dun & bradstreet
PAKISTAN

GALLUP PAKISTAN
Affiliated with Gallup International
Pakistan's Foremost Social Research Lab

ISSUE NO. 10

Pakistan Consumer Confidence Index (CCI)

Results of Q2 2022 Survey Report

03rd November 2022

Key highlights of change in Consumer Sentiments across Pakistan from Q1 2022 to Q2 2022

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

Consumer Sentiments are volatile and are shaped by consumers' perception of their personal financial situation as well as the overall financial and economic performance of the country. The Consumer Confidence Index (CCI Index) is a globally recognized instrument that serves as a leading indicator for household consumption and saving, which in turn is a key driver of overall economic activity in the country.

D&B and Gallup's quarterly publication aims to bring businesses and policymakers closer to understanding this crucial link. The CCI aids multiple stakeholders including governments, businesses, and financial institutions to strengthen their understanding of the market, and thereby facilitate data-backed decision making.

For more information on past CCI publications please visit: D&B Pakistan Knowledge Capital (https://dnbsame.com/knowledge-capital) and Gallup Pakistan (Private) Limited (www.gallup.com.pk)

PAKISTAN

Dun & Bradstreet Pakistan

WORLD'S LEADING PROVIDER OF DATA & ANALYTICS WITH GLOBAL FOOTPRINT ACROSS 200+ CITIES

D&B - Solutions & Services

D&B was established in 1841 and has the world's largest business database, comprising of over 400+ Million company records. D&B has 8 service lines in the region for its clients

Risk Consultancy Services
Helps banks and financial institutions measure and reduce risk, comply with Basel regulations, and enhance profitability.

Sales & Marketing Solutions
Provides measurable ROI on the acquisition, retention, and growth strategies across sales and marketing organizations.

Credit Bureau Solutions
Reduce information asymmetry between lenders and borrowers and support the development of financial infrastructure.

Risk Management Solutions
Enable businesses to make informed decisions, minimize risk, accelerate cash flow, and monitor performance.

D&B Consulting
Assists Governments, and Corporate clients in evaluating business opportunities and risks leading to strategy formulation and implementation

Financial Technology Solutions
Provide software solutions to banks and financial institutions to manage credit and operational risk.

Economic Analysis Group
Develops the D&B Business Optimism Index that studies the business outlook and growth expectations of an economy.

Learning Solutions
Provide innovative, high-quality, comprehensive training and education programs to the business community.

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.

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

Gallup Pakistan Programs

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) IS A CLOSELY MONITORED QUARTERLY PUBLICATION AND FEATURES PROMINENTLY ACROSS MEDIA NETWORKS AND LEADING NEWS OUTLETS.

Consumer Confidence Index (CCI), prepared by Dun & Bradstreet Pakistan and Gallup Pakistan, is a closely monitored quarterly publication and features prominently across media networks and leading news outlets including DAWN, Business Recorder and Daily Times.

The Consumer Confidence Index (CCI) is a survey that measures consumer sentiments about the country's economic condition, household financial situation, job prospects, and personal finances.

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

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

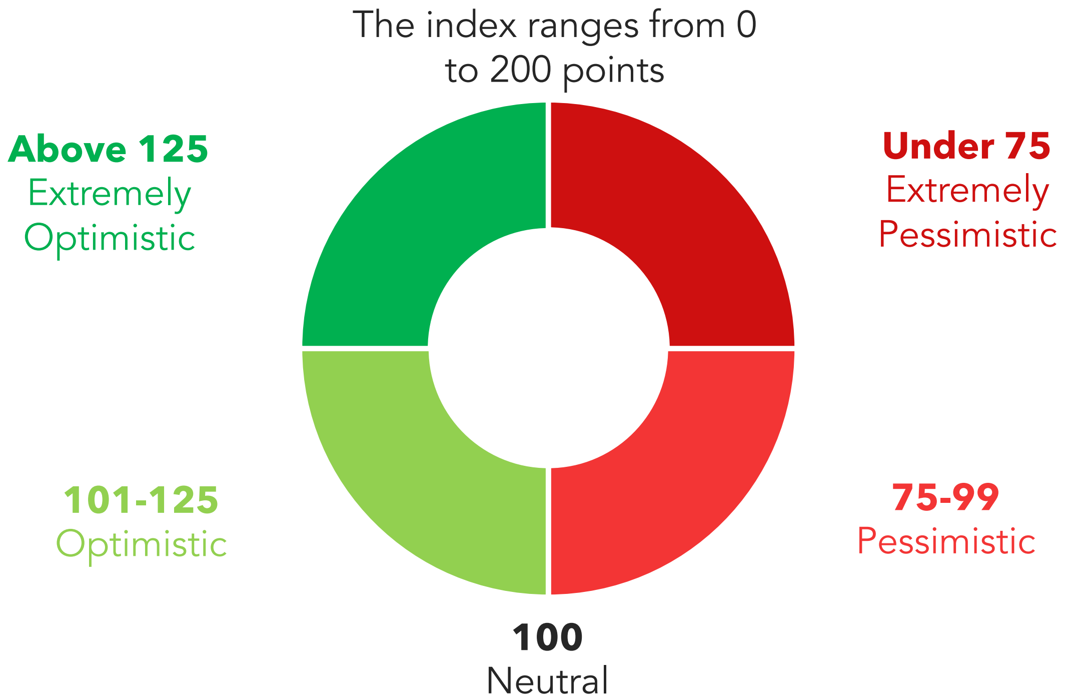
The CCI report is a quarterly publication from Dun & Bradstreet Pakistan, and Gallup Pakistan.

This report compares Consumer Confidence in Q2 2022 vis-à-vis Consumer Confidence in Q1 2022 (Q-o-Q comparison).

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

Index and Net Indicator (NI) Interpretation

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



Scores between 0 to 99 indicate decreasing levels of pessimism
Scores between 101 to 200 indicate increasing levels of optimism

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

Glossary

Consumers
Respondents that have participated in the Consumer Confidence survey.

Net Indicator (NI)
A composite score is 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, i.e., 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 the survey was conducted), across four index parameters, i.e., Household Financial Situation, Country's Economic Conditions, Unemployment, and Household Savings.

Index Parameter
The individual constituent of each of the indices captures 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.

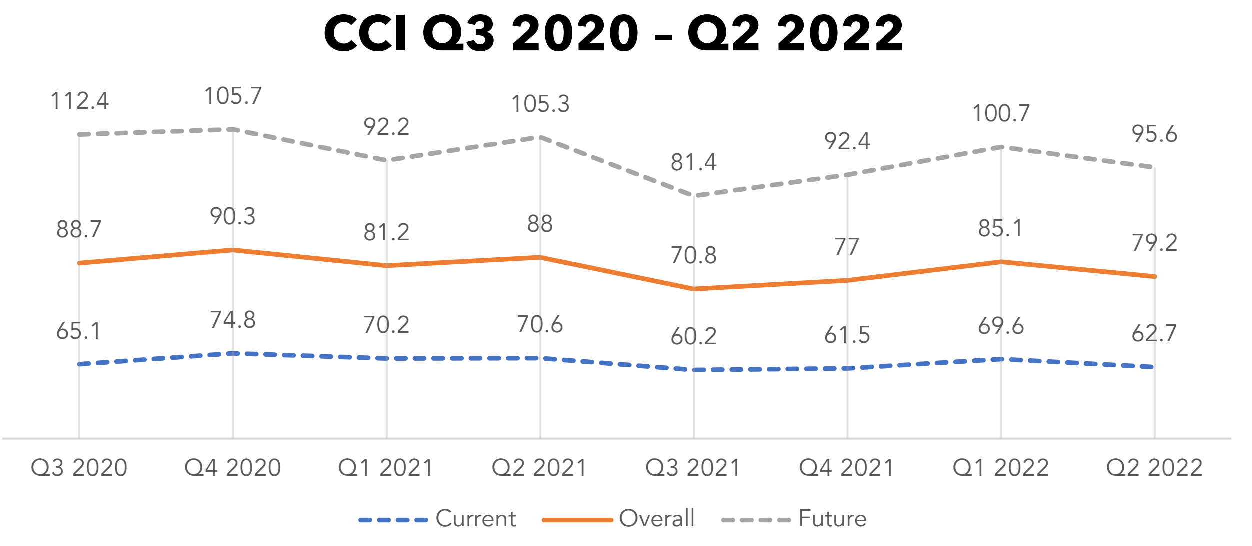
Province
A province is an administrative territory that is governed by its own Government. In Pakistan, there are four provinces i.e., Balochistan, Punjab, Sindh, and Khyber Pakhtunkhwa (KPK).

Report Flow

Executive Summary

Key Findings: Q2 2022 Survey

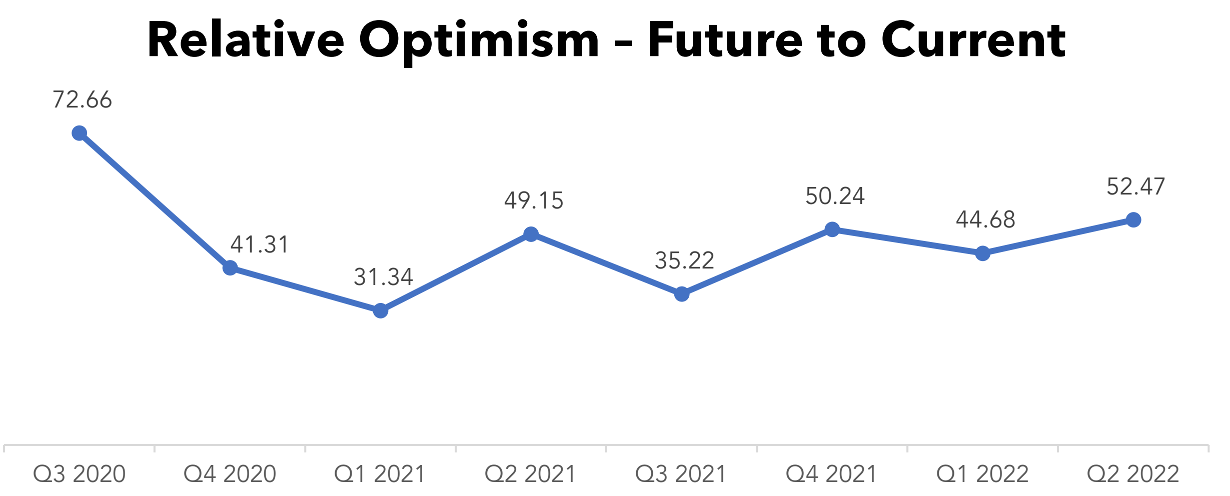
Overall CCI depicted a decrease of 6.9% Q-o-Q vis-à-vis an increase of 10.5% witnessed during the last quarter.



The CCI decreased by 6.9% in Q2 2022 to 79.2, indicating deteriorated outlook in comparison to the previous quarter. Overall CCI was reported at 85.1 in Q1 2022.

Deterioration in the recent quarter's CCI can be attributed to a decrease across all current parameters of the index.

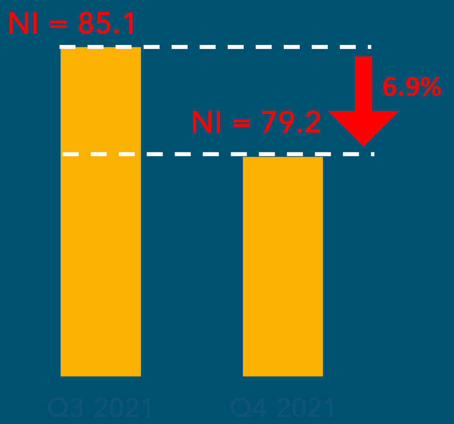
Consumers were pessimistic in Q4 2021 and neutral in Q1 2022 about the future. However, consumers regained their pessimism with regard to future economic prospects



Based on a historical average, the dispersion in CCI between the current situation and the future outlook (relative optimism) is about 52%, highest in last 6 quarters.

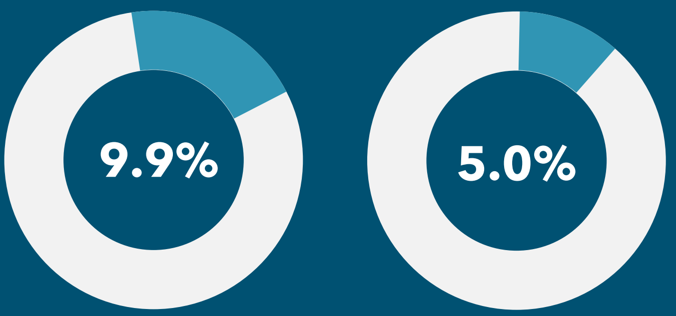
The decrease in CCI was on account of reduced optimism for the Current Situation

Δ IN OVERALL CCI



Consumer Confidence Index (CCI) decreased Q-o-Q, indicating deterioration in sentiments, thus remaining in the Pessimistic zone.

Δ IN CURRENT & FUTURE SITUATION



Overall, Consumers reported a greater deterioration in Current Situation as compared to Future Expectations.

Deterioration in the overall CCI can be attributed to decreased optimism (indicating deteriorated outlook) across all parameters. These results are a consequence of the political instability paired with disastrous floods across the country.

Consumers' confidence in relation to the Future Situation deteriorated as the price impact on account of the floods in farmlands are well known to consumers in Pakistan, agriculture being an important part of the economy. Additionally, the increase in various taxes further deteriorated optimism. Therefore, consumers are once again pessimistic across the board.

Current Outlook on **Financial Situation** and **Household Savings** parameters declined Q-o-Q by 5.8% and 4.7% respectively.

Current Outlook on **Economic Situation** and **Unemployment** parameters declined Q-o-Q by 10.9% and 22.5% respectively.

Rising prices consistently remains in the extremely pessimistic range, falling by 36% Q-o-Q.

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

Consumer Confidence Index

dun & bradstreet
PAKISTAN

GALLUP PAKISTAN
Affiliated with Gallup International
Pakistan's Foremost Social Research Lab

Consumers displayed relatively higher optimism regarding Future Expectations (NI = 95.6.7) compared to Current Situation (NI = 62.7).

Current Quarter: Q2 2022 Survey

62.7 Current

95.6 Future

79.2 Overall CCI

Overall CCI decreased by 6.9% Q-o-Q to 79.2 in Q2, 2022. The decrease can be attributed to political instability paired with disastrous floods across the country which caused soaring inflation rates. Therefore, the index remains in the pessimistic zone.

Survey conducted during: August - 22

Previous Quarter: Q1 2022 Survey

69.6 Current

100.7 Future

85.1 Overall CCI

Overall CCI increased by 10.5% Q-o-Q to 85.1 in Q1, 2022. The increase can be attributed to positive consumer sentiments towards performance of new government. However, despite improvement, the index remains in the pessimistic zone.

Survey conducted during: May - 22

Q4 2021 Survey

61.5 Current

82.4 Future

77.0 Overall CCI

Overall CCI increased by 8.8% Q-o-Q to 77.0 in Q4 2021. The increase was primarily driven by improvement in future expectations as the Government has tried to instill confidence regarding future economic growth.

Survey conducted during: Jan & Feb - 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

Key Takeaways

Consumers are Extremely Pessimistic about the Current Macroeconomic situation

Consumers remained extremely pessimistic regarding Unemployment, Economic Situation, and Household Savings (NI = 39.6, 60.4 and 65.9 respectively)

Optimism regarding Future Financial and Economic Situation

Consumers remained optimistic regarding Future Financial and Economic Situation, decreasing marginally by 0.08% and 2.0% Q-o-Q in Q2, 2022 respectively.

Consumers remain concerned about rising Unemployment

Consumers were most concerned about rising Unemployment in the upcoming quarters, in comparison to all other future parameters (NI = 76.9).

Respondents perceive Savings to rise sharply

Overall, Household Savings displayed deterioration in sentiments (decreased by 8.5%). Future Household Savings are expected to be higher than 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

dun & bradstreet PAKISTAN

GALLUP PAKISTAN Affiliated with Gallup International Pakistan's Foremost Social Research Lab

DETERIORATED OUTLOOK VERSUS PREVIOUS QUARTER FOR ALL THE RELEVANT PARAMETERS OUTLINE BELOW

Household Financial Situation

NI	Q1 2022	Q2 2022	% Change
Overall	**104.1**	**101.4**	**2.5%**
Current	90.3	85.0	5.8%
Future	118.0	117.9	0.08%

Country's Economic Situation

NI	Q1 2022	Q2 2022	% Change
Overall	**85.9**	**81.2**	**5.4%**
Current	67.8	60.4	10.9%
Future	104.1	102.0	2.0%

Unemployment Situation

NI	Q1 2022	Q2 2022	% Change
Overall	**67.6**	**58.2**	**13.9%**
Current	51.1	39.6	22.5%
Future	84.1	76.9	8.5%

Household Savings

NI	Q1 2022	Q2 2022	% Change
Overall	**82.8**	**75.7**	**8.5%**
Current	69.2	65.9	4.7%
Future	96.5	85.6	11.2%

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

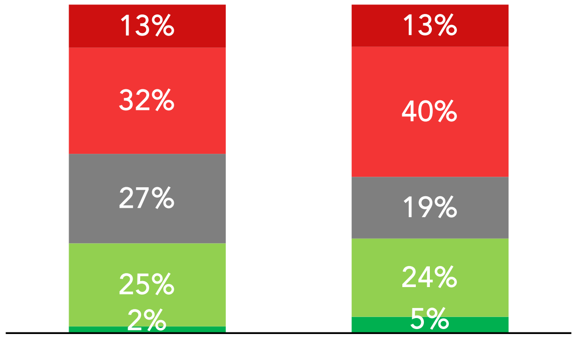
PERCEPTIONS REGARDING HOUSEHOLD FINANCIAL SITUATION MARGINALLY DECLINED Q-O-Q

Consumers remained **optimistic** regarding **Future Household Financial Situation** (NI = 117.9), however, future expectations **declined marginally by 0.08% Q-o-Q**.

66% of the respondents indicated that their **Household Financial Situation is expected to improve or stay the same in Future** (as compared to 67% in Q1 2022).

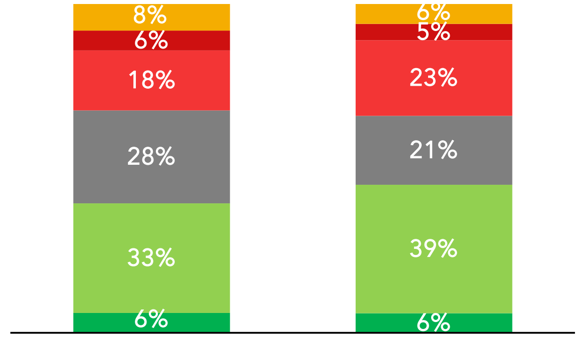
Surveys	Overall NI*
Q1 2022	104.1
Q2 2022	101.4

Current: How is your household's financial situation in comparison to last 6 months?



NI Q1 2022: 90.3 NI Q1 2022: 85.0

Future: What do you expect your household's financial situation to be in next 6 months?



NI Q1 2022: 118.0 NI Q2 2022: 117.9

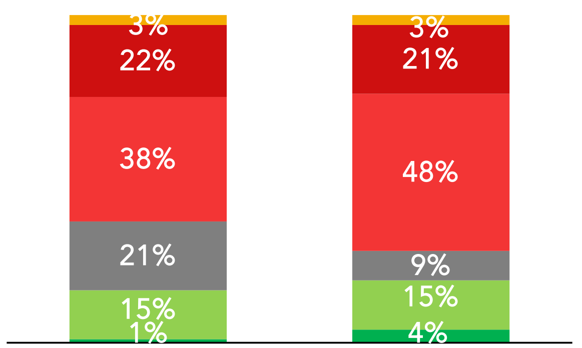
SENTIMENTS REGARDING COUNTRY'S ECONOMIC SITUATION OBSERVED A MARGINAL DECREASE ACROSS BOTH CURRENT SITUATION AND FUTURE EXPECTATIONS

Sentiments regarding Country's Economic Situation deteriorated primarily due to decrease in **Future Expectations** by 2.0% Q-o-Q.

54% expect **Country's Future Economic Situation to improve or remain the same** (5.26% decrease Q-o-Q).

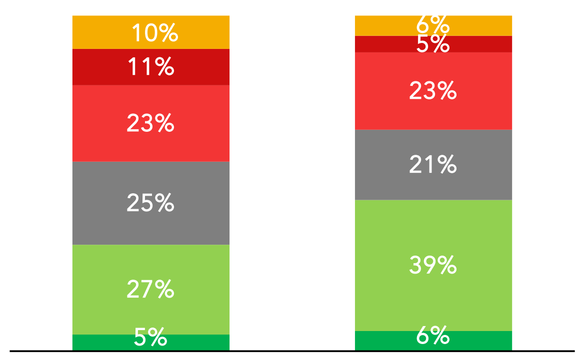
Surveys	Overall NI*
Q1 2022	85.9
Q2 2022	81.2

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



NI Q1 2022: 67.8 NI Q2 2022: 60.4

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



NI Q1 2022: 104.1 NI Q2 2022: 102.0

Will be better a lot | Will be better | No change | Will be Worse | Will be Worse a lot | Don't Know

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

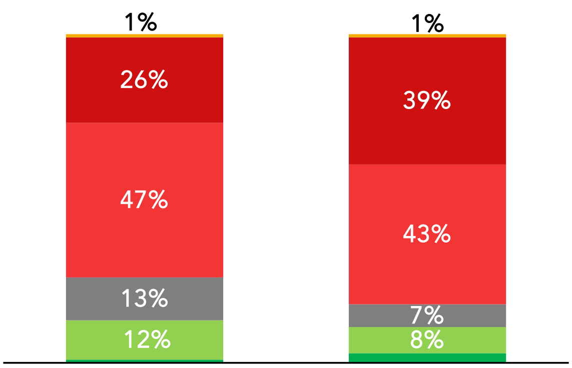
WHILE CONSUMER CONCERNS AROUND UNEMPLOYMENT CONTINUE TO PERSIST, THE OVERALL OUTLOOK WORSENS DURING Q2 2022

Respondents indicated the **most concern regarding Unemployment Situation**, across all CCI parameters, with NI decreasing by 13.9% from 67.6 to 58.2, Q-o-Q.

55% respondents highlighted that **Unemployment will increase** in the next six months (increased from **46% in Q1 2022**).

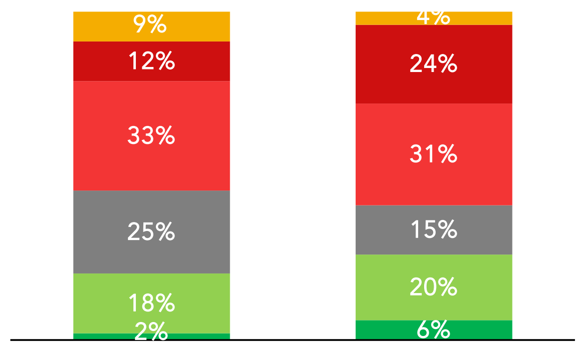
Surveys	Overall NI
Q1 2022	67.6
Q2 2022	58.2

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



NI Q1 2022: 51.1 NI Q2 2022: 39.6

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



NI Q1 2022: 84.1 NI Q2 2022: 76.9

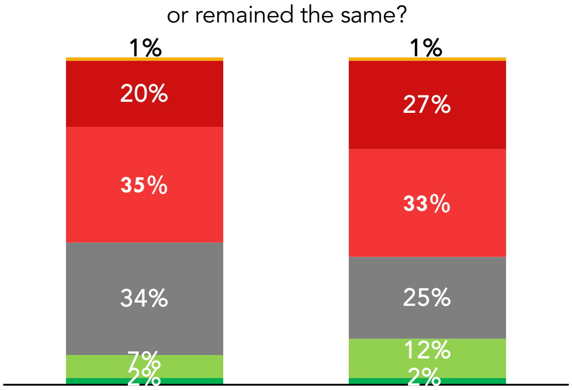
SENTIMENTS REGARDING OVERALL HOUSEHOLD SAVINGS DECLINED Q-O-Q. CONSUMERS EXPRESSED RELATIVELY LESS OPTIMISM ABOUT FUTURE HOUSEHOLD SAVINGS IN Q2 2022

Sentiments regarding Household Savings noted a slight decrease **Q-o-Q (8.5%),** therefore it remains **extremely pessimistic in current situation**

48% respondents expect **Household Savings to increase or remain same in the next six months**

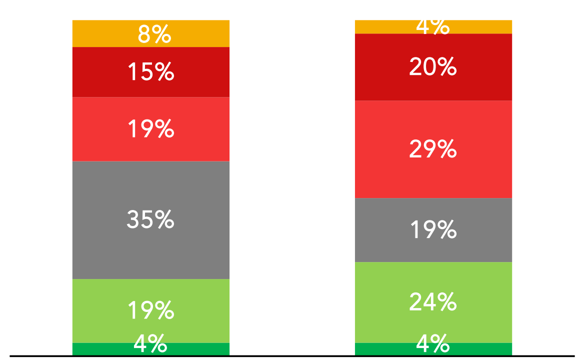
Surveys	Overall NI
Q1 2022	82.8
Q2 2022	75.7

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



NI Q1 2022: 69.2 NI Q2 2022: 65.9

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



NI Q1 2022: 96.5 NI Q2 2022: 85.6

Will be better a lot | Will be better | No change | Will be Worse | Will be Worse a lot | Don't Know

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

dun & bradstreet PAKISTAN

GALLUP PAKISTAN Affiliated with Gallup International Pakistan's Foremost Social Research Lab

ALL PROVINCES, BARRING BALOCHISTAN, INDICATED DETERIORATION IN OVERALL SENTIMENTS Q-O-Q

Punjab
n = 946

NI	Q1 2022	Q2 2022	% Change
Overall	**83.6**	**80.9** ↓	**3.2%**
Current	68.3	62.8 ↓	8.0%
Future	98.8	99.1 ↑	0.3%

Sindh
n = 272

NI	Q1 2022	Q2 2022	% Change
Overall	**88.0**	**67.4** ↓	**23.4%**
Current	70.6	57.2 ↓	18.9%
Future	105.5	77.7 ↓	26.3%

KPK
n = 205

NI	Q1 2022	Q2 2022	% Change
Overall	**94.6**	**87.6** ↓	**7.3%**
Current	82.3	67.6 ↓	17.8%
Future	107.0	107.7 ↑	0.6%

Balochistan
n = 120

NI	Q1 2022	Q2 2022	% Change
Overall	**68.3**	**92.5** ↑	**35.4%**
Current	53.8	76.1 ↑	41.4%
Future	82.8	109.0 ↑	31.6%

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 IN BOTH URBAN AND RURAL AREAS ARE RELATIVELY LESS OPTIMISTIC IN Q2, 2022. MOREOVER, FEMALE RESPONDENTS DEPICTED LESS OPTMISM IN COMPARISON TO MALE RESPONDENTS IN OVERALL SENTIMENTS.

Urban
n = 1,019

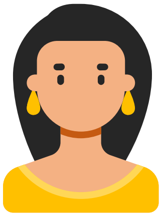
NI	Q1 2022	Q2 2022	% Change
Overall	**85.8**	**80.7**	**5.9%**
Current	70.8	62.8	11.2%
Future	100.9	98.6	2.2%

Rural
n = 524

NI	Q1 2022	Q2 2022	% Change
Overall	**84.8**	**78.3**	**7.6%**
Current	69.0	62.7	9.1%
Future	100.6	94.0	6.5%

Male
n = 804

NI	Q1 2022	Q2 2022	% Change
Overall	**86.1**	**83.0**	**3.6%**
Current	71.7	64.7	9.7%
Future	100.5	101.3	0.7%



Female
n = 739

NI	Q1 2022	Q2 2022	% Change
Overall	**84.1**	**75.0**	**10.8%**
Current	67.3	60.6	9.9%
Future	100.9	89.3	11.4%

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

CONSUMERS ACROSS ALL AGE GROUPS REMAINED PESSIMISTIC FOR THE CURRENT QUARTER; RESPONDENTS AGED 30 TO 49 YEARS DEPICTED THE LEAST PESSIMISM.

Below 30 years
n = 543

NI	Q1 2022	Q2 2022	% Change
Overall	**90.0**	**81.4**	**9.5%**
Current	74.6	63.3	15.1%
Future	105.4	99.6	5.5%

30 to 49 years
n = 758

NI	Q1 2022	Q2 2022	% Change
Overall	**82.1**	**76.5**	**10.4%**
Current	66.1	62.1	11.2%
Future	98.2	90.9	9.9%

50 years and above
n = 241

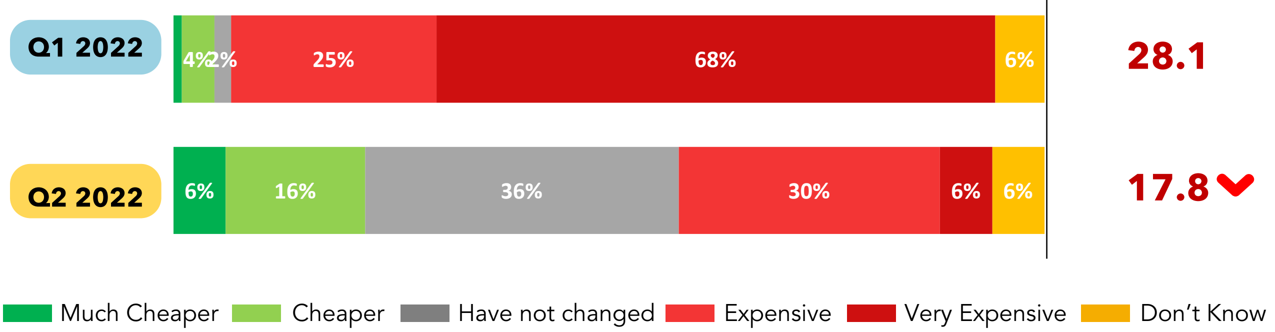
NI	Q1 2022	Q2 2022	% Change
Overall	**84.5**	**82.4**	**2.4%**
Current	72.0	63.5	11.8%
Future	97.1	101.3	4.3%

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

Price Situation & Household Income

CONSUMER SENTIMENTS RELATED TO PRICE REMAINED EXTREMELY PESSIMISTIC IN Q2, 2022 (NI = 17.8), DECLINED BY 36.6% Q-O-Q)

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



93% of consumers said that daily essentials have become expensive/very expensive in last six months compared to **95% responses** in **Q1 2022**.

Net Indicator	Under 30 yrs.	30-49 yrs.	Above 50 yrs.
Q1 2022	30.0	27.3	25.7
Q2 2022	17.0	20.8	7.5

Consumers under 30 to 49 years of age are most concerned about rising prices of daily essentials in Q2, 2022

Net Indicator	Punjab	Sindh	KPK	Balochistan
Q1 2022	30.1	28.5	19.8	23.6
Q2 2022	21.0	13.0	14.5	29.0

Respondents across provinces displayed decrease in optimism, barring those in Balochistan

Net Indicator	Male	Female
Q1 2022	30.6	25.4
Q2 2022	17.5	18.3

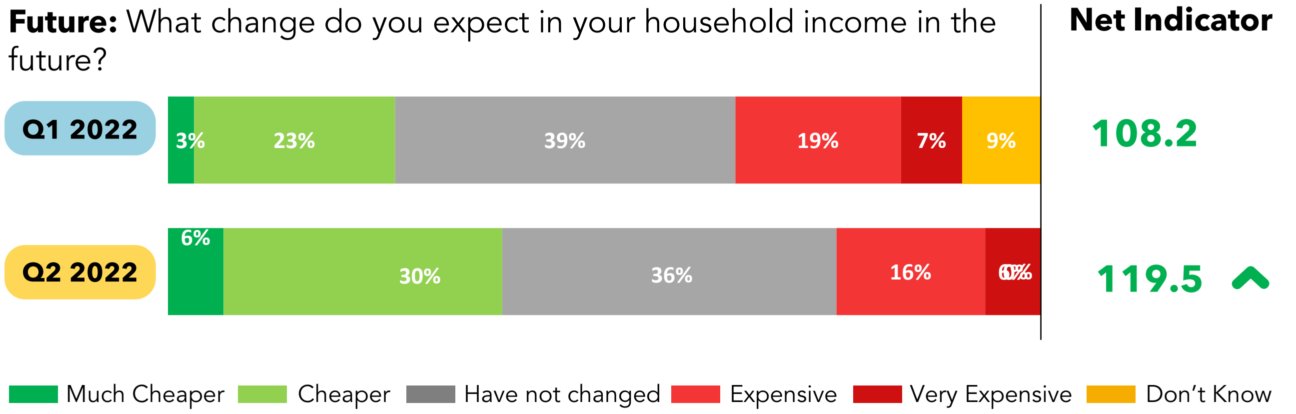
Both Male and Female respondents indicated deteriorated sentiments

Net Indicator	Urban	Rural
Q1 2022	28.8	27.7
Q2 2022	13.3	21.5

Urban consumers are much more concerned about increase in prices than rural consumers in Q2 2022

CONSUMERS REMAINED OPTIMISTIC ABOUT FUTURE HOUSEHOLD INCOME IN Q2 2022

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



22% of respondents mentioned that their income levels will decrease in the next 6 months compared to **26% in Q2 2022**.

dun & bradstreet PAKISTAN

GALLUP PAKISTAN
Affiliated with Gallup International
Pakistan's Foremost Social Research Lab

Net Indicator	Under 30 yrs.	30 - 49 yrs.	Above 50 yrs.
Q1 2022	113.7	105.8	100.9
Q2 2022	121.5	119.3	111.8

All age groups have increased in optimism. However, respondents above 50 years remained the least optimistic.

Net Indicator	Punjab	Sindh	KPK	Balochistan
Q1 2022	112.5	103.4	93.8	117.2
Q2 2022	119.8	119.8	117.0	116.8

Consumers across all provinces increased in optimism Q-o-Q, with Balochistan remaining the least optimism among the group. KPK, however turned Optimistic after remaining pessimistic in the previous quarter.

Net Indicator	Male	Female
Q1 2022	112.3	103.7
Q2 2022	116.3	123.0

Both Male and Female consumers remain optimistic with females taking the lead in the current quarter.

Net Indicator	Urban	Rural
Q1 2022	112.0	106.1
Q2 2022	121.0	119.0

Both Urban and Rural consumers remain optimistic this quarter with Rural having the largest increase.

Methodology

Q2 2022 SURVEY: A TELEPHONIC SURVEY WAS CONDUCTED AMONG 1,543 RESPONDENTS BY A TEAM OF TRAINED PROFESSIONALS FROM GALLUP PAKISTAN

Sample Size: 1,543

2.0% Error Margin at 95% Confidence level

Data Collection Period: August 2022

Sample Survey Key Concepts

Male 52%

Female 48%

Below 30 years 37%

30 to 49 years 47%

50 years & above 1%

Urban 35%

Rural 65%

Sample Size Distribution by Province

Sindh 24%

Punjab 59%

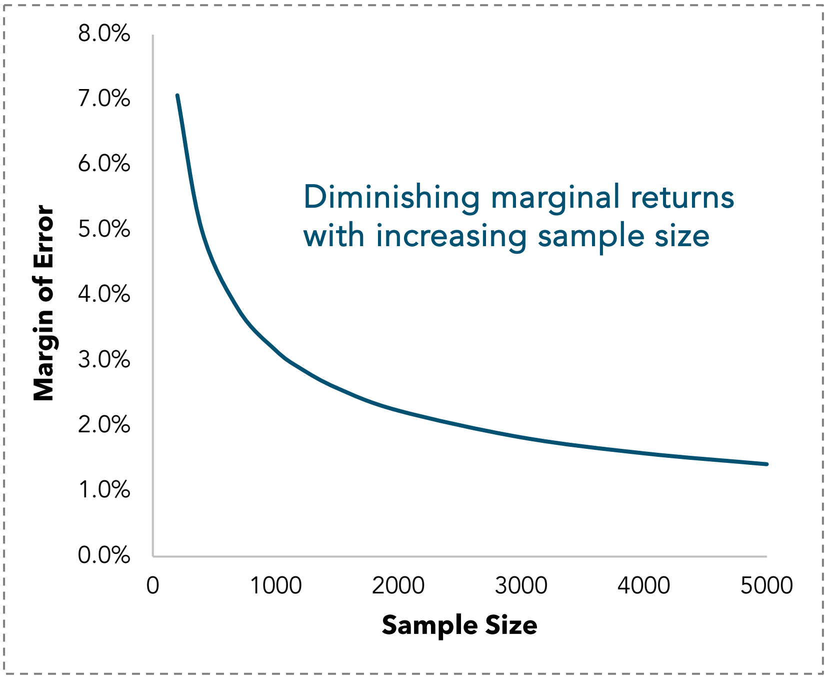
Balochistan 4%

KPK 13%

Sample size of 1,543 respondents result in a margin of error of 2.0%, 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 1,543 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:

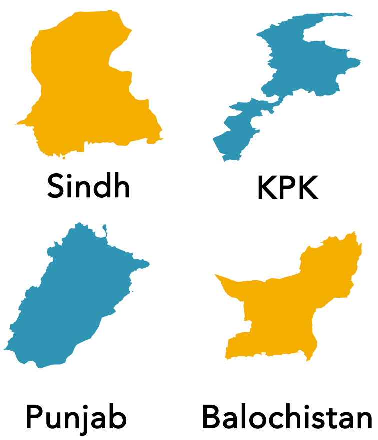
- A four times increase in sample size (from 1,000 to 4,000) will reduce error margin by only 1.6% (from 3.2% to 1.6%).
- The most substantial decrease in margin of error is between samples sizes of 200 and 1,200
- The margin of error does not substantially decrease at sample sizes above 1,500 (since 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 1,765 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'

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 based on 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.

FOR ESTIMATING NET INDICATOR, WEIGHTS HAVE BEEN ASSIGNED TO EACH RESPONSE ASYMMETRICALLY TO ACCOUNT FOR RESPONDENT'S TENDENCY TO UNDER-WEIGH POSITIVE RESPONSES

Response Weighting

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: $ME = 1 / \sqrt{n}$
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.

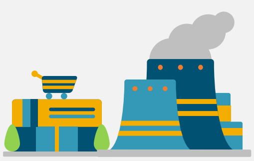
The Consumer Confidence Index (CCI Index) is a globally recognized instrument that helps understand the sentiments and outlook of the common man.

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.

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

THIS REPORT COMPARES CHANGES IN CONSUMER CONFIDENCE ACROSS TWO QUARTERS; FIRST QUARTER OF 2022 (Q1 2022) AND THE CURRENT SITUATION (Q2 2022)

	Q1 2022	Q2 2022
Number of Respondents	1,765	1,543
Time period of Survey	May 22	August 22
Mode of Survey Interviews	Telephonic	Telephonic

dun & bradstreet PAKISTAN

GALLUP PAKISTAN
Affiliated with Gallup International
Pakistan's Foremost Social Research Lab

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

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

Future
Next 6 Months outlook from month of survey

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

Quarterly Consumer Confidence Surveys

Q1 2022 Survey

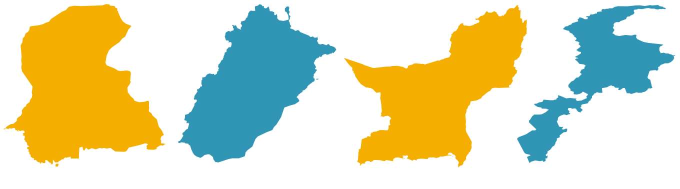
Q2 2022 Survey

Different colors are used to indicate the quarterly Surveys

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

Demographic Split

Provinces



Location

Urban

Rural

Age Group

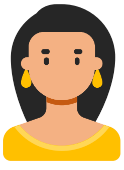
Below 30 years

30 to 49 years

50 years & above

Gender

Male



Female

IN Q2 2022 SURVEY, 10 QUESTIONS WERE ASKED ON THREE TOPICS

Consumer Confidence

Household Financial Situation
Current:
Q1. How is your household's financial situation in comparison to last 6 months?

Future:
Q2. What do you expect your household's financial situation to be in next 6 months?

Country's Economic Condition
Current:
Q3. In your opinion, how would you describe the current economic situation in Pakistan in comparison to last 6 months?

Future:
Q4. In your opinion, what do you expect Pakistan's economic situation to be in next 6 months?

Unemployment
Current:
Q5. In your opinion, in comparison to last 6-month, unemployment in Pakistan is .....?

Future:
Q6. In your opinion, in next 6 months, unemployment in Pakistan will be….?

Household Savings
Current:
Q7. Do you think, in comparison to last 6 months, your household savings increased, decreased or remained the same?

Future:
Q8. Do you expect your household savings to increase, decrease or remain the same in next 6 months?

Prices

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

Household Income

Outlook on household income:
Future:
Q10. What change do you expect in your household income in the future?

In Q4 2021 Survey, number of questions were reduced to manage the survey process effectively through telephonic calls, abiding by all the COVID-19 restrictions.

D&B Pakistan (Private) Limited

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

Head Office (Pakistan)
D&B Pakistan (Private) Limited
Building No: 33-C/II, Lane 6, Ittehad
Commercial, DHA Phase 6, Karachi, Pakistan
T +92 3 1111 32 725

Lahore Office
Vogue Tower 3rd floor, Block C2, Gulberg 3
MM Alam Road, Lahore, Pakistan

Islamabad Office
Plot 94, Street 7, Sector I-10/3
Islamabad, Pakistan

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.