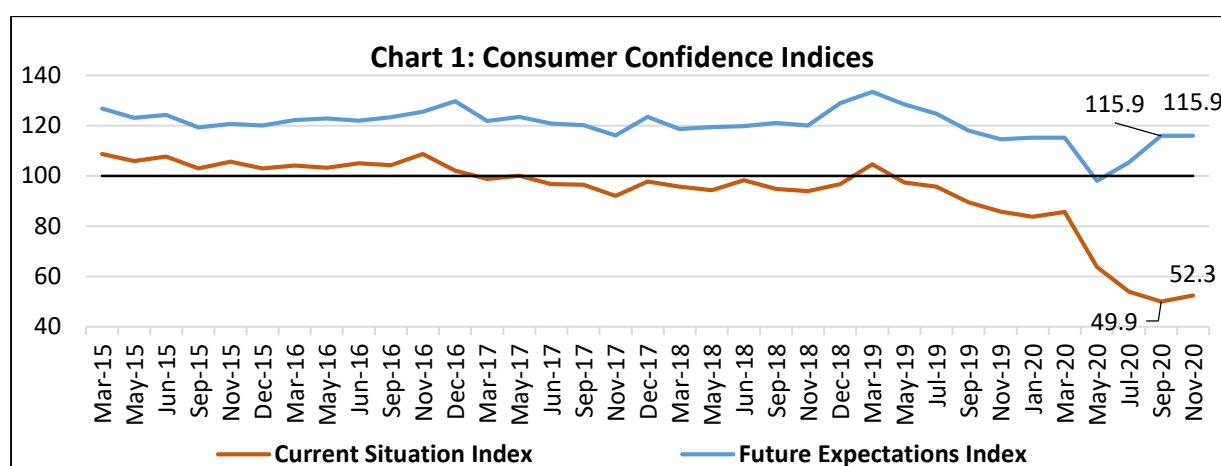


Consumer Confidence Survey

Today, the Reserve Bank released the results of the November 2020 round of its Consumer Confidence Survey (CCS)¹. In view of the Covid-19 pandemic, the survey was conducted through field interviews, wherever possible, and telephonic interviews elsewhere, during October 30 – November 12, 2020 in thirteen major cities, viz., Ahmedabad; Bengaluru; Bhopal; Chennai; Delhi; Guwahati; Hyderabad; Jaipur; Kolkata; Lucknow; Mumbai; Patna; and Thiruvananthapuram. Perceptions and expectations on general economic situation, employment scenario, overall price situation and own income and spending have been obtained from 5,319 households across these cities².

Highlights:

- I. Consumer confidence remained very low in November 2020 when compared to a year ago, as reflected in the current situation index (CSI)³, though it showed a marginal improvement over the all-time low recorded in the previous round (Chart 1).
- II. Weak confidence is attributable to the consumer sentiments on general economic situation, employment scenario, price levels and household incomes (Tables 1, 2, 3 and 5).
- III. Households remain optimistic about the one year ahead situation, with the future expectations index (FEI) remaining in growth terrain at 115.9.



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

- IV. Respondents reported higher essential and overall spending, though discretionary expenditure contracted; non-essential spending is expected to contract further in the coming year (Table 6, 7 and 8).

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

² Unit-level data for previous rounds of the survey are available on the Database on Indian Economy (DBIE) portal of the Bank (weblink: <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=unitLevelData>)

³ 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. $CSI/FEI = 100 + \text{Average of Net Responses of the above parameters}$.

Summary based on Net Responses						
Main Variables	Current Perception compared with one-year ago			One year ahead Expectations compared with current situation		
	Sep-20	Nov-20	Change	Sep-20	Nov-20	Change
Economic Situation	-70.6	-66.5	↑	15.3	15.7	↑
Employment	-71.6	-68.5	↑	22.5	18.9	↓
Price Level	-80.4	-88.3	↓	-59.5	-58.4	↑
Income	-53.8	-54.7	↓	43.2	40.3	↓
Spending	26.1	39.7	↑	58.1	63.0	↑
Consumer Confidence Index	49.9	52.3	↑	115.9	115.9	↔
↑	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	
↔	Positive Sentiments with no change compared to last round			↔	Negative Sentiments with no change compared to last round	

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-19	30.0	18.4	51.6	-21.6	48.9	16.5	34.7	14.2
Jan-20	27.1	18.0	54.9	-27.8	48.8	14.3	36.9	11.9
Mar-20	28.4	19.3	52.3	-23.9	49.8	15.6	34.7	15.1
May-20	14.4	11.2	74.4	-60.0	39.6	9.0	51.4	-11.7
Jul-20	11.9	10.3	77.8	-65.9	44.3	13.5	42.2	2.1
Sep-20	9.0	11.4	79.6	-70.6	50.1	15.1	34.8	15.3
Nov-20	11.0	11.5	77.5	-66.5	50.9	13.9	35.2	15.7

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-19	24.4	18.1	57.5	-33.1	46.3	17.7	36.0	10.3
Jan-20	24.6	17.8	57.7	-33.1	48.4	16.3	35.4	13.0
Mar-20	25.2	19.1	55.7	-30.5	48.8	17.1	34.1	14.7
May-20	19.2	13.4	67.4	-48.2	41.5	11.1	47.4	-5.9
Jul-20	13.0	8.9	78.1	-65.1	48.6	13.3	38.2	10.4
Sep-20	10.1	8.1	81.7	-71.6	54.1	14.3	31.6	22.5
Nov-20	11.0	9.5	79.5	-68.5	52.0	14.9	33.1	18.9

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-19	86.8	10.2	2.9	-83.9	78.0	14.1	7.9	-70.1
Jan-20	90.6	7.6	1.9	-88.7	76.9	12.9	10.2	-66.7
Mar-20	87.2	10.3	2.6	-84.6	78.1	14.2	7.7	-70.4
May-20	79.1	17.5	3.4	-75.8	75.8	14.8	9.4	-66.4
Jul-20	79.7	16.7	3.6	-76.2	71.6	18.3	10.1	-61.5
Sep-20	82.9	14.6	2.5	-80.4	69.5	20.5	10.0	-59.5
Nov-20	89.7	9.0	1.4	-88.3	70.5	17.4	12.1	-58.4

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-19	77.2	17.4	5.5	-71.7	77.3	17.3	5.4	-71.9
Jan-20	84.9	11.2	4.0	-80.9	80.3	14.7	5.0	-75.3
Mar-20	80.8	15.7	3.5	-77.3	75.6	20.3	4.1	-71.5
May-20	74.8	18.6	6.6	-68.2	73.4	19.5	7.1	-66.3
Jul-20	79.8	15.6	4.5	-75.3	76.4	18.6	5.0	-71.4
Sep-20	83.0	13.1	3.9	-79.1	75.9	19.6	4.6	-71.3
Nov-20	88.3	8.9	2.8	-85.5	78.3	16.7	4.9	-73.4

*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
Nov-19	24.1	49.2	26.7	-2.6	52.8	38.9	8.3	44.5
Jan-20	21.9	51.2	26.9	-5.0	51.9	38.9	9.2	42.7
Mar-20	22.7	52.4	24.9	-2.2	52.0	40.2	7.8	44.2
May-20	12.6	34.0	53.4	-40.8	39.5	39.1	21.4	18.1
Jul-20	8.3	28.9	62.8	-54.5	43.5	39.3	17.2	26.3
Sep-20	8.9	28.4	62.7	-53.8	53.2	36.7	10.0	43.2
Nov-20	8.4	28.5	63.1	-54.7	51.0	38.3	10.7	40.3

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-19	73.2	23.4	3.4	69.8	77.4	19.0	3.6	73.8
Jan-20	76.3	20.5	3.2	73.1	78.7	17.3	4.0	74.7
Mar-20	72.6	24.0	3.4	69.2	75.8	20.7	3.5	72.3
May-20	56.1	31.0	12.9	43.2	64.3	27.0	8.7	55.6
Jul-20	48.1	34.7	17.2	30.8	60.2	29.2	10.6	49.6
Sep-20	47.2	31.8	21.1	26.1	65.3	27.5	7.2	58.1
Nov-20	55.6	28.5	15.9	39.7	69.1	24.9	6.1	63.0

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
Nov-19	83.6	13.6	2.7	80.9	83.0	13.9	3.1	79.9
Jan-20	85.3	12.2	2.6	82.7	83.7	12.9	3.4	80.3
Mar-20	83.0	14.6	2.4	80.6	82.1	15.0	2.9	79.2
May-20	69.3	20.9	9.8	59.5	73.0	20.6	6.4	66.7
Jul-20	64.0	23.9	12.1	51.9	69.4	22.9	7.7	61.7
Sep-20	61.4	23.9	14.7	46.7	71.9	22.8	5.3	66.6
Nov-20	68.7	20.0	11.3	57.4	75.6	19.2	5.2	70.4

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-19	27.5	42.4	30.1	-2.6	33.4	43.0	23.5	9.9
Jan-20	28.0	37.3	34.6	-6.6	34.3	37.8	27.9	6.4
Mar-20	27.7	42.0	30.3	-2.6	32.4	43.5	24.1	8.3
May-20	13.9	39.6	46.4	-32.5	22.0	42.4	35.6	-13.6
Jul-20	9.2	29.4	61.4	-52.2	22.2	37.9	39.9	-17.7
Sep-20	10.7	29.5	59.8	-49.1	31.3	37.4	31.4	-0.1
Nov-20	11.2	27.9	60.9	-49.7	28.7	37.3	34.0	-5.3
