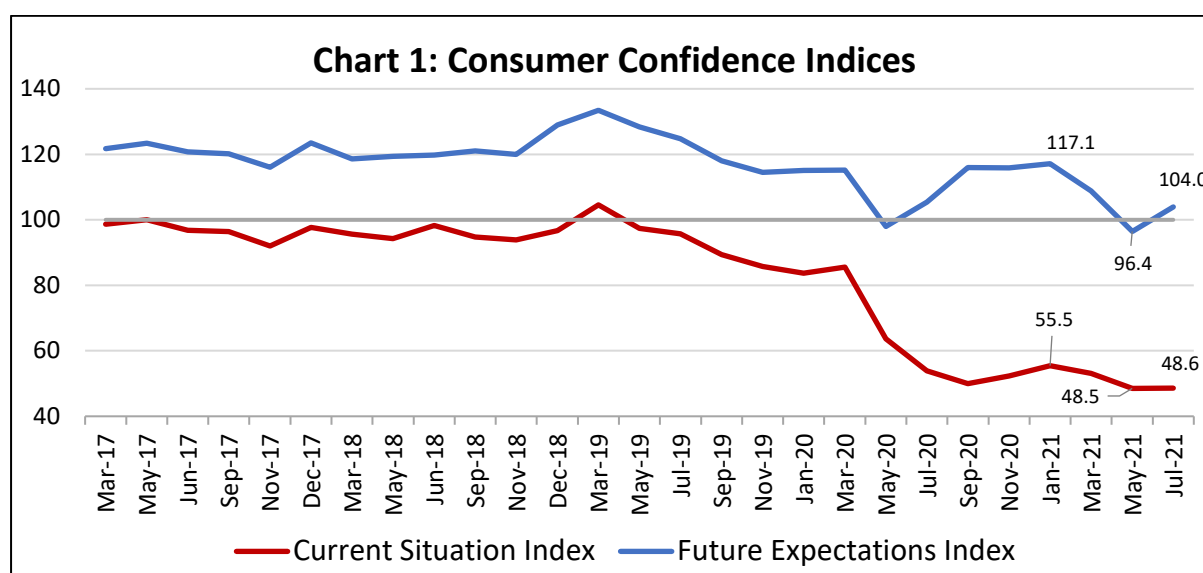


Consumer Confidence Survey

Today, the Reserve Bank released the results of the July 2021 round of its Consumer Confidence Survey (CCS)¹. With the gradual withdrawal of COVID-19 related restrictions in most states, the survey was conducted through physical interviews, wherever possible, and telephonic interviews elsewhere, during June 28 to July 9, 2021 in 13 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 5,384 households across these cities².

Highlights:

- I. Consumer confidence for the current period remained weak and the current situation index (CSI)³ stood around the all-time low level recorded in the previous survey round as most households reported lower incomes and higher level of price as compared to a year ago (Chart 1 and Tables 3 and 5).
- II. Driven by substantial improvements in the outlook for general economic situation and employment scenario after the waning of the second wave of the COVID-19 pandemic, the future expectations index (FEI) returned to optimistic territory; respondents placed higher confidence on household income going forward (Table 1 and 2).



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

- III. The sentiments on overall spending remained unchanged as higher spending on essential items were offset by a drop in non-essential expenditure; consumers expect further contraction in discretionary expenditure in the year ahead (Tables 6, 7 and 8).

¹ 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 4, 2021](#).

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 (as compared with one year ago) and a year ahead, respectively. CSI and FEI = 100 + 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		
	May-21	July-21	Change	May-21	July-21	Change
Economic Situation	-75.0	-69.1	↑	-18.3	-4.8	↑
Employment	-74.9	-68.2	↑	-13.0	0.9	↑
Price Level	-89.0	-91.9	↓	-64.3	-59.5	↑
Income	-50.1	-59.1	↓	27.0	30.6	↑
Spending	31.4	31.4	↔	50.9	52.8	↑
Consumer Confidence Index	48.5	48.6	↑	96.4	104.0	↑
↑	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	
↔	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
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
Jan-21	14.3	13.6	72.2	-57.9	52.6	16.1	31.3	21.3
Mar-21	12.1	11.9	76.0	-63.9	44.0	17.3	38.7	5.3
May-21	6.5	12.1	81.4	-75.0	33.2	15.3	51.5	-18.3
Jul-21	9.4	12.1	78.5	-69.1	39.7	15.8	44.5	-4.8

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-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
Jan-21	13.1	11.5	75.4	-62.3	55.3	16.1	28.6	26.7
Mar-21	12.9	11.8	75.3	-62.4	46.7	17.3	36.0	10.7
May-21	7.2	10.8	82.1	-74.9	35.4	16.1	48.5	-13.0
Jul-21	10.3	11.3	78.4	-68.2	42.2	16.5	41.3	0.9

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
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
Jan-21	88.6	9.6	1.7	-86.9	73.2	17.1	9.7	-63.5
Mar-21	93.8	5.0	1.2	-92.6	75.0	14.4	10.6	-64.4
May-21	90.6	7.8	1.6	-89.0	73.9	16.4	9.7	-64.3
Jul-21	93.1	5.6	1.3	-91.9	71.3	16.9	11.8	-59.5

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-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
Jan-21	83.5	13.4	3.1	-80.4	77.7	17.2	5.0	-72.7
Mar-21	88.8	8.5	2.7	-86.1	81.1	14.3	4.5	-76.6
May-21	87.2	10.3	2.5	-84.7	79.3	16.7	4.0	-75.3
Jul-21	87.9	10.4	1.7	-86.3	79.7	16.3	4.0	-75.8

*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
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
Jan-21	9.9	29.2	60.9	-51.0	51.3	38.8	9.9	41.4
Mar-21	7.9	30.5	61.6	-53.7	46.4	40.7	13.0	33.4
May-21	8.4	33.1	58.5	-50.1	42.5	42.1	15.5	27.0
Jul-21	6.8	27.4	65.9	-59.1	44.5	41.6	13.9	30.6

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-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
Jan-21	53.3	28.9	17.8	35.5	66.4	26.7	6.8	59.6
Mar-21	56.6	24.9	18.4	38.2	67.0	25.3	7.7	59.3
May-21	50.6	30.3	19.2	31.4	60.5	29.9	9.6	50.9
Jul-21	51.9	27.7	20.5	31.4	62.1	28.7	9.3	52.8

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
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
Jan-21	68.6	20.0	11.4	57.2	73.6	21.6	4.8	68.8
Mar-21	71.1	16.0	12.9	58.2	74.6	20.0	5.4	69.2
May-21	63.2	22.3	14.5	48.7	68.1	24.6	7.3	60.8
Jul-21	66.2	19.0	14.8	51.4	71.0	22.1	7.0	64.0

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-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
Jan-21	13.3	27.1	59.7	-46.4	27.5	36.7	35.8	-8.3
Mar-21	11.9	29.5	58.5	-46.6	24.7	38.3	37.1	-12.4
May-21	8.7	31.5	59.7	-51.0	22.2	40.7	37.1	-14.9
Jul-21	8.4	27.2	64.4	-56.0	21.5	37.9	40.6	-19.2
