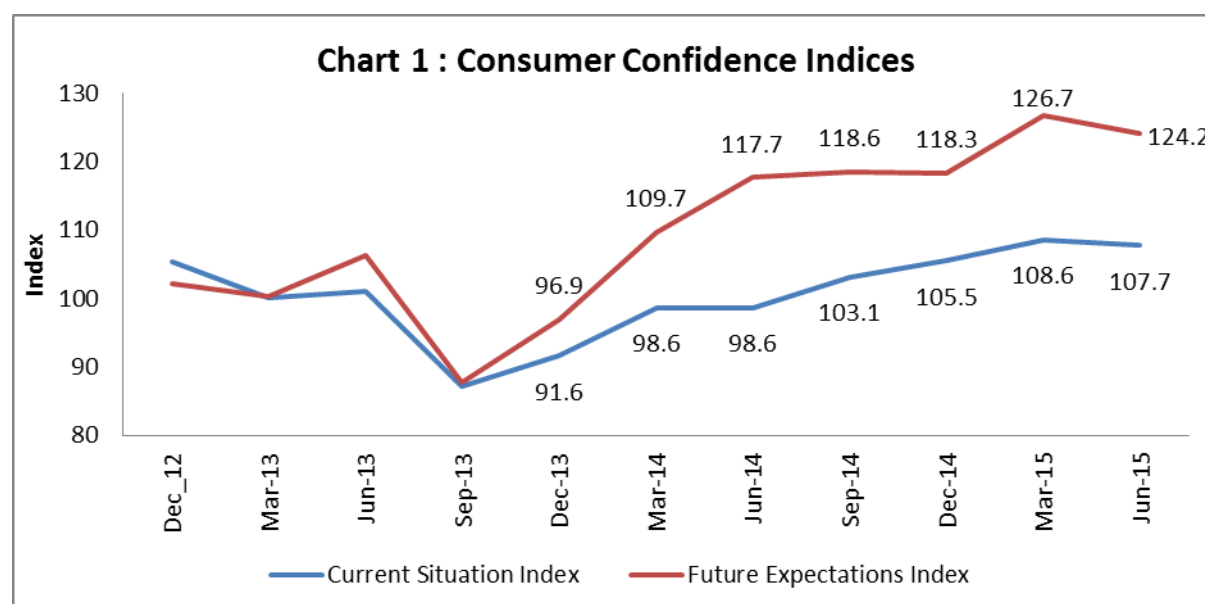


Consumer Confidence Survey: June 2015 ¹

The Consumer Confidence Survey provides an assessment of the perceptions of respondents on general economic conditions and own financial situation during the current period and a year ahead. The survey captures qualitative information on a 3-point scale *i.e.*, improve, remain same or worsen, from respondents spread across six metropolitan cities *viz.*, Bengaluru, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi. The information so collected is analysed in two parts- current situation as compared with a year ago and the expectations for a year ahead. The Survey was conducted during the second to third week of June 2015. Salient findings of the survey based on the responses of around 5,400 respondents are presented below.

Highlights:

- I. Consumer perception on the general economic conditions for the current period and the year ahead continues to be positive. Both Current Situation Index (CSI) and Future Expectations Index (FEI), which had steadily risen since September 2013 quarter, remained well above 100. However the level of CSI and FEI declined marginally in the current round on account of moderation in sentiment on all the indicators, excepting perceptions on spending.



¹ The March 2015 round of the survey data was published on [April 07, 2015](#) on RBI website. The survey results are based on views of the respondents and are not necessarily shared by the Reserve Bank of India.

- II. Net responses on current as well as future economic conditions moderated by about 2-3 percentage points in June 2015 round. However, the proportion of respondents reporting improvement on current as well as future economic conditions continued its upward movement since December 2014 quarter (Table 1).
- III. The positive perceptions regarding current income appear to be declining from September 2014 onwards. The net responses on income in current period as well as for 1-year ahead period have recorded a fall in June 2015 round (Table 2).
- IV. The net responses on current spending as well as future spending increased by around 10 percentage points each and were above 80 per cent in June 2015 round (Table 3). On future spending, more than 86 per cent respondents expect an increase in 1-year ahead period (Table 3).
- V. With regard to perceptions relating to spending on essential items, more than 87 per cent respondents reported increase for the current as well as future period. Further, during the current round of survey, proportions of respondents reporting increase in current and future perceptions on non-essential spending, also showed increase as compared to the previous round, and stood at around 47 per cent and 52 per cent, respectively.
- VI. Current assessment and outlook on employment continued to decline in this round as well and the corresponding net responses declined by about 6 percentage points each compared to previous round of survey (Table 4).
- VII. There was no improvement in perceptions observed in this round of survey regarding price levels and inflation (Tables 5 and 6).

Table 1: Perceptions on Economic Conditions

(Percentage responses)

	Compared with 1-year ago				1-year ahead			
	Sep-14	Dec-14	Mar-15	Jun-15	Sep-14	Dec-14	Mar-15	Jun-15
Improve	29.3	30.2	41.7	43.1	54.8	50.9	56.8	57.6
Remain same	32.1	41.2	32.4	27.8	28.1	32.3	26.8	22.3
Worsen	38.7	28.6	25.9	29.1	17.1	16.8	16.4	20.2
Net Response	-9.4	1.6	15.8	14.0	37.7	34.1	40.4	37.4

Table 2: Perceptions on Income

(Percentage responses)

	Compared with 1-year ago				1-year ahead			
	Sep-14	Dec-14	Mar-15	Jun-15	Sep-14	Dec-14	Mar-15	Jun-15
Increase	47.2	38.7	35.4	34.9	67.0	59.8	55.4	52.7
Remain same	38.4	48.0	46.1	43.7	27.8	35.1	35.5	35.6
Decrease	14.4	13.2	18.5	21.4	5.1	5.1	9.1	11.6
Net Response	32.7	25.5	16.9	13.6	61.9	54.7	46.3	41.1

Table 3: Perceptions on Spending

(Percentage responses)

	Compared with 1-year ago				1-year ahead			
	Sep-14	Dec-14	Mar-15	Jun-15	Sep-14	Dec-14	Mar-15	Jun-15
Increase	78.1	75.7	80.0	87.4	41.9	35.6	78.3	86.2
Remain same	18.2	20.0	13.7	9.5	28.6	35.3	15.8	9.6
Decrease	3.8	4.3	6.3	3.1	29.5	29.2	6.0	4.2
Net Response	74.3	71.4	73.7	84.4	12.4	6.4	72.3	82.0

Table 4: Perceptions on Employment

(Percentage responses)

	Compared with 1-year ago				1-year ahead			
	Sep-14	Dec-14	Mar-15	Jun-15	Sep-14	Dec-14	Mar-15	Jun-15
Improve	36.0	36.1	37.6	36.0	61.4	61.1	55.8	53.7
Remain Same	35.3	39.7	35.3	32.2	29.0	29.7	28.7	26.9
Worsen	28.7	24.1	27.2	31.8	9.5	9.3	15.5	19.4
Net Response	7.3	12.0	10.4	4.2	51.9	51.8	40.3	34.4

Table 5: Perceptions on price level

(Percentage responses)

	Compared with 1-year ago				1-year ahead			
	Sep-14	Dec-14	Mar-15	Jun-15	Sep-14	Dec-14	Mar-15	Jun-15
Increase	92.1	85.1	78.8	84.3	77.6	66.7	73.9	82.3
Remain same	5.1	12.6	16.0	9.1	15.8	22.2	17.7	9.1
Decrease	2.8	2.3	5.2	6.6	6.6	11.1	8.4	8.5
Net Response	-89.2	-82.8	-73.6	-77.6	-71.0	-55.6	-65.5	-73.8

Note: Perceptions of increase in prices is considered to be negative sentiments and decrease in prices is considered to be positive sentiments. The net responses are therefore, negative.

Table 6: Perceptions on rate of change in price levels (Inflation)

(Percentage responses)

	Compared with 1-year ago				1-year ahead			
	Sep-14	Dec-14	Mar-15	Jun-15	Sep-14	Dec-14	Mar-15	Jun-15
Increase	88.2	81.9	82.5	87.9	85.9	81.0	83.5	83.8
Remain Same	10.2	15.9	13.7	9.7	13.1	16.9	12.7	12.9
Decrease	1.6	2.2	3.8	2.4	1.1	2.1	3.7	3.3
Net Response	-86.6	-79.8	-78.7	-85.5	-84.8	-78.8	-79.8	-80.5