

IHP Consumer Confidence Indices

June 2022

FOR RELEASE 30 July 2022

Sri Lanka Consumer Confidence: *Consumer confidence continued to decline in June*

Consumer confidence already at extremely low levels continued to drop, with public continuing to indicate they believe conditions will worsen in coming months and years

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RECOMMENDED CITATION

Institute for Health Policy, July 2022, "Sri Lanka Consumer Confidence: Consumer confidence continued to decline in June", SLOTS Report #2022-07.

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, 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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Sri Lanka Consumer Confidence:

Consumer confidence continued to decline in June

IHP's Indices of Consumer Sentiment, Consumer Expectation and Current Conditions continue to be highly pessimistic, declining further in June 2022



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 5,046 adults during Oct. 21, 2021–Jul. 20, 2022, with sample sizes varying between indices depending on which respondents were randomized to specific questions and response rates.

All IHP's Consumer Confidence measures declined throughout the month of June, falling to their lowest values since IHP started tracking them in September 2021, and in all cases very close to their lowest possible level.

The Index of Consumer Sentiment (ICS), which is the broadest measure reflecting the public's views on their personal economic status and the broader national economy, fell 4 points from 6 in May to 2 in June, close to its lowest potential level of 0. The Index of Consumer Expectation (ICE), which captures Sri Lankans' views about the future, also fell from 4 points to 1 in June, indicating that sentiment is being driven by increasing lack of confidence in the future.

The Index of Consumer Conditions (ICC) a broad measure of perceptions about current conditions, also fell from 6 to 4 in June.

This worsening in sentiment is despite the resignation of the Prime Minister and Cabinet in early May but coincided with growing numbers of people turning out on the street and calls for the President to resign. The deterioration in the economic situation with continuing power cuts, lack of fuel and transports, and worsening shortages of items undoubtedly contribute. Overall, the public remained deeply pessimistic about conditions and the future during June.

Changes in IHP Consumer Confidence Measures in last month

Measure	↓↑↔	June 2022	May 2022	April 2022	March 2022	February 2022	January 2022
Index of Consumer Sentiment (ICS)	↓4	2	6	5	8	16	19
Index of Consumer Expectations (ICE)	↓4	1	5	4	8	17	23
Index of Current Conditions (ICC)	↓2	4	6	7	9	15	13
Personal Financial Situation (last 12m)	↔0	5	5	5	10	20	20
Personal Financial Situation (next 12m)	↓3	1	4	3	8	25	32
Country Situation (next 12m)	↓7	1	8	4	11	18	26
Country Long-Term Prospects (next 5y)	↓2	1	3	4	5	10	12
Current Buying Conditions	↓5	3	8	9	7	9	7

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Estimates based on 3,202 interviews conducted by SLOTS from Jan. 1–June. 30, 2022. Monthly values derived after weighting responses to be nationally representative according to gender, age, ethnicity, education, sector, province, and socioeconomic status.

Technical notes

Appendix: Monthly ICS, ICE and ICC values, November 2021 to June 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	6	5	6
JUN 2022	2	1	4

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.