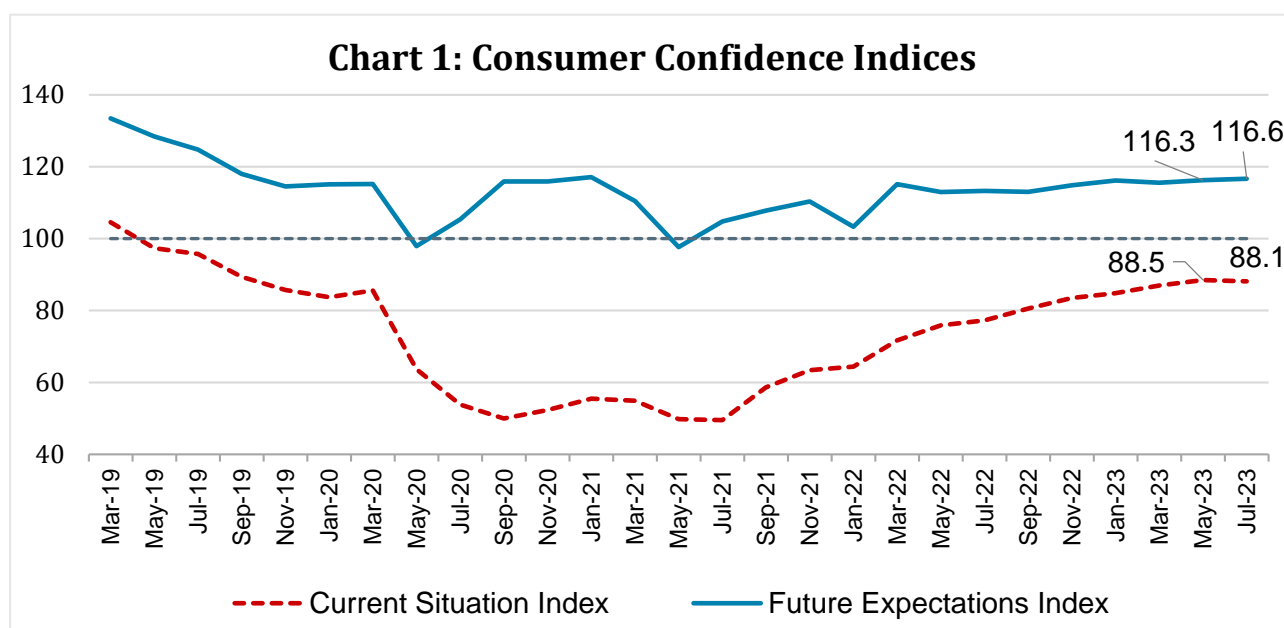


## Consumer Confidence Survey

Today, the Reserve Bank released the results of July 2023 round of its bi-monthly consumer confidence survey (CCS)<sup>1</sup>. The survey obtains current perceptions (*vis-à-vis* a year ago) and one year ahead expectations on general economic situation, employment scenario, overall price situation and own income and spending across 19 major cities. The latest round of the survey was conducted during July 1-10, 2023, covering 6,047 respondents. Female respondents accounted for 50.2 per cent of this sample.

### Highlights:

- i. After persistent recovery for almost two years, consumer confidence for current period, as reflected in the current situation index (CSI)<sup>2</sup>, stood a shade lower than that witnessed in the previous survey round; improvement in respondents' sentiment on income and spending was offset by somewhat higher pessimism on general economic and employment situation (Chart 1; Tables 1, 2, 5 and 6).
- ii. Going forward, households expect improvement in general economic, employment and income conditions; they turned less pessimistic on one year ahead price situation vis-à-vis May 2023 round of the survey (Tables 1, 2, 3 and 5).
- iii. The future expectation index (FEI) remained in optimistic terrain and recorded a marginal rise in the latest survey round (Chart 1).
- iv. Sentiments on current income improved further and moved to optimistic zone for the first time in four years; future earnings expectations remain buoyant (Table 5).



**Note:** [Please see the excel file for time series data.](#)<sup>3</sup>

<sup>1</sup> The survey results reflect the respondents' views, which are not necessarily shared by the Reserve Bank. Results of the previous survey round were released on the Bank's website on [June 08, 2023](#).

<sup>2</sup> 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 (as compared with one year ago) and a year ahead, respectively. CSI and FEI = 100 + Average of Net Responses of the above parameters.

<sup>3</sup> Unit-level data for previous rounds of the survey are available on the Database on Indian Economy (DBIE) portal of the Bank (web link: <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=unitLevelData>)

Summary based on Net Responses <sup>4</sup>						
Main Variables	Current Perception compared with one-year ago			One year ahead Expectations compared with current situation		
	May-23	Jul-23	Change	May-23	Jul-23	Change
Economic Situation	-16.4	-20.7	↓	17.8	17.2	↓
Employment	-15.6	-17.5	↓	22.9	21.1	↓
Price Level	-90.8	-91.4	↓	-75.4	-72.0	↑
Income	-2.4	0.6	↑	46.9	48.0	↑
Spending	68.1	69.6	↑	69.2	69.0	↓
Consumer Confidence Index	88.5	88.1	↓	116.3	116.6	↑
↑ <b>Positive</b> Sentiments with sign of <b>improvement</b> compared to last round				↑ <b>Negative</b> Sentiments with sign of <b>improvement</b> compared to last round		
↓ <b>Positive</b> Sentiments with sign of <b>deterioration</b> compared to last round				↓ <b>Negative</b> Sentiments with sign of <b>deterioration</b> compared to last round		
↔ <b>Positive</b> Sentiments with no change compared to last round				↔ <b>Negative</b> Sentiments with no change compared to last round		

<sup>4</sup> 'Net response' is the difference between the percentage of respondents reporting optimism and those reporting pessimisms. It ranges between -100 and 100. Any value greater than zero indicates expansion/ optimism and values less than zero indicate contraction/ pessimism.

**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
Jul-22	21.6	15.4	63.0	-41.5	46.4	14.9	38.8	7.6
Sep-22	26.2	14.6	59.2	-33.0	46.5	15.4	38.1	8.4
Nov-22	28.0	16.3	55.7	-27.8	48.0	15.6	36.4	11.6
Jan-23	28.3	19.6	52.1	-23.7	50.2	16.6	33.2	17.0
Mar-23	31.4	16.9	51.7	-20.4	49.9	15.1	35.0	15.0
May-23	32.1	19.0	48.9	-16.8	51.0	15.8	33.2	17.8
Jul-23	30.4	18.5	51.1	-20.7	51.1	15.1	33.8	17.2

**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
Jul-22	28.1	17.3	54.6	-26.5	50.7	17.2	32.0	18.7
Sep-22	28.4	17.6	54.0	-25.7	49.4	17.3	33.3	16.1
Nov-22	31.8	18.6	49.6	-17.8	51.5	18.3	30.3	21.2
Jan-23	30.0	20.1	49.9	-19.9	51.8	18.0	30.2	21.6
Mar-23	32.2	19.9	47.9	-15.7	52.9	17.1	30.1	22.8
May-23	32.1	20.2	47.7	-15.6	52.1	18.7	29.2	22.9
Jul-23	30.8	21.0	48.2	-17.5	51.4	18.3	30.3	21.1

**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
Jul-22	95.2	4.0	0.9	-94.3	80.4	10.9	8.8	-71.6
Sep-22	94.6	4.3	1.1	-93.6	79.9	11.0	9.1	-70.8
Nov-22	94.9	4.1	1.0	-93.9	82.2	9.3	8.6	-73.6
Jan-23	93.6	5.0	1.3	-92.3	83.0	10.1	7.0	-76.1
Mar-23	93.8	5.2	1.0	-92.9	84.3	9.0	6.7	-77.5
May-23	92.2	6.4	1.4	-90.8	82.7	10.0	7.3	-75.4
Jul-23	92.7	6.0	1.3	-91.4	80.9	10.2	8.9	-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
Jul-22	88.5	8.9	2.6	-85.9	81.8	13.6	4.6	-77.3
Sep-22	89.6	7.8	2.6	-87.0	80.6	14.5	4.9	-75.7
Nov-22	87.5	9.2	3.3	-84.2	82.9	13.2	3.9	-79.1
Jan-23	86.5	10.5	3.0	-83.6	80.3	15.5	4.1	-76.2
Mar-23	86.5	10.0	3.5	-82.9	81.4	14.0	4.6	-76.8
May-23	84.0	12.5	3.4	-80.6	81.8	14.1	4.1	-77.8
Jul-23	84.5	11.8	3.7	-80.8	80.8	14.8	4.4	-76.4

\*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
Jul-22	18.2	46.0	35.9	-17.7	51.6	40.0	8.4	43.3
Sep-22	20.2	45.5	34.4	-14.2	51.3	39.8	8.9	42.4
Nov-22	20.9	46.1	32.9	-12.0	52.5	39.9	7.6	44.9
Jan-23	21.4	49.0	29.6	-8.3	54.5	38.7	6.9	47.6
Mar-23	22.2	49.7	28.1	-5.9	54.1	38.4	7.5	46.7
May-23	23.9	49.7	26.3	-2.4	53.8	39.4	6.9	46.9
Jul-23	25.4	49.9	24.8	0.6	54.7	38.6	6.7	48.0

**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
Jul-22	72.6	21.1	6.3	66.3	73.0	22.4	4.6	68.3
Sep-22	75.9	17.5	6.6	69.2	74.2	20.7	5.2	69.0
Nov-22	74.9	19.2	5.9	69.0	75.0	20.3	4.7	70.2
Jan-23	73.9	20.6	5.5	68.4	75.5	19.8	4.7	70.8
Mar-23	75.0	19.6	5.4	69.6	75.4	19.9	4.6	70.8
May-23	73.4	21.3	5.3	68.1	73.8	21.7	4.6	69.2
Jul-23	74.5	20.5	5.0	69.6	73.8	21.3	4.8	69.0

**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
Jul-22	82.0	13.7	4.3	77.7	80.0	16.5	3.6	76.4
Sep-22	85.2	10.7	4.1	81.1	80.9	15.4	3.7	77.3
Nov-22	84.7	11.6	3.7	81.0	81.1	15.4	3.5	77.7
Jan-23	84.1	12.3	3.6	80.5	81.3	15.2	3.5	77.8
Mar-23	85.3	11.5	3.2	82.1	81.7	14.8	3.5	78.2
May-23	84.0	12.8	3.2	80.8	81.3	15.2	3.5	77.8
Jul-23	85.3	11.8	3.0	82.3	81.0	15.5	3.5	77.5

**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
Jul-22	18.7	35.9	45.5	-26.8	29.3	38.5	32.2	-2.9
Sep-22	20.9	32.5	46.7	-25.8	29.5	37.6	33.0	-3.6
Nov-22	22.4	33.8	43.8	-21.4	32.8	35.1	32.2	0.6
Jan-23	22.1	35.2	42.8	-20.7	31.9	38.4	29.8	2.1
Mar-23	25.2	34.8	40.0	-14.8	34.5	36.8	28.8	5.7
May-23	25.8	38.2	36.1	-10.3	35.3	37.5	27.2	8.2
Jul-23	26.6	36.9	36.5	-10.0	34.8	37.6	27.6	7.3

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