

ISSUE NO. 12

Pakistan Consumer Confidence Index (CCI)

Results of Q4 2022 Survey Report

30th June 2023

*Key highlights of change in Consumer Sentiments across
Pakistan from Q3 2022 to Q4 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.

To help businesses and policymakers better understand this crucial link, D&B and Gallup have collaborated to publish a quarterly report. The CCI is a valuable tool for multiple stakeholders, including governments, businesses, and financial institutions, as it enables them to gain a deeper understanding of the market and make informed decisions backed by data.

To learn more about past CCI publications, please visit the D&B Pakistan Knowledge Capital website (<https://dnbsame.com/knowledge-capital>) or the website of Gallup Pakistan (Private) Limited (www.gallup.com.pk).

Dun & Bradstreet Pakistan

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

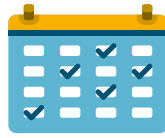
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D&B was established in 1841 and has the world's largest business database, comprising of over 500+ Million company records. D&B has 8 service lines in the region for its clients



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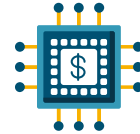
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GALLUP PAKISTAN, THE PAKISTANI AFFILIATE OF GALLUP INTERNATIONAL, IS A LEADING SURVEY RESEARCH AGENCY AND AN EMERGING SOCIAL SCIENCE RESEARCH LAB IN PAKISTAN. GALLUP PAKISTAN IS A SPECIALIST IN INDEPENDENT THIRD-PARTY EVALUATION AND RATINGS.

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Acknowledgements

THE CONSUMER CONFIDENCE INDEX (CCI) IS A HIGHLY VALUED QUARTERLY PUBLICATION THAT RECEIVES SIGNIFICANT ATTENTION FROM MEDIA NETWORKS AND LEADING NEWS OUTLETS. IT IS PROMINENTLY FEATURED IN POPULAR NEWS SOURCES SUCH AS DAWN, BUSINESS RECORDER, AND DAILY TIMES, WHICH REFLECTS ITS IMPORTANCE IN THE BUSINESS AND ECONOMIC LANDSCAPE OF THE COUNTRY.



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 confidence across Pakistan and

help in developing effective strategies and policies.

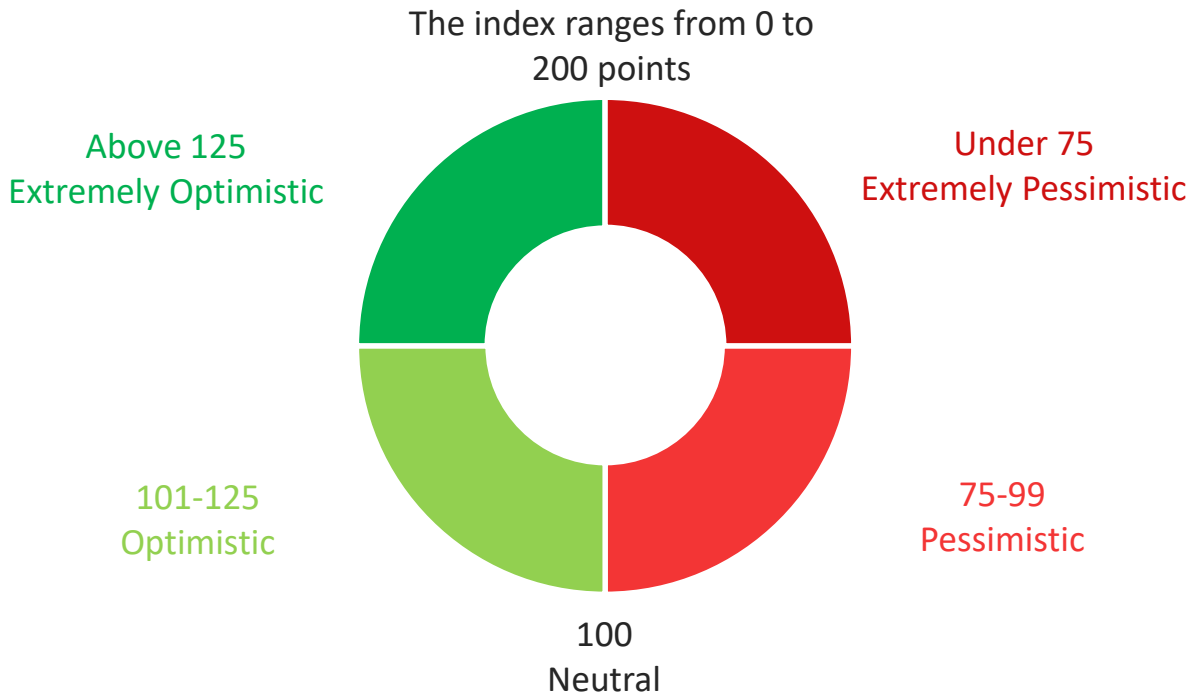
The CCI report is a quarterly publication from Dun & Bradstreet Pakistan and Gallup Pakistan.

This report compares Consumer Confidence in Q4 2022 vis-à-vis Consumer Confidence in Q3 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 months 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

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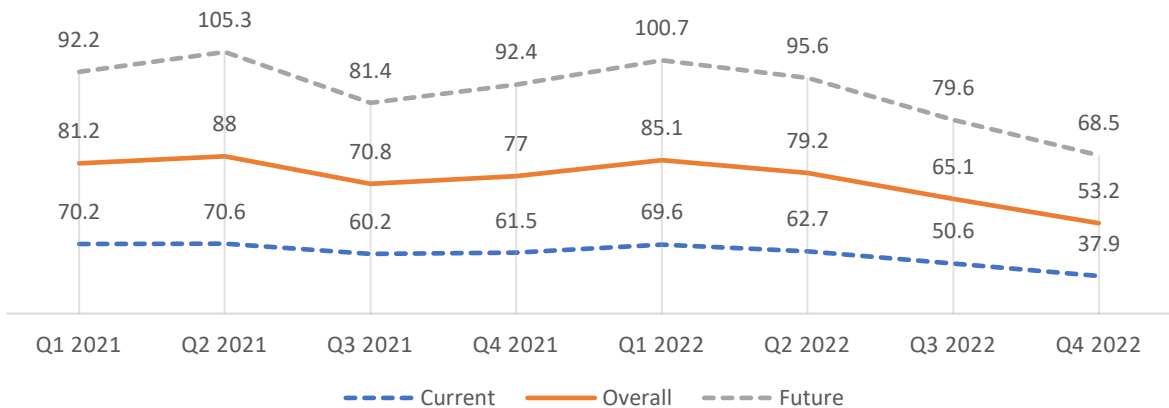


Executive Summary

Key Findings: Q4 2022 Survey

In Q4 2022, the Overall Consumer Confidence Index (CCI) showed a reading of 53.2 points, which indicates a quarter-on-quarter decrease of 18.2%. This drop is significant when compared to the 17.8% decline that was observed during the third quarter of the same year.

CCI Q1 2021 – Q4 2022

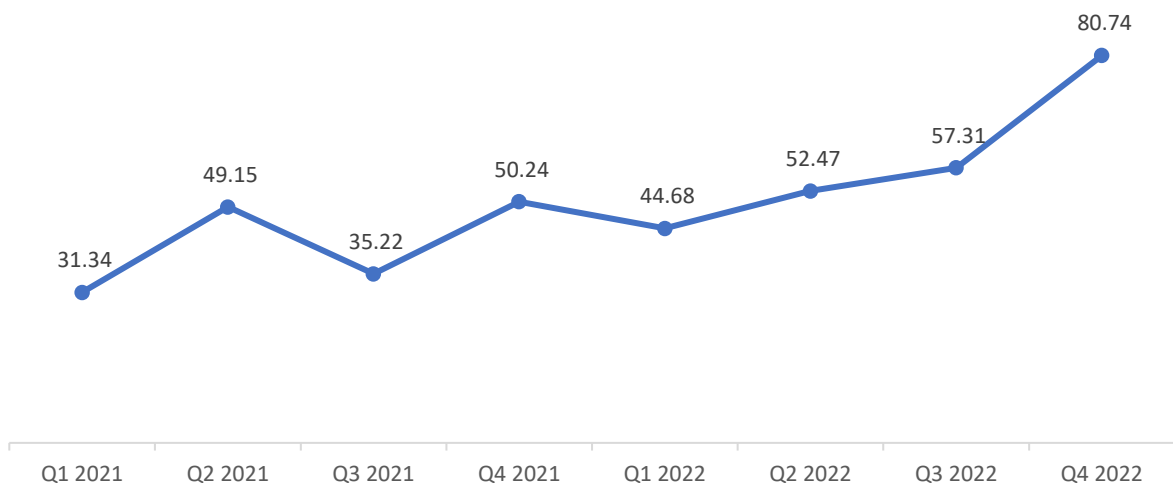


The CCI decreased by 18.2% in Q4 2022 to 53.2, indicating deteriorated outlook in comparison to the previous quarter. Overall CCI was reported at 65.1 in Q3 2022.

Consumers were pessimistic in Q2 2022 and Q3 2022 about the future. However, in Q4 2022, consumers moved to extremely pessimistic about future economic prospects.

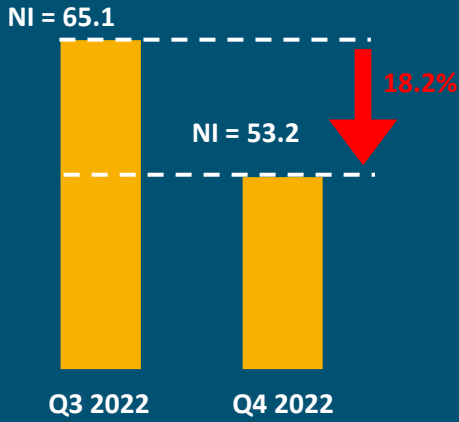
Deterioration in the recent quarter's CCI can be attributed to a decrease in confidence across all parameters of the index.

Relative Optimism – Future to Current



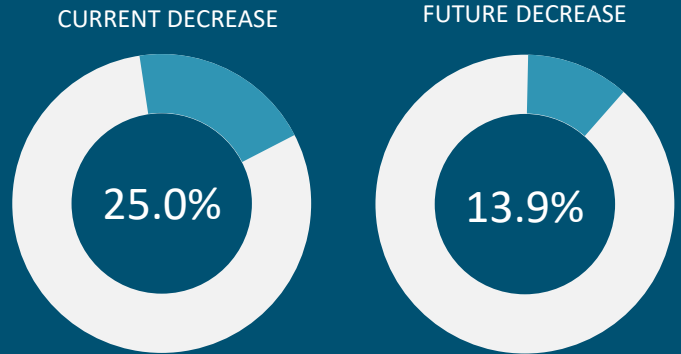
Based on a historical average, the dispersion in CCI between the current situation and the future outlook (relative optimism) is about 80%, the highest in last 7 quarters.

Δ IN OVERALL CCI



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

Δ IN CURRENT & FUTURE SITUATION



Overall, Consumers reported a greater deterioration in Current Situation 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 high inflation coupled with political instability. Furthermore, businesses have been significantly affected by inflation, compelling them to take measures to reduce their escalating expenses. As a result, they have resorted to laying off employees at a higher rate in order to cut costs.

Consumers' confidence regarding the future situation has significantly deteriorated due to the combination of rising inflation, political instability, and increasing unemployment. As a consequence of these factors, consumers no longer hold any positive expectations for the future, thus contributing to their diminishing hope.



Current Outlook on **Financial Situation** and **Household Savings** parameters declined Q-o-Q by 22.3% and 20.4% respectively.



Current Outlook on **Economic Situation** and **Unemployment** parameters declined Q-o-Q by 37.6% and 18.0% respectively.



Rising prices consistently remains in the extremely pessimistic range, declining by 70.7% Q-o-Q.

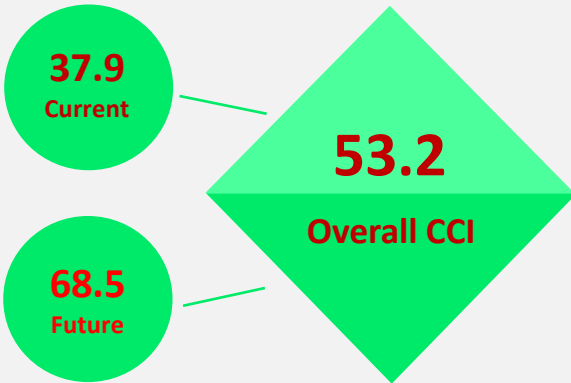
Index / Net Indicator (NI) Interpretation: **Under 75 - extremely pessimistic, 75 to 99 – pessimistic, 100 – Neutral, 101 to 125 – optimistic and 125 above - extremely optimistic**



Consumer Confidence Index

Consumers displayed relatively higher optimism regarding Future Expectations (NI = 68.5) compared to Current Situation (NI = 37.9).

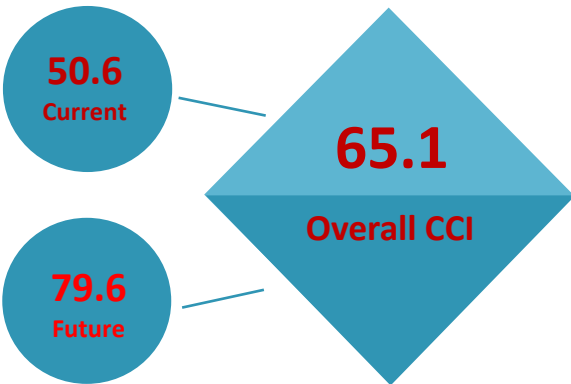
Current Quarter: Q4 2022 Survey



Survey conducted during: March - 23

Overall CCI decreased by 18.2% Q-o-Q to **53.2** in Q4, 2022. The decrease can be attributed to high inflation coupled with political instability. Furthermore, businesses have been significantly affected by inflation, compelling them to take measures to reduce their escalating expenses. As a result, they have resorted to laying off employees at a higher rate in order to cut costs. Therefore, the index remains in the extremely pessimistic zone.

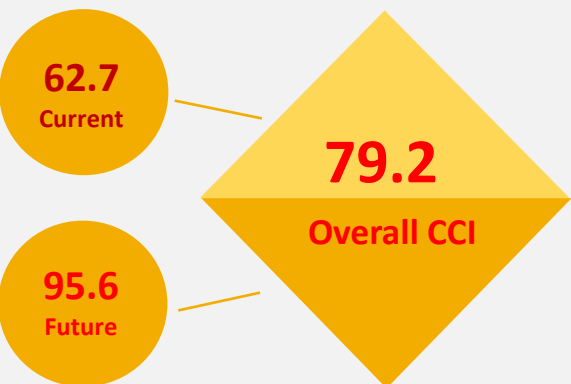
Previous Quarter: Q3 2022 Survey



Survey conducted during: December - 22

Overall CCI decreased by 17.8% Q-o-Q to **65.1** in Q3, 2022. The decrease can be attributed to political instability coupled with hike in inflation in the country. Furthermore, the restrictions on import by the Government led to shut down of many industries owing to lack of raw material across the country. Therefore, the index remains in the extremely pessimistic zone.

Q2 2022 Survey



Survey conducted during: August - 22

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.

Key Takeaways

Consumers are Extremely Pessimistic about the Current Macroeconomic situation

Consumers remained extremely pessimistic regarding unemployment, household savings, and economic situation (NI = 30.0, 36.1 and 31.5 respectively).

Pessimism regarding Future Financial and Economic Situation

Consumers remained pessimistic regarding future financial and economic situation, decreasing by 23.8% and 20.7% Q-o-Q in Q4, 2022, respectively.

Consumers remained concerned about rising Unemployment

Consumers were most concerned about rising unemployment in the upcoming quarters, in comparison to all other future parameters (NI = 78.9).

Respondents anticipate savings to rise sharply in the upcoming six months

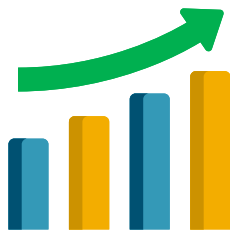
Overall, Household Savings displayed deterioration in sentiments (decreased by 20.4%). Future household savings are expected to be higher than current situation.

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



Household Financial Situation

NI	Q3 2022	Q4 2022	% Change
Overall	81.9	62.9 ▼	23.1%
Current	69.8	54.2 ▼	22.3%
Future	94.0	71.6 ▼	23.8%



Country's Economic Situation

NI	Q3 2022	Q4 2022	% Change
Overall	67.1	48.9 ▼	27.1%
Current	50.5	31.5 ▼	37.6%
Future	83.7	66.3 ▼	20.7%



Unemployment Situation

NI	Q3 2022	Q4 2022	% Change
Overall	50.6	54.4 ▲	7.5%
Current	36.6	30.0 ▼	18.0%
Future	64.7	78.9 ▲	21.9%



Household Savings

NI	Q3 2022	Q4 2022	% Change
Overall	60.5	46.6 ▼	22.9%
Current	45.4	36.1 ▼	20.4%
Future	75.7	57.2 ▼	24.4%



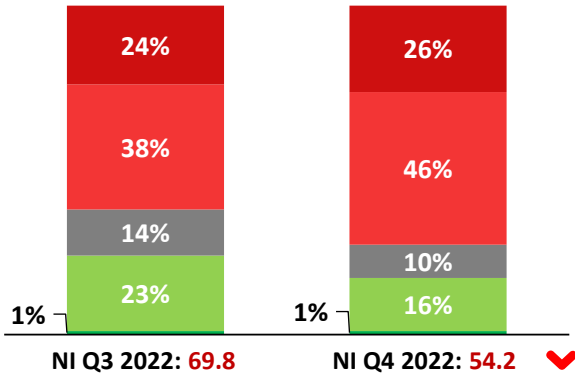
PERCEPTIONS REGARDING HOUSEHOLD FINANCIAL SITUATION MARGINALLY DECLINED Q-O-Q

Consumers turned extremely **pessimistic** regarding **future household financial situation** (NI = 71.6), showing future expectations **declined by 23.8% Q-o-Q**.

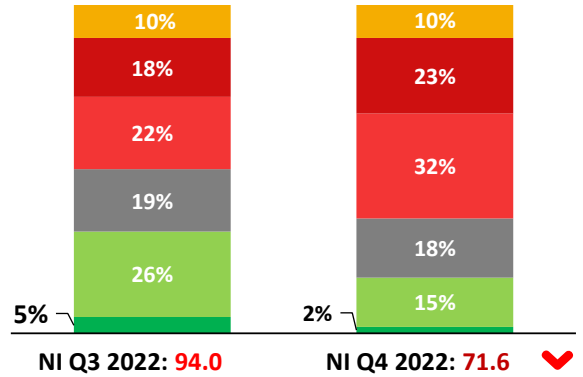
36% of the respondents indicated that their **household financial situation is expected to improve or stay the same in future** as compared to 50% in Q3 2022.

Surveys	Overall NI*
Q3 2022	81.9
Q4 2022	62.9 ▼

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



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



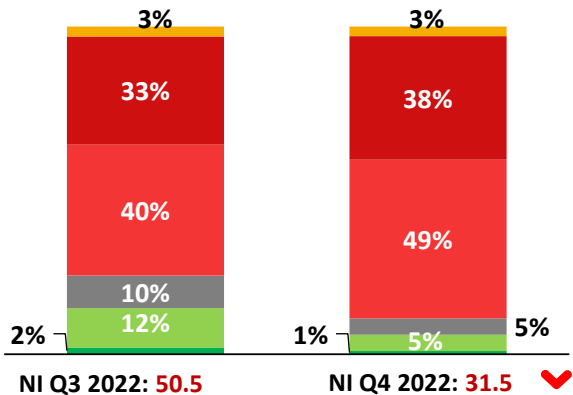
SENTIMENTS REGARDING COUNTRY'S ECONOMIC SITUATION OBSERVED A SUBSTANTIAL DECREASE ACROSS BOTH CURRENT SITUATION AND FUTURE EXPECTATIONS

Sentiments regarding Country's Economic Situation deteriorated primarily due to decrease in **current situation** by 37.6% Q-o-Q.

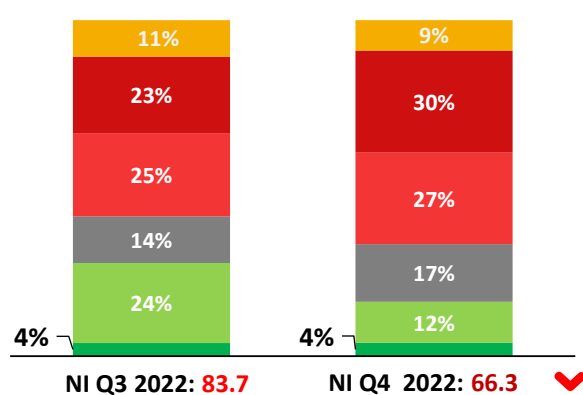
33% expect **country's future economic situation to improve or remain the same** (17.5% decrease Q-o-Q).

Surveys	Overall NI*
Q3 2022	67.1
Q4 2022	48.9 ▼

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?



Legend: Will be better a lot (dark green), Will be better (light green), No change (grey), Will be Worse (red), Will be Worse a lot (dark red), Don't Know (yellow)

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



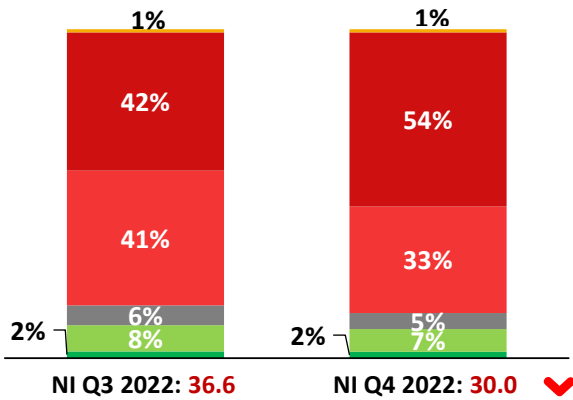
WHILE CONSUMER CONCERNS AROUND UNEMPLOYMENT CONTINUE TO PERSIST, THE OVERALL OUTLOOK IMPROVES DURING Q4 2022

Respondents remained extremely pessimistic **regarding unemployment situation**, with NI increasing by 7.5% from 50.6 to 54.4, Q-o-Q.

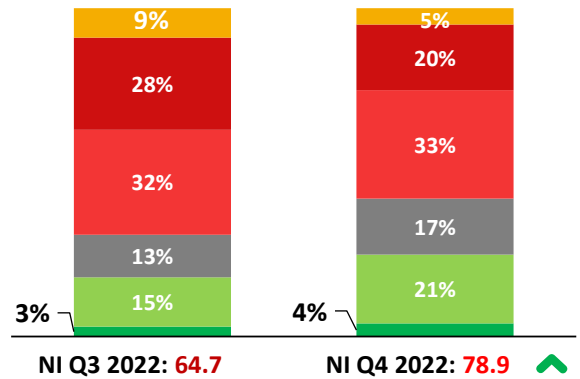
54% respondents highlighted that **unemployment will increase** in the next six months (decreased from **60%** in Q3 2022).

Surveys	Overall NI
Q3 2022	50.6
Q4 2022	54.4

Current: In your opinion, in comparison to last 6-months, unemployment in Pakistan is



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



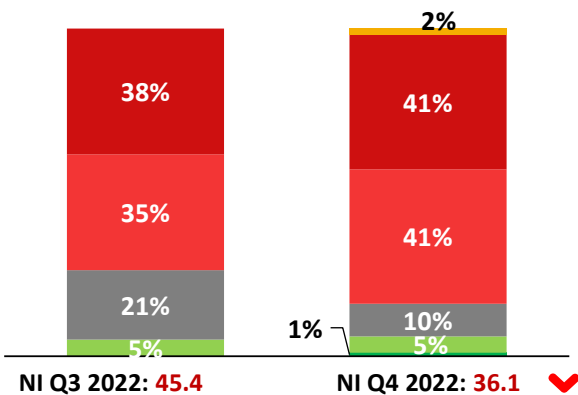
SENTIMENTS REGARDING OVERALL HOUSEHOLD SAVINGS DECLINED Q-O-Q. CONSUMERS EXPRESSED RELATIVELY LESS OPTIMISM ABOUT CURRENT HOUSEHOLD SAVINGS IN Q4 2022.

Sentiments regarding Household Savings noted a drastic decrease **Q-o-Q (22.9%)**, therefore it remains **extremely pessimistic in current situation**

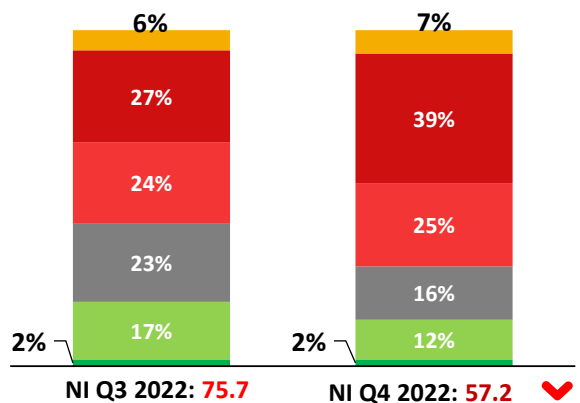
30% respondents expect household savings to increase or remain same in the next six months

Surveys	Overall NI
Q3 2022	60.5
Q4 2022	46.6

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



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



Legend: 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

ALL PROVINCES INDICATED DETERIORATION IN OVERALL SENTIMENTS Q-O-Q



Punjab
n = 707

NI	Q3 2022	Q4 2022	% Change
Overall	72.6	53.4 ▼	26.4%
Current	56.9	39.7 ▼	30.2%
Future	88.3	67.2 ▼	23.8%



Sindh
n = 216

NI	Q3 2022	Q4 2022	% Change
Overall	57.2	56.0 ▼	2.0%
Current	44.5	34.9 ▼	21.5%
Future	69.9	77.1 ▼	10.3%



KPK
n = 169

NI	Q3 2022	Q4 2022	% Change
Overall	48.3	50.1 ▲	3.7%
Current	35.0	38.4 ▲	9.7%
Future	61.6	61.9 ▲	0.4%



Balochistan
n = 140

NI	Q3 2022	Q4 2022	% Change
Overall	56.2	45.1 ▼	19.7%
Current	44.0	30.5 ▼	30.6%
Future	68.4	59.7 ▼	12.7%

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 LESS OPTIMISTIC IN Q4, 2022. MOREOVER, MALE RESPONDENTS DEPICTED LESS OPTIMISM IN COMPARISON TO MALE RESPONDENTS IN OVERALL SENTIMENTS.



Urban
n = 569

NI	Q3 2022	Q4 2022	% Change
Overall	63.1	52.3 ▼	17.1%
Current	48.2	35.9 ▼	25.5%
Future	78.1	68.7 ▼	12.0%



Rural
n = 663

NI	Q3 2022	Q4 2022	% Change
Overall	66.0	53.7 ▼	18.6%
Current	51.8	39.0 ▼	24.7%
Future	80.3	68.4 ▼	14.5%



Male
n = 642

NI	Q3 2022	Q4 2022	% Change
Overall	69.5	52.0 ▼	25.2%
Current	54.0	35.6 ▼	34.0%
Future	85.0	68.5 ▼	19.4%



Female
n = 590

NI	Q3 2022	Q4 2022	% Change
Overall	60.2	54.4 ▼	9.6%
Current	46.9	40.5 ▼	13.6%
Future	73.6	68.4 ▼	7.0%

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



Below 30 years
n = 428

NI	Q3 2022	Q4 2022	% Change
Overall	70.2	56.5 ▼	19.5%
Current	57.5	42.9 ▼	25.3%
Future	83.0	70.1 ▼	15.5%



30 to 49 years
n = 627

NI	Q3 2022	Q4 2022	% Change
Overall	61.8	52.3 ▼	15.3%
Current	46.3	36.2 ▼	21.8%
Future	77.3	68.4 ▼	11.5%



50 years and above
n = 176

NI	Q3 2022	Q4 2022	% Change
Overall	63.0	48.3 ▼	23.3%
Current	47.5	32.0 ▼	32.6%
Future	78.5	64.7 ▼	17.5%

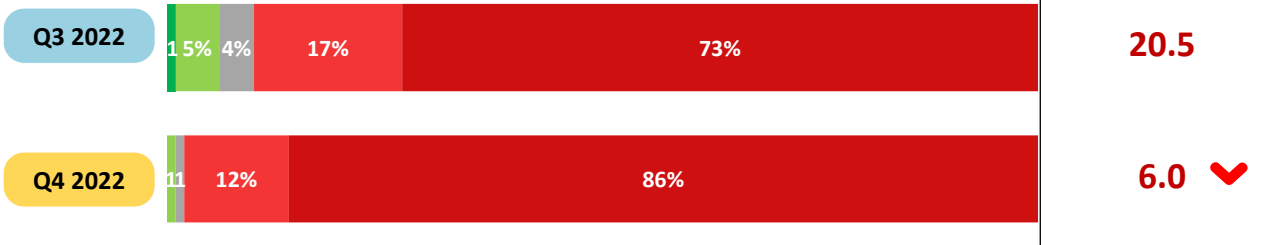


Price Situation & Household Income



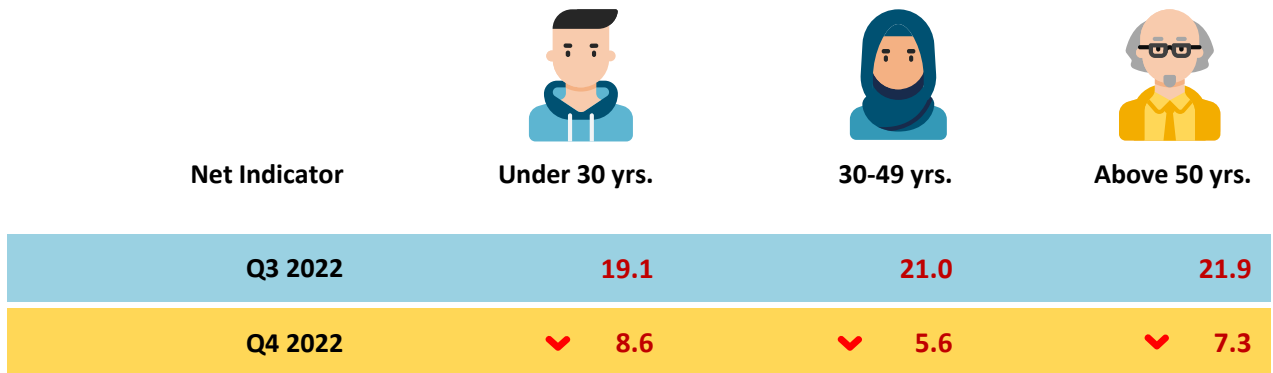
CONSUMER SENTIMENTS RELATED TO PRICE REMAINED EXTREMELY PESSIMISTIC IN Q4, 2022 (NI = 6.0), DECREASED BY 70.7% Q-O-Q.

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

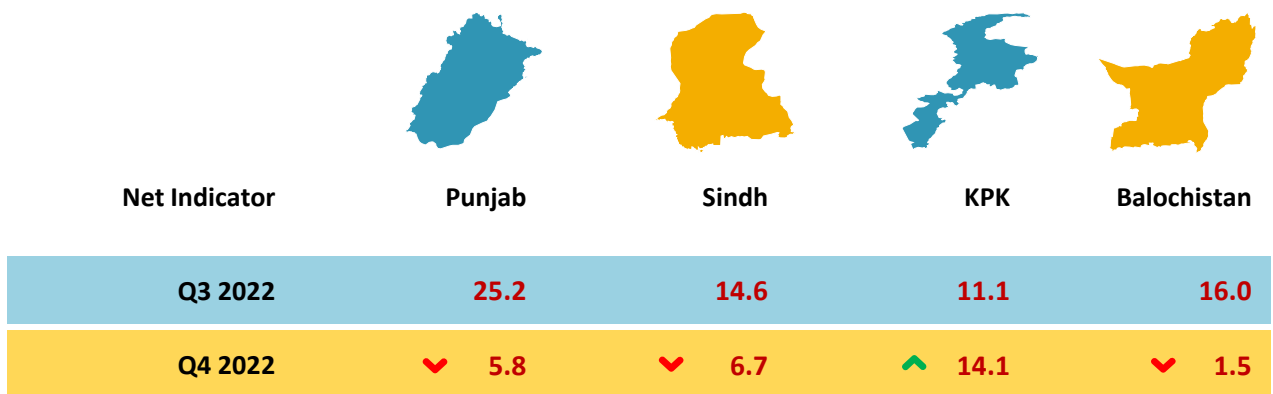


■ Much Cheaper
 ■ Cheaper
 ■ Have not changed
 ■ Expensive
 ■ Very Expensive
 ■ Don't Know

98% of consumers said that daily essentials have become expensive/very expensive in last six months compared to **90% responses** in Q3 2022.



Consumers between 30-49 years of age are most concerned about rising prices of daily essentials in Q3, 2022



Respondents across provinces displayed a decrease in optimism, barring those in KPK



Net Indicator

Male

Female

Q3 2022	23.0	17.7
Q4 2022	9.2	4.3

Male and Female respondents' sentiments deteriorated to **NI = 9.2** and **NI = 4.3** in Q4 2022 as compared to **NI = 23.0** and **NI = 17.7** in Q3 2022, respectively.



Net Indicator

Urban

Rural

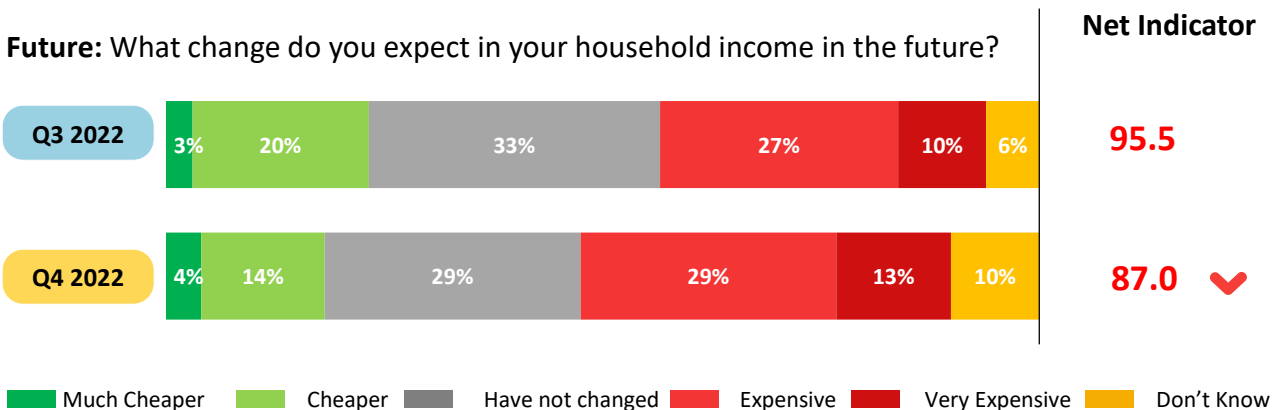
Q3 2022	15.7	23.0
Q4 2022	6.6	7.0

Urban consumers are much more concerned about increase in prices than rural consumers in Q4 2022



CONSUMERS INDICATED PESSIMISTIC SENTIMENTS ABOUT FUTURE HOUSEHOLD INCOME IN Q4 2022

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



44% of respondents mentioned that their income levels will decrease in the next 6 months compared to **38% in Q3 2022**.



Net Indicator

Under 30 yrs.

30 - 49 yrs.

Above 50 yrs.

Net Indicator	Under 30 yrs.	30 - 49 yrs.	Above 50 yrs.
Q3 2022	99.8	91.7	97.2
Q4 2022	▼ 88.4	▼ 87.0	▼ 85.2

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



Net Indicator

Punjab

Sindh

KPK

Balochistan

Net Indicator	Punjab	Sindh	KPK	Balochistan
Q3 2022	100.1	93.1	84.5	81.2
Q4 2022	▼ 88.4	▼ 89.4	▼ 78.4	▲ 85.9

Consumers across all provinces decreased in optimism Q-o-Q baring Balochistan, all the provinces remained pessimistic in the previous quarter, except Punjab turned in the Neutral range.



Net Indicator

Male

Female

Net Indicator	Male	Female
Q3 2022	100.6	90.1
Q4 2022	▼ 90.0	▼ 84.2

Both Male and Female consumers indicated decline in Optimism. Male turned to pessimistic, and Female remained in pessimistic zone in current quarter.



Net Indicator

Urban

Rural

Net Indicator	Urban	Rural
Q3 2022	100.1	93.1
Q4 2022	▼ 86.6	▼ 87.6

Both Urban and Rural consumers shows less Optimism. Urban shifted to pessimistic and Rural remained in pessimistic zone in Q4 2022.



Methodology



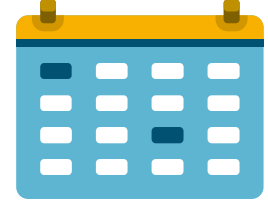
Q4 2022 SURVEY: A TELEPHONIC SURVEY WAS CONDUCTED AMONG 1,232 RESPONDENTS BY A TEAM OF TRAINED PROFESSIONALS FROM GALLUP PAKISTAN



Sample Size: 1,232



2.9% Error Margin at 95% Confidence level



Data Collection Period: March 2023

Sample Survey Key Concepts



Male
52%



Female
48%



Below 30 years
34%



30 to 49 years
51%



50 years & above
15%



Urban
35%



Rural
65%

Sample Size Distribution by Province



Sindh
24%



Punjab
59%



Balochistan
4%

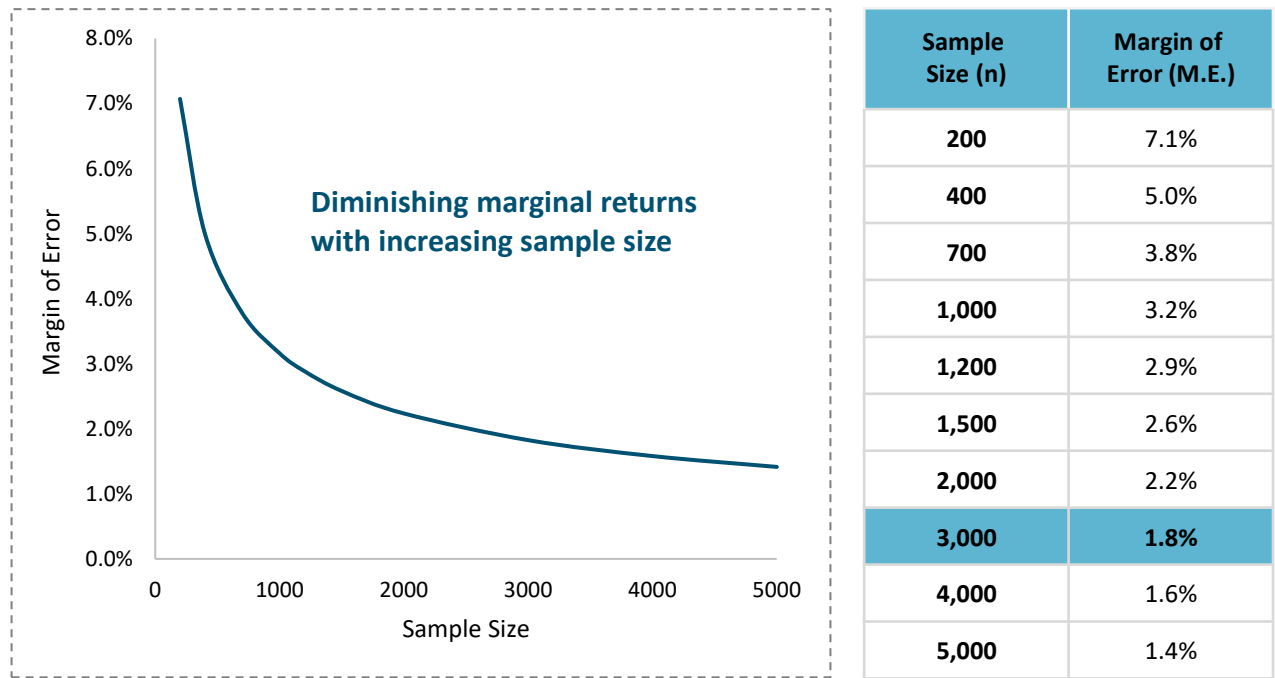


KPK
13%

Sample size of 1,238 respondents result in a margin of error of 2.2%, 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 1,232 IS MORE THAN SUFFICIENT FROM THE POINT OF VIEW OF STATISTICAL ACCURACY

Relationship between Sample Size and Margin of Error



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%).

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

With Pakistan's population of ~220 Mn, a



THIS SURVEY HAS BEEN WEIGHTED USING 'POST-STRATIFICATION WEIGHTS'

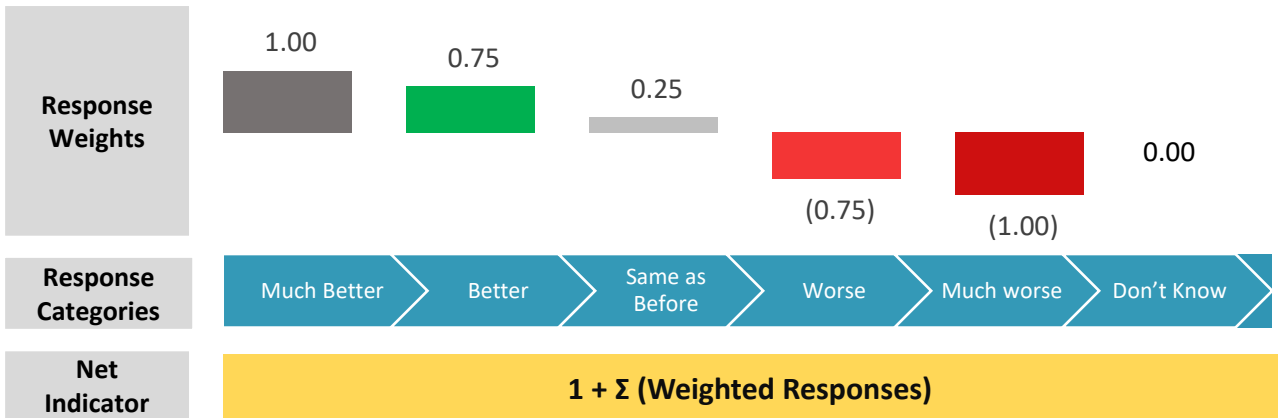
Weighting Approach



- 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

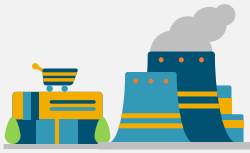
condition, job prospects, personal finances and spending intentions.

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; SECOND QUARTER OF 2022 (Q3 2022) AND THE CURRENT SITUATION (Q4 2022)

	Q3 2022	Q4 2023
Number of Respondents	2,068	1,232
Time period of Survey	December 22	March 23
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

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

Q3 2022 Survey

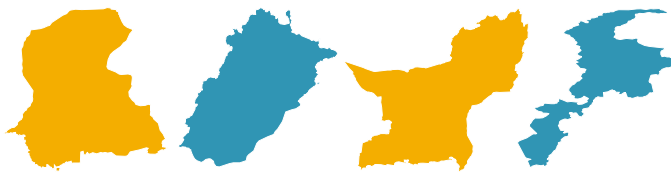
Q4 2022 Survey

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 Q4 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-months, 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.

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