

PRESS RELEASE

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TO CONTACT FOR FURTHER INFORMATION

Dalreen Barthelot
Email: dalreen `at` ihp.lk

TO CONTACT LEAD INVESTIGATOR

Dr. Ravi Rannan-Eliya
Email: ravi `at` ihp.lk Twitter: @ravirannaneliya

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

The Institute for Health Policy (IHP) released today the June 2022 update of its Consumer Confidence Indices, which are being trialled as part of its Sri Lanka Opinion Tracker Survey (SLOTS).

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.

Full report available from ihp.lk

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

About IHP

IHP is an independent, non-partisan research centre based in Colombo, Sri Lanka. The SLOTS lead investigator is Dr Ravi Rannan-Eliya of IHP, who trained in public opinion polling at Harvard University, and who has conducted numerous surveys over three decades.

Methodology

SLOTS combines data from a national sample of adults (ages 18 and over) reached by random digit dialling of mobile numbers, and others coming from a national panel of respondents who were previously recruited through random selection. The SLOTS is made possible by funding support from the Neelan Tiruchelvam Trust, The Asia Foundation in Sri Lanka, and others, but the sponsors play no role in the study design, and analysis and interpretation of findings. Interested parties can contact IHP for more detailed data and results.