

# IHP Consumer Confidence Indices

August 2022

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## Sri Lanka Consumer Confidence: ***Consumer confidence rose again in August continuing its post- Rajapaksa recovery***

*Rising optimism driven by views about long-term prospects for country, with public remaining pessimistic about their own situation and near-term future*

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## **About the IHP Sri Lanka Opinion Tracker Survey (SLOTS)**

The IHP Sri Lanka Opinion Tracker Survey (SLOTS) was launched to track public experience and opinion during the recovery from COVID-19. It is run by the Institute for Health Policy (IHP), which is an independent, non-partisan research centre based in Colombo, Sri Lanka. The SLOTS lead investigator is Dr Ravi Rannan-Eliya of IHP, who was trained in public opinion polling at Harvard University, and who has conducted numerous opinion surveys over three decades.

SLOTS interviews representative samples of Sri Lankan adults each month by telephone to gather their current views and situation. All interviews include a core set of common questions, with additional rotating sets of other questions that examine issues of topical importance. The survey is made possible by the generous funding support of the Neelan Tiruchelvam Trust, The Asia Foundation, the UK National Institute for Health and Care Research, and others. The survey has an omnibus design, and the Institute welcomes sponsorship to continue the survey, to add new questions, or to undertake tailored analyses of the data. Potential sponsors should contact the Institute for further details.

SLOTS respondents consist of a mix of respondents reached by random digit dialling of mobile numbers, and others coming from a national panel of respondents who have agreed to be re-interviewed, and who were previously recruited using random selection. As with any survey, bias can arise from the sampling design and non-response, which means that respondents are not representative of the underlying population. To adjust for this, unless otherwise noted, all reported estimates and analyses use data that have been weighted to ensure that they are representative of the national adult population. This weighting process uses propensity weighting and iterative proportional fitting (raking) to match the national population according to gender, age, ethnicity, religion, socioeconomic ranking, education, sector, and geographical location.

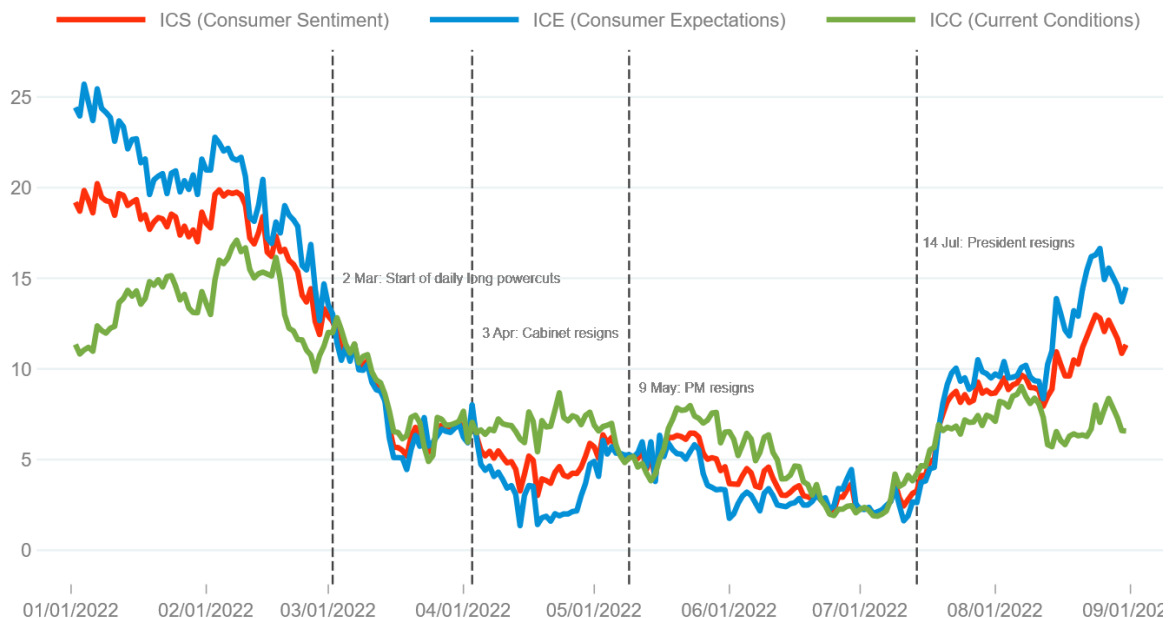
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# Consumer confidence rose again in August continuing its post-Rajapaksa recovery

*Rising optimism driven by views about long-term prospects for country, with public remaining pessimistic about their own situation and near-term future*

All three of IHP's consumer confidence indices significantly improved through August, although all remain pessimistic. This built on the recovery that started in late-July following the resignation of President Rajapaksa. The Index of Consumer Sentiment (ICS), the broadest measure of the public's view on their personal economic status and the national economy, increased 5 points to 11 points in August, recovering to levels last seen in February 2022. The Index of Consumer Expectation (ICE), a measure of perceptions about the future, increased the most, rising 8 points, whilst the Index of Consumer Conditions (ICC), which reflects current conditions, increased only 5 points.

The larger gains in the ICS and ICE compared to the ICC indicates the recovery in consumer sentiment is mostly improvements in public expectations about the longer-term future rather than their perceptions of the current situation or immediate prospects. Expectations about the country in five years' time improved the most (+10). There was less improvement in views about the next 12 months (+7 in personal situation, +8 in country situation), and even less in views about current buying conditions (+2) and respondents' personal financial situation (+2).



## Institute for Health Policy Sri Lanka Opinion Tracker Survey

Index values based on responses to five questions. All index values range from 0 (situation worse off than before/future will be worse than now) to 100 (situation better/future will be better), with values below 50 indicating net pessimism. Survey of 5,795 adults during Oct. 21, 2021–Sep. 03, 2022, with sample sizes varying between indices depending on which respondents were randomized to specific questions and response rates.

## Changes in IHP Consumer Confidence Measures in last month

Measure	↓↑↔	August 2022	July 2022	June 2022	May 2022	April 2022	March 2022	February 2022	January 2022
Index of Consumer Sentiment (ICS)	↑6	11	5	3	5	5	8	16	19
Index of Consumer Expectations (ICE)	↑8	14	6	2	5	4	8	17	23
Index of Current Conditions (ICC)	↑2	7	5	4	6	7	9	15	13
Personal Financial Situation (last 12m)	↑2	7	5	5	5	5	10	20	19
Personal Financial Situation (next 12m)	↑7	12	5	2	4	3	8	25	31
Country Situation (next 12m)	↑8	15	7	1	8	4	11	18	26
Country Long-Term Prospects (next 5y)	↑10	14	4	2	3	4	5	10	12
Current Buying Conditions	↑2	7	5	4	7	9	7	9	7

### Institute for Health Policy Sri Lanka Opinion Tracker Survey

Estimates based on 4,410 interviews conducted by SLOTS from Jan. 1–August. 31, 2022. Monthly values derived after weighting responses to be nationally representative according to gender, age, ethnicity, education, sector, province, and socioeconomic status.

## Appendix: Monthly ICS, ICE and ICC values, November 2021 to August 2022

	Index of Consumer Sentiment (ICS)	Index of Consumer Expectations (ICE)	Index of Current Conditions (ICC)
NOV 2021	19	22	14
DEC 2021	17	19	13
JAN 2022	19	23	13
FEB 2022	16	17	15
MAR 2022	8	8	9
APR 2022	5	4	7
MAY 2022	5	5	6
JUN 2022	3	2	4
JUL 2022	5	6	5
AUG 2022	11	14	7

Notes: (1) Values for previous months revised from earlier releases following improvements in the estimation of respondents' economic status. (2) Values range from 0 (situation worse off/negative expectations) to 100 (situation better/positive expectations), with values below 50 indicating net pessimism. (3) Monthly values derived after weighting responses to be nationally representative according to gender, age, ethnicity, education, sector, province, and socioeconomic status.