbai; Patna; and Thiruvananthapuram - and obtained 5,326 responses on households' perceptions and expectations on the general economic situation, the employment scenario, the overall price situation and their own income and spending.

Highlights:

- I. The current situation index (CSI)² declined further in November 2018 in a phase that commenced in November 2016, on the back of growing pessimism on the general economic situation and the employment scenario as also some cutback in spending.
- II. The future expectations index (FEI) also moderated due to lower optimism on the employment scenario and household spending (Chart 1).



Note: [Please see the excel file for time series data](#)

- III. Current sentiment on the general economic situation dipped further into the pessimistic zone, while the outlook for the year ahead was broadly unchanged from the previous round of the survey (Table 1).
- IV. Sentiment on the employment scenario also deteriorated for the current period and for the one year ahead horizon (Table 2).

¹ The survey results are based on the views of respondents.

² CSI and FEI are compiled on the basis of net responses on the economic situation, income, spending, employment and the price level for the current period and a year ahead, respectively. CSI/FEI = 100 + Average of Net Responses of the above parameters.

Summary based on Net Response						
Main Variables	Current Perception compared with one-year ago			One year ahead Expectations compared with current situation		
	Sep-18	Nov-18	Change	Sep-18	Nov-18	Change
Economic Situation	-10.6	-12.0	↓	23.0	22.4	↓
Employment	-10.3	-13.3	↓	25.1	23.1	↓
Price Level	-85.1	-84.5	↑	-72.2	-72.0	↑
Income	4.9	9.4	↑	51.3	52.3	↑
Spending	74.9	69.9	↓	78.1	74.2	↓
Consumer Confidence Index	94.8	93.9	↓	121.1	120.0	↓
↑ Positive Sentiments with sign of improvement compared to last round			↑ Negative Sentiments with sign of improvement compared to last round			
↓ Positive Sentiments with sign of deterioration compared to last round			↓ Negative Sentiments with sign of deterioration compared to last round			

- V. Notwithstanding a marginal improvement in sentiment, consumers remained pessimistic about the price situation (Tables 3 and 4).
- VI. In contrast, respondents' assessment on the income situation for the current year improved, and they also expressed optimism about their income one year ahead (Table 5).
- VII. There was moderation in sentiment on households' spending with cutbacks expected in expenditure on non-essential items (Table 6, 7 and 8).

Table 1: Perceptions and Expectations on General Economic Situation

(Percentage responses)

Survey Round	Current Perception				One year ahead Expectation			
	Improved	Remained Same	Worsened	Net Response	Will Improve	Will Remain Same	Will Worsen	Net Response
Nov-17	30.4	22.3	47.3	-16.9	46.8	23.3	29.9	17.0
Dec-17	38.5	24.0	37.5	1.0	55.6	21.8	22.6	33.0
Mar-18	34.9	23.4	41.7	-6.8	49.7	22.8	27.5	22.2
May-18	32.5	19.6	47.9	-15.4	50.6	22.1	27.4	23.2
Jun-18	36.4	21.9	41.8	-5.4	50.4	23.0	26.6	23.8
Sep-18	33.7	22.1	44.3	-10.6	53.2	16.7	30.2	23.0
Nov-18	33.2	21.6	45.2	-12.0	53.6	15.3	31.2	22.4

Table 2: Perceptions and Expectations on Employment

(Percentage responses)

Survey Round	Current Perception				One year ahead Expectation			
	Improved	Remained Same	Worsened	Net Response	Will Improve	Will Remain Same	Will Worsen	Net Response
Nov-17	28.5	25.7	45.8	-17.4	47.1	26.5	26.3	20.8
Dec-17	31.6	27.4	41.0	-9.4	54.4	24.7	20.9	33.6
Mar-18	31.2	26.0	42.8	-11.6	50.8	24.3	24.9	26.0
May-18	32.1	24.0	43.9	-11.8	51.0	24.4	24.6	26.5
Jun-18	34.7	26.4	38.9	-4.1	50.9	25.8	23.4	27.5
Sep-18	35.2	19.3	45.5	-10.3	54.1	17.0	29.0	25.1
Nov-18	33.9	18.9	47.2	-13.3	53.5	16.1	30.4	23.1

Table 3: Perceptions and Expectations on Price Level

(Percentage responses)

Survey Round	Current Perception				One year ahead Expectation			
	Increased	Remained Same	Decreased	Net Response	Will Increase	Will Remain Same	Will Decrease	Net Response
Nov-17	89.9	7.1	3.0	-86.9	82.4	10.6	7.0	-75.4
Dec-17	90.2	6.9	2.9	-87.3	79.8	12.4	7.8	-72.0
Mar-18	87.1	9.2	3.7	-83.5	81.9	11.0	7.1	-74.8
May-18	87.9	8.7	3.3	-84.6	82.7	11.0	6.4	-76.3
Jun-18	89.1	7.9	3.0	-86.0	82.8	11.8	5.4	-77.4
Sep-18	88.3	8.5	3.2	-85.1	80.1	12.0	7.9	-72.2
Nov-18	88.3	7.8	3.8	-84.5	80.2	11.6	8.2	-72.0

Table 4: Perceptions and Expectations on Rate of Change in Price Level (Inflation)*

(Percentage responses)

Survey Round	Current Perception				One year ahead Expectation			
	Increased	Remained Same	Decreased	Net Response	Will Increase	Will Remain Same	Will Decrease	Net Response
Nov-17	84.1	8.8	7.1	-77.1	81.8	11.5	6.7	-75.0
Dec-17	80.9	12.7	6.4	-74.5	77.9	16.2	5.9	-72.0
Mar-18	81.0	12.4	6.6	-74.4	81.5	12.5	6.1	-75.4
May-18	80.4	12.7	6.9	-73.5	79.2	15.4	5.5	-73.7
Jun-18	81.8	10.5	7.7	-74.2	79.4	13.7	6.9	-72.5
Sep-18	80.8	13.2	6.1	-74.7	79.8	14.2	6.1	-73.7
Nov-18	80.0	13.9	6.1	-73.9	75.9	18.0	6.1	-69.8

*Applicable only for those respondents who felt price has increased/price will increase.

Table 5: Perceptions and Expectations on Income

(Percentage responses)

Survey Round	Current Perception				One year ahead Expectation			
	Increased	Remained Same	Decreased	Net Response	Will Increase	Will Remain Same	Will Decrease	Net Response
Nov-17	24.9	47.1	28.0	-3.1	46.5	40.8	12.7	33.9
Dec-17	26.1	49.4	24.5	1.6	51.1	38.3	10.6	40.5
Mar-18	24.5	50.1	25.4	-0.9	48.6	39.6	11.9	36.8
May-18	27.6	47.8	24.6	3.0	51.4	38.2	10.4	41.0
Jun-18	27.1	50.8	22.1	5.0	51.3	38.0	10.7	40.5
Sep-18	28.3	48.3	23.4	4.9	59.1	33.1	7.8	51.3
Nov-18	29.9	49.5	20.5	9.4	59.0	34.3	6.7	52.3

Table 6: Perceptions and Expectations on Spending

(Percentage responses)

Survey Round	Current Perception				One year ahead Expectation			
	Increased	Remained Same	Decreased	Net Response	Will Increase	Will Remain Same	Will Decrease	Net Response
Nov-17	85.7	12.9	1.5	84.2	86.4	11.2	2.5	83.9
Dec-17	84.2	14.0	1.8	82.4	85.2	12.0	2.8	82.4
Mar-18	83.1	14.9	2.1	81.0	85.2	12.3	2.5	82.8
May-18	82.6	14.8	2.7	79.9	84.8	12.6	2.6	82.2
Jun-18	83.8	14.1	2.0	81.8	86.5	11.3	2.2	84.4
Sep-18	78.4	18.2	3.5	74.9	81.2	15.7	3.1	78.1
Nov-18	73.0	23.9	3.1	69.9	77.6	19.0	3.4	74.2

Table 7: Perceptions and Expectations on Spending- Essential Items

(Percentage responses)

Survey Round	Current Perception				One year ahead Expectation			
	Increased	Remained Same	Decreased	Net Response	Will Increase	Will Remain Same	Will Decrease	Net Response
Nov-17	87.1	10.9	2.0	85.2	85.8	10.7	3.6	82.2
Dec-17	85.7	12.4	1.9	83.8	85.4	10.5	4.0	81.4
Mar-18	83.8	13.7	2.5	81.3	85.2	11.6	3.2	82.0
May-18	85.2	11.8	3.0	82.2	85.1	11.2	3.7	81.4
Jun-18	86.6	11.1	2.3	84.3	87.5	10.0	2.5	85.0
Sep-18	83.6	13.1	3.4	80.2	84.2	13.1	2.7	81.5
Nov-18	83.4	13.4	3.2	80.2	84.1	12.5	3.3	80.8

Table 8: Perceptions and Expectations on Spending- Non-Essential Items

(Percentage responses)

Survey Round	Current Perception				One year ahead Expectation			
	Increased	Remained Same	Decreased	Net Response	Will Increase	Will Remain Same	Will Decrease	Net Response
Nov-17	57.5	31.8	10.7	46.8	61.9	29.7	8.5	53.4
Dec-17	53.1	34.6	12.3	40.8	59.4	31.4	9.2	50.1
Mar-18	56.0	31.4	12.6	43.4	62.8	28.0	9.2	53.7
May-18	52.3	32.5	15.1	37.2	58.7	31.0	10.3	48.4
Jun-18	55.4	32.9	11.7	43.8	62.7	28.0	9.3	53.4
Sep-18	44.0	34.3	21.7	22.3	49.2	33.3	17.5	31.7
Nov-18	39.1	37.6	23.3	15.8	44.5	35.9	19.6	24.9
