IHP Consumer Confidence Indices

October 2022

Sri Lanka Consumer Confidence:
Consumer confidence remains deeply pessimistic in October

All indices remain deeply pessimistic, with other surveys indicating that consumer sentiment in Sri Lanka is worst in region

BY *Nalin Kumara, Niroshani Wisidagama, Yasodhara Kapuge, Anjana Senadeera, Nilmini Wijemunige, and Ravi P. Rannan-Eliya*

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 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, 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.

Consumer confidence remains deeply pessimistic, unchanged in October

All indices remain deeply pessimistic, with overall levels of consumer confidence the worst in the Asia-Pacific region

Despite fluctuations during the month, all three of IHP's consumer confidence indices realized minimal net changes by end-October 2022.

The Index of Consumer Sentiment (ICS), the broadest measure of the public's view on their personal economic status and the national economy and which ranges from zero to a potential maximum 100, increased 1 point to 9 points.

The Index of Consumer Expectation (ICE), a measure of perceptions about the future, increased 1 point to 11 points. The Index of Consumer Conditions (ICC), a measure of perceptions about current conditions remained unchanged at 6 points.
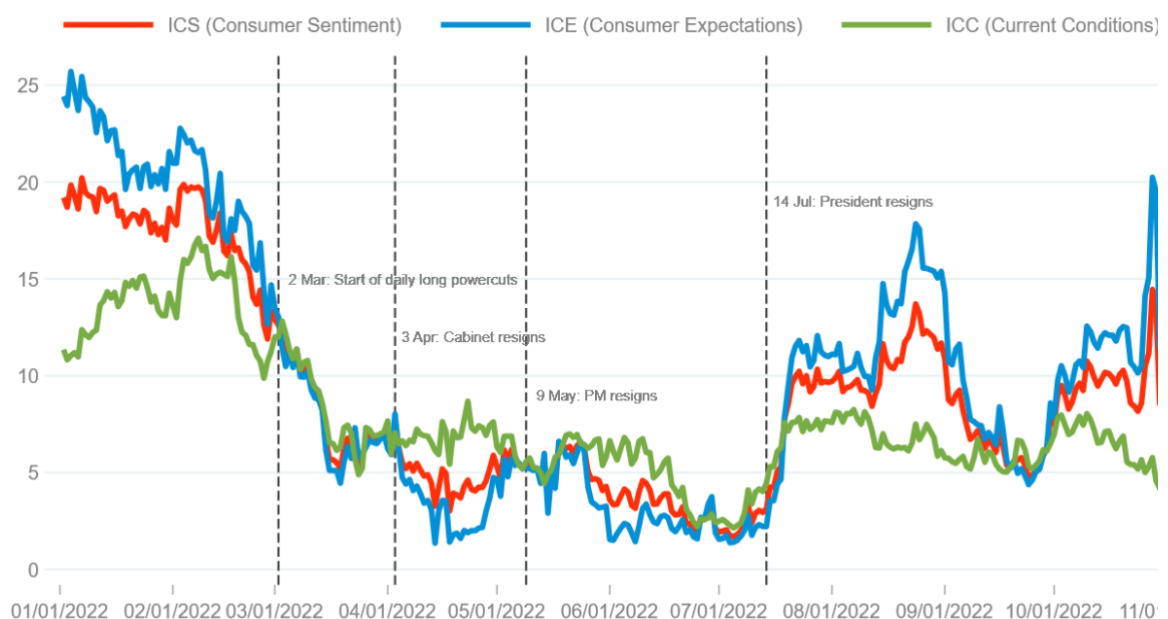
Institute for Health Policy Sri Lanka Opinion Tracker Survey
Index values based on responses to five questions. All index values range from 0 (situation worse off than before/future will be worse than now) to 100 (situation better/future will be better), with values below 50 indicating net pessimism. Survey of 6,581 adults during Oct. 21, 2021–Nov. 01, 2022, with sample sizes varying between indices depending on which respondents were randomized to specific questions and response rates.

Data recently released by Morning Consult, which surveys consumer confidence in multiple countries using the same questions and metrics as SLOTs, indicate how exceptionally low confidence in Sri Lanka is,

compared to other developed and developing economies. In no other Asia-Pacific economy is consumer confidence currently below 30, in contrast to the single digit levels in Sri Lanka during September/October.

Changes in IHP Consumer Confidence Measures within the last month

Measure	↓↑↔	October 2022	September 2022	August 2022	July 2022	June 2022	May 2022	April 2022	March 2022
Index of Consumer Sentiment (ICS)	↑1	9	8	12	6	3	5	5	8
Index of Consumer Expectations (ICE)	↑1	11	10	15	6	2	5	4	8
Index of Current Conditions (ICC)	↔0	6	6	7	5	5	6	7	9
Personal Financial Situation (last 12m)	↓1	7	8	7	6	5	5	5	10
Personal Financial Situation (next 12m)	↔0	10	10	12	5	3	4	3	8
Country Situation (next 12m)	↑1	11	10	16	7	1	9	4	11
Country Long-Term Prospects (next 5y)	↑3	13	10	16	5	3	2	4	5
Current Buying Conditions	↑1	5	4	8	5	5	7	9	7

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Estimates based on 5,257 interviews conducted by SLOTS from Jan. 1–Oct. 31, 2022. Monthly values derived after weighting responses to be nationally representative according to gender, age, ethnicity, education, sector, province, and socioeconomic status.

Consumer sentiment levels in Asia-Pacific countries, September 2022
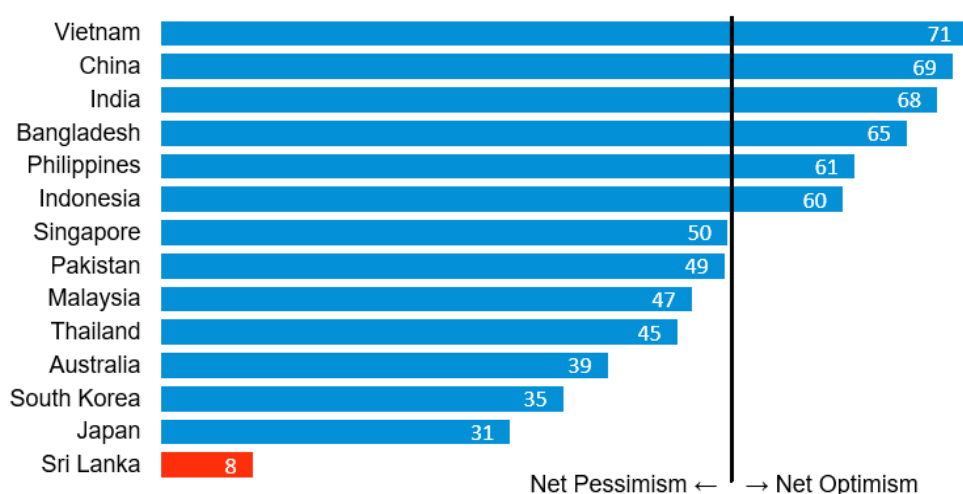
Note: Sri Lanka estimate from SLOTS survey and estimates for other countries as reported by Morning Consult. Consumer sentiment defined in same way by both. Values range from 0 (situation worse off/negative expectations) to 100 (situation better/positive expectations), with values below 50 indicating net pessimism.

Appendix: Monthly ICS, ICE and ICC values, December 2021 to October 2022

	Index of Consumer Sentiment (ICS)	Index of Consumer Expectations (ICE)	Index of Current Conditions (ICC)
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	5
JUL 2022	6	6	5
AUG 2022	12	15	7
SEP 2022	8	10	6
OCT 2022	9	11	6

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.