

## Inflation Expectations Survey of Households: September 2012 (Round 29)\*

*The Inflation Expectations Survey of Households for the July-September 2012 quarter (29th round) captures the inflation expectations of 4,000 urban households across 12 cities, for the next three-month and for the next one-year period. These expectations are based on their individual consumption baskets and hence, these rates should not be considered as predictors of any official measure of inflation. The households' inflation expectations provide useful directional information on near-term inflationary pressures and also supplement other economic indicators to get a better indication of future inflation.*

*The proportion of respondents expecting increase in general prices by 'more than current rate' has decreased noticeably for three-month ahead period but has gone up for one-year ahead expectations as compared with the previous quarter. The perceived current inflation and three-month ahead inflation expectations based on median as well as mean inflation rate have also moved down as compared with the previous round. However, one-year ahead median inflation expectation has moved up and mean inflation expectation has moved down as compared with the previous round. Households expect inflation to rise further by 90 and 210 basis points during next three-month and next one-year respectively from their perceived current rate of 10.6 per cent. As in the past rounds, daily workers and housewives expect higher inflation rates compared with other categories.*

### I. Introduction

The Reserve Bank has been conducting Inflation Expectations Survey of Households (IESH) on a quarterly basis, since September 2005. The survey elicits qualitative and quantitative responses for three-

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month ahead and one-year ahead period on expected price changes and inflation. Inflation expectations of households are subjective assessments and are based on their individual consumption baskets and therefore, may be different from the official inflation numbers released periodically by the government. These inflation expectations should not be treated as forecast of any official measure of inflation, though they provide useful inputs on directional movements of future inflation.

### II. Sample Coverage and Information Sought

The survey is conducted simultaneously in 12 cities that cover adult respondents of 18 years and above. The major metropolitan cities, viz., Delhi, Kolkata, Mumbai and Chennai are represented by 500 households each, while another eight cities, viz., Jaipur, Lucknow, Bhopal, Ahmedabad, Patna, Guwahati, Bengaluru and Hyderabad are represented by 250 households each. The respondents having a view on perceived current inflation are well spread across the cities to provide a good geographical coverage. The male and female respondents in the group are approximately in the ratio of 3:2. The sample coverage in terms of occupational category-wise representation is nearly as per the target (Table 1).

**Table 1: Respondents' Profile (Category): Share in Total Sample**

Category of Respondents	Share in Total (%)	Target Share (%)
Financial Sector Employees	9.4	10.0
Other Employees	16.3	15.0
Self-employed	21.5	20.0
Housewives	29.3	30.0
Retired Persons	9.0	10.0
Daily Workers	9.0	10.0
Others	5.6	5.0

**Note:** The above sample proportion is for the quarter ended September 2012 survey.

The survey schedule (Annex) is organised into seven blocks covering the respondent profile (block 1), general and product-wise price expectations (block 2 and 3), feedback on RBI's action to control inflation (block 4), current and expected inflation rate (block 5), amount paid for the purchase of major food items during last one month (block 6) and the expectations on changes in income/wages (block 7).

The response options for price changes are (i) price increase more than current rate, (ii) price increase similar to current rate, (iii) price increase less than current rate, (iv) no change in prices and (v) decline in prices. The inflation rates are collected in intervals - the lowest being 'less than 1 per cent' and

the highest being '16 per cent and above' with 100 basis points size for all intermediate classes.

### III. Survey Results

#### III.1 General Price Expectations

- Almost all the respondents expect prices to go up three-month ahead and one-year ahead.
- However, the percentage of respondents expecting increase in general prices by 'more than current rate' for three-month ahead period has decreased noticeably to 78.9 from 83.6 per cent and that for one-year ahead has gone up to 86.8 from 84.4 per cent in the previous round (Table 2).

**Table 2: Product-wise Expectations of Prices for Three-month ahead and One-year ahead**

(percentage of respondents)										
Round No./survey period (quarter ended)→	25	26	27	28	29	25	26	27	28	29
	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12
<b>Options: For General</b>	Three-month ahead					One-year ahead				
<b>Prices will increase</b>	<b>97.3</b>	<b>96.1</b>	<b>98.2</b>	<b>99.0</b>	<b>98.9</b>	<b>96.0</b>	<b>97.1</b>	<b>98.3</b>	<b>99.5</b>	<b>99.1</b>
Price increase more than current rate	75.8	73.4	75.6	83.6	78.9	73.5	76.9	78.8	84.4	86.8
Price increase similar to current rate	15.4	13.2	15.9	11.2	14.5	16.7	12.6	14.0	10.5	7.6
Price increase less than current rate	6.0	9.6	6.7	4.2	5.5	5.9	7.6	5.5	4.6	4.8
<b>No change in prices</b>	<b>2.2</b>	<b>3.0</b>	<b>1.6</b>	<b>1.0</b>	<b>1.1</b>	<b>3.3</b>	<b>2.5</b>	<b>1.6</b>	<b>0.4</b>	<b>0.8</b>
<b>Decline in price</b>	<b>0.6</b>	<b>0.9</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>0.7</b>	<b>0.4</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Options: For Food Products</b>	Three-month ahead					One-year ahead				
<b>Prices will increase</b>	<b>97.3</b>	<b>95.3</b>	<b>98.2</b>	<b>98.8</b>	<b>98.8</b>	<b>95.8</b>	<b>96.8</b>	<b>98.2</b>	<b>99.4</b>	<b>99.1</b>
Price increase more than current rate	74.2	70.4	69.8	80.8	78.6	72.0	73.7	74.4	82.5	85.7
Price increase similar to current rate	17.2	16.7	21.2	14.3	15.5	19.0	15.8	18.6	12.6	9.9
Price increase less than current rate	5.9	8.2	7.2	3.7	4.7	4.8	7.4	5.2	4.3	3.5
<b>No change in prices</b>	<b>1.9</b>	<b>3.4</b>	<b>1.6</b>	<b>1.1</b>	<b>1.1</b>	<b>3.3</b>	<b>2.7</b>	<b>1.7</b>	<b>0.5</b>	<b>0.9</b>
<b>Decline in price</b>	<b>0.9</b>	<b>1.3</b>	<b>0.3</b>	<b>0.1</b>	<b>0.2</b>	<b>0.9</b>	<b>0.5</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>
<b>Options: For Non Food Products</b>	Three-month ahead					One-year ahead				
<b>Prices will increase</b>	<b>95.6</b>	<b>94.3</b>	<b>97.5</b>	<b>97.8</b>	<b>98.1</b>	<b>95.2</b>	<b>96.2</b>	<b>98.1</b>	<b>99.3</b>	<b>99.0</b>
Price increase more than current rate	67.1	66.1	63.7	72.6	70.0	66.4	67.5	68.5	79.9	80.3
Price increase similar to current rate	21.5	18.3	24.3	20.3	20.5	22.7	20.8	22.6	15.2	13.8
Price increase less than current rate	7.0	9.9	9.5	4.9	7.6	6.1	8.0	7.0	4.2	4.9
<b>No change in prices</b>	<b>3.8</b>	<b>4.9</b>	<b>2.4</b>	<b>2.2</b>	<b>1.9</b>	<b>4.1</b>	<b>3.3</b>	<b>1.9</b>	<b>0.6</b>	<b>1.0</b>
<b>Decline in price</b>	<b>0.7</b>	<b>0.9</b>	<b>0.2</b>	<b>0.2</b>	<b>0.1</b>	<b>0.8</b>	<b>0.5</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>
<b>Options: For Household Durables</b>	Three-month ahead					One-year ahead				
<b>Prices will increase</b>	<b>91.0</b>	<b>86.9</b>	<b>90.0</b>	<b>94.3</b>	<b>86.9</b>	<b>91.5</b>	<b>90.6</b>	<b>91.9</b>	<b>96.3</b>	<b>94.9</b>
Price increase more than current rate	50.5	53.6	50.7	63.5	49.9	52.2	54.6	52.4	66.9	60.9
Price increase similar to current rate	26.4	19.5	25.7	22.4	21.9	26.0	22.6	25.7	18.8	21.6
Price increase less than current rate	14.1	13.8	13.6	8.4	15.1	13.3	13.4	13.8	10.6	12.4
<b>No change in prices</b>	<b>5.8</b>	<b>10.8</b>	<b>8.5</b>	<b>5.1</b>	<b>11.7</b>	<b>6.2</b>	<b>7.8</b>	<b>7.0</b>	<b>3.4</b>	<b>4.7</b>
<b>Decline in price</b>	<b>3.3</b>	<b>2.3</b>	<b>1.5</b>	<b>0.6</b>	<b>1.4</b>	<b>2.3</b>	<b>1.7</b>	<b>1.2</b>	<b>0.4</b>	<b>0.4</b>

**Table 2: Product-wise Expectations of Prices for Three-month ahead and One-year ahead (Concl.)**

(percentage of respondents)

Round No./survey period (quarter ended)→	25	26	27	28	29	25	26	27	28	29
	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12	Sep-11	Dec-11	Mar-12	Jun-12	Sep-12
<b>Options: For Housing Prices</b>	Three-month ahead					One-year ahead				
<b>Prices will increase</b>	<b>97.0</b>	<b>95.5</b>	<b>96.3</b>	<b>96.4</b>	<b>94.9</b>	<b>95.8</b>	<b>96.1</b>	<b>97.7</b>	<b>98.9</b>	<b>98.4</b>
Price increase more than current rate	73.5	67.4	70.4	73.0	75.1	70.2	67.3	73.4	76.9	83.5
Price increase similar to current rate	18.2	18.2	19.5	18.3	14.8	20.0	20.6	19.3	16.8	10.7
Price increase less than current rate	5.4	10.0	6.4	5.1	5.0	5.6	8.2	5.0	5.2	4.2
<b>No change in prices</b>	<b>2.2</b>	<b>3.8</b>	<b>3.3</b>	<b>3.2</b>	<b>3.5</b>	<b>3.3</b>	<b>3.5</b>	<b>2.1</b>	<b>0.9</b>	<b>1.5</b>
<b>Decline in price</b>	<b>0.8</b>	<b>0.7</b>	<b>0.4</b>	<b>0.5</b>	<b>1.7</b>	<b>0.9</b>	<b>0.5</b>	<b>0.3</b>	<b>0.2</b>	<b>0.1</b>
<b>Options: For Cost of Services</b>	Three-month ahead					One-year ahead				
<b>Prices will increase</b>	<b>95.3</b>	<b>91.9</b>	<b>95.8</b>	<b>96.4</b>	<b>93.6</b>	<b>95.2</b>	<b>93.6</b>	<b>97.1</b>	<b>98.1</b>	<b>97.4</b>
Price increase more than current rate	68.1	58.7	67.3	73.0	69.1	66.3	65.3	69.6	74.0	76.5
Price increase similar to current rate	20.3	21.2	20.3	18.3	17.8	23.4	18.6	19.8	18.5	14.5
Price increase less than current rate	6.8	12.1	8.2	5.1	6.7	5.4	9.8	7.7	5.6	6.5
<b>No change in prices</b>	<b>4.0</b>	<b>7.4</b>	<b>4.0</b>	<b>3.2</b>	<b>5.9</b>	<b>4.2</b>	<b>5.9</b>	<b>2.8</b>	<b>2.0</b>	<b>2.5</b>
<b>Decline in price</b>	<b>0.8</b>	<b>0.7</b>	<b>0.3</b>	<b>0.5</b>	<b>0.5</b>	<b>0.7</b>	<b>0.5</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>

### III. 2 Product Group-wise Price Expectations

- The percentages of respondents expecting price increase in three-month ahead have decreased for household durables, housing and cost of services whereas it has gone up for non-food products. However, the percentages of respondents expecting price increase in one-year ahead period have moved down for all the product groups (Table 2).
- The proportions of households expecting price increase three-month ahead by 'more than current rate' have decreased for all product groups except housing, whereas such proportions have risen in case of one-year ahead expectations for all product groups except household durables (Table 2).

### III.3 Coherence between General and Product Group-wise Price Expectations

- As in the past rounds, the general price expectations are more consistently aligned with food price expectations than with other product groups. More than 90 per cent of the respondents appeared to have been influenced by expected changes in food prices for arriving at general price expectations (Table 3).

**Table 3: Expecting General Price Movements in Coherence with Movements in Price Expectations of Various Product Groups: Three-month ahead and One-year ahead**

(percentage of respondents)

Survey Round	Survey Quarter ended	Food	Non-Food	Household durables	Housing	Cost of services
Three-month Ahead period						
25	Sep-11	88.8	86.2	68.0	84.4	85.2
26	Dec-11	87.9	82.4	67.6	74.4	74.7
27	Mar-12	87.7	82.7	65.4	84.1	83.7
28	Jun-12	90.5	84.5	73.2	82.8	82.6
29	Sep-12	90.9	86.0	60.5	83.3	81.1
One-year Ahead period						
25	Sep-11	92.4	87.2	71.1	85.7	86.3
26	Dec-11	92.3	84.5	68.0	78.1	81.2
27	Mar-12	91.8	84.0	65.7	83.9	85.9
28	Jun-12	92.5	88.0	77.1	85.1	87.1
29	Sep-12	95.9	90.3	69.5	91.0	87.2

- Further, sharp increase in coherence between general price expectations and housing price expectations are observed for one-year ahead period in the current survey round as compared with the previous round (Table 3).

### III.4 Inflation Expectations

- The perceived current inflation and three-month ahead inflation expectations based on median as well as mean inflation rate have moved down as compared with the previous round. However, in

**Table 4: Household Inflation Expectations - Current, Three-month Ahead and One-year Ahead**

Survey Round	Survey Quarter ended	Inflation rate in Per cent								
		Current			Three-month ahead			One-year ahead		
		Mean	Median	Std. Dev.	Mean	Median	Std. Dev.	Mean	Median	Std.Dev.
25	Sep-11	11.7	10.5	3.1	12.2	11.5	3.4	12.9	13.5	3.7
26	Dec-11	11.9	11.5	3.5	12.4	12.5	3.4	13.3	13.5	3.4
27	Mar-12	11.0	10.5	4.1	11.7	11.5	3.9	12.5	12.5	3.8
28	Jun-12	11.3	10.5	3.9	12.0	11.5	3.7	12.8	12.5	3.4
29	Sep-12	10.6	9.5	3.8	11.5	10.5	3.6	12.7	13.5	3.5

case of one-year ahead period, median inflation expectation has moved up and mean inflation expectation has moved down as compared with the previous round (Table 4).

- Households expect inflation to rise further by 90 and 210 basis points during next three-month and next one-year respectively from their perceived current rate of 10.6 per cent (Table 4).
- Daily workers and housewives tend to have marginally higher level of inflation expectations based on mean inflation rate. City-wise, inflation expectations based on mean inflation rate were found to be the highest in Jaipur and Mumbai and the lowest in Kolkata (Table 5).
- For a large part of survey history, the households' perceived current inflation rate remained between the WPI and CPI-IW inflation rates. However, from quarter ended September 2010 round onwards, it is higher than those inflation rates (Chart 1).

**Table 5: Various Group-wise Inflation Expectations for September 2012 Survey Round**

	Current			Three-month Ahead			One-year Ahead		
	Mean	Median	Std. Dev	Mean	Median	Std. Dev	Mean	Median	Std. Dev
<b>Gender-wise</b>									
Male	10.4	9.5	3.8	11.3	10.5	3.7	12.6	13.5	3.5
Female	10.9	10.5	3.8	11.8	11.5	3.7	12.9	13.5	3.6
<b>Category-wise</b>									
Financial Sector Employees	9.7	8.5	3.7	10.6	9.5	3.5	11.9	11.5	3.3
Other Employees	10.6	9.5	3.7	11.3	10.5	3.7	12.6	13.5	3.5
Self-Employed	10.7	10.5	3.8	11.5	11.5	3.9	12.9	13.5	3.5
Housewives	10.9	10.5	3.8	11.7	11.5	3.6	12.9	13.5	3.6
Retired Persons	10.1	9.5	3.9	11.2	10.5	3.7	12.4	12.5	3.6
Daily Workers	11.1	9.5	3.9	12.0	11.5	3.7	13.1	14.5	3.5
Others	10.5	9.5	3.9	11.3	10.5	3.6	12.8	13.5	3.5
<b>Age-wise</b>									
Up to 25 years	10.8	10.5	3.8	11.6	11.5	3.7	13.0	13.5	3.5
25 to 30 years	10.6	9.5	3.8	11.5	10.5	3.6	12.6	13.5	3.7
30 to 35 years	10.8	9.5	3.9	11.7	11.5	3.7	12.9	13.5	3.5
35 to 40 years	10.4	9.5	3.8	11.3	10.5	3.7	12.7	13.5	3.4
40 to 45 years	10.5	9.5	3.9	11.3	10.5	3.7	12.6	12.5	3.6
45 to 50 years	10.7	9.5	3.9	11.7	11.5	3.8	12.9	13.5	3.6
50 to 55 years	10.4	9.5	3.7	11.2	10.5	3.8	12.3	12.5	3.8
55 to 60 years	10.7	9.5	3.9	11.4	10.5	4.1	12.8	13.5	3.7
60 years and above	10.4	9.5	3.9	11.4	10.5	3.6	12.7	13.5	3.4

**Table 5: Various Group-wise Inflation Expectations for September 2012 Survey Round (Concl'd.)**

	Current			Three-month Ahead			One-year Ahead		
	Mean	Median	Std. Dev	Mean	Median	Std. Dev	Mean	Median	Std. Dev
<b>City-wise</b>									
Mumbai	14.7	15.5	2.5	15.2	16.5	2.5	16.2	16.5	1.1
Delhi	10.6	9.5	3.4	11.3	10.5	3.5	12.3	11.5	3.2
Chennai	9.0	8.5	2.4	10.0	9.5	2.4	9.9	9.5	3.4
Kolkata	7.0	6.5	1.1	7.7	7.5	1.9	9.1	9.5	2.2
Bangalore	13.4	14.5	3.4	14.0	15.5	3.1	14.5	16.5	2.7
Hyderabad	11.1	11.5	4.2	11.5	12.5	4.2	12.5	13.5	3.6
Ahmedabad	8.6	8.5	1.1	10.3	9.5	1.6	15.0	15.5	1.7
Lucknow	11.3	11.5	3.6	12.6	13.5	3.2	14.2	15.5	2.7
Jaipur	15.5	16.5	3.2	15.6	16.5	2.9	15.8	16.5	2.3
Bhopal	8.8	8.5	2.9	10.1	9.5	3.0	11.9	11.5	2.8
Patna	10.6	10.5	3.1	11.8	11.5	2.9	13.8	14.5	2.5
Guwahati	8.1	8.5	1.7	9.2	9.5	2.6	11.1	10.5	2.3
<b>All</b>	<b>10.6</b>	<b>9.5</b>	<b>3.8</b>	<b>11.5</b>	<b>10.5</b>	<b>3.6</b>	<b>12.7</b>	<b>13.5</b>	<b>3.5</b>

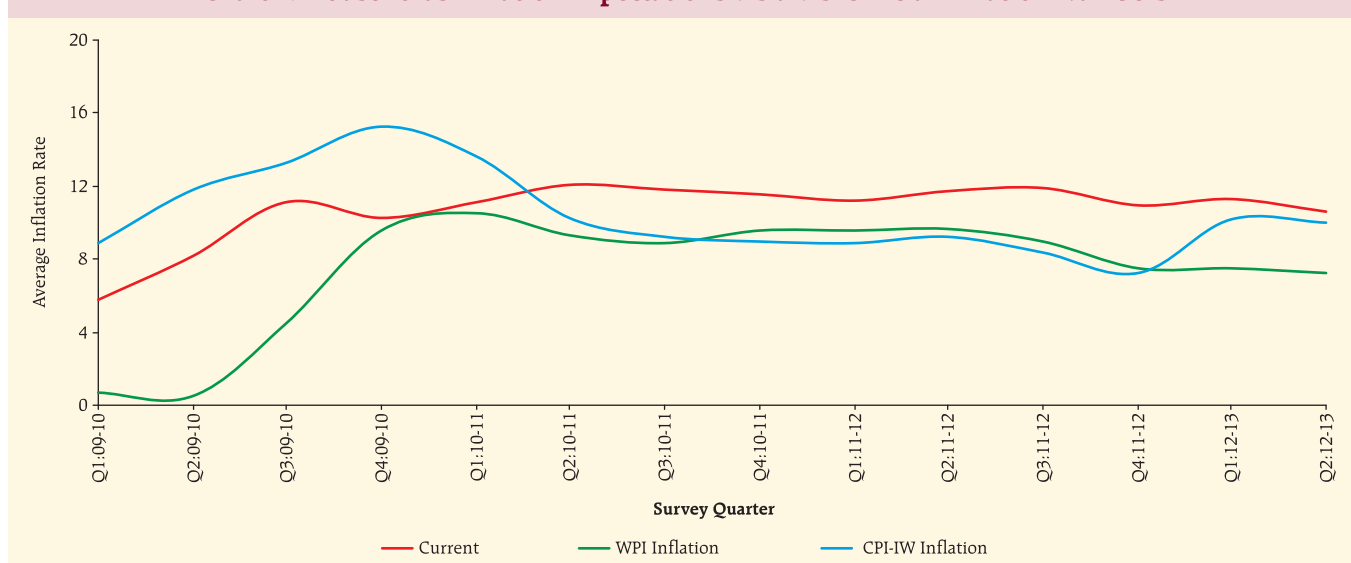
### III.5 Cross-classification of Current Inflation and Future Expectations

- The proportion of respondents perceiving current inflation, three-month ahead and one-year ahead inflation to be at double digit have declined as compared with those in the last round.
- In particular, 47.1 per cent (51.8 per cent in previous round) of respondents perceive double digit current inflation. Similarly, 59.3 per cent (65.0 per cent in previous round) and 73.1 per

cent (76.5 per cent) of the respondents expect double digit inflation rates for three-month ahead and one-year ahead periods (Table 6 and Table 7).

### III.6 Awareness on RBI Action to Control Inflation

- On the feedback of the RBI action to control inflation and its impact, 52 per cent of the respondents are aware of the role of RBI in controlling inflation, of which 29 per cent felt

**Chart 1: Households Inflation Expectations vis-à-vis Official Inflation Numbers**

**Table 6: Cross-tabulation of Current and Three-month Ahead Inflation Expectations**

(Number of respondents)

		Three-month ahead inflation rate (per cent)																	No idea	Total	
		<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			
Current inflation rate (per cent)	<1	2				2		2				1						1		8	
	1-2				2																3
	2-3			1	2																6
	3-4			1	2																12
	4-5					2	3											1			52
	5-6	1				1	29	13	3	1	2									1	151
	6-7					1	30	87	325	75	52	10	3	2							585
	7-8	1						7	69	282	113	25	4							3	509
	8-9	2					1	0	6	60	177	116	14	6	2	1	1	1	1		387
	9-10							1		6	79	214	68	14	8	5	6	1			402
	10-11										2	32	174	79	11	8	8	4			318
	11-12	2									1	2	12	156	23	10	1	3			210
	12-13													8	131	37	7	1			184
	13-14													6	76	22	2				106
	14-15	2								1	1		2	2	13	146	20				187
	15-16	2											2	1		13	115	1			134
	>=16	7								1	1	6	1	1	6	5	715	3			746
Total	19		2	8	14	93	208	415	432	429	408	276	269	185	156	210	867	9		4000	

**Note:** The shaded cells represent the number of respondents who perceived current inflation in double digit and also expected double digit inflation in the next three-month ahead.

that Reserve Bank is taking *necessary* action. Among these 29 per cent, 48 per cent think that

RBI's action *has an impact* on controlling inflation (Chart 2).

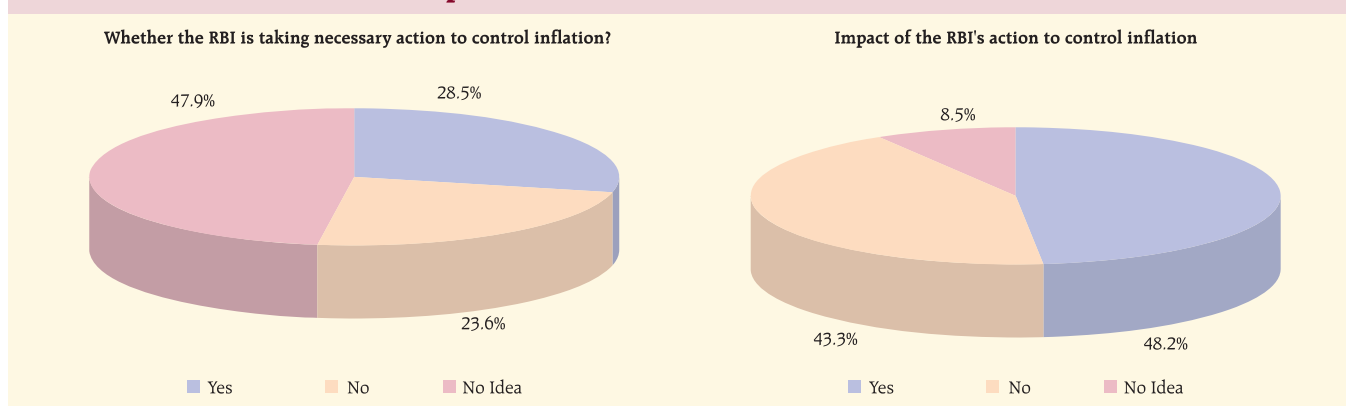
**Table 7: Cross-tabulation of Current and One-year Ahead Inflation Expectations**

(Number of respondents)

		One-year ahead inflation rate (per cent)																	No idea	Total	
		<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			
Current inflation rate (per cent)	<1										1							7		8	
	1-2					1	1	1													3
	2-3					2	1	2			1										6
	3-4			1			4	2	0	1	2				1	1					12
	4-5				3	2	0	22	8	8	4	1		1			1	1	1		52
	5-6	3				1	20	8	68	23	10	6	2	3		2	1	4			151
	6-7	3				2	15	64	62	202	86	76	42	16	4	5	7	0	1		585
	7-8	7						11	55	22	182	83	52	17	15	14	35	10	6		509
	8-9	4							6	26	37	119	44	62	12	17	34	26			387
	9-10	2								7	24	35	120	36	43	46	28	59	2		402
	10-11	3									4	14	29	86	36	60	55	30	1		318
	11-12	1											8	10	123	11	42	13	2		210
	12-13	4											2	4	1	76	67	28	2		184
	13-14	1											1		4	2	54	44			106
	14-15													4	1	8	26	147	1		187
	15-16											1			1			126	6		134
	>=16	1			1			2	4	4		2	1	4			9	703	15		746
Total	29		1	4	8	41	112	203	293	350	338	301	243	241	242	359	1198	37		4000	

**Note:** The shaded cells represent the number of respondents who perceived current inflation in double digit and also expected double digit inflation in the next one-year ahead.



**Chart 2: Respondents' view on RBI's Action to Control Inflation**

- While financial sector employees are mostly aware of Reserve Bank's role in controlling inflation, daily workers are largely unaware (Table 8).

### III.7 Expectations on Change of Income/Wages

- Out of 2,244 respondents in the wage earners/self-employed/daily workers categories, 54 per cent reported increase in wages/income in the past one year and 80 per cent expected that their income/wages would increase in next one-year. About 72 per cent of respondents did not see any change in their incomes in next three-month period (Table 9).
- The share of respondents, reporting wage increase in past one year and/or expecting so during one year ahead, is highest in case of financial sector

**Table 8: Awareness of RBI's Action on controlling Inflation and their Impact**

(percentage of respondents)

Category of Respondents	Whether RBI is taking action to control inflation					
	Yes				No	No Idea
	Impact of RBI's action to control inflation			Total		
	Yes	No	No Idea		Total	No
Financial Sector Employees	27.5	22.9	6.4	56.8	12.8	30.4
Other Employees	18.3	14.9	2.2	35.4	18.9	45.7
Self-Employed	12.6	14.2	3.4	30.2	24.4	45.5
Housewives	8.8	7.2	0.7	16.6	27.8	55.5
Retired Persons	16.4	15.6	3.1	35.0	23.6	41.4
Daily Workers	6.9	5.0	1.9	13.9	32.1	54.0
Others	14.7	13.8	1.8	30.4	17.0	52.7
<b>All</b>	<b>13.8</b>	<b>12.4</b>	<b>2.4</b>	<b>28.5</b>	<b>23.6</b>	<b>47.9</b>

employees and lowest in case of Daily Workers (Table 9).

**Table 9: Respondent's Expectation on Change in Wage/Income level**

(percentage of respondents)

Category of Respondents	Change in income since last year			Change in income in three-month ahead period			Change in income in one-year ahead period		
	Increase	Same	Decrease	Increase	Same	Decrease	Increase	Same	Decrease
Financial Sector Employees	70.4	27.7	1.9	30.1	69.1	0.8	92.3	6.9	0.8
Other Employees	59.5	39.1	0.8	22.6	75.8	0.9	83.5	15.1	0.6
<b>Total Employees</b>	<b>63.5</b>	<b>34.9</b>	<b>1.2</b>	<b>25.4</b>	<b>73.4</b>	<b>0.9</b>	<b>86.7</b>	<b>12.1</b>	<b>0.7</b>
Self-Employed	48.0	42.2	9.1	29.0	67.6	2.8	77.0	19.1	3.3
Daily Workers	39.9	54.3	5.8	17.5	80.1	2.5	70.6	27.4	1.9
<b>Total</b>	<b>53.8</b>	<b>40.8</b>	<b>4.9</b>	<b>25.5</b>	<b>72.2</b>	<b>1.9</b>	<b>80.4</b>	<b>17.2</b>	<b>1.9</b>

## Annex



**RESERVE BANK OF INDIA**  
**DEPARTMENT OF STATISTICS AND INFORMATION MANAGEMENT**  
**INFLATION EXPECTATIONS SURVEY OF HOUSEHOLDS,**  
**September, 2012**

## Respondent's Code

Round No.	Zone	City	Gender	Age group	Category	Sr. No.		
29								

**Block 1: Identification of the Respondent**

1. Name of the Respondent: \_\_\_\_\_

2. Address of the Respondent: \_\_\_\_\_

City		State		PIN					
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3. Telephone/Mobile No.: \_\_\_\_\_

4. Gender of the respondent (Please tick (✓) appropriate one) [1] Male [2] Female

5. Age of the respondent (in completed years, above 18 years): \_\_\_\_\_

6. Category of the respondent (Please tick (✓) appropriate one). If Category is 'House Wife' or 'Others', please mention the category code of the main earning member of the family.

Financial Sector Employees	Other Employees	Self-Employed	House Wife	Retired Persons	Daily workers	Others
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**Block 2: Expectations of respondent on prices in next 3 months:** (Please tick (✓) the relevant cell for each Col.)

OPTIONS		General	Food Products	Non-Food Products	Household durables	Housing	Services
i	Price increase more than current rate						
ii	Price increase similar to current rate						
iii	Price increase less than current rate						
iv	No change in prices						
v	Decline in prices						

**Block 3: Expectations of respondent on prices in next one year:** (Please tick (✓) the relevant cell for each Col.)

OPTIONS		General	Food Products	Non-Food Products	Household durables	Housing	Services
i	Price increase more than current rate						
ii	Price increase similar to current rate						
iii	Price increase less than current rate						
iv	No change in prices						
v	Decline in prices						

**Block 4: Respondent's feedback on Reserve Bank's Action on Price -stability**

*Do you feel Reserve Bank of India is taking necessary action on controlling Inflation? Options- Yes / No / No idea*  
*If Yes, do you think it has any impact on Inflation? Options- Yes / No / No idea*

**Block 5: Respondent's views on the following inflation rates:** (Please tick (✓) the relevant cell). If inflation rate > 16%, please mention the actual rate.

Parameters	Options									
	< 1%	1 - 2 %	2 - 3 %	3 - 4 %	4 - 5 %	5 - 6 %	6 - 7%	7 - 8%	8 - 9%	If >16%
Current inflation rate	< 1%	1 - 2 %	2 - 3 %	3 - 4 %	4 - 5 %	5 - 6 %	6 - 7%	7 - 8%	8 - 9%	If >16%
	9 - 10%	10 - 11%	11 - 12%	12 - 13%	13 - 14%	14 - 15%	15 - 16 %	>16 %	No idea	
Inflation rate after 3 months	< 1%	1 - 2 %	2 - 3 %	3 - 4 %	4 - 5 %	5 - 6 %	6 - 7%	7 - 8%	8 - 9%	If >16%
	9 - 10%	10 - 11%	11 - 12%	12 - 13%	13 - 14%	14 - 15%	15 - 16 %	>16 %	No idea	
Inflation rate after one year	< 1%	1 - 2 %	2 - 3 %	3 - 4 %	4 - 5 %	5 - 6 %	6 - 7%	7 - 8%	8 - 9%	If >16%
	9 - 10%	10 - 11%	11 - 12%	12 - 13%	13 - 14%	14 - 15%	15 - 16 %	>16 %	No idea	

**Block 6: Please specify the amount you have paid for the purchases made on the following major food items during the last one month**

Milk (₹ per litre)	Wheat-atta (₹ per Kg.)	Rice (₹ per Kg.)	Chana-dal (₹ per Kg.)	Tur-dal (₹ per Kg.)

**Block 7: Respondent's expectation on change in wage/income level in view of changes in price**

Options	Change in wage/income from one year ago	Expected change in wage/income in next 3 months	Expected change in wage/income in next one year
Increase			
No change			
Decrease			

Name of the Investigator:	Signature of the Investigator:	Date of the Interview: (DD/MM/YYYY) /09/2012
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<b>Annex</b>	
<b>Description of Parameters on various product groups</b>	
<b>Food Products</b>	<ul style="list-style-type: none"> <li>(i) Cereals (Wheat, Rice, Pulses <i>etc.</i>), Fruits, Vegetables, Sugar, Edible oils, Dairy products and Bakery products, Tea, coffee, <i>etc.</i></li> <li>(ii) Meat, fish and sea food products</li> <li>(iii) Soft drinks, carbonated and mineral water, Beverages</li> <li>(iv) Bidi, cigarette and other tobacco products like zarda, pan masala and related products, <i>etc.</i></li> </ul>
<b>Non-Food Products</b>	<ul style="list-style-type: none"> <li>(i) Clothes and wearing apparels</li> <li>(ii) Pharmaceutical and Medicines, Cleaning and polishing products, Soaps and detergents</li> <li>(iii) Rubber and rubber products, Tyres and tubes</li> <li>(iv) Plastic and plastic products</li> <li>(v) Leather and leather products (<i>footwear etc.</i>)</li> <li>(vi) Paper and paper products (<i>stationery etc.</i>)</li> <li>(vii) Petroleum and coal products</li> <li>(viii) Basic chemicals and chemical products, Dyes and dye stuff</li> <li>(ix) Basic metal, non-metallic mineral products, <i>etc.</i></li> </ul>
<b>Households Durables</b>	<ul style="list-style-type: none"> <li>(i) Audio-visual equipment (Radio, television, video camera, telephone, microphone, mobile set <i>etc.</i>)</li> <li>(ii) Furniture, Wood and wood products</li> <li>(iii) Washing machines, Air cooler and Air conditioner</li> <li>(iv) Personal computer</li> <li>(v) Watches and clocks, <i>etc.</i></li> </ul>
<b>Housing</b>	<ul style="list-style-type: none"> <li>(i) Construction and maintenance of residential/office premises</li> <li>(ii) Site preparation</li> <li>(iii) House rent</li> </ul>
<b>Services</b>	<ul style="list-style-type: none"> <li>(v) Transport and Communication</li> <li>(vi) Education, recreation and amusement</li> <li>(vii) Medical care</li> <li>(viii) IT Services</li> <li>(ix) Personal care and effects</li> <li>(x) Banking/postal/courier services</li> </ul>