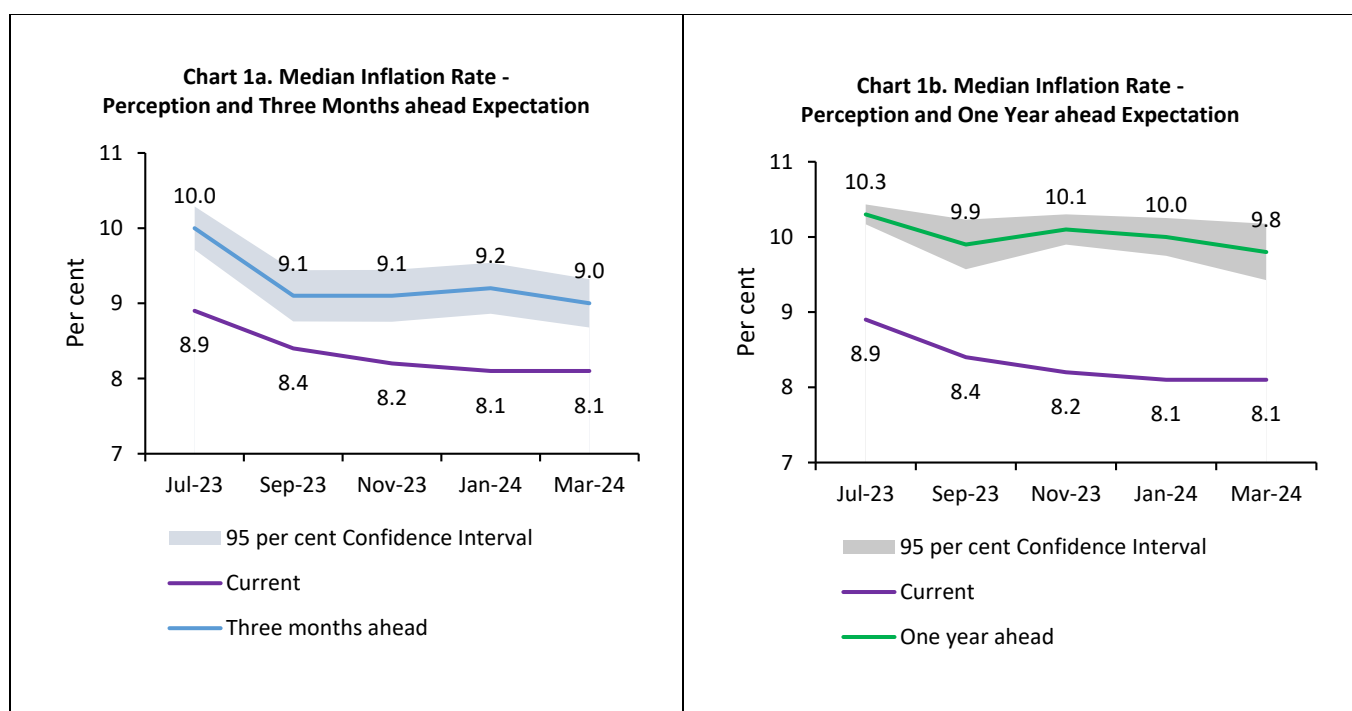


## Households' Inflation Expectations Survey

Today, the Reserve Bank released the results of March 2024 round of its bi-monthly inflation expectations survey of households (IESH)<sup>1,2</sup>. The survey was conducted during March 2-11, 2024 in 19 major cities, with responses from 6,083 urban households. Female respondents accounted for 50.8 per cent of this sample.

### Highlights:

- i. Households' inflation expectations for both three months and one year ahead moderated by 20 basis points (bps) each to 9.0 per cent and 9.8 per cent, respectively; their perception on current inflation, however, remained unchanged at 8.1 per cent [Charts 1(a) and 1(b); Table 3].
- ii. The share of households expecting overall prices and inflation to increase over the next three months and one year moderated for general prices as well as for most of the product groups, when compared to the previous survey round [Tables 1(a) and 1(b)].
- iii. Median inflation expectation was relatively low for respondents below 25 years in age among all age-groups; in occupation category, it was lower among financial sector employees [Table 2].
- iv. Households' expectations on general price for one year horizon remained closely aligned with food prices and housing related expenses [Table 4].



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

<sup>1</sup> The survey is conducted at bi-monthly intervals by the Reserve Bank; it provides directional information on near-term inflationary pressures as expected by respondents and may reflect their own consumption patterns. Hence, survey results reflect respondents' views, which are not necessarily shared by the Reserve Bank.

<sup>2</sup> All estimates of inflation expectations are given in terms of median, unless stated otherwise.

<sup>3</sup> Results of the previous survey round were released on the Bank's website on [February 08, 2024](#). Unit-level data for previous rounds of the survey are available on the Bank's 'Database on Indian Economy' (DBIE) portal (weblink: <https://dbie.rbi.org.in/#/dbie/home>) under the head 'Unit-level Data'.

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

(Percentage of Respondents)

Survey period ended	Mar-23		Sep-23		Nov-23		Jan-24		Mar-24	
General	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Prices will increase	83.8	0.83	74.2	0.97	74.1	0.93	78.2	0.84	76.5	0.85
Price increase more than current rate	60.6	1.17	49.5	1.10	50.8	1.13	54.4	1.09	53.1	1.08
Price increase similar to current rate	19.8	0.87	20.0	0.80	19.1	0.85	19.5	0.80	18.2	0.79
Price increase less than current rate	3.5	0.36	4.7	0.47	4.2	0.42	4.2	0.43	5.2	0.44
No changes in prices	13.3	0.74	20.7	0.88	21.2	0.88	18.3	0.79	19.6	0.80
Decline in prices	2.8	0.41	5.0	0.52	4.7	0.45	3.6	0.37	3.9	0.38
<b>Food Product</b>										
Prices will increase	84.0	0.75	75.4	0.87	75.5	0.90	80.2	0.77	76.7	0.81
Price increase more than current rate	62.1	1.12	55.1	1.05	53.7	1.04	59.3	1.00	54.4	1.00
Price increase similar to current rate	16.9	0.79	15.1	0.71	16.1	0.74	15.6	0.72	15.7	0.69
Price increase less than current rate	5.1	0.42	5.3	0.46	5.8	0.47	5.4	0.45	6.6	0.50
No changes in prices	9.7	0.59	13.2	0.68	15.5	0.76	12.3	0.65	15.1	0.68
Decline in prices	6.3	0.53	11.3	0.66	9.0	0.57	7.5	0.51	8.2	0.54
<b>Non- Food Product</b>										
Prices will increase	81.3	0.79	69.2	0.93	73.8	0.87	74.0	0.85	71.5	0.87
Price increase more than current rate	58.6	1.10	47.1	1.04	52.4	1.04	52.3	1.03	48.9	1.01
Price increase similar to current rate	17.7	0.80	16.7	0.72	16.1	0.72	16.4	0.71	16.2	0.71
Price increase less than current rate	5.1	0.43	5.4	0.51	5.3	0.46	5.2	0.45	6.4	0.48
No changes in prices	13.3	0.67	20.5	0.77	19.5	0.77	18.6	0.76	20.9	0.80
Decline in prices	5.4	0.51	10.3	0.66	6.7	0.48	7.4	0.52	7.7	0.51
<b>Household Durables</b>										
Prices will increase	67.9	0.92	62.2	0.99	63.8	0.98	65.5	0.93	64.7	0.92
Price increase more than current rate	47.8	1.09	43.2	1.05	45.5	1.02	46.3	1.04	43.8	1.01
Price increase similar to current rate	15.8	0.75	14.1	0.65	13.4	0.68	14.5	0.65	15.5	0.70
Price increase less than current rate	4.2	0.41	4.9	0.43	4.9	0.43	4.7	0.42	5.4	0.44
No changes in prices	22.4	0.85	26.4	0.88	25.9	0.89	25.2	0.85	26.1	0.85
Decline in prices	9.7	0.60	11.3	0.64	10.3	0.59	9.4	0.57	9.2	0.57
<b>Cost of Housing</b>										
Prices will increase	78.2	0.92	75.1	0.95	76.8	0.88	78.4	0.83	76.9	0.83
Price increase more than current rate	57.7	1.14	54.3	1.09	57.2	1.09	58.2	1.05	55.8	1.07
Price increase similar to current rate	16.7	0.76	16.3	0.66	15.5	0.72	16.1	0.72	16.4	0.74
Price increase less than current rate	3.8	0.39	4.5	0.43	4.1	0.37	4.0	0.41	4.7	0.40
No changes in prices	18.1	0.83	20.9	0.90	20.0	0.83	18.1	0.79	19.6	0.78
Decline in prices	3.7	0.44	4.1	0.46	3.2	0.36	3.6	0.34	3.5	0.36
<b>Cost of Services</b>										
Prices will increase	73.2	0.90	63.0	1.04	63.3	0.96	65.0	0.93	65.0	0.97
Price increase more than current rate	51.7	1.11	44.7	1.05	43.7	1.09	46.1	1.02	45.5	1.09
Price increase similar to current rate	17.8	0.76	14.5	0.68	15.5	0.70	15.0	0.69	14.4	0.70
Price increase less than current rate	3.6	0.37	3.9	0.40	4.2	0.40	3.8	0.37	5.2	0.45
No changes in prices	23.2	0.86	31.2	0.99	31.5	0.93	30.5	0.91	30.1	0.92
Decline in prices	3.6	0.40	5.7	0.54	5.1	0.48	4.5	0.41	4.8	0.43

Note:

1. The table provides estimates and standard errors (SE) 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-23		Sep-23		Nov-23		Jan-24		Mar-24	
General	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Prices will increase	90.4	0.66	86.2	0.74	89.0	0.65	88.7	0.63	87.4	0.67
Price increase more than current rate	69.3	1.11	62.2	1.05	67.2	1.07	66.3	1.06	64.7	1.08
Price increase similar to current rate	18.1	0.87	19.9	0.81	18.4	0.87	19.1	0.83	18.5	0.83
Price increase less than current rate	3.0	0.33	4.1	0.43	3.4	0.38	3.3	0.36	4.2	0.41
No changes in prices	6.4	0.50	9.6	0.59	8.4	0.56	8.2	0.55	9.7	0.59
Decline in prices	3.2	0.43	4.2	0.48	2.7	0.35	3.0	0.36	2.9	0.35
<b>Food Product</b>										
Prices will increase	86.3	0.71	82.8	0.80	86.1	0.71	86.4	0.68	84.5	0.73
Price increase more than current rate	63.7	1.16	57.9	1.09	63.2	1.06	63.6	1.03	59.5	1.10
Price increase similar to current rate	18.5	0.86	19.7	0.82	18.4	0.83	18.2	0.77	19.8	0.80
Price increase less than current rate	4.1	0.38	5.3	0.48	4.5	0.41	4.7	0.43	5.2	0.45
No changes in prices	8.1	0.53	9.6	0.58	8.8	0.56	8.7	0.53	10.1	0.61
Decline in prices	5.6	0.52	7.6	0.60	5.1	0.44	4.9	0.43	5.4	0.44
<b>Non- Food Product</b>										
Prices will increase	85.4	0.73	78.9	0.83	82.6	0.78	82.0	0.80	81.1	0.76
Price increase more than current rate	62.9	1.12	54.7	1.05	60.7	1.09	59.1	1.11	56.3	1.09
Price increase similar to current rate	18.2	0.78	19.7	0.78	17.4	0.80	18.6	0.79	19.5	0.82
Price increase less than current rate	4.3	0.40	4.5	0.44	4.5	0.42	4.4	0.41	5.3	0.47
No changes in prices	9.4	0.55	13.9	0.66	12.9	0.65	13.1	0.66	14.1	0.69
Decline in prices	5.2	0.51	7.2	0.57	4.5	0.43	4.8	0.45	4.8	0.44
<b>Household Durables</b>										
Prices will increase	76.5	0.85	73.9	0.91	75.5	0.89	74.8	0.84	74.5	0.83
Price increase more than current rate	55.8	1.15	52.4	1.04	55.3	1.07	54.0	1.06	52.3	1.06
Price increase similar to current rate	16.9	0.80	17.3	0.71	16.3	0.77	16.7	0.69	17.3	0.76
Price increase less than current rate	3.8	0.38	4.1	0.42	3.9	0.39	4.1	0.41	5.0	0.45
No changes in prices	15.4	0.70	18.5	0.76	17.7	0.76	18.3	0.75	18.1	0.76
Decline in prices	8.1	0.60	7.7	0.56	6.8	0.50	6.9	0.49	7.4	0.51
<b>Cost of Housing</b>										
Prices will increase	87.4	0.65	86.1	0.70	87.9	0.68	88.0	0.65	87.2	0.66
Price increase more than current rate	66.6	1.06	65.0	1.04	68.5	1.02	67.7	0.96	65.6	1.01
Price increase similar to current rate	17.4	0.80	16.9	0.73	16.3	0.78	16.7	0.74	17.2	0.74
Price increase less than current rate	3.4	0.37	4.2	0.42	3.1	0.36	3.6	0.40	4.4	0.39
No changes in prices	9.2	0.54	10.1	0.56	9.4	0.61	9.1	0.55	9.5	0.57
Decline in prices	3.4	0.41	3.8	0.43	2.7	0.34	2.9	0.34	3.3	0.36
<b>Cost of Services</b>										
Prices will increase	83.6	0.80	78.4	0.86	80.8	0.81	79.5	0.78	80.1	0.78
Price increase more than current rate	60.5	1.14	56.2	1.05	59.2	1.08	58.8	1.03	56.3	1.08
Price increase similar to current rate	18.8	0.83	18.0	0.70	17.6	0.80	16.6	0.72	18.9	0.78
Price increase less than current rate	4.3	0.39	4.2	0.43	4.0	0.40	4.1	0.40	4.9	0.45
No changes in prices	13.0	0.68	17.1	0.74	16.3	0.74	17.0	0.72	16.0	0.71
Decline in prices	3.4	0.44	4.4	0.48	2.9	0.36	3.5	0.37	3.9	0.38

Note:

1. The table provides estimates and standard errors (SE) 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-24**

	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	8.7	0.09	8.1	0.13	9.6	0.09	9.0	0.16	9.5	0.10	9.8	0.19
Gender-wise												
Male	8.9	0.13	8.1	0.18	9.6	0.13	9.1	0.25	9.5	0.15	9.6	0.28
Female	8.7	0.12	8.1	0.16	9.7	0.13	9.1	0.25	9.5	0.15	10.0	0.20
Category-wise												
Financial Sector Employees	8.7	0.43	7.2	0.43	9.2	0.43	8.4	0.51	9.5	0.45	8.5	0.30
Other Employees	8.7	0.17	8.1	0.21	9.4	0.17	8.9	0.22	9.5	0.21	9.9	0.27
Self Employed	8.9	0.19	8.2	0.25	9.5	0.20	9.0	0.32	9.5	0.24	9.6	0.42
Homemakers	8.7	0.14	8.2	0.17	9.7	0.15	9.3	0.28	9.6	0.17	10.1	0.14
Retired Persons	9.6	0.32	9.1	0.70	10.2	0.31	10.1	0.33	9.5	0.44	9.6	0.63
Daily Workers	8.6	0.24	7.8	0.28	9.3	0.27	8.9	0.50	8.6	0.37	9.0	0.50
Other category	8.2	0.19	7.6	0.20	9.2	0.20	8.4	0.19	9.1	0.25	8.9	0.32
Age Group-wise												
Up to 25 years	8.0	0.16	7.2	0.18	8.9	0.17	8.1	0.17	8.9	0.21	8.7	0.21
25 to 30 years	8.5	0.18	8.0	0.24	9.2	0.19	8.9	0.27	9.4	0.23	9.7	0.34
30 to 35 years	8.9	0.19	8.2	0.25	9.7	0.20	9.2	0.35	9.8	0.26	10.2	0.18
35 to 40 years	9.0	0.20	8.5	0.23	9.9	0.21	9.8	0.30	9.8	0.24	10.1	0.27
40 to 45 years	9.0	0.22	8.4	0.28	9.9	0.22	9.4	0.36	9.7	0.27	10.0	0.28
45 to 50 years	9.1	0.23	8.9	0.43	9.9	0.25	10.0	0.30	9.5	0.29	10.0	0.33
50 to 55 years	8.4	0.26	7.7	0.39	9.3	0.27	8.5	0.38	8.8	0.34	9.3	0.58
55 to 60 years	9.4	0.33	9.2	0.60	10.2	0.33	9.9	0.50	9.9	0.41	10.0	0.54
60 years and above	9.1	0.24	8.6	0.43	10.0	0.27	10.0	0.35	9.1	0.35	9.5	0.47
City-wise												
Ahmedabad	7.5	0.30	6.9	0.34	8.6	0.36	7.8	0.39	8.2	0.43	8.1	0.50
Bengaluru	6.9	0.22	5.7	0.12	8.4	0.23	7.6	0.34	9.2	0.24	8.8	0.39
Bhopal	8.9	0.82	8.0	1.28	9.7	0.75	9.6	0.85	8.8	0.59	8.5	1.10
Bhubaneswar	8.8	0.64	7.9	1.32	10.3	0.67	9.6	1.30	10.0	0.81	10.4	1.02
Chennai	10.6	0.40	10.4	0.33	11.7	0.40	12.0	1.27	12.0	0.48	14.3	1.51
Delhi	9.3	0.21	9.2	0.49	10.1	0.22	10.1	0.20	10.2	0.27	10.4	0.17
Guwahati	7.6	0.42	6.7	0.56	7.9	0.48	7.3	0.67	8.3	0.61	7.6	1.09
Hyderabad	8.7	0.36	8.0	0.40	9.4	0.32	8.9	0.38	9.1	0.43	9.9	0.45
Jaipur	7.9	0.39	7.4	0.49	8.1	0.38	7.6	0.37	6.6	0.59	6.3	0.85
Jammu	12.3	0.73	13.4	2.10	11.9	0.64	13.3	1.81	11.4	0.87	14.6	1.71
Kolkata	10.0	0.25	9.6	0.50	10.8	0.24	10.3	0.28	10.8	0.27	10.7	0.36
Lucknow	8.6	0.58	7.7	0.77	9.0	0.53	8.0	0.75	9.0	0.60	8.4	0.74
Mumbai	8.4	0.22	7.6	0.25	9.1	0.22	8.4	0.27	8.2	0.25	8.6	0.34
Nagpur	8.5	0.47	8.0	0.66	9.8	0.50	9.3	0.66	9.6	0.68	10.4	0.47
Patna	7.4	0.44	7.3	0.62	8.1	0.47	8.2	0.55	8.0	0.53	8.4	0.50
Thiruvananthapuram	7.2	0.59	6.0	0.73	9.1	0.63	8.3	1.06	10.5	0.59	9.7	1.14
Chandigarh	10.5	0.60	9.8	0.37	10.3	0.61	10.0	0.46	10.3	0.65	10.1	0.54
Ranchi	8.9	0.33	8.3	0.29	9.2	0.34	8.8	0.35	9.1	0.66	9.6	0.69
Raipur	9.9	0.51	10.0	0.51	10.4	0.55	10.4	0.53	9.3	0.76	10.3	0.80

Note: The table provides estimates and standard errors (SE) 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-23	9.5	0.10	8.9	0.17	10.5	0.10	10.2	0.08	10.4	0.11	10.5	0.07
Sep-23	9.0	0.09	8.4	0.11	9.7	0.09	9.1	0.17	9.3	0.11	9.9	0.17
Nov-23	8.9	0.09	8.2	0.12	9.7	0.09	9.1	0.18	9.6	0.10	10.1	0.10
Jan-24	8.8	0.09	8.1	0.12	9.7	0.09	9.2	0.17	9.6	0.10	10.0	0.13
Mar-24	8.7	0.09	8.1	0.13	9.6	0.09	9.0	0.16	9.5	0.10	9.8	0.19

Note: The table provides estimates and standard errors (SE) 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	Households durables	Housing	Cost of services
Three Months Ahead					
Mar-23	67.4	68.8	60.9	65.9	68.0
Sep-23	62.0	64.3	60.7	63.2	66.3
Nov-23	66.5	61.8	57.0	60.7	66.4
Jan-24	65.2	65.4	60.8	64.2	65.8
Mar-24	65.4	66.1	61.2	64.6	66.8
One Year Ahead					
Mar-23	75.7	75.7	69.6	74.9	75.7
Sep-23	69.8	71.2	66.8	72.2	71.5
Nov-23	74.8	73.9	68.1	75.3	73.9
Jan-24	76.5	74.1	67.9	74.9	74.6
Mar-24	74.6	73.6	68.3	75.0	74.2

**Table 5(a): Cross-tabulation of Number of Respondents by Current Inflation Perception and Three Months Ahead Inflation Expectations: Mar-24**

		Three Months Ahead Inflation Rate (per cent)																		
Current 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
	<1	14	2	0	0	1	3	0	0	0	0	0	0	0	0	0	0	0	1	0
1-<2	5	32	21	4	2	1	0	0	0	0	0	0	0	0	0	0	0	0	0	65
2-<3	1	10	111	78	43	15	2	0	0	0	1	0	0	0	0	0	0	0	0	261
3-<4	0	4	10	113	64	53	9	1	1	1	4	1	0	0	0	0	0	0	0	261
4-<5	0	0	8	13	118	73	46	16	8	2	2	0	0	0	0	0	0	0	0	286
5-<6	2	4	22	31	29	495	152	205	79	16	106	0	0	0	0	5	0	0	0	1146
6-<7	0	2	3	8	5	17	190	98	68	19	16	2	2	0	1	0	0	0	0	431
7-<8	0	1	2	3	5	20	9	241	120	59	49	5	5	0	1	0	0	0	0	520
8-<9	0	2	0	1	3	9	12	5	192	88	173	9	16	2	1	2	5	0	0	520
9-<10	0	0	3	0	0	1	1	4	6	96	82	17	20	4	2	5	0	0	0	241
10-<11	0	1	1	2	3	42	5	10	17	15	450	64	184	57	10	236	72	1	0	1170
11-<12	0	0	1	0	0	0	0	0	0	2	2	12	5	4	1	0	1	0	0	28
12-<13	0	1	0	0	0	0	0	1	0	0	1	2	36	8	15	23	7	0	0	94
13-<14	0	0	0	0	0	0	0	0	0	0	1	0	0	5	1	2	2	0	0	11
14-<15	0	0	0	0	0	0	1	0	0	0	1	1	0	0	6	0	5	0	0	14
15-<16	0	0	0	0	0	5	0	0	3	0	12	0	3	2	0	76	124	0	0	225
>=16	0	0	2	0	0	7	0	1	1	1	23	1	4	0	0	26	720	3	0	789
<b>Total</b>	<b>22</b>	<b>59</b>	<b>184</b>	<b>253</b>	<b>273</b>	<b>741</b>	<b>427</b>	<b>582</b>	<b>495</b>	<b>299</b>	<b>923</b>	<b>114</b>	<b>275</b>	<b>82</b>	<b>38</b>	<b>375</b>	<b>937</b>	<b>4</b>	<b>6083</b>	

**Table 5(b): Cross-tabulation of Number of Respondents by Current Inflation Perception and One Year Ahead Inflation Expectations: Mar-24**

		One Year Ahead Inflation Rate (per cent)																		
Current 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
	<1	11	1	3	1	1	3	0	0	0	0	1	0	0	0	0	0	0	0	0
1-<2	22	13	17	5	3	4	0	1	0	0	0	0	0	0	0	0	0	0	0	65
2-<3	45	4	39	60	56	37	10	3	2	0	4	0	0	0	1	0	0	0	0	261
3-<4	35	3	6	51	50	64	20	14	9	1	4	1	1	0	1	0	1	0	0	261
4-<5	48	0	1	5	52	52	52	30	22	5	16	1	1	0	0	1	0	0	0	286
5-<6	162	1	10	9	20	247	119	159	129	43	197	6	8	3	0	24	8	1	0	1146
6-<7	71	0	2	0	3	6	86	73	90	29	44	9	6	2	1	6	3	0	0	431
7-<8	69	1	0	1	2	9	4	120	90	65	104	15	21	0	5	12	2	0	0	520
8-<9	58	0	0	1	2	2	4	6	100	62	150	35	61	6	5	19	9	0	0	520
9-<10	21	0	0	0	0	0	2	2	5	59	44	38	36	5	8	13	8	0	0	241
10-<11	112	0	0	1	1	16	1	4	11	5	241	48	144	51	29	291	213	2	0	1170
11-<12	7	0	0	0	0	0	0	0	1	0	0	4	5	3	3	3	2	0	0	28
12-<13	10	0	1	0	0	0	0	0	1	0	3	0	18	7	16	25	13	0	0	94
13-<14	2	0	0	0	0	0	0	0	0	0	0	0	0	3	1	1	4	0	0	11
14-<15	0	0	0	0	0	0	0	0	0	0	1	1	0	0	4	3	5	0	0	14
15-<16	20	0	0	0	0	0	0	0	0	1	3	0	1	1	0	48	151	0	0	225
>=16	74	0	0	0	0	6	0	0	1	0	12	0	2	0	1	12	677	4	0	789
<b>Total</b>	<b>767</b>	<b>23</b>	<b>79</b>	<b>134</b>	<b>190</b>	<b>446</b>	<b>298</b>	<b>412</b>	<b>461</b>	<b>270</b>	<b>824</b>	<b>158</b>	<b>304</b>	<b>81</b>	<b>75</b>	<b>458</b>	<b>1096</b>	<b>7</b>	<b>6083</b>	