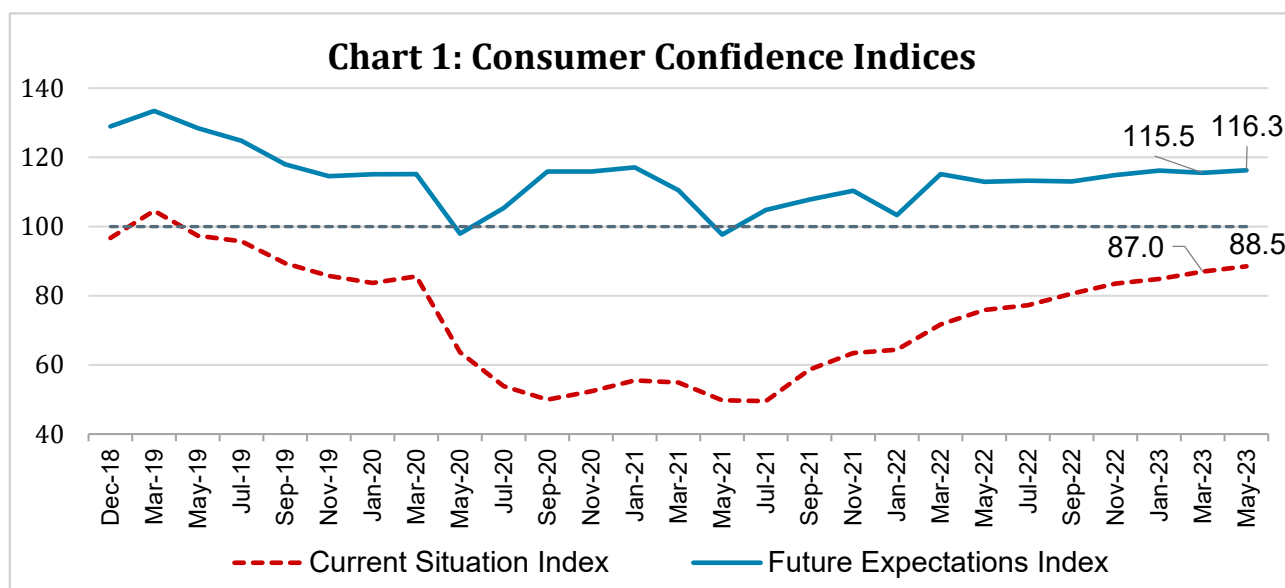


Consumer Confidence Survey

Today, the Reserve Bank released the results of May 2023 round of its bi-monthly consumer confidence survey (CCS)¹. The survey obtains current perceptions (*vis-à-vis* a year ago) and one year ahead expectations on general economic situation, employment scenario, overall price situation and own income and spending across 19 major cities. The latest round of the survey was conducted during May 2-11, 2023, covering 6,089 respondents. Female respondents accounted for 52.3 per cent of this sample.

Highlights:

- i. Consumer confidence for the current period, as compared to a year ago, has been rising since the second wave of the Covid-19 pandemic; the current situation index (CSI)² improved further by 1.5 points from the previous survey round on the back of improved assessment for all the survey parameters, barring essential spending (Chart 1, Table 1, 3 and 5).
- ii. Respondents remained optimistic on general economic situation in the year ahead: the future expectations index (FEI) also improved marginally in the latest survey round (Chart 1, Table 1 and 3).
- iii. Households' current perception on general economic situation has been improving steadily since September 2022; their one year ahead outlook has also been on uptrend notwithstanding a marginal dip in March 2023 (Table 1).
- iv. With a substantial improvement in May 2023, households' sentiment on current income inched closer to the neutral zone and they remain fairly optimistic on employment conditions and future earnings over the next one year (Table 2 and 5).



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

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 [April 06, 2023](#).

² 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.

³ Unit-level data for previous rounds of the survey are available on the Database on Indian Economy (DBIE) portal of the Bank (web link: <https://dbie.rbi.org.in/DBIE/dbie.rbi?site=unitLevelData>)

Summary based on Net Responses ⁴						
Main Variables	Current Perception compared with one-year ago			One year ahead Expectations compared with current situation		
	Mar-23	May-23	Change	Mar-23	May-23	Change
Economic Situation	-20.4	-16.4	↑	15.0	17.8	↑
Employment	-15.7	-15.6	↑	22.8	22.9	↑
Price Level	-92.9	-90.8	↑	-77.5	-75.4	↑
Income	-5.9	-2.4	↑	46.7	46.9	↑
Spending	69.6	68.1	↓	70.8	69.2	↓
Consumer Confidence Index	87.0	88.5	↑	115.5	116.3	↑
↑ 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		

⁴ 'Net response' is the difference between the percentage of respondents reporting optimism and those reporting pessimisms. It ranges between -100 and 100. Any value greater than zero indicates expansion/ optimism and values less than zero indicate contraction/ pessimism.

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
May-22	22.5	14.9	62.7	-40.2	45.4	15.3	39.4	6.0
Jul-22	21.6	15.4	63.0	-41.5	46.4	14.9	38.8	7.6
Sep-22	26.2	14.6	59.2	-33.0	46.5	15.4	38.1	8.4
Nov-22	28.0	16.3	55.7	-27.8	48.0	15.6	36.4	11.6
Jan-23	28.3	19.6	52.1	-23.7	50.2	16.6	33.2	17.0
Mar-23	31.4	16.9	51.7	-20.4	49.9	15.1	35.0	15.0
May-23	32.1	19.0	48.9	-16.8	51.0	15.8	33.2	17.8

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
May-22	27.3	17.8	54.9	-27.6	51.3	16.7	32.1	19.2
Jul-22	28.1	17.3	54.6	-26.5	50.7	17.2	32.0	18.7
Sep-22	28.4	17.6	54.0	-25.7	49.4	17.3	33.3	16.1
Nov-22	31.8	18.6	49.6	-17.8	51.5	18.3	30.3	21.2
Jan-23	30.0	20.1	49.9	-19.9	51.8	18.0	30.2	21.6
Mar-23	32.2	19.9	47.9	-15.7	52.9	17.1	30.1	22.8
May-23	32.1	20.2	47.7	-15.6	52.1	18.7	29.2	22.9

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
May-22	95.4	4.1	0.5	-94.9	80.0	11.1	8.9	-71.1
Jul-22	95.2	4.0	0.9	-94.3	80.4	10.9	8.8	-71.6
Sep-22	94.6	4.3	1.1	-93.6	79.9	11.0	9.1	-70.8
Nov-22	94.9	4.1	1.0	-93.9	82.2	9.3	8.6	-73.6
Jan-23	93.6	5.0	1.3	-92.3	83.0	10.1	7.0	-76.1
Mar-23	93.8	5.2	1.0	-92.9	84.3	9.0	6.7	-77.5
May-23	92.2	6.4	1.4	-90.8	82.7	10.0	7.3	-75.4

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
May-22	91.3	7.0	1.7	-89.7	81.7	14.2	4.1	-77.6
Jul-22	88.5	8.9	2.6	-85.9	81.8	13.6	4.6	-77.3
Sep-22	89.6	7.8	2.6	-87.0	80.6	14.5	4.9	-75.7
Nov-22	87.5	9.2	3.3	-84.2	82.9	13.2	3.9	-79.1
Jan-23	86.5	10.5	3.0	-83.6	80.3	15.5	4.1	-76.2
Mar-23	86.5	10.0	3.5	-82.9	81.4	14.0	4.6	-76.8
May-23	84.0	12.5	3.4	-80.6	81.8	14.1	4.1	-77.8

*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
May-22	17.6	46.0	36.4	-18.9	52.4	39.2	8.4	44.0
Jul-22	18.2	46.0	35.9	-17.7	51.6	40.0	8.4	43.3
Sep-22	20.2	45.5	34.4	-14.2	51.3	39.8	8.9	42.4
Nov-22	20.9	46.1	32.9	-12.0	52.5	39.9	7.6	44.9
Jan-23	21.4	49.0	29.6	-8.3	54.5	38.7	6.9	47.6
Mar-23	22.2	49.7	28.1	-5.9	54.1	38.4	7.5	46.7
May-23	23.9	49.7	26.3	-2.4	53.8	39.4	6.9	46.9

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
May-22	69.4	22.1	8.5	60.9	72.5	21.7	5.8	66.7
Jul-22	72.6	21.1	6.3	66.3	73.0	22.4	4.6	68.3
Sep-22	75.9	17.5	6.6	69.2	74.2	20.7	5.2	69.0
Nov-22	74.9	19.2	5.9	69.0	75.0	20.3	4.7	70.2
Jan-23	73.9	20.6	5.5	68.4	75.5	19.8	4.7	70.8
Mar-23	75.0	19.6	5.4	69.6	75.4	19.9	4.6	70.8
May-23	73.4	21.3	5.3	68.1	73.8	21.7	4.6	69.2

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
May-22	81.7	12.8	5.5	76.2	79.9	15.7	4.4	75.4
Jul-22	82.0	13.7	4.3	77.7	80.0	16.5	3.6	76.4
Sep-22	85.2	10.7	4.1	81.1	80.9	15.4	3.7	77.3
Nov-22	84.7	11.6	3.7	81.0	81.1	15.4	3.5	77.7
Jan-23	84.1	12.3	3.6	80.5	81.3	15.2	3.5	77.8
Mar-23	85.3	11.5	3.2	82.1	81.7	14.8	3.5	78.2
May-23	84.0	12.8	3.2	80.8	81.3	15.2	3.5	77.8

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
May-22	16.6	34.1	49.3	-32.7	27.5	38.4	34.1	-6.6
Jul-22	18.7	35.9	45.5	-26.8	29.3	38.5	32.2	-2.9
Sep-22	20.9	32.5	46.7	-25.8	29.5	37.6	33.0	-3.6
Nov-22	22.4	33.8	43.8	-21.4	32.8	35.1	32.2	0.6
Jan-23	22.1	35.2	42.8	-20.7	31.9	38.4	29.8	2.1
Mar-23	25.2	34.8	40.0	-14.8	34.5	36.8	28.8	5.7
May-23	25.8	38.2	36.1	-10.3	35.3	37.5	27.2	8.2
