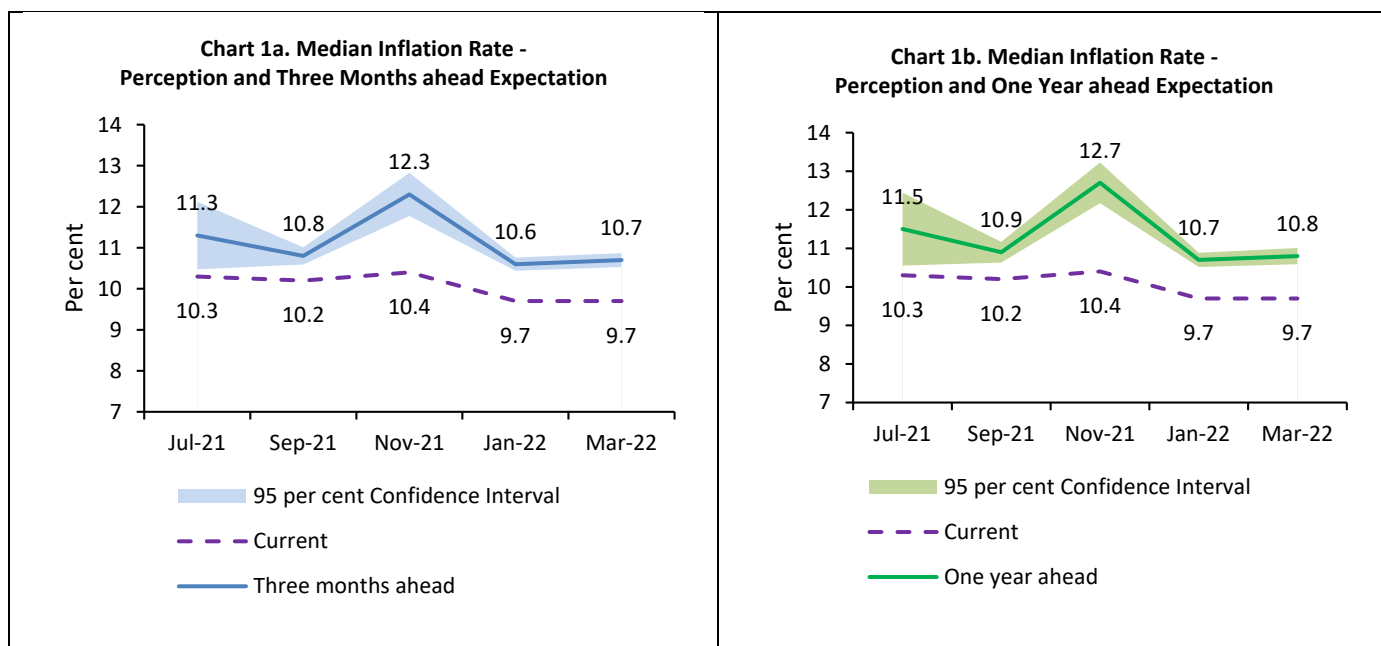


## Households' Inflation Expectations Survey

Today, the Reserve Bank released the results of the March 2022 round of the Inflation Expectations Survey of Households (IESH)<sup>1 2</sup>. The survey was conducted during March 2 to 11, 2022 in 19 major cities<sup>3</sup>. The results are based on responses from 6,033 urban households.

### Highlights:

- i. Households' median inflation perceptions for the current period remained unchanged at 9.7 per cent in the latest survey round, while the expectations for both three months and one year ahead rose by 10 basis points each to 10.7 per cent and 10.8 per cent, respectively, as compared to January 2022 round [Charts 1a and 1b; Table 3].
- ii. For a majority of population and age groups, uncertainty in inflation expectations increased for both three months and one year horizons, as compared to the previous survey round [Tables 1(a), 1(b) and 2].
- iii. Three months ahead expectations for overall prices and inflation were generally aligned to those for food and non-food products, while one year ahead expectations were more aligned to those for non-food products and services [Table 4].



**Note:** [Please see the excel file for time series data](#)<sup>4</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 [February 10, 2022](#).

<sup>2</sup> The survey is conducted at bi-monthly intervals by the Reserve Bank of India. It provides directional information on near-term inflationary pressures as expected by the respondents and may reflect their own consumption patterns. Hence, they should be treated as households' sentiments on inflation.

<sup>3</sup> These results include Jammu as the new survey centre, which constitutes 1.6 per cent of respondents in the latest survey round. The results for all the 19 cities, including Jammu, from the March 2021 through March 2022 rounds are released in the attached excel file and the same is also updated in the respective tables as applicable.

<sup>4</sup> 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>).

**Table 1(a): Product-wise Expectations of Prices for Three Months ahead**

(Percentage of Respondents)

Survey period ended	Mar-21		Sep-21		Nov-21		Jan-22		Mar-22	
General	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Prices will increase	86.6	0.74	84.9	0.76	89.3	0.64	85.6	0.68	89.9	0.64
Price increase more than current rate	58.3	1.14	61.5	1.14	66.9	1.16	61.4	1.07	67.2	1.27
Price increase similar to current rate	24.2	0.94	19.9	0.88	19.2	0.94	20.5	0.87	19.3	0.96
Price increase less than current rate	4.1	0.50	3.5	0.40	3.3	0.41	3.7	0.40	3.5	0.45
No changes in prices	11.1	0.71	12.9	0.71	8.2	0.55	12.0	0.64	8.6	0.59
Decline in prices	2.3	0.29	2.2	0.29	2.5	0.30	2.4	0.30	1.5	0.22
<b>Food Product</b>										
Prices will increase	85.2	0.70	84.8	0.73	86.0	0.70	83.7	0.71	89.6	0.62
Price increase more than current rate	61.1	1.01	61.3	1.08	63.6	1.16	61.0	1.01	68.2	1.14
Price increase similar to current rate	18.2	0.81	18.3	0.80	17.2	0.82	17.0	0.78	16.2	0.88
Price increase less than current rate	5.9	0.55	5.3	0.50	5.2	0.46	5.7	0.47	5.2	0.48
No changes in prices	9.3	0.60	10.7	0.64	8.2	0.51	10.5	0.58	6.9	0.51
Decline in prices	5.5	0.45	4.4	0.40	5.9	0.46	5.8	0.45	3.5	0.36
<b>Non- Food Product</b>										
Prices will increase	81.0	0.78	82.1	0.81	86.3	0.67	80.4	0.73	88.4	0.63
Price increase more than current rate	56.9	0.99	58.7	1.14	62.5	1.17	55.4	1.02	65.6	1.17
Price increase similar to current rate	19.5	0.76	18.3	0.82	18.8	0.85	19.4	0.80	17.6	0.87
Price increase less than current rate	4.6	0.42	5.1	0.44	4.9	0.48	5.6	0.46	5.2	0.49
No changes in prices	12.8	0.69	13.6	0.72	8.9	0.54	14.1	0.64	8.7	0.56
Decline in prices	6.2	0.48	4.3	0.42	4.8	0.43	5.4	0.43	2.9	0.31
<b>Household Durables</b>										
Prices will increase	68.1	0.91	67.3	0.96	68.6	0.90	69.9	0.88	73.5	0.89
Price increase more than current rate	45.9	0.98	46.4	1.08	47.7	1.11	48.6	1.03	51.9	1.20
Price increase similar to current rate	17.8	0.74	16.3	0.77	16.0	0.77	16.2	0.70	16.0	0.83
Price increase less than current rate	4.4	0.44	4.6	0.43	4.9	0.44	5.1	0.45	5.5	0.50
No changes in prices	24.6	0.84	25.0	0.86	22.7	0.82	23.1	0.82	20.4	0.83
Decline in prices	7.3	0.50	7.7	0.53	8.7	0.54	7.0	0.45	6.1	0.44
<b>Cost of Housing</b>										
Prices will increase	69.0	0.93	68.8	0.95	74.3	0.94	71.5	0.88	75.8	0.94
Price increase more than current rate	48.4	1.03	49.6	1.07	55.1	1.16	51.3	1.07	54.9	1.23
Price increase similar to current rate	16.8	0.74	15.2	0.77	15.6	0.78	16.1	0.74	16.6	0.80
Price increase less than current rate	3.8	0.40	3.9	0.42	3.7	0.39	4.2	0.42	4.3	0.40
No changes in prices	22.1	0.85	21.8	0.85	19.0	0.82	21.3	0.80	18.9	0.86
Decline in prices	8.9	0.54	9.4	0.58	6.7	0.50	7.2	0.48	5.4	0.46
<b>Cost of Services</b>										
Prices will increase	75.6	0.89	73.3	0.93	76.5	0.86	74.3	0.83	76.3	0.88
Price increase more than current rate	51.6	1.02	52.1	1.09	53.9	1.19	51.6	1.05	54.5	1.19
Price increase similar to current rate	19.5	0.78	16.9	0.75	17.6	0.80	18.0	0.79	16.8	0.80
Price increase less than current rate	4.5	0.44	4.4	0.41	5.0	0.49	4.6	0.43	5.0	0.47
No changes in prices	20.7	0.84	23.7	0.90	20.2	0.80	22.3	0.78	21.2	0.86
Decline in prices	3.7	0.36	3.0	0.33	3.3	0.34	3.4	0.34	2.4	0.29
<b>Note:</b>										
1. The table provides estimates and standard errors for qualitative responses.										
2. Constituent items may not add up to the corresponding total, due to rounding off.										

**Table 1(b): Product-wise Expectations of Prices for One Year ahead**

(Percentage of Respondents)

Survey period ended	Mar-21		Sep-21		Nov-21		Jan-22		Mar-22	
General	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Prices will increase	88.6	0.61	87.6	0.72	90.4	0.59	89.6	0.58	91.5	0.58
Price increase more than current rate	63.2	1.06	66.3	1.09	70.5	1.15	68.2	1.05	71.0	1.19
Price increase similar to current rate	21.5	0.86	18.1	0.85	16.7	0.91	18.1	0.81	17.4	0.93
Price increase less than current rate	3.9	0.44	3.3	0.36	3.3	0.39	3.3	0.39	3.1	0.41
No changes in prices	8.5	0.54	9.4	0.61	6.4	0.46	7.8	0.50	6.1	0.48
Decline in prices	2.8	0.32	3.0	0.35	3.1	0.35	2.6	0.29	2.4	0.29
<b>Food Product</b>										
Prices will increase	81.6	0.73	81.5	0.79	84.5	0.74	83.8	0.71	85.3	0.72
Price increase more than current rate	54.5	1.00	57.2	1.11	60.2	1.20	58.2	1.06	60.9	1.19
Price increase similar to current rate	22.2	0.83	19.6	0.89	19.9	0.92	20.4	0.86	19.6	0.91
Price increase less than current rate	4.9	0.45	4.7	0.45	4.4	0.42	5.2	0.45	4.8	0.47
No changes in prices	12.0	0.61	11.9	0.65	9.4	0.57	10.9	0.61	9.8	0.59
Decline in prices	6.3	0.45	6.6	0.47	6.1	0.47	5.3	0.40	5.0	0.41
<b>Non- Food Product</b>										
Prices will increase	79.9	0.79	81.4	0.81	85.1	0.72	82.9	0.72	85.8	0.73
Price increase more than current rate	53.8	1.01	57.8	1.12	61.7	1.20	57.5	1.09	62.4	1.18
Price increase similar to current rate	21.5	0.83	19.5	0.84	19.0	0.87	20.5	0.86	18.9	0.89
Price increase less than current rate	4.6	0.43	4.1	0.40	4.4	0.45	4.9	0.44	4.5	0.44
No changes in prices	13.4	0.66	13.3	0.71	9.5	0.56	12.0	0.61	9.7	0.60
Decline in prices	6.7	0.47	5.3	0.42	5.4	0.43	5.0	0.41	4.5	0.40
<b>Household Durables</b>										
Prices will increase	70.3	0.90	71.4	0.98	75.0	0.87	75.4	0.87	77.3	0.84
Price increase more than current rate	47.1	0.97	49.3	1.09	52.3	1.16	52.1	1.07	54.1	1.16
Price increase similar to current rate	18.9	0.73	17.5	0.83	18.2	0.85	18.7	0.81	18.3	0.89
Price increase less than current rate	4.4	0.42	4.5	0.45	4.5	0.45	4.6	0.45	4.8	0.48
No changes in prices	22.7	0.80	22.4	0.89	18.0	0.75	18.5	0.77	17.1	0.74
Decline in prices	7.0	0.48	6.2	0.46	7.0	0.48	6.1	0.44	5.6	0.43
<b>Cost of Housing</b>										
Prices will increase	75.7	0.86	76.4	0.87	82.4	0.77	79.3	0.78	83.1	0.75
Price increase more than current rate	53.7	1.03	55.1	1.08	60.6	1.15	57.0	1.03	61.1	1.17
Price increase similar to current rate	18.4	0.79	16.8	0.80	17.9	0.86	18.1	0.78	17.6	0.88
Price increase less than current rate	3.6	0.38	4.5	0.42	3.9	0.40	4.2	0.43	4.5	0.43
No changes in prices	17.8	0.75	17.4	0.78	12.8	0.67	15.1	0.66	13.2	0.67
Decline in prices	6.5	0.48	6.2	0.47	4.9	0.41	5.6	0.43	3.7	0.36
<b>Cost of Services</b>										
Prices will increase	81.4	0.74	79.8	0.84	83.6	0.73	82.0	0.75	83.0	0.79
Price increase more than current rate	55.1	1.01	56.6	1.14	59.5	1.20	57.5	1.04	59.2	1.25
Price increase similar to current rate	21.6	0.81	18.9	0.85	19.1	0.88	19.8	0.81	18.8	0.93
Price increase less than current rate	4.7	0.43	4.3	0.43	5.0	0.46	4.6	0.44	5.0	0.47
No changes in prices	15.1	0.66	16.6	0.76	13.3	0.65	15.1	0.68	14.1	0.71
Decline in prices	3.5	0.35	3.6	0.38	3.1	0.34	3.0	0.31	3.0	0.32
<b>Note:</b>										
1. The table provides estimates and standard errors for qualitative responses.										
2. Constituent items may not add up to the corresponding total, due to rounding off.										

**Table 2: Inflation Expectations of Various Groups: Mar-22**

	Current Perception				Three Months ahead Expectation				One Year ahead Expectation			
	Mean		Median		Mean		Median		Mean		Median	
	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Overall	9.8	0.12	9.7	0.31	11.1	0.12	10.7	0.09	10.9	0.13	10.8	0.11
Gender-wise												
Male	10.1	0.15	10.1	0.11	11.4	0.15	11.0	0.28	11.2	0.17	11.4	0.47
Female	9.6	0.16	9.2	0.37	10.9	0.16	10.5	0.10	10.7	0.18	10.6	0.12
Category-wise												
Financial Sector Employees	9.2	0.53	7.9	0.66	10.6	0.56	9.4	0.76	11.0	0.61	10.7	0.70
Other Employees	9.9	0.21	9.8	0.41	11.2	0.20	10.8	0.21	11.0	0.24	11.1	0.41
Self Employed	10.5	0.25	10.3	0.12	11.8	0.24	12.0	0.71	11.3	0.28	12.0	0.70
Homemaker	9.8	0.18	9.7	0.39	11.0	0.18	10.6	0.12	10.8	0.21	10.7	0.15
Retired Persons	10.7	0.44	10.5	0.22	11.8	0.43	11.8	0.93	12.0	0.44	12.6	1.17
Daily Workers	10.0	0.28	9.8	0.36	11.1	0.28	10.7	0.28	10.9	0.33	11.0	0.54
Other category	9.1	0.23	8.2	0.36	10.5	0.24	10.2	0.22	10.6	0.27	10.4	0.22
Age Group-wise												
Up to 25 years	9.0	0.19	8.3	0.31	10.4	0.20	10.1	0.23	10.6	0.23	10.5	0.18
25 to 30 years	9.8	0.22	9.4	0.45	11.1	0.22	10.7	0.23	10.9	0.25	11.0	0.45
30 to 35 years	9.7	0.22	9.1	0.49	11.2	0.21	10.7	0.21	11.1	0.25	11.0	0.39
35 to 40 years	10.1	0.21	10.1	0.21	11.4	0.21	11.0	0.30	11.1	0.24	10.9	0.35
40 to 45 years	10.0	0.24	10.1	0.21	11.2	0.25	10.8	0.24	10.7	0.30	11.0	0.49
45 to 50 years	10.0	0.26	9.9	0.35	11.3	0.25	10.9	0.46	10.8	0.31	10.8	0.36
50 to 55 years	10.3	0.28	10.1	0.30	11.4	0.27	11.0	0.41	11.0	0.34	11.2	0.64
55 to 60 years	10.3	0.34	10.0	0.38	11.5	0.34	11.4	0.69	11.3	0.38	11.2	0.90
60 years and above	10.5	0.30	10.3	0.16	11.5	0.29	11.0	0.49	11.5	0.33	11.8	0.78
City-wise												
Ahmedabad	8.7	0.65	7.0	0.77	10.1	0.67	8.6	1.03	10.4	0.64	9.5	1.04
Bengaluru	9.9	0.28	10.2	0.25	11.4	0.30	11.2	0.67	11.1	0.34	12.2	1.09
Bhopal	8.6	0.68	7.6	1.57	10.0	0.62	9.8	1.48	9.3	0.61	9.6	1.15
Bhubaneswar	5.4	0.52	5.2	0.55	7.3	0.60	7.1	0.76	8.4	0.59	8.1	0.63
Chennai	10.1	0.44	10.3	0.27	11.5	0.41	11.3	0.71	11.8	0.42	13.8	1.39
Delhi	9.7	0.25	9.7	0.47	10.9	0.29	10.5	0.22	10.7	0.36	10.8	0.52
Guwahati	6.6	0.37	6.1	0.37	7.2	0.45	6.9	0.54	7.8	0.75	7.6	0.84
Hyderabad	11.8	0.62	12.4	2.24	13.6	0.48	15.9	0.36	13.2	0.47	16.0	0.27
Jaipur	9.1	0.47	8.8	0.56	10.1	0.52	10.0	0.48	9.4	0.48	9.7	0.56
Jammu	9.6	0.65	9.7	0.72	9.9	0.67	9.6	0.87	8.6	0.86	8.7	1.02
Kolkata	10.4	0.35	10.3	0.19	11.8	0.32	11.9	0.59	11.6	0.35	12.2	0.81
Lucknow	10.6	0.57	10.1	0.41	11.3	0.46	10.9	0.85	10.2	0.59	10.2	0.45
Mumbai	10.3	0.27	9.5	0.43	11.5	0.28	10.8	0.33	11.0	0.33	11.0	0.43
Nagpur	10.3	0.65	9.6	0.95	11.8	0.60	11.8	1.52	11.3	0.64	11.8	1.39
Patna	8.4	0.55	8.1	0.56	9.6	0.80	9.3	0.76	9.4	0.83	9.4	0.75
Thiruvananthapuram	6.0	0.55	5.2	0.44	7.9	0.58	7.2	0.60	9.2	0.80	8.6	1.04
Chandigarh	10.8	0.66	10.0	0.43	11.4	0.76	10.7	1.02	10.5	0.99	10.2	1.12
Ranchi	7.3	0.35	6.6	0.23	8.0	0.35	7.5	0.43	8.2	0.38	8.2	0.25
Raipur	7.0	0.48	6.2	0.56	7.3	0.59	6.8	0.82	6.9	0.95	6.9	1.28

Note: The table provides estimates and standard errors for quantitative responses.

**Table 3: Household Inflation Expectations – Current Perception, Three Months and One Year Ahead Expectations**

	Current Perception				Three Months ahead Expectation				One Year ahead Expectation			
	Mean		Median		Mean		Median		Mean		Median	
	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Mar-21	9.4	0.11	8.8	0.15	10.4	0.11	10.1	0.12	10.0	0.12	10.2	0.09
Sep-21	10.4	0.11	10.2	0.06	11.4	0.11	10.8	0.11	10.8	0.13	10.9	0.14
Nov-21	10.7	0.11	10.4	0.05	11.9	0.11	12.3	0.27	11.5	0.12	12.7	0.27
Jan-22	9.9	0.10	9.7	0.28	11.1	0.10	10.6	0.08	10.7	0.11	10.7	0.09
Mar-22	9.8	0.12	9.7	0.31	11.1	0.12	10.7	0.09	10.9	0.13	10.8	0.11

Note: The table provides estimates and standard errors for quantitative responses.

**Table 4: Households Expecting General Price Movements in Coherence with Movements in Price Expectations of Various Product Groups: Three Months Ahead and One Year Ahead**

(Percentage of Respondents)					
Survey period ended	Food	Non-Food	Household durables	Housing	Cost of services
Three Months Ahead					
Mar-21	67.1	65.9	57.5	58.9	65.3
Sep-21	68.8	69.1	59.5	60.2	66.7
Nov-21	69.8	70.5	59.0	63.4	65.7
Jan-22	66.8	65.8	60.5	61.7	66.0
Mar-22	70.5	70.8	60.2	62.0	65.8
One Year Ahead					
Mar-21	69.7	70.2	62.5	65.8	71.8
Sep-21	71.3	72.9	64.9	67.1	73.8
Nov-21	73.8	74.8	66.2	70.4	73.2
Jan-22	71.7	72.4	65.2	67.5	72.9
Mar-22	73.1	74.2	67.5	69.4	74.4

Note: Figures are based on sample observations

**Table 5(a): Cross-tabulation of Number of Respondents by Current Inflation Perception and Three Months Ahead Inflation Expectations: Mar-22**

		Three Months Ahead Inflation Rate (per cent)																		
		<1	1-<2	2-<3	3-<4	4-<5	5-<6	6-<7	7-<8	8-<9	9-<10	10-<11	11-<12	12-<13	13-<14	14-<15	15-<16	>=16	No idea	Total
Current Inflation Rate (per cent)	<1	12	3	3	2	0	0	0	0	0	0	2	0	0	0	0	0	0	0	22
	1-<2	0	16	14	8	0	2	0	0	0	0	0	0	0	0	0	0	0	0	40
	2-<3	0	5	70	42	33	13	3	0	2	0	2	0	0	0	0	0	0	0	170
	3-<4	0	3	3	47	50	44	20	6	1	2	1	0	0	0	0	0	0	0	177
	4-<5	0	0	5	8	88	83	67	18	8	1	5	2	1	0	0	0	0	0	286
	5-<6	0	0	9	14	23	329	163	216	86	14	137	2	5	1	0	14	5	0	1018
	6-<7	0	0	1	4	2	8	117	97	77	24	26	4	6	1	5	4	0	0	376
	7-<8	0	0	0	2	1	3	8	134	104	59	72	7	14	3	8	4	1	0	420
	8-<9	1	1	2	0	3	3	3	3	134	68	140	15	34	11	2	9	6	0	435
	9-<10	0	0	0	0	0	2	2	1	4	59	55	27	24	4	8	6	6	0	198
	10-<11	0	0	1	0	3	25	3	9	8	12	357	64	185	50	27	296	150	2	1192
	11-<12	0	1	0	0	0	0	0	0	0	2	1	6	7	2	2	4	4	0	29
	12-<13	0	0	0	0	0	0	0	0	1	0	3	0	33	8	11	30	16	0	102
	13-<14	0	0	0	0	0	1	0	0	0	0	0	1	0	4	6	8	7	0	27
	14-<15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	6	13	0	25
	15-<16	0	0	0	0	0	1	0	0	0	0	3	0	1	1	0	86	176	1	269
	>=16	0	0	1	0	0	4	1	0	2	1	20	0	2	0	0	24	1191	1	1247
	<b>Total</b>	<b>13</b>	<b>29</b>	<b>109</b>	<b>127</b>	<b>203</b>	<b>518</b>	<b>387</b>	<b>484</b>	<b>427</b>	<b>242</b>	<b>824</b>	<b>128</b>	<b>312</b>	<b>85</b>	<b>75</b>	<b>491</b>	<b>1575</b>	<b>4</b>	<b>6033</b>

Note: Figures are based on sample observations

**Table 5(b): Cross-tabulation of Number of Respondents by Current Inflation Perception and One Year Ahead Inflation Expectations: Mar-22**

		One Year Ahead Inflation Rate (per cent)																			
		<1	1-<2	2-<3	3-<4	4-<5	5-<6	6-<7	7-<8	8-<9	9-<10	10-<11	11-<12	12-<13	13-<14	14-<15	15-<16	>=16	No idea	Total	
Current Inflation Rate (per cent)	<1	10	3	2	1	1	3	0	0	0	0	0	0	0	0	0	0	2	0	22	
	1-<2	9	4	11	6	3	5	2	0	0	0	0	0	0	0	0	0	0	0	40	
	2-<3	20	2	42	28	35	23	9	3	5	0	0	0	0	0	0	0	1	2	0	170
	3-<4	22	0	1	29	28	42	19	14	11	2	7	0	1	0	0	0	0	1	0	177
	4-<5	30	0	0	4	56	61	55	26	21	14	13	1	4	0	0	0	0	1	0	286
	5-<6	85	0	1	8	7	219	106	178	117	32	162	7	12	9	5	34	36	0	1018	
	6-<7	23	0	0	3	0	8	77	62	90	36	41	5	17	3	0	8	3	0	376	
	7-<8	31	0	1	0	1	3	3	84	65	63	98	12	24	3	8	12	11	1	420	
	8-<9	33	0	0	0	0	2	3	3	85	52	131	27	43	11	6	16	23	0	435	
	9-<10	13	0	0	0	0	0	1	2	3	42	37	28	31	6	11	18	6	0	198	
	10-<11	104	0	0	0	1	7	4	4	9	11	235	41	126	41	21	289	298	1	1192	
	11-<12	4	0	0	1	0	0	0	0	0	1	2	4	3	2	2	7	3	0	29	
	12-<13	7	0	0	0	0	0	0	0	0	0	2	0	26	6	10	22	29	0	102	
	13-<14	1	0	0	0	0	0	0	0	0	0	0	0	0	5	2	11	8	0	27	
	14-<15	3	0	0	0	0	0	0	0	0	0	0	0	0	0	4	2	16	0	25	
	15-<16	16	0	0	0	0	0	0	0	0	0	6	0	1	0	1	46	199	0	269	
	>=16	109	0	0	0	0	1	0	0	0	0	14	0	1	0	0	18	1102	2	1247	
	<b>Total</b>	<b>520</b>	<b>9</b>	<b>58</b>	<b>80</b>	<b>132</b>	<b>374</b>	<b>279</b>	<b>376</b>	<b>406</b>	<b>253</b>	<b>748</b>	<b>125</b>	<b>289</b>	<b>86</b>	<b>70</b>	<b>484</b>	<b>1740</b>	<b>4</b>	<b>6033</b>	

Note: Figures are based on sample observations