

IHP Consumer Confidence Indices

August 2024

FOR RELEASE SEPTEMBER 26, 2024

Sri Lanka Consumer Confidence: ***Consumer confidence dropped marginally in August 2024 in lead up to Presidential Election***

All three indices remained at pessimistic levels

BY *Nalin Kumara*

FOR MEDIA INQUIRIES

Secretary/Administrator

Email: info 'at' ihp.lk

RECOMMENDED CITATION

Institute for Health Policy, September 2024, "Consumer confidence dropped marginally in August 2024 in lead up to Presidential Election", SLOTS Report #2024-13.

About the IHP Sri Lanka Opinion Tracker Survey (SLOTS)

The Institute for Health Policy (IHP) conducts the SLOTS survey to track changes in health and social conditions, and public opinion in the country, on behalf of the Sri Lanka Health and Ageing Study (SLHAS) consortium of Sri Lankan academic and research institutions. IHP is solely responsible for commissioning and designing the survey, and it takes full responsibility for it. IHP is an independent, non-partisan research institution 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 many opinion surveys over three decades.

SLOTS interviews representative samples of Sri Lankan adults every day 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. Interviews are done daily by phone by IHP employees, with respondents recruited by a national field survey or by randomly dialling mobile phone numbers. SLOTS fieldwork since 2021 has been supported by a range of funders, who play no role in question design, data analysis, or reporting. Funders have included the Neelan Tiruchelvam Trust, Asia Foundation, European Commission, UK National Institute for Health and Care Research, the Foundation Open Society Institute, and others. Current fieldwork is supported by funding from the Velux Stiftung foundation, New York University Abu Dhabi, and the IHP Public Interest Research Fund. The survey findings do not necessarily reflect the views or positions of past and present funders. Interested parties can contact IHP for more detailed data and results.

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 age, gender, ethnicity, religion, socioeconomic ranking, education, sector, and geographical location, and where appropriate by voting history. All survey results reflect the views of respondents only at the time the survey was fielded, as indicated in this report.

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.

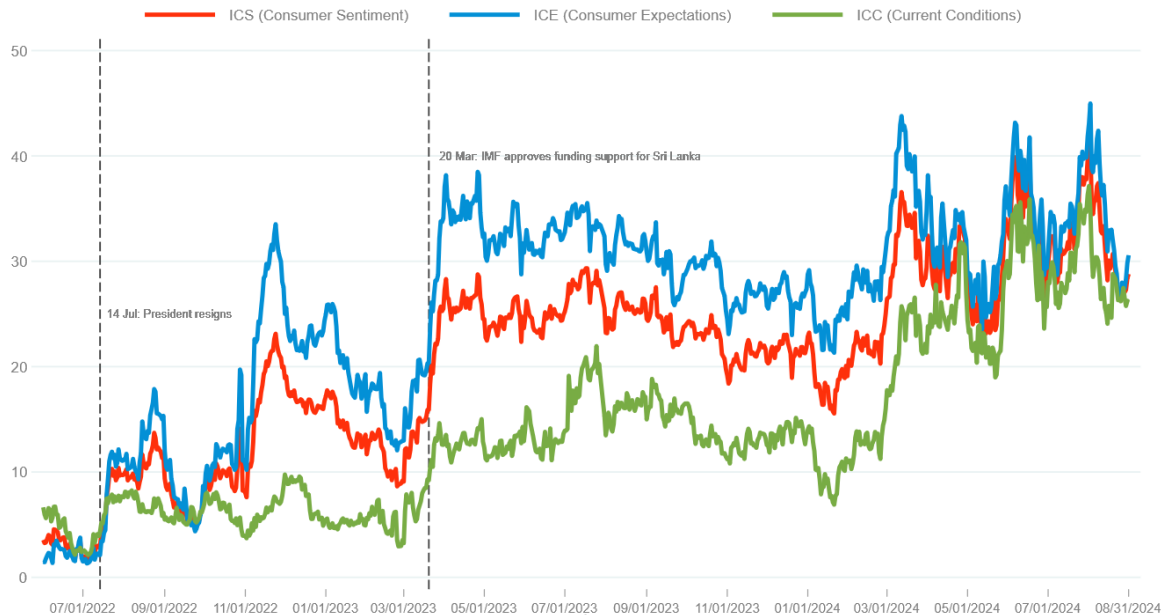
Consumer confidence dropped marginally in August 2024 in lead up to Presidential Election

All three indices remained at pessimistic levels

All three of IHP’s Consumer Confidence indices dropped marginally in August 2024 compared to the previous month. The Index of Consumer Sentiment (ICS), the broadest measure of the public views on personal economic status and the national economy, decreased by 3 points to 30. The Index of Consumer Expectations (ICE), which tracks future perceptions, fell by 4 points to 31, and the Index of Current Conditions (ICC), a measure of perceptions of current conditions, dropped 3 points to 28. The decrease in consumer confidence is mainly due to growing pessimism about the country's prospects over the next five years.

IHP consumer confidence indices range from zero to a potential maximum of 100, with levels below 50 indicating net pessimism. They follow the same methodology commonly used in the United States and Europe, with data collected through telephone interviews. These estimates are based on 19,233 interviews conducted between Oct. 21, 2021–Sep. 7, 2024, including 1,150 interviews conducted in August 2024. Sample sizes vary between indices depending on response rates, with responses weighted to match the national population.

Changes in IHP Consumer Confidence Measures, Jun. 2022 to Aug. 2024



Institute for Health Policy Sri Lanka Opinion Tracker Survey

Index values are daily estimates based on responses to five questions, pooling data from days before and after a given day. 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 based on 19,233 interviews conducted between Oct. 21, 2021–Sep. 7, 2024, including 1,150 interviews conducted in August 2024, 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 the last month

| Measure | ↕↕↔↔ | August 2024 | July 2024 | June 2024 | May 2024 | April 2024 | March 2024 | February 2024 |
|---|------|----------------|--------------|--------------|-------------|---------------|---------------|------------------|
| Index of Consumer Sentiment (ICS) | ↓ 3 | 30 | 33 | 36 | 29 | 30 | 31 | 22 |
| Index of Consumer Expectations (ICE) | ↓ 4 | 31 | 35 | 40 | 33 | 32 | 37 | 28 |
| Index of Current Conditions (ICC) | ↓ 3 | 28 | 31 | 30 | 24 | 26 | 22 | 14 |
| Personal Financial Situation (last 12m) | ↓ 2 | 28 | 30 | 30 | 22 | 23 | 25 | 14 |
| Personal Financial Situation (next 12m) | ↓ 4 | 31 | 35 | 43 | 39 | 33 | 37 | 29 |
| Country Situation (next 12m) | ↑ 1 | 34 | 33 | 32 | 24 | 29 | 34 | 26 |
| Country Long-Term Prospects (next 5y) | ↓ 10 | 28 | 38 | 44 | 36 | 35 | 41 | 29 |
| Current Buying Conditions | ↓ 2 | 29 | 31 | 29 | 25 | 28 | 19 | 13 |

Institute for Health Policy Sri Lanka Opinion Tracker Survey

Estimates based on 4,576 interviews conducted by SLOTS from Jan. 25, 2024–Sep. 7, 2024. 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, July 2022 to July 2024

| | Index of Consumer Sentiment (ICS) | Index of Consumer Expectations (ICE) | Index of Current Conditions (ICC) | | Index of Consumer Sentiment (ICS) | Index of Consumer Expectations (ICE) | Index of Current Conditions (ICC) |
|----------|-----------------------------------|--------------------------------------|-----------------------------------|----------|-----------------------------------|--------------------------------------|-----------------------------------|
| JUL 2022 | 6 | 6 | 5 | AUG 2023 | 26 | 32 | 17 |
| AUG 2022 | 12 | 15 | 7 | SEP 2023 | 25 | 30 | 18 |
| SEP 2022 | 6 | 7 | 5 | OCT 2023 | 22 | 28 | 13 |
| OCT 2022 | 10 | 12 | 6 | NOV 2023 | 17 | 21 | 11 |
| NOV 2022 | 20 | 29 | 7 | DEC 2023 | 21 | 26 | 13 |
| DEC 2022 | 16 | 22 | 8 | JAN 2024 | 18 | 23 | 11 |
| JAN 2023 | 15 | 22 | 5 | FEB 2024 | 22 | 28 | 14 |
| FEB 2023 | 12 | 17 | 6 | MAR 2024 | 31 | 37 | 22 |
| MAR 2023 | 17 | 22 | 9 | APR 2024 | 30 | 32 | 26 |
| APR 2023 | 26 | 35 | 13 | MAY 2024 | 29 | 33 | 24 |
| MAY 2023 | 25 | 33 | 12 | JUN 2024 | 36 | 40 | 30 |
| JUN 2023 | 24 | 31 | 13 | JUL 2024 | 33 | 35 | 31 |
| JUL 2023 | 30 | 37 | 20 | AUG 2024 | 30 | 31 | 28 |

Note: Values range from 0 (situation worse off/negative expectations) to 100 (situation better/positive expectations), with values below 50 indicating net pessimism. Monthly values derived after weighting responses to be nationally representative according to gender, age, ethnicity, education, sector, province, and socioeconomic status. Historical estimates are updated monthly, so there may be small revisions to earlier released monthly values.