ISSUE NO. 5

Pakistan Consumer Confidence Index (CCI)

Results of Q1 2021 Survey Report

Key highlights of change in Consumer Sentiments across Pakistan from Q4 2020 to Q1 2021

30th April 2021

Report prepared by D&B Pakistan in collaboration with Gallup Pakistan

Dun & Bradstreet Pakistan

World's leading data & analytics company with strong local presence in the GCC, South Asia & North Africa

Gallup Pakistan

Gallup Pakistan, the Pakistani affiliate of Gallup International, is a leading survey research agency and an emerging Social Science Research Lab in Pakistan. Gallup Pakistan is a specialist in independent third party evaluation and ratings.

D&B - Solutions & Services

D&B was established in 1841 and has the world's largest business database, comprising of over 355 Million company records. D&B has 8 service lines in the region for its clients.

- Risk Management Solutions
- Sales & Marketing Solutions
- Economic Analysis Group
- Research & Advisory Services
- 3rd Party Risk and Compliance
- Credit Bureaus
- Financial Technology Solutions
- Learning Solutions

D&B - Research and Advisory Services

- **Strategy & Planning Advisory**
- **Market & Industry Research**
- **Operations & Performance Improvement**
- **SME Development Advisory**

Economic Analysis Group

- **Economic Analysis**

- **Highly talented & experienced practitioners**
- **Access to D&B global network & information database**
- **Network of industry and functional experts**
- **Proven methodologies and client-centric approach**

Gallup Pakistan - Services

Gallup Pakistan is operating in Pakistan since 1980, thus bringing in more than 40 years of professional experience. Gallup Pakistan offers its expertise in 6 fields of social and market research.

- Behavioral and Attitudinal Studies
- Impact Assessment Surveys
- Third Party Evaluations
- Management Consulting
- Market Exploration & Assessment Studies
- Market Research Studies

Gallup Pakistan - Programmes

With decades of experience in the field of public polling and market research, Gallup Pakistan is currently leading 7 programs from financial inclusion to media research and behavioural mapping.

- **Financial Inclusion Research**
- **Media Research**
- **ICT & Telecom Research**
- **Healthcare Research**
- **Behavioral Science Lab**
- **Gallup History Project**
- **Social and Political Research**

Acknowledgements

The Consumer Confidence Index (CCI) has been quoted by various news outlets, as well as the Government of Pakistan

Consumer Confidence Index (CCI), prepared by D&B Pakistan and Gallup Pakistan, has been quoted by several entities including the Government of Pakistan and leading news outlets including DAWN, Business Recorder and Daily Times.

The Consumer Confidence Index (CCI) is a survey that measures the level of optimism that consumers have about the country's economic condition, their household financial situation, job prospects, and personal finances.

The survey captures consumers' response related to the Current Situation as well as their Future Expectations.

We hope this report is useful to Government entities, as well as private organizations to strengthen their understanding of consumers across Pakistan and help in developing effective strategies and policies.

The CCI report is a quarterly publication from Dun & Bradstreet Pakistan, and Gallup Pakistan.

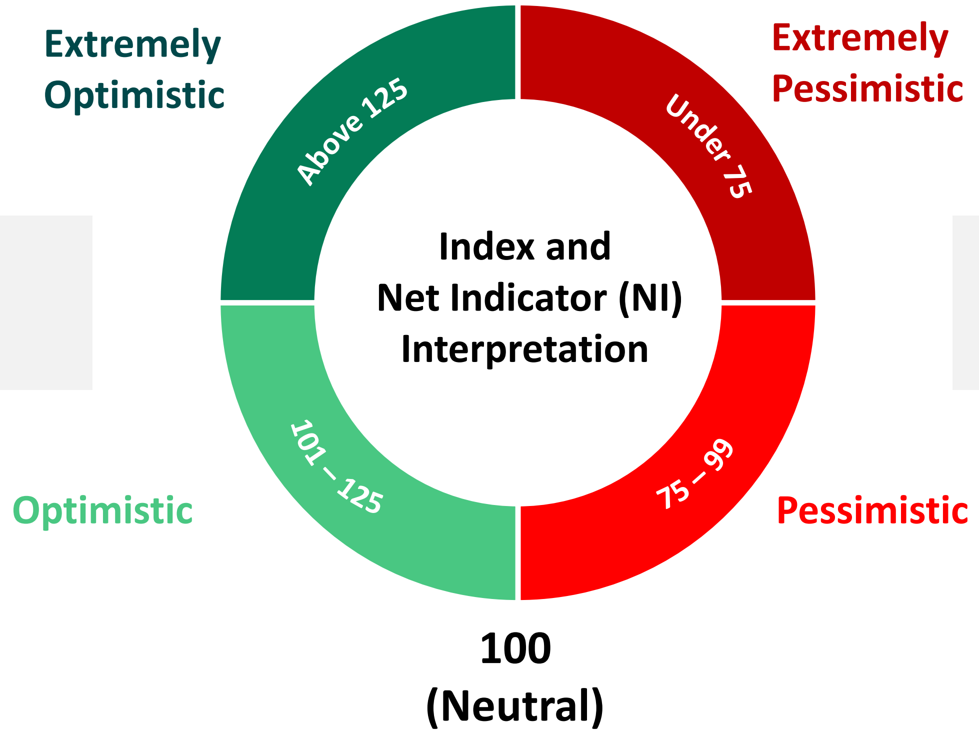
This report compares Consumer Confidence in Q1 2021 with Consumer Confidence in Q4 2020 (q-o-q comparison).

For more information on past CCI publications please visit: [D&B Pakistan Knowledge Capital]

The Index and Net Indicator (NI) scores are used in the report to indicate the level of Pessimism or Optimism with respect to specific questions, or as a composite Index

Index and Net Indicator (NI) Interpretation

Scores between 101 to 200 indicate increasing levels of optimism



Scores between 0 to 99 indicate decreasing levels of pessimism

The index ranges from 0 to 200 points

Note: Please refer to pages 26 to 30 for the detailed methodology
The Index and NI interpretation applies to rounded-off numbers.

dun & bradstreet GALLUP PAKISTAN

Glossary

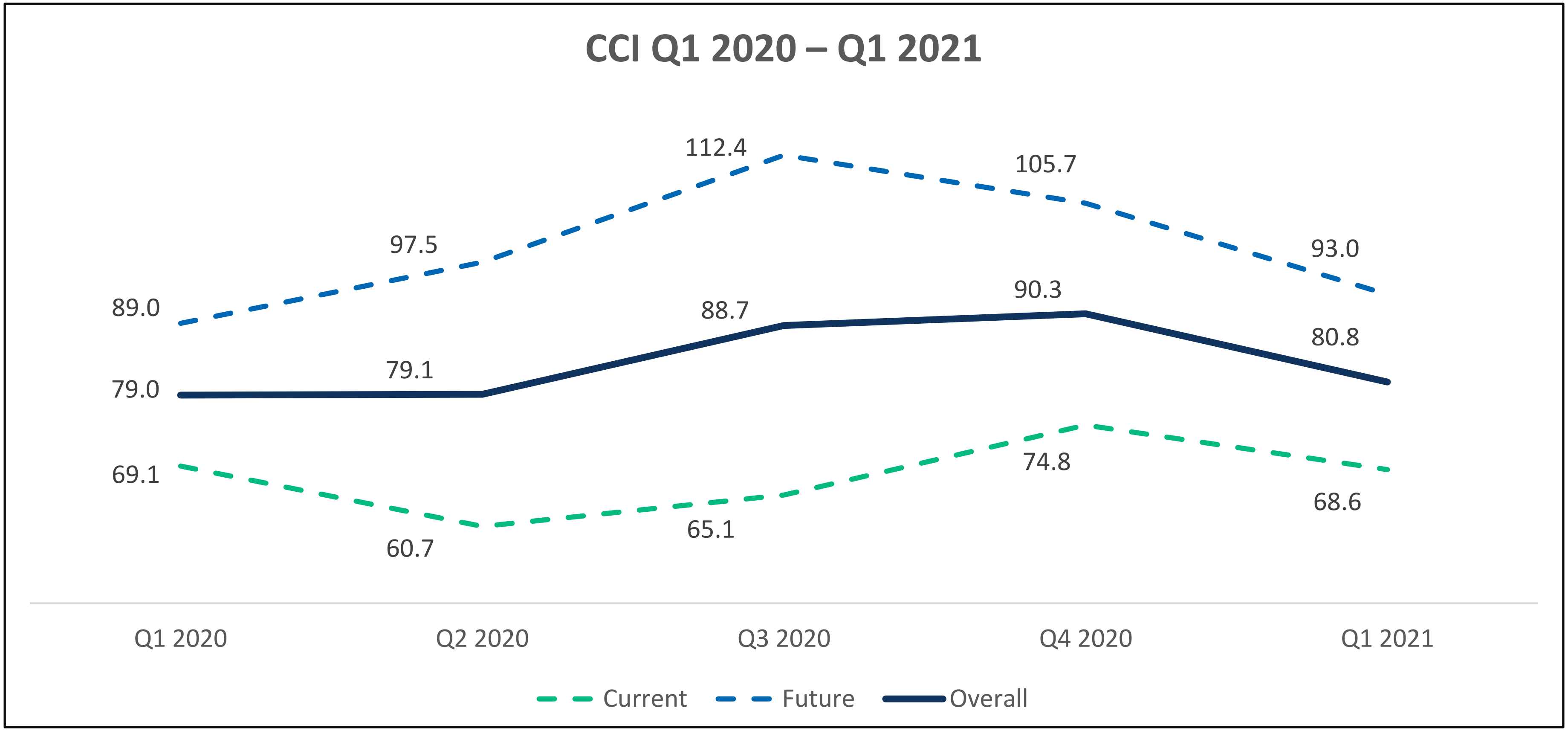
Key Terms	Definitions
Consumers	Respondents that have participated in the Consumer Confidence survey
Net Indicator (NI)	A composite score computed for each index parameter by assigning weights to responses received from consumers
Consumer Confidence Index (CCI - Overall)	This is an aggregate index used to determine overall optimism/ pessimism amongst consumers in Pakistan. The CCI is an average of the Current Consumer Confidence Index (CCI - Current) and Future Consumer Confidence Index (CCI - Future)
Current Consumer Confidence Index (CCI - Current)	An index that indicates consumer feedback about current economic conditions (vis-a-vis last 6 months) across four index parameters (Household Financial Situation, Country's Economic Conditions, Unemployment and Household Savings)
Future Consumer Confidence Index (CCI - Future)	An index that indicates consumer outlook for the next 6 months (compared to the month in which survey was conducted), across four index parameters (Household Financial Situation, Country's Economic Conditions, Unemployment and Household Savings)
Index Parameter	The individual constituent of each of the indices capturing the current or future economic condition. There are 4 parameters captured as part of the survey and have been explained in the methodology section of this report
Province	A province is an administrative territory which is governed by its own Government. In Pakistan, there are four provinces i.e., Balochistan, Punjab, Sindh and Khyber Pakhtunkhwa (KPK)

REPORT FLOW

EXECUTIVE SUMMARY

Key Findings: Q1 2021 Survey

CCI declined by 10.5% due to worsened Current Conditions and Future Expectations



The Overall Consumer Confidence Index (CCI) declined to 80.8 in Q1 2021, after increasing in Q3 and Q4 of 2020.

Key Findings: Q1 2021 Survey

Consumer Confidence Index declines after increasing consecutively for three quarters

Consumer Confidence Index (CCI) decreased by 10.5% as compared to the last quarter, reflecting concerns amongst consumers

Consumers reported a greater decline in Future Expectations (down 12.0%) due to prevailing uncertainty, compared to the Current Situation, which also declined by 8.3% this quarter

Perceptions about the Country's Economic Situation witnessed an overall decline of 16.0% q-o-q, which was the largest dip across the CCI parameters.

Consumer sentiments regarding their employment deteriorated to 61.0 in Q1 2021 from 72.3 in Q4 2020 (down 15.7%) likely due to the restrictions imposed on business operations

Overall Household Financial Situation deteriorated to 100.3, largely due to a decrease of 12.1% q-o-q in Future Expectations

CONSUMER CONFIDENCE INDEX

Overall CCI declined by 10.5% q-o-q (or 9.5 points) and increased by 2.3% y-o-y (or 1.8 points) in Q1 2021 due to prevailing uncertainty after the government imposed lockdown measures to counter likely third wave of COVID-19 infections

Q1 2020 Survey

69.1
Current

79.0
Overall CCI

89.0
Future

Overall CCI was Pessimistic

Q1 2020 survey was completed before COVID-19 pandemic fully impacted Pakistan. Even during pre-COVID times, consumers were extremely pessimistic about Current Situation (**NI = 69.1**) compared to a relatively optimistic outlook for Future Expectations (**NI = 89.0**).

Survey conducted during:
Feb & Mar-20

Q4 2020 Survey

74.8
Current

90.3
Overall CCI

105.7
Future

Overall CCI increased due to improved Current Conditions

Overall CCI remained below 100, however, it increased to **90.3** in Q4. The increase was driven by improvement in current conditions (**NI = 74.8**) and subdued by decline in Future Expectations (**NI = 105.7**).

Survey conducted during:
Dec-20

Q1 2021 Survey

68.6
Current

80.8
Overall CCI

93.0
Future

Overall CCI declined due to prevailing uncertainty

Overall CCI declined by 10.5% to **80.8** compared to Q4 2020. This was likely due to the restrictions imposed on business operations and social gatherings to prevent a likely third wave of the pandemic.

Survey conducted during:
Mar-21

Index / Net Indicator (NI) Interpretation: ***Under 75 - extremely pessimistic***, ***75 to 99 – pessimistic,*** ***100 – Neutral,*** ***101 to 125 – optimistic*** ***and*** ***125 above - extremely optimistic***

Consumers displayed relatively higher optimism regarding Future Expectations (NI = 93.0) compared to the Current Situation (NI = 68.6). However, the decline in Future Expectations (down 12.0%) is greater than Current Situation (down 8.3%).

Key Takeaways

1. **Consumers relatively more concerned about Future**
Future Expectations (**NI = 93.0**) declined by 12.0% compared to a decline of 8.3% in the Current Situation (**NI = 68.6**). This deterioration in sentiment is driven by restrictions imposed on business operations by the government to counter the third wave of the pandemic.

2. **Apprehension about Economic Condition of the Country**
Consumers' sentiments witnessed the largest deterioration in regards to Economic Condition of the Country which declined by 16.0% on account of resumption of smart lockdown.

3. **Household Financial Situation deteriorated after improving for 3 quarters**
Sentiments regarding overall Household Financial Situation deteriorated (**NI = 100.3**) compared to last quarter, primarily due to a decrease of 12.1% q-o-q in Future Expectations.

4. **Consumers remain skeptical and concerned about employment in the Country**
Overall confidence regarding Unemployment situation remains the lowest (**NI = 61.0**) across all parameters and deteriorated by 15.7% in Q1 2021. Consumers' confidence in future employment deteriorated relatively more than their current situation.

***Index / Net Indicator (NI) Interpretation:** Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic*

Household Financial Situation is the most optimistic parameter (NI = 100.3) while Unemployment remained most pessimistic (NI = 61.0) due to dented Future Expectations

Household Financial Situation

NI	Q4 2020	Q1 2021
Overall	109.3	↓ 100.3
Current	96.2	93.0 ↓
Future	122.4	107.6 ↓

Country's Economic Situation

NI	Q4 2020	Q1 2021
Overall	100.4	↓ 84.3
Current	83.4	71.4 ↓
Future	117.3	97.2 ↓

Unemployment Situation

NI	Q4 2020	Q1 2021
Overall	72.3	↓ 61.0
Current	52.1	46.9 ↓
Future	92.5	75.0 ↓

Household Savings

NI	Q4 2020	Q1 2021
Overall	79.1	↓ 77.5
Current	67.5	62.9 ↓
Future	90.7	92.0 ↑

***Index / Net Indicator (NI) Interpretation:** Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic*

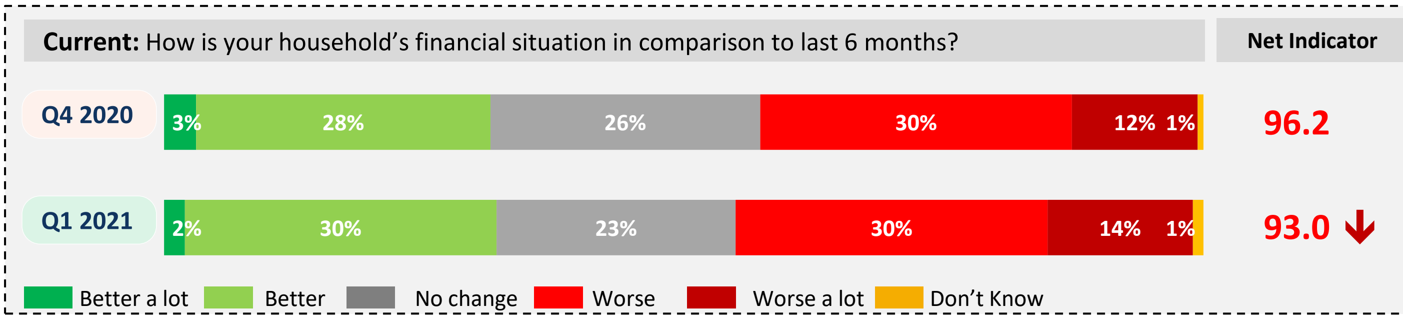
Consumers are relatively more optimistic about their Household Financial situation, amongst all CCI parameters, despite deterioration in both current and future sentiments

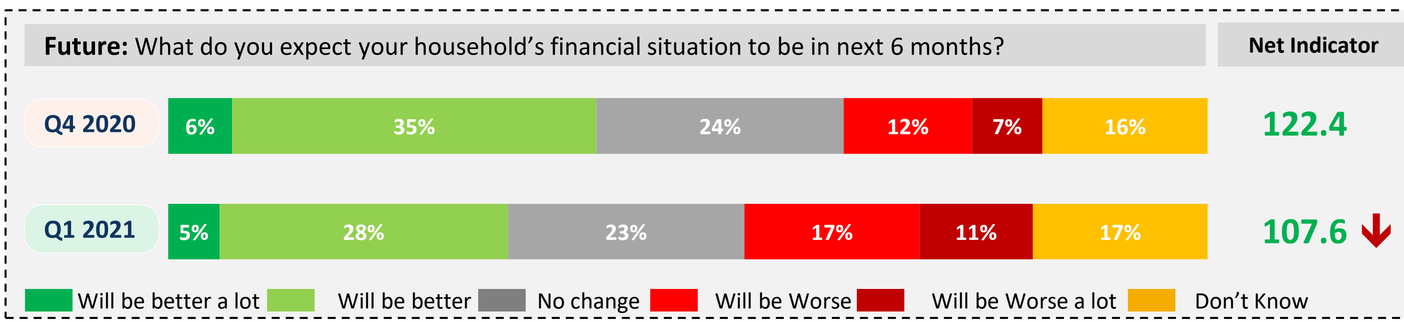
Surveys	Overall NI
Q4 2020	109.3
Q1 2021	100.3 ↓

Household Financial Situation

Household Financial Situation deteriorated on account of both lower Future Expectation (**NI = 107.6**) and Current Situation (**NI = 93.0**).

3 out of 10 respondents (28%) indicated that their Household Financial Situation will worsen in the Future (as compared to **19%** in **Q4 2020**). Future Expectations' NI decreased **by 12.1%, from 122.4 in Q4 2020 to 107.6 in Q1 2021.**





Index / Net Indicator (NI) Interpretation: *Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic*

Relative to Q4 2020, perception about Country's Economic Situation worsened by 16.0% in Q1 2021

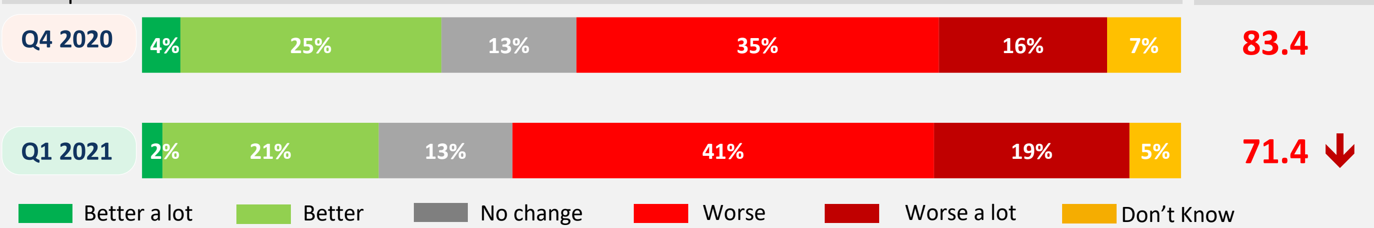
Surveys	Overall NI
Q4 2020	100.4
Q1 2021	84.3 ↓

Country's Economic Situation

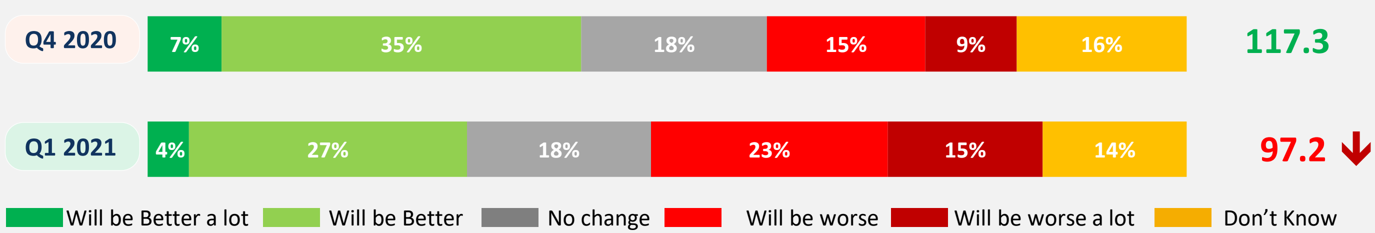
Country's Economic Situation worsened drastically, decreasing by 16.0% to 84.3 in Q1 2021 survey, from 100.4 in Q4 2020.

2 out of 5 consumers (38%) expect that the Country's Economic Condition will deteriorate in the next six months compared to 24% in Q4 2020.

Current: In your opinion, how would you describe the current economic situation in Pakistan in comparison to last 6 months?



Future: In your opinion, what do you expect Pakistan's economic situation to be in next 6 months?



***Index / Net Indicator (NI) Interpretation:** Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic*

Concerns regarding Unemployment continue to persist in Q1 2021 as Future Unemployment Situation deteriorated by 19.0%

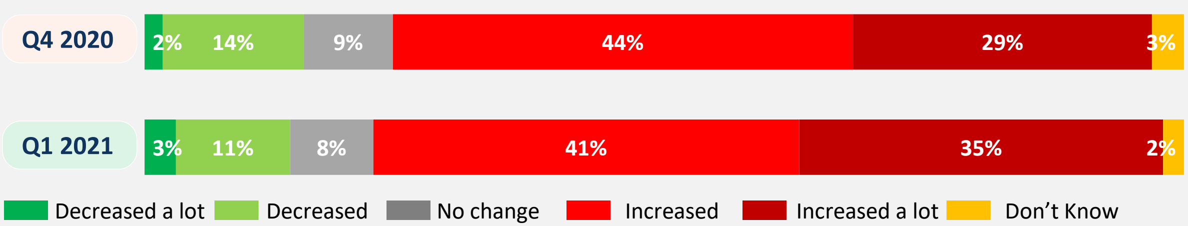
Surveys	Overall NI
Q4 2020	72.3
Q1 2021	61.0 ↓

Unemployment

Unemployment has the lowest NI across all CCI parameters in all quarters since 2020. Moreover, overall NI declined to **61.0 in Q1 2021** from **72.3 in Q4 2020, down 15.7%**

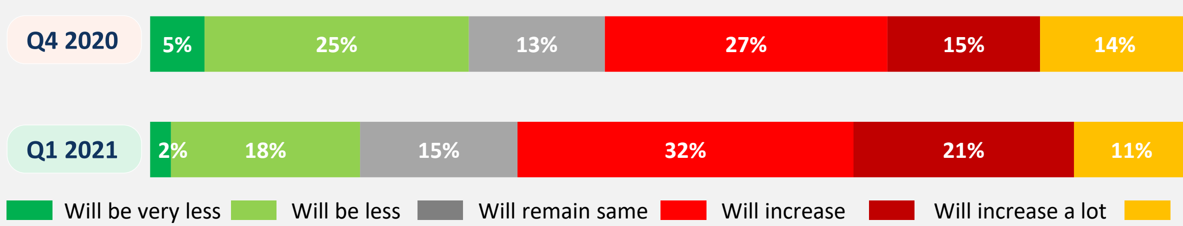
More than half (53%) of respondents believe that Unemployment will increase/ increase a lot in the next six months compared to 42% in Q4 2020 and 39% in Q3 2020.

Current: In your opinion, in comparison to last 6-month, unemployment in Pakistan is .....?



Net Indicator	
Q4 2020	52.1
Q1 2021	46.9 ↓

Future: In your opinion, in next 6 months, unemployment in Pakistan will be....?



Net Indicator	
Q4 2020	92.5
Q1 2021	75.0 ↓

***Index / Net Indicator (NI) Interpretation:** Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic*

Concerns regarding Household Savings continue to persist– It is the only CCI parameter to witness a marginal increase in Future Expectations in Q1 2021

Surveys	Overall NI
Q4 2020	79.1
Q1 2021	77.5 ↓

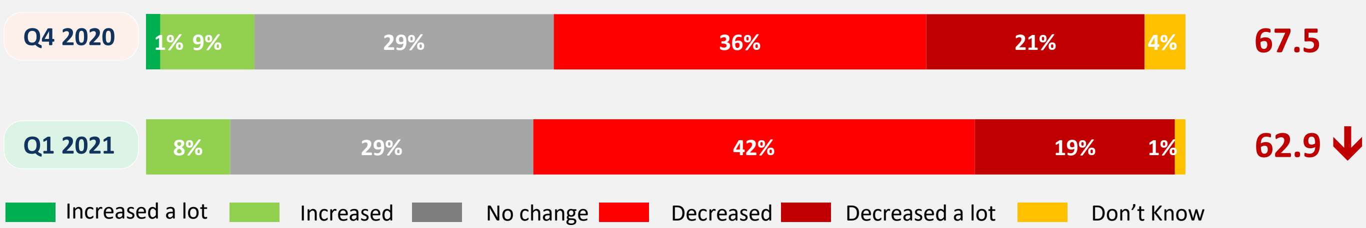
Household Savings

Future Household Savings is the only CCI parameter to witness an improvement in Q1 2021 as NI increased to 92.0 compared to 90.7 in Q4 2020. However, overall CCI for Household Savings still decreased by 2.0% q-o-q.

3 out of 5 respondents (61%) have cited that their Household Savings reduced in the last six months compared to 57% in Q4 2020.

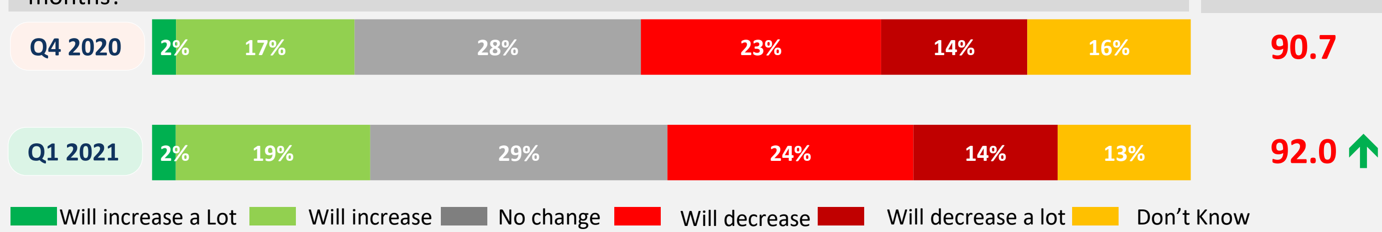
Current: Do you think, in comparison to last 6 months, your household savings increased, decreased or remained the same?

Net Indicator



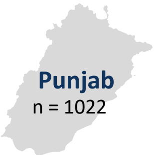
Future: Do you expect your household savings to increase, decrease or remain the same in next 6 months?

Net Indicator



Index / Net Indicator (NI) Interpretation: *Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic*

Pessimism prevails across all provinces primarily due to uncertainty regarding the future – Consumers in Punjab remained the most pessimistic while consumers in KPK displayed the largest decline in confidence



Punjab

NI	Q4 2020	Q1 2021
Overall	89.0	↓ 79.5
Current	73.9	67.7 ↓
Future	104.0	91.2 ↓

Sindh

NI	Q4 2020	Q4 2021
Overall	89.1	↓ 81.9
Current	73.0	69.9 ↓
Future	105.2	94.0 ↓

KPK

NI	Q4 2020	Q1 2021
Overall	98.3	↓ 83.8
Current	80.5	69.1 ↓
Future	116.1	98.5 ↓

Balochistan

NI	Q4 2020	Q1 2021
Overall	90.6	↓ 82.8
Current	79.8	71.1 ↓
Future	101.4	94.4 ↓

Index / Net Indicator (NI) Interpretation: **Under 75 - extremely pessimistic**, ***75 to 99 – pessimistic,*** ***100 – Neutral,*** *101 to 125 – optimistic* ***and 125 above - extremely optimistic.***
n represents the number of respondents from the province

Male respondents are less pessimistic than Female respondents. Consumers across urban and rural areas cited worsening of Current Situation and Future Expectations

Urban

NI	Q4 2020	Q1 2021
Overall	92.9	↓ 81.8
Current	77.1	69.8 ↓
Future	108.6	93.8 ↓

Male

NI	Q4 2020	Q1 2021
Overall	96.4	↓ 82.6
Current	81.3	70.5 ↓
Future	111.4	94.7 ↓

Rural

NI	Q4 2020	Q4 2021
Overall	88.9	↓ 79.1
Current	73.6	66.7 ↓
Future	104.2	91.5 ↓

Female

NI	Q4 2020	Q4 2021
Overall	72.7	↓ 71.5
Current	56.1	58.8 ↑
Future	89.2	84.3 ↓

Index / Net Indicator (NI) Interpretation: *Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic*

Consumers across all age groups remained pessimistic about the future; Decline in confidence for the future across the 30 to 49 years-age group (NI=89.3) is relatively larger compared to other age groups

Below 30 yrs.

NI	Q4 2020	Q1 2021
Overall	96.0	87.4
Current	80.8	76.9
Future	111.1	98.0

30 to 49 yrs.

NI	Q4 2020	Q1 2021
Overall	87.6	75.9
Current	72.1	62.5
Future	103.1	89.3

50 yrs. and above

NI	Q4 2020	Q1 2021
Overall	83.4	77.4
Current	67.4	64.5
Future	99.4	90.4

Index / Net Indicator (NI) Interpretation: *Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic*

PRICE SITUATION
&
HOUSEHOLD INCOME

Rising Price Situation continues to be of concern for consumers (NI = 18.9), marginally increasing by 2.5 points in Q1 2021

Price Situation

Current: In your opinion, in comparison to last six months, prices of daily essentials are

	Net Indicator
Q4 2020	16.4
Q1 2021	18.9 ↑

92% of consumers said that daily essentials have become expensive / very expensive in last six months compared to **93% in Q4 2020**

Net Indicator	Under 30 yrs.	30 – 49 yrs.	Above 50 yrs.
Q4 2020	20.7	13.7	12.9
Q1 2021	22.0 ↑	16.4 ↑	17.8 ↑

Consumers belonging to 30 – 49 years age group are most concerned about rising prices of daily essentials in Q1 2021

Net Indicator	Punjab	Sindh	KPK	Balochistan
Q4 2020	19.3	13.7	10.6	8.2
Q1 2021	17.1 ↓	20.9 ↑	23.0 ↑	19.0 ↑

Punjab was the only province with higher proportion of consumers citing an increase in prices as compared to Q4 2020

Net Indicator	Male	Female
Q4 2020	17.4	13.3
Q1 2021	19.0 ↑	18.1 ↑

65% of females indicated that price of daily essential items have become **very expensive compared to 63% of Males**

Net Indicator	Urban	Rural
Q4 2020	17.8	15.6
Q1 2021	19.0 ↑	18.7 ↑

92% of rural and urban consumers each cited that current prices are higher than the prices 6 months ago

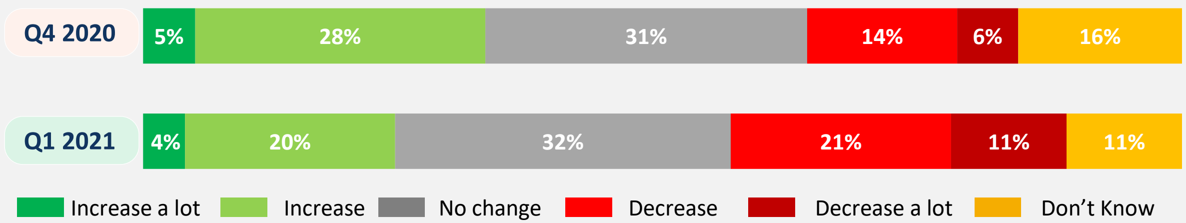
Survey Question Asked for Assessing Price Situation: *In your opinion, in comparison to last six months, prices of daily essentials have…?*
i) Much cheaper, ii) Cheaper, iii) Have not changed, iv) Expensive, v) Very expensive, vi) Don't Know/ No Response

dun & bradstreet | GALLUP PAKISTAN

Consumers displayed pessimism about Future Household Income as fewer respondents (24%) in Q1 2021 believe that their income will increase as compared to 33% in Q4 2020

Household Income

Future: What change do you expect in your household income in the future?



	Net Indicator
Q4 2020	117.0
Q1 2021	99.7 ↓

24% of respondents are confident that their income levels will improve in the next 6 months compared to **33% in Q4, 30% in Q3** and **28% in Q2**

Net Indicator	Under 30 yrs.	30 – 49 yrs.	Above 50 yrs.
Q4 2020	121.9	116.0	107.9
Q1 2021	104.2 ↓	94.7 ↓	102.7 ↓

Youth are primarily optimistic (NI = 104.2) however, consumers aged between 30 to 49 years turned pessimistic in Q1 2021

Net Indicator	Punjab	Sindh	KPK	Balochistan
Q4 2020	116.4	117.3	117.1	121.1
Q1 2021	101.1 ↓	97.0 ↓	103.7 ↓	85.3 ↓

Income expectations have weakened across all provinces however, Punjab **(NI = 101.1)** and KPK **(NI = 103.7)** managed to remain optimistic

Net Indicator	Male	Female
Q4 2020	121.4	104.1
Q1 2021	102.2 ↓	87.2 ↓

Males are significantly more optimistic than Females about future income levels during Q1 2021

Net Indicator	Urban	Rural
Q4 2020	120.7	115.0
Q1 2021	101.1 ↓	97.4 ↓

Urban consumers remain more optimistic than Rural consumers

Survey Question Asked for Assessing Household Income Situation: *what change do you expect in your household income in the future?*
i) Will increase a lot, ii) Will increase, iii) Will not change, iv) Will decrease, v) Will decrease a lot, vi) Don't Know/ No Response

METHODOLOGY

Q1 2021 Survey: A telephonic survey was conducted among 1,590 respondents by a team of trained professionals from Gallup Pakistan

Survey Sampling

Sample Size: 1,590

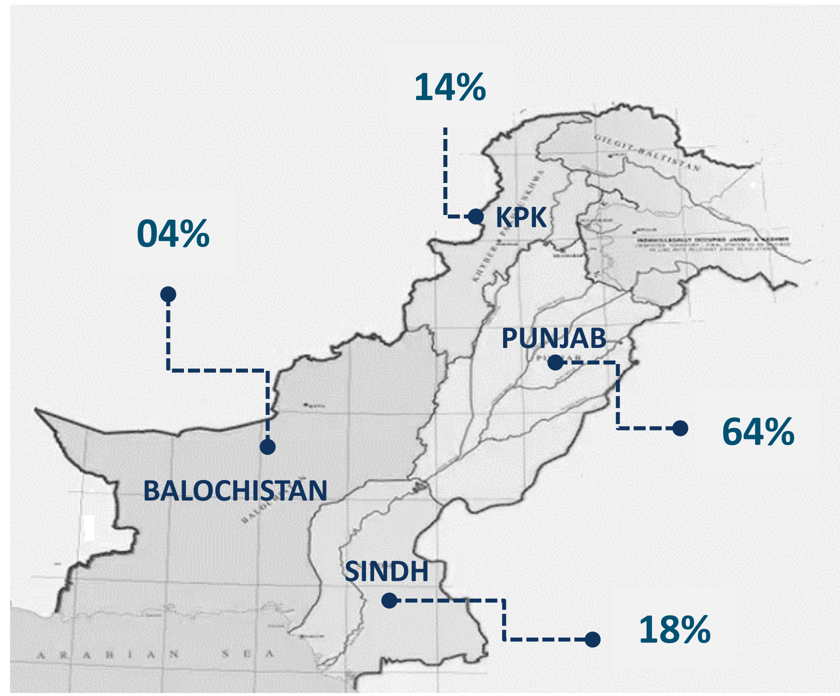
2.5% Error Margin at 95% Confidence level

Data Collection Period: March 2021

Sample Size Distribution

Urban	61%
Rural	39%
Male	83%
Female	17%
Under 30 yrs.	40%
30 – 50 yrs.	45%
Above 50 yrs.	15%

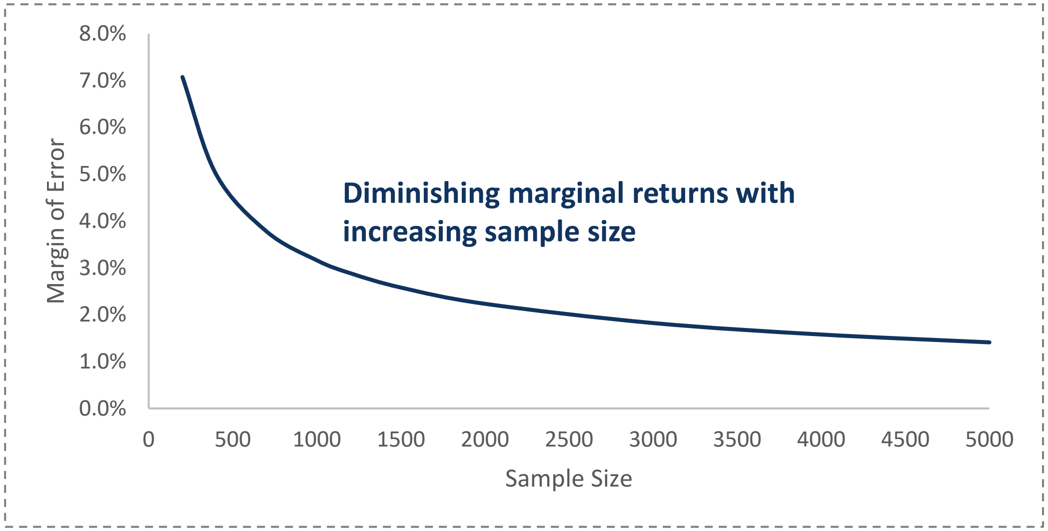
Sample Size Distribution by Province



Sample size of 1,590 respondents result in a margin of error of 2.5%, hence the sample size is representative of population.

The margin of error decreases with increase in sample size but at a much lower pace. A sample size of 1,200 is statistically significant. However, our sample size of 1,590 is more than sufficient from the point of view of statistical accuracy

Relationship between Sample Size and Margin of Error



Sample Size (n)	Margin of Error (M.E.)
200	7.1%
400	5.0%
700	3.8%
1,000	3.2%
1,200	2.9%
1,500	2.6%
2,000	2.2%
3,000	1.8%
4,000	1.6%
5,000	1.4%

Observations:

- A four times increase in sample size (from 1,000 to 4,000) will reduce error margin by only 1.6% (from 3.2% to 1.6%).
- The most substantial decrease in margin of error is between samples sizes of 200 and 1,200
- The margin of error does not substantially decrease at sample sizes above 1,500 (since it is already below 3%).

With Pakistan's population of ~220 Mn, a sample size of 1,200 results in a margin of error of 2.8%, which is below 3%, the accepted norm for statistical research accuracy. A Sample of 1,590 for this survey is sufficiently large to represent feedback from across the Nation.

Note: For further details on statistical concepts see page 32

This survey has been weighted using ‘post-stratification weights’

Survey Methodology

Weighting Approach

- A weighting approach has been used for the CCI to make the sample statistically representative of the population.
- The weights have been applied on the basis of Provinces of Residence (Sindh, Punjab, KPK or Balochistan)
- The assignment of a weight to each survey respondent is such that: demographics that are under-represented (when compared to the actual population proportion) are assigned a weight larger than 1, and those in over-represented groups are assigned a weight smaller than 1.

dun & bradstreet | GALLUP PAKISTAN

For estimating Net Indicator, weights have been assigned to each response asymmetrically to account for respondent’s tendency to under-weigh positive responses

Survey Methodology

Response Weighting

Response Weights	1.00	0.75	0.25	(0.75)	(1.00)	0.00
Response Categories	Much Better	Better	Same as Before	Worse	Much worse	Don’t Know
Net Indicator	**1 + Σ (Weighted Responses)**					

Net indicator is a composite score computed for each index parameter by assigning weights to responses received from consumers. For each question asked during the survey, the respondent has six options as shown above.

Neutral responses (Same as before) are assigned a weight of 0.25 due to respondent's tendency to under-weigh positive responses.

Net Indicator is computed by taking a weighted average sum of the responses based on the weights indicated above. It is converted into an index by adding 100 to the weighted average score. The index will thus range from 0 to 200

Index / Net Indicator (NI) Interpretation: **Under 75 - extremely pessimistic**, **75 to 100 – pessimistic**, **100 to 125 – optimistic** and **125 & above - extremely optimistic**

APPENDIX

A Sample is a collection of data from a subset of the population. Margin of Error determines the accuracy of estimation about population parameter from sample survey

Sample Survey Key Concepts

Population, Sampling Frame and Sample

Population: The entire group of individuals or objects that we wish to know something about

Sample (n): Those individuals or objects who provide the data to be collected.

Sampling Frame: It is a list of all those within a population who can be sampled. Having sampling frame close to population avoids selection bias.

Relationship between Population, Sampling Frame and Sample (Process of creating a sample)

- *Want to know about a population*
- *Only really have access to a sampling frame to draw an intended sample from*
- *Get observations only from the actual sample.*

Margin of Error (ME)

- It measures the reliability of the percent or other estimate based on the survey data
- The margin of error depends directly on the square root of the size of the sample.

Formula: ME = 1 / √n
Rule of Thumb: *The larger the sample size (n) the smaller the margin of error; the size of the population does not affect the margin of error*

Confidence Interval (CI)

- It is a probability that a parameter will fall between a pair of values around the mean.

Formula: $CI = \bar{x} \pm z * \sigma / (\sqrt{n})$
($\bar{x}$ = sample mean, z = confidence level value, σ =sample standard deviation)
Observation: *Mostly constructed using confidence levels of 95% or 99%.*

If a survey is conducted using an unbiased methodology, then the margin of error tells us directly about the accuracy of the survey at estimating a population parameter.

This report has been developed to assess Consumer Confidence across Pakistan. Multiple stakeholders can use this report for strategic decision making.

The Consumer Confidence Index (CCI Index) is a globally recognized instrument that helps understand the sentiments and outlook of the common man.

The Consumer Confidence Survey measures the level of optimism that consumers have about household financial situation, country's economic condition, job prospects, personal finances and spending intentions[1].

Thus, it would help multiple stakeholders to strengthen their research, develop their strategies, and thereby aid in the process of decision making.

Target Audience

- **Public Institutions and Policy Makers**
- **Large and Small Businesses (especially B2C)**
- **Development Financial Institutions & Foundations**
- **Banks and Non-Banking Financial Institutions**
- **Education and Research Center**

1 Purchase of Assets Index is an indicator of Spending Intentions, and was covered in Q1 2020 survey. However this section was omitted in Q2, Q3 and Q4 Surveys, due to length of questionnaire being reduced as the survey was done telephonically (due to COVID related restrictions)

This report compares changes in Consumer Confidence across two quarters; last quarter of 2020 (Q4 2020) and the current situation (Q1 2021)

	Q4 2020	Q1 2021
Number of Respondents	1,634	1,590
Time period of Survey	December-20	March-21
Mode of Survey Interviews	Telephonic	Telephonic

The Consumer Confidence Index report compares survey results, and assesses current & future consumer outlook for all key parameters across demographic segments

Analysis Framework

Consumer response related to Current Situation and Future Expectations

Current
Past 6 Months sentiment from month of survey

Future
Next 6 Months outlook from month of survey

Q. How would you describe the current situation in comparison to 6 months ago?

Q. What do you expect the situation to be 6 months from now?

Quarterly Consumer Confidence Surveys

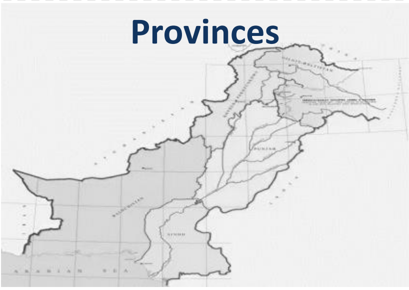
Q4 2020 Survey

Q1 2021 Survey

Different colors are used to indicate the quarterly Surveys

Demographic Split

Provinces



Location

Urban

Rural

Age Group

Below 30 yrs.

30 – 49 yrs.

50 yrs.& above

Gender

Male

Female

For each question asked during the survey, the respondents had multiple options: much better, better, same, worse, much worse and don't know

In Q1 2021 Survey, 10 questions were asked on three topics

Questionnaire Q4 2020 Survey

	CONSUMER CONFIDENCE			
Parameters	**Household Financial Situation**	**Country's Economic Condition**	**Unemployment**	**Household Savings**
Current	Q1. How is your household's financial situation in comparison to last 6 months?	Q3. In your opinion, how would you describe the current economic situation in Pakistan in comparison to last 6 months?	Q5. In your opinion, in comparison to last 6 month, unemployment in Pakistan is …..?	Q7. Do you think, in comparison to last 6 months, your household savings increased, decreased or remained the same?
Future	Q2. What do you expect your household's financial situation to be in next 6 months?	Q4. In your opinion, what do you expect Pakistan's economic situation to be in next 6 months?	Q6. In your opinion, in next 6 months, unemployment in Pakistan will be….?	Q8. Do you expect your household savings to increase, decrease or remain the same in next 6 months?

	PRICES
Parameters	**Outlook on food prices**
Current	Q9. In your opinion, in comparison to last six months, prices of daily essentials has…?

	HOUSEHOLD INCOME
Parameters	**Outlook on Household Income**
Future	Q10. What change do you expect in your household income in the future?

In Q1 2021 Survey, number of questions were reduced to manage the survey process effectively through telephonic calls, abiding by all the COVID-19 restrictions.

Dun & Bradstreet Pakistan

www.dnbpk.com

ECONOMIC ANALYSIS GROUP
Nauman Lakhani (Country Head, Pakistan)
✉ eag@dnbpk.com

Global HQ (US)

Dun & Bradstreet, Inc.
103 JFK Parkway
Short Hills
NJ 07078, USA

Regional HQ (UAE)

Dun & Bradstreet South Asia
Middle East Ltd.
DIFC, PO Box 506511
Dubai, UAE

Local Office (Pakistan)

Dun & Bradstreet
Building No: 33-C/II, Lane 6,
Ittehad Commercial
DHA Phase 6, Karachi,
Pakistan
T +92 3 1111 32 725

Gallup Pakistan

www.gallup.com.pk

Bilal I. Gilani (Executive Director)
✉ caf@gallup.com.pk

Pakistan

4th floor, Khyber Plaza,
Fazal e Haq Rd,
Blue Area, Islamabad,
Pakistan

T +92 (51) 265 5630

Disclaimer

This material is confidential and proprietary to Dun & Bradstreet Pakistan (Private) Limited (referred to as 'D&B') and Gallup Pakistan. The material may not be copied or otherwise reproduced, repackaged, further transmitted, transferred, disseminated, redistributed or resold, or stored for subsequent use for any such purpose, in whole or in part, in any form or any manner or by any means whatsoever, by any person without express authorization of D&B and/or Gallup Pakistan.

All information contained herein is obtained through surveys conducted from respondents. Although reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind and D&B and Gallup Pakistan, in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained herein must be construed solely as statements of opinion by respondents and D&B and/or Gallup Pakistan shall not be liable for any loss incurred by users from any use of this report or its contents.

Please visit Dun & Bradstreet's website www.dnbsame.com for full disclaimer regarding privacy policy and legal information.
Please visit Gallup Pakistan's website www.gallup.com.pk for full disclaimer regarding international affiliations and other matters.