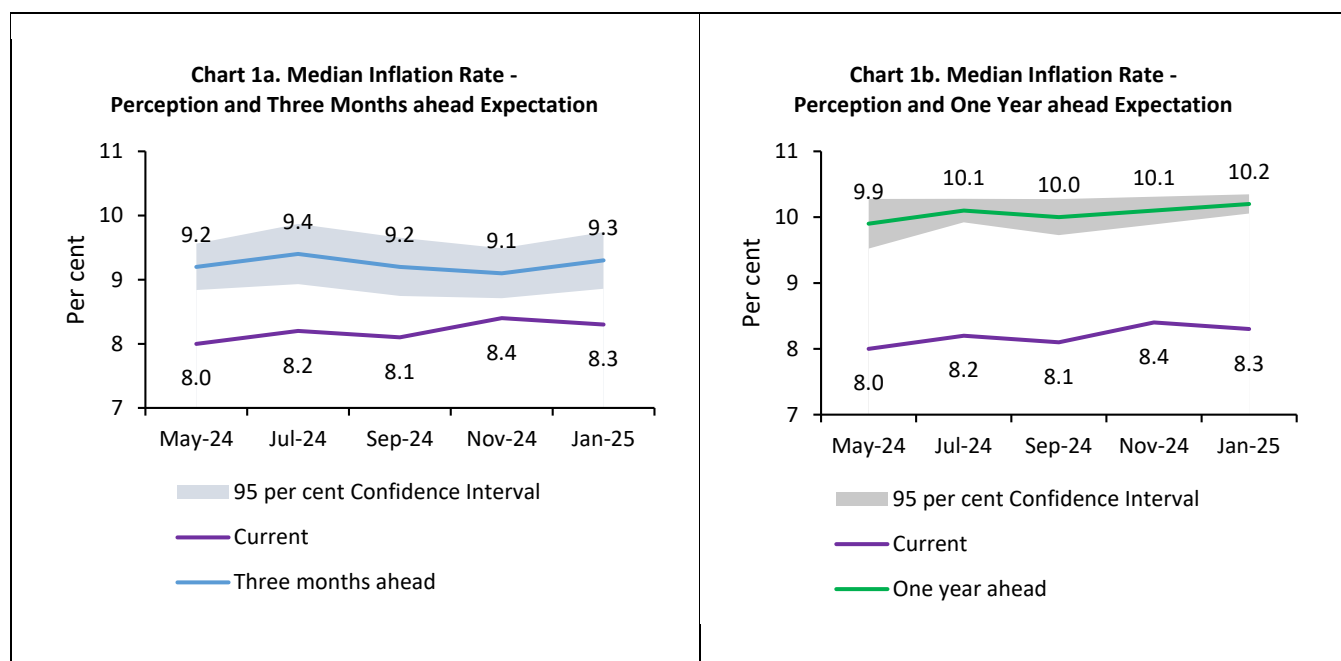


Households' Inflation Expectations Survey

Today, the Reserve Bank released the results of January 2025 round of its bi-monthly inflation expectations survey of households (IESH)^{1 2}. The survey was conducted during January 2-11, 2025, in 19 major cities, with 6,096 valid responses, where female participation was 55.4 per cent.

Highlights:

- Households' median inflation perception moderated marginally by 10 basis points (bps) from the previous survey round to 8.3 per cent [[Charts 1a and 1b](#); [Table 3](#)].
- Inflation expectations for the three months and one-year horizons increased by 20 bps and 10 bps to 9.3 per cent and 10.2 per cent, respectively [[Charts 1a and 1b](#); [Table 3](#)].
- The share of households anticipating rise in general prices and inflation for both near term as well as the coming year has increased [[Tables 1\(a\)](#) and [1\(b\)](#)].
- Respondents expect somewhat higher inflationary pressures across product groups, especially for food products and housing for both the time horizons [[Tables 1\(a\)](#) and [1\(b\)](#)].
- One year ahead price expectation of households is closely aligned with food prices and housing related expenses [[Table 4](#)].



Note: [Please see the excel file for time series data](#).³

¹ 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.

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

³ Results of the previous survey round were released on the Bank's website on [December 06, 2024](#). Unit-level data for previous rounds of the survey are available on the Bank's 'Database on Indian Economy' (DBIE) portal (weblink: <https://data.rbi.org.in/DBIE/#/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	Jan-24		Jul-24		Sep-24		Nov-24		Jan-25	
General	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Prices will increase	78.2	0.84	82.3	0.77	79.7	0.89	79.3	0.89	81.6	0.79
Price increase more than current rate	54.4	1.09	60.5	1.13	55.5	1.21	53.6	1.24	57.9	1.11
Price increase similar to current rate	19.5	0.80	17.3	0.86	19.2	0.86	19.9	0.87	19.2	0.86
Price increase less than current rate	4.2	0.43	4.5	0.48	5.0	0.55	5.8	0.49	4.4	0.44
No changes in prices	18.3	0.79	14.6	0.71	17.9	0.85	18.7	0.87	16.5	0.76
Decline in prices	3.6	0.37	3.1	0.37	2.5	0.32	2.0	0.29	2.0	0.29
Food Product										
Prices will increase	80.2	0.77	84.2	0.70	83.9	0.75	83.9	0.75	83.2	0.77
Price increase more than current rate	59.3	1.00	62.1	1.03	60.7	1.07	60.7	1.08	59.3	1.03
Price increase similar to current rate	15.6	0.72	16.0	0.75	16.7	0.77	17.0	0.81	17.3	0.78
Price increase less than current rate	5.4	0.45	6.1	0.52	6.6	0.58	6.2	0.50	6.7	0.53
No changes in prices	12.3	0.65	10.2	0.57	11.2	0.67	11.1	0.64	11.5	0.66
Decline in prices	7.5	0.51	5.6	0.47	4.9	0.42	5.0	0.44	5.3	0.45
Non- Food Product										
Prices will increase	74.0	0.85	77.0	0.81	76.1	0.92	75.9	0.90	75.2	0.86
Price increase more than current rate	52.3	1.03	54.5	1.10	52.4	1.11	51.7	1.14	52.5	1.04
Price increase similar to current rate	16.4	0.71	16.2	0.79	17.7	0.78	17.9	0.78	16.8	0.74
Price increase less than current rate	5.2	0.45	6.2	0.52	6.1	0.55	6.3	0.50	6.0	0.47
No changes in prices	18.6	0.76	17.6	0.74	19.1	0.85	19.9	0.85	20.4	0.79
Decline in prices	7.4	0.52	5.4	0.48	4.7	0.42	4.2	0.39	4.4	0.40
Household Durables										
Prices will increase	65.5	0.93	68.2	0.97	64.9	1.03	66.5	1.00	67.0	0.99
Price increase more than current rate	46.3	1.04	49.6	1.09	45.9	1.11	46.3	1.11	46.9	1.09
Price increase similar to current rate	14.5	0.65	13.9	0.73	14.2	0.71	14.5	0.70	14.7	0.71
Price increase less than current rate	4.7	0.42	4.7	0.44	4.7	0.48	5.7	0.50	5.4	0.45
No changes in prices	25.2	0.85	23.4	0.88	25.2	0.97	24.8	0.89	25.3	0.92
Decline in prices	9.4	0.57	8.4	0.58	9.8	0.55	8.7	0.55	7.8	0.50
Cost of Housing										
Prices will increase	78.4	0.83	78.6	0.84	77.7	0.88	78.9	0.85	78.5	0.91
Price increase more than current rate	58.2	1.05	59.6	1.07	56.9	1.11	57.4	1.14	58.0	1.10
Price increase similar to current rate	16.1	0.72	14.8	0.78	16.3	0.75	16.4	0.76	15.6	0.75
Price increase less than current rate	4.0	0.41	4.1	0.45	4.5	0.48	5.1	0.46	4.9	0.44
No changes in prices	18.1	0.79	18.2	0.78	19.1	0.87	18.2	0.79	18.3	0.87
Decline in prices	3.6	0.34	3.2	0.37	3.3	0.35	2.9	0.33	3.2	0.36
Cost of Services										
Prices will increase	65.0	0.93	71.0	0.95	66.9	1.04	66.3	0.99	68.4	0.99
Price increase more than current rate	46.1	1.02	52.7	1.12	46.9	1.15	46.6	1.12	48.2	1.10
Price increase similar to current rate	15.0	0.69	13.6	0.70	15.5	0.73	14.8	0.70	14.9	0.74
Price increase less than current rate	3.8	0.37	4.6	0.46	4.5	0.46	5.0	0.44	5.4	0.45
No changes in prices	30.5	0.91	25.3	0.90	29.8	1.01	30.7	0.98	28.4	0.96
Decline in prices	4.5	0.41	3.7	0.38	3.2	0.35	2.9	0.33	3.1	0.36
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	Jan-24		Jul-24		Sep-24		Nov-24		Jan-25	
General	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Prices will increase	88.7	0.63	90.6	0.60	89.4	0.73	89.6	0.67	90.6	0.62
Price increase more than current rate	66.3	1.06	68.6	1.12	66.5	1.20	66.9	1.14	68.7	1.06
Price increase similar to current rate	19.1	0.83	18.3	0.86	18.6	0.91	18.6	0.85	18.1	0.87
Price increase less than current rate	3.3	0.36	3.7	0.43	4.4	0.50	4.1	0.40	3.8	0.43
No changes in prices	8.2	0.55	6.6	0.50	8.6	0.67	8.2	0.62	7.4	0.55
Decline in prices	3.0	0.36	2.9	0.35	2.0	0.28	2.2	0.30	2.0	0.29
Food Product										
Prices will increase	86.4	0.68	87.1	0.65	86.6	0.78	89.0	0.66	88.8	0.65
Price increase more than current rate	63.6	1.03	63.5	1.09	61.8	1.20	64.4	1.13	63.5	1.10
Price increase similar to current rate	18.2	0.77	19.0	0.84	19.2	0.85	19.3	0.87	19.7	0.89
Price increase less than current rate	4.7	0.43	4.6	0.48	5.6	0.55	5.3	0.48	5.6	0.51
No changes in prices	8.7	0.53	7.9	0.52	9.7	0.66	7.3	0.53	7.7	0.55
Decline in prices	4.9	0.43	5.0	0.43	3.8	0.38	3.7	0.38	3.5	0.36
Non- Food Product										
Prices will increase	82.0	0.80	82.9	0.77	82.4	0.85	81.9	0.81	83.3	0.78
Price increase more than current rate	59.1	1.11	61.2	1.12	58.3	1.20	56.7	1.19	59.4	1.16
Price increase similar to current rate	18.6	0.79	16.9	0.80	18.5	0.83	19.5	0.84	18.6	0.84
Price increase less than current rate	4.4	0.41	4.8	0.46	5.6	0.57	5.6	0.48	5.2	0.46
No changes in prices	13.1	0.66	12.4	0.64	14.0	0.77	14.7	0.76	13.2	0.69
Decline in prices	4.8	0.45	4.7	0.44	3.6	0.37	3.4	0.36	3.6	0.37
Household Durables										
Prices will increase	74.8	0.84	77.4	0.83	76.2	0.93	76.8	0.90	76.3	0.90
Price increase more than current rate	54.0	1.06	56.6	1.12	54.5	1.16	54.8	1.18	54.3	1.13
Price increase similar to current rate	16.7	0.69	16.1	0.76	16.5	0.79	16.9	0.76	17.0	0.80
Price increase less than current rate	4.1	0.41	4.8	0.49	5.1	0.50	5.0	0.45	5.0	0.47
No changes in prices	18.3	0.75	16.3	0.73	17.3	0.79	17.6	0.81	18.0	0.82
Decline in prices	6.9	0.49	6.3	0.48	6.5	0.49	5.6	0.46	5.6	0.43
Cost of Housing										
Prices will increase	88.0	0.65	88.2	0.66	87.7	0.74	88.8	0.70	88.7	0.66
Price increase more than current rate	67.7	0.96	66.6	1.05	65.9	1.07	66.7	1.09	67.6	1.05
Price increase similar to current rate	16.7	0.74	17.7	0.80	17.0	0.79	17.6	0.83	17.0	0.80
Price increase less than current rate	3.6	0.40	3.9	0.43	4.8	0.53	4.5	0.45	4.1	0.45
No changes in prices	9.1	0.55	8.6	0.55	8.9	0.60	8.7	0.61	8.8	0.59
Decline in prices	2.9	0.34	3.2	0.36	3.4	0.40	2.5	0.30	2.5	0.31
Cost of Services										
Prices will increase	79.5	0.78	83.4	0.76	82.2	0.85	81.7	0.90	81.9	0.85
Price increase more than current rate	58.8	1.03	61.6	1.17	58.8	1.18	58.4	1.19	58.8	1.15
Price increase similar to current rate	16.6	0.72	17.4	0.82	17.9	0.80	18.3	0.82	18.2	0.82
Price increase less than current rate	4.1	0.40	4.4	0.45	5.5	0.57	4.9	0.44	5.0	0.47
No changes in prices	17.0	0.72	13.2	0.67	15.3	0.80	15.7	0.84	15.5	0.79
Decline in prices	3.5	0.37	3.4	0.39	2.4	0.30	2.6	0.32	2.6	0.33
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: Jan-25

	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	8.8	0.08	8.3	0.11	9.8	0.09	9.3	0.23	9.9	0.11	10.2	0.07
Gender-wise												
Male	9.0	0.13	8.4	0.17	9.8	0.14	9.4	0.31	9.9	0.16	10.1	0.15
Female	8.8	0.11	8.2	0.13	9.8	0.12	9.5	0.28	9.9	0.14	10.2	0.09
Category-wise												
Financial Sector Employees	9.1	0.41	9.1	1.01	10.0	0.45	10.0	0.52	10.3	0.53	10.2	0.52
Other Employees	9.0	0.19	8.4	0.22	10.0	0.19	9.5	0.38	10.0	0.22	10.2	0.16
Self Employed	8.8	0.20	8.1	0.25	9.4	0.21	8.6	0.27	9.7	0.23	9.8	0.32
Homemaker	8.8	0.13	8.2	0.16	9.8	0.14	9.4	0.32	9.8	0.17	10.2	0.12
Retired Persons	9.3	0.35	8.6	0.57	9.9	0.38	9.0	0.69	9.4	0.48	8.7	0.64
Daily Workers	9.0	0.25	8.5	0.35	10.0	0.29	9.9	0.42	10.2	0.34	10.4	0.24
Other category	8.4	0.21	7.9	0.23	9.6	0.23	9.0	0.31	9.8	0.26	10.2	0.23
Age Group-wise												
Up to 25 years	8.3	0.16	7.7	0.19	9.3	0.17	8.6	0.20	9.7	0.21	9.8	0.28
25 to 30 years	8.6	0.17	8.1	0.19	9.7	0.19	9.6	0.36	9.9	0.23	10.2	0.21
30 to 35 years	8.9	0.19	8.3	0.28	9.9	0.20	9.7	0.40	10.1	0.23	10.3	0.18
35 to 40 years	8.9	0.18	8.4	0.21	9.9	0.20	9.8	0.31	9.9	0.24	10.3	0.14
40 to 45 years	9.0	0.21	8.5	0.28	9.9	0.22	9.6	0.43	10.0	0.26	10.2	0.23
45 to 50 years	9.0	0.23	8.5	0.34	10.0	0.24	9.8	0.52	10.1	0.28	10.4	0.19
50 to 55 years	8.9	0.25	8.2	0.45	9.7	0.28	9.1	0.53	9.6	0.34	9.8	0.55
55 to 60 years	9.2	0.28	8.9	0.47	9.8	0.30	9.1	0.50	9.4	0.34	9.7	0.48
60 years and above	9.2	0.27	8.6	0.58	10.0	0.30	9.3	0.69	9.8	0.34	9.8	0.64
City-wise												
Ahmedabad	7.5	0.27	6.8	0.33	8.6	0.31	7.8	0.38	8.5	0.37	8.1	0.39
Bengaluru	6.4	0.21	5.6	0.11	7.9	0.25	7.1	0.28	8.4	0.27	7.9	0.28
Bhopal	9.6	0.49	9.6	0.94	10.6	0.43	10.4	0.35	9.9	0.54	10.4	0.34
Bhubaneswar	8.5	0.62	8.4	1.35	10.2	0.69	9.7	1.38	10.8	0.86	10.5	1.21
Chennai	8.7	0.27	9.2	0.70	9.5	0.42	9.7	0.74	10.4	0.53	10.9	0.50
Delhi	10.1	0.21	10.1	0.17	10.3	0.23	10.2	0.26	10.3	0.24	10.5	0.19
Guwahati	9.3	0.75	9.7	0.86	9.9	0.69	9.9	0.97	10.5	0.83	10.4	1.15
Hyderabad	8.2	0.20	7.1	0.42	10.0	0.25	9.3	0.52	10.5	0.34	10.6	0.51
Jaipur	7.6	0.46	7.3	0.62	7.8	0.38	7.6	0.58	7.1	0.56	6.8	0.74
Jammu	10.4	0.54	10.2	0.55	8.8	0.61	8.9	0.79	9.2	0.85	9.8	1.36
Kolkata	11.1	0.30	10.6	0.16	11.6	0.32	11.4	0.70	11.3	0.34	11.6	0.84
Lucknow	8.4	0.42	8.0	0.27	9.2	0.41	8.5	0.25	8.7	0.64	9.1	0.41
Mumbai	8.7	0.20	8.0	0.17	10.2	0.21	10.2	0.16	10.3	0.29	10.6	0.17
Nagpur	9.1	0.39	8.6	0.46	10.4	0.40	9.7	0.54	10.4	0.76	11.1	0.84
Patna	7.8	0.45	7.3	0.36	8.0	0.43	7.8	0.33	8.3	0.52	8.3	0.60
Thiruvananthapuram	7.8	0.74	6.0	1.03	9.1	0.71	7.5	1.12	10.2	0.70	9.4	1.31
Chandigarh	10.6	0.69	10.1	0.52	10.2	0.55	10.1	0.71	10.7	0.68	10.6	0.84
Ranchi	9.0	0.49	8.3	0.37	9.2	0.48	8.5	0.36	9.3	0.76	9.0	0.65
Raipur	9.7	0.91	10.4	0.92	10.0	1.10	10.3	2.21	8.7	1.04	9.9	2.57

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
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
Jul-24	8.9	0.09	8.2	0.12	9.8	0.10	9.4	0.24	9.8	0.11	10.1	0.09
Sep-24	8.6	0.09	8.1	0.13	9.6	0.10	9.2	0.23	9.6	0.12	10.0	0.14
Nov-24	8.9	0.09	8.4	0.13	9.7	0.10	9.1	0.20	9.7	0.12	10.1	0.11
Jan-25	8.8	0.08	8.3	0.11	9.8	0.09	9.3	0.23	9.9	0.11	10.2	0.07
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	Household durables	Housing	Cost of services
Three Months Ahead					
Jan-24	65.2	65.4	60.8	64.2	65.8
Jul-24	66.3	66.2	61.7	66.3	68.4
Sep-24	66.0	66.4	61.6	65.6	67.5
Nov-24	65.7	66.2	61.0	64.1	71.3
Jan-25	66.2	66.2	61.1	65.3	66.0
One Year Ahead					
Jan-24	76.5	74.1	67.9	74.9	74.6
Jul-24	76.3	74.6	69.6	77.1	76.2
Sep-24	78.8	75.1	68.7	77.9	75.9
Nov-24	79.6	73.8	70.1	75.7	74.4
Jan-25	75.3	73.1	67.8	75.3	73.9

Table 5(a): Cross-tabulation of Number of Respondents by Current Inflation Perception and Three Months Ahead Inflation Expectations: Jan-25																				
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	8	2	3	2	1	0	0	0	0	0	0	0	0	0	0	0	0	0	16
	1-<2	0	18	23	4	1	3	1	0	0	0	1	0	0	0	0	0	0	0	51
	2-<3	0	10	84	47	33	17	3	0	0	0	0	0	0	0	0	0	0	0	194
	3-<4	0	2	8	88	50	52	13	2	2	0	8	0	4	0	0	0	0	0	229
	4-<5	0	1	8	0	121	79	56	18	8	1	19	12	16	5	1	7	3	0	355
	5-<6	0	3	11	28	14	464	183	213	88	7	117	1	2	0	1	5	16	0	1153
	6-<7	0	1	1	3	2	6	162	103	67	27	27	1	6	0	0	2	1	0	409
	7-<8	0	0	4	0	0	12	5	194	136	51	65	4	5	0	5	3	3	0	487
	8-<9	0	1	0	1	4	7	5	7	218	98	154	27	28	5	1	6	3	0	565
	9-<10	0	2	3	1	0	1	7	1	2	97	59	19	25	5	3	1	1	0	227
	10-<11	0	6	12	10	6	26	2	5	8	7	385	79	230	56	17	260	73	1	1183
	11-<12	2	5	0	6	0	1	0	0	1	0	1	10	17	4	1	4	2	0	54
	12-<13	0	1	6	11	6	14	11	4	0	1	1	0	46	17	32	30	10	0	190
	13-<14	0	0	0	0	0	1	1	0	0	0	0	0	0	7	2	6	0	0	17
	14-<15	0	0	0	0	0	1	2	0	1	0	0	0	1	0	8	6	9	0	28
	15-<16	0	1	1	2	0	21	23	1	2	1	4	0	0	0	0	54	135	0	245
	>=16	0	1	0	2	4	32	9	1	1	0	14	0	0	0	0	0	628	1	693
	Total	10	54	164	205	242	737	483	549	534	290	855	153	380	99	71	384	884	2	6096

Table 5(b): Cross-tabulation of Number of Respondents by Current Inflation Perception and One Year Ahead Inflation Expectations: Jan-25																				
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	5	4	3	2	1	1	0	0	0	0	0	0	0	0	0	0	0	0	16
	1-<2	2	12	19	11	0	6	1	0	0	0	0	0	0	0	0	0	0	0	51
	2-<3	24	3	33	55	50	20	5	1	1	0	2	0	0	0	0	0	0	0	194
	3-<4	29	0	3	33	47	71	21	9	6	2	5	0	1	0	0	1	1	0	229
	4-<5	39	1	0	2	50	73	67	24	20	5	17	5	20	5	6	9	12	0	355
	5-<6	119	0	0	6	7	272	145	185	116	35	200	7	9	1	1	30	20	0	1153
	6-<7	39	0	1	1	0	4	79	86	84	33	42	9	20	1	0	2	8	0	409
	7-<8	58	0	0	0	1	1	3	91	98	69	103	10	22	1	2	17	10	1	487
	8-<9	54	0	0	0	0	6	5	5	96	56	176	31	70	22	9	19	16	0	565
	9-<10	29	0	0	0	0	0	0	2	1	43	53	22	39	9	6	18	5	0	227
	10-<11	67	2	7	9	10	16	8	4	7	2	233	54	195	59	24	302	184	0	1183
	11-<12	12	0	0	0	0	0	0	0	0	0	0	10	15	4	3	6	4	0	54
	12-<13	15	2	3	4	4	15	9	4	1	2	0	0	28	14	36	32	21	0	190
	13-<14	4	0	0	0	0	0	0	0	0	0	0	0	0	4	1	6	2	0	17
	14-<15	1	0	0	0	1	0	0	0	0	0	0	0	0	0	2	10	14	0	28
	15-<16	16	0	0	0	8	4	1	1	1	1	3	0	1	0	0	46	163	0	245
	>=16	62	0	0	1	4	1	0	0	0	2	11	0	0	0	0	14	597	1	693
	Total	575	24	69	124	183	490	344	412	431	250	845	148	420	120	90	512	1057	2	6096