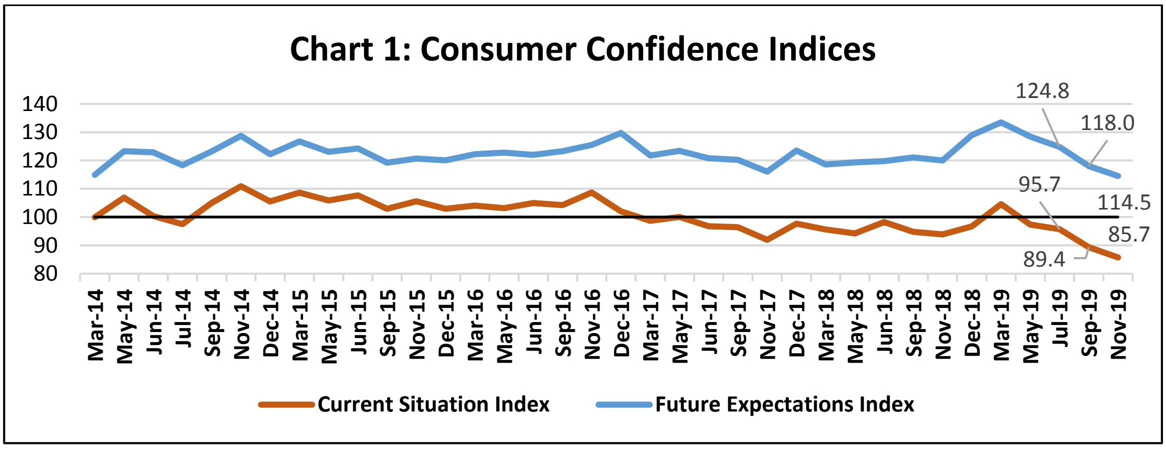
Consumer Confidence Survey

Today, the Reserve Bank released the results of the November 2019 round of its Consumer Confidence Survey (CCS)[1]. The survey was conducted in 13 major cities *viz.*, Ahmedabad; Bengaluru; Bhopal; Chennai; Delhi; Guwahati; Hyderabad; Jaipur; Kolkata; Lucknow; Mumbai; Patna; and Thiruvananthapuram. Perceptions and expectations on the general economic situation, the employment scenario, the overall price situation and own income and spending are obtained from 5,334 households across these cities.

Highlights:

I. Consumer confidence weakened further in November, with both the current situation index (CSI) and the future expectations index (FEI) [2] declining (Chart 1).



Note: Please see the excel file for time series data

II. Consumers' sentiments on the general economic situation and the employment scenario weakened, but their one year ahead expectations remained in the optimistic terrain for all parameters, except prices (Tables 1 and 2); expectations on income one year ahead improved marginally over the previous survey round (Table 5).

III. Most respondents perceived prices as having increased during the last one year, and they expect further rise in prices in the year ahead (Tables 3 and 4); households' sentiments on overall spending remained resilient (Tables 6, 7 and 8).

Summary based on Net Response						
Main Variables	**Current Perception compared with one-year ago**			**One year ahead Expectations compared with current situation**		
	Sep-19	**Nov-19**	**Change**	**Sep-19**	**Nov-19**	**Change**
Economic Situation	-14.4	-21.6	↓	21.4	14.2	↓
Employment	-24.5	-33.1	↓	17.8	10.3	↓
Price Level	-82.8	-83.9	↓	-65.6	-70.1	↓
Income	-1.7	-2.6	↓	43.4	44.5	↑
Spending	70.3	69.8	↓	73.0	73.8	↑
Consumer Confidence Index	**89.4**	**85.7**	↓	**118.0**	**114.5**	↓
↑ **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			

[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.

Table 1: Perceptions and Expectations on the 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-18	33.2	21.6	45.2	-12.0	53.6	15.3	31.2	22.4
Dec-18	36.7	20.2	43.1	-6.4	59.9	15.8	24.3	35.6
Mar-19	46.2	21.3	32.5	13.7	66.4	15.8	17.8	48.6
May-19	38.8	23.6	37.7	1.1	61.4	17.7	20.9	40.5
Jul-19	37.4	24.2	38.4	-1.0	59.4	16.0	24.6	34.8
Sep-19	33.5	18.6	47.9	-14.4	53.2	15.0	31.8	21.4
Nov-19	30.0	18.4	51.6	-21.6	48.9	16.5	34.7	14.2

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-18	33.9	18.9	47.2	-13.3	53.5	16.1	30.4	23.1
Dec-18	35.6	20.1	44.3	-8.7	60.3	17.1	22.7	37.6
Mar-19	41.1	21.7	37.2	3.9	65.3	15.9	18.9	46.4
May-19	33.7	22.1	44.2	-10.5	59.3	17.6	23.1	36.2
Jul-19	32.5	21.9	45.6	-13.1	56.7	17.5	25.8	30.9
Sep-19	28.0	19.5	52.5	-24.5	51.2	15.4	33.4	17.8
Nov-19	24.4	18.1	57.5	-33.1	46.3	17.7	36.0	10.3

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-18	88.3	7.8	3.8	-84.5	80.2	11.6	8.2	-72.0
Dec-18	84.3	10.9	4.8	-79.5	71.6	15.9	12.5	-59.1
Mar-19	77.8	16.4	5.8	-72.0	68.7	20.5	10.9	-57.8
May-19	81.6	14.1	4.3	-77.3	70.3	18.7	11.0	-59.3
Jul-19	81.7	15.0	3.3	-78.4	73.9	16.1	10.0	-63.9
Sep-19	86.1	10.6	3.3	-82.8	75.9	13.8	10.3	-65.6
Nov-19	86.8	10.2	2.9	-83.9	78.0	14.1	7.9	-70.1

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-18	80.0	13.9	6.1	-73.9	75.9	18.0	6.1	-69.8
Dec-18	77.9	15.2	6.9	-71.0	76.3	17.3	6.4	-69.9
Mar-19	72.5	20.0	7.6	-64.9	72.9	20.8	6.3	-66.6
May-19	74.4	20.8	4.8	-69.6	76.7	18.5	4.8	-71.9
Jul-19	72.5	22.3	5.2	-67.3	77.8	18.0	4.1	-73.7
Sep-19	74.2	19.5	6.3	-67.9	77.9	16.1	6.1	-71.8
Nov-19	77.2	17.4	5.5	-71.7	77.3	17.3	5.4	-71.9

*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-18	29.9	49.5	20.5	9.4	59.0	34.3	6.7	52.3
Dec-18	29.8	48.2	22.0	7.8	63.5	30.4	6.2	57.3
Mar-19	30.1	50.0	19.9	10.2	60.8	33.4	5.7	55.1
May-19	29.0	50.2	20.8	8.2	58.9	35.1	6.0	52.9
Jul-19	25.8	51.3	22.9	2.9	55.4	37.7	6.9	48.5
Sep-19	25.0	48.3	26.7	-1.7	53.0	37.4	9.6	43.4
Nov-19	24.1	49.2	26.7	-2.6	52.8	38.9	8.3	44.5

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-18	73.0	23.9	3.1	69.9	77.6	19.0	3.4	74.2
Dec-18	73.8	22.7	3.5	70.3	77.3	18.7	4.0	73.3
Mar-19	70.1	26.8	3.1	67.0	77.5	19.9	2.6	74.9
May-19	68.6	28.0	3.4	65.2	74.7	22.5	2.9	71.8
Jul-19	71.7	25.0	3.4	68.3	76.8	20.1	3.2	73.6
Sep-19	74.1	22.0	3.8	70.3	77.0	19.0	4.0	73.0
Nov-19	73.2	23.4	3.4	69.8	77.4	19.0	3.6	73.8

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-18	83.4	13.4	3.2	80.2	84.1	12.5	3.3	80.8
Dec-18	82.4	14.5	3.1	79.3	83.5	13.0	3.4	80.1
Mar-19	78.6	18.2	3.2	75.4	83.4	14.3	2.3	81.1
May-19	80.0	17.1	2.9	77.1	80.7	16.5	2.8	77.9
Jul-19	81.7	15.7	2.6	79.1	82.9	14.3	2.8	80.1
Sep-19	83.8	13.6	2.6	81.2	83.0	13.7	3.3	79.7
Nov-19	83.6	13.6	2.7	80.9	83.0	13.9	3.1	79.9

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-18	39.1	37.6	23.3	15.8	44.5	35.9	19.6	24.9
Dec-18	38.4	37.5	24.1	14.3	46.1	33.0	20.9	25.2
Mar-19	36.3	43.3	20.4	15.9	46.1	37.6	16.3	29.8
May-19	32.7	40.3	27.0	5.7	39.4	37.3	23.3	16.1
Jul-19	31.0	44.9	24.1	6.9	36.2	42.2	21.6	14.6
Sep-19	29.9	40.0	30.1	-0.2	34.7	39.2	26.0	8.7
Nov-19	27.5	42.4	30.1	-2.6	33.4	43.0	23.5	9.9

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