

# Consumer Expectations Survey

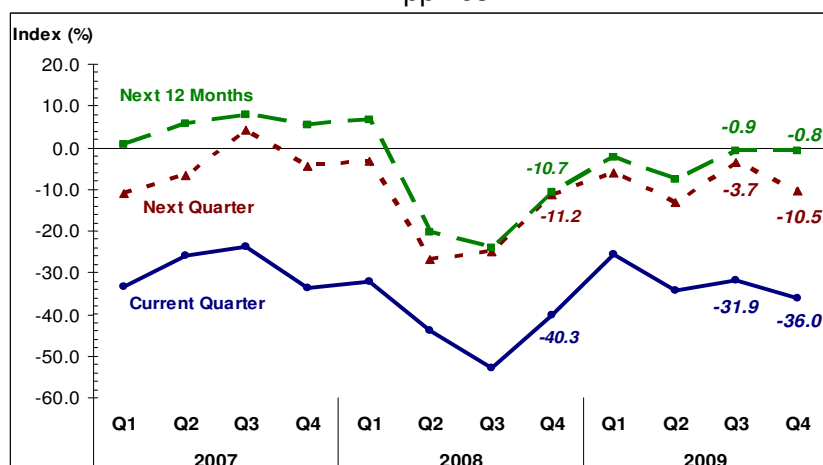
Fourth Quarter 2009

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## Consumer Sentiment Weakens in Q4 2009 as Weather-Related Disturbances Dent Outlook

### Nationwide Consumer Outlook

Overall Consumer Outlook Index  
Philippines



*Consumer confidence declines in Q4 2009 and the next quarter but outlook for the next 12 months shows improvement.*

Consumer sentiment weakened in Q4 2009, with most respondents citing the damages caused by typhoons Ondoy and Pepeng as factors that could lead to increases in the prices of commodities and in the number of unemployed.<sup>1</sup> The current quarter consumer confidence index (CI) slid to -36.0 percent in Q4 2009 from -31.9 percent in Q3 2009.<sup>2</sup> Similarly, the consumer confidence index for the next quarter (Q1 2010) dropped to -10.5 percent from -3.7 percent in Q3 2009. Despite the decline in consumer sentiment, the current quarter outlook was better compared to Q4 2008 when the Philippine economy slowed down to register the lowest growth rate in 7 years at 2.9 percent while the US economy shrank by 3.8 percent. This indicated that more consumers think that they are better off now than they were a year ago, when the effects of the global financial crisis were most pronounced. The current quarter outlook mirrored the bearish tone in consumer sentiment in the USA, Australia and Germany.

Going forward, consumer sentiment for the next 12 months showed some slight rebound, with consumers of the view that the effects of the recent natural calamities are temporary and that the economy could bounce back over the near term. Thus, consumers expect that the rise in the unemployment rate will

<sup>1</sup> Typhoons Ondoy and Pepeng which visited the country on 26 September 2009 and 4 October 2009, respectively, caused severe floods which devastated parts of Metro Manila and some areas in Southern and Northern Luzon.

<sup>2</sup> The overall consumer confidence index is determined by the average of 3 measures, namely, the outlook on macroeconomic conditions, family financial situation and family income. Please refer to the Technical Notes for definition of the terms.



not persist, that prices of goods will stabilize and that family income will increase in the year ahead.

*The biggest concern of consumers is the domestic economy.*

Consumer confidence on all three indicators—economic condition of the country, family financial situation, and family income—dropped quarter-on-quarter, as more consumers expect these indicators to worsen compared to those who expect otherwise. Consumers are most concerned about the domestic economy, particularly job availability and good governance issues. On a year-on-year basis, however, improvements were observed in consumer outlook on these indicators.

*The high income group remains upbeat about their own financial conditions.*

Consumer sentiment across all income groups weakened in Q4 2009. Respondents who anticipate that the economic condition of the country and their own family financial condition would worsen in Q4 2009 increased for all income groups while those who expect otherwise decreased. Despite this, however, the high-income group remained broadly optimistic on balance about their family income and family financial situation in the short term.

The middle-income group registered the highest number of households that turned pessimistic about the economic condition of the country and their own financial situation in Q4 2009. Nonetheless, their outlook for the next 12-months on family income improved, with more respondents expecting higher income than those expecting otherwise.

*Consumer sentiment on family income for the year ahead consistently improves for the low income group.*

Respondents from the low-income group continued to record the most number of pessimists relative to optimists with respect to their outlook on the country's economic condition and on their own financial conditions. However, their outlook on family income in the next 12 months has been improving for the past three surveys as the number of respondents expecting higher incomes continued to increase.

## NCR and AONCR Consumer Outlook

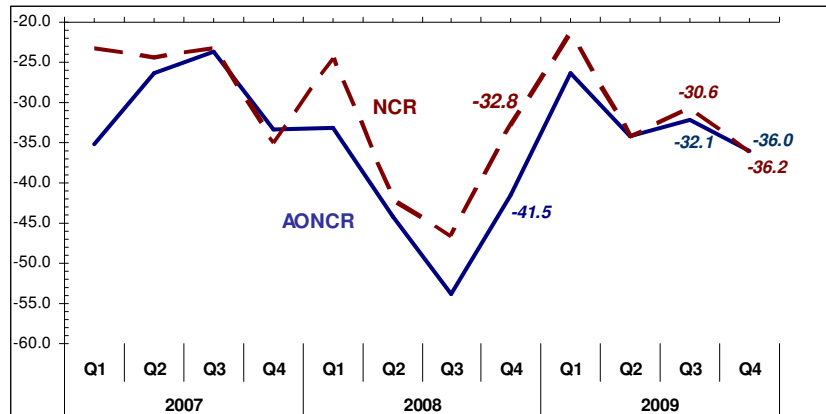
*Consumer sentiments in NCR and in AONCR both follow the national trend.*

Consumer sentiment in the National Capital Region (NCR) and Areas Outside NCR (AONCR) edged lower in Q4 2009 and Q1 2010. However, respondents from the high-income group in both NCR and AONCR remained optimistic about their family financial situation and income in the near term.

Moving forward, NCR respondents are optimistic about their own family economic condition for the year ahead. Their year-ahead outlook improved relative to a quarter ago as the number of optimists increased compared to the number of pessimists. In the case of AONCR, consumer sentiment remained almost unchanged with the pessimists continuing to outnumber the optimists. This indicated consumers' expectations that

economic conditions would be more favorable in NCR than in AONCR.

Current Quarter Consumer Outlook Index for NCR and AONCR

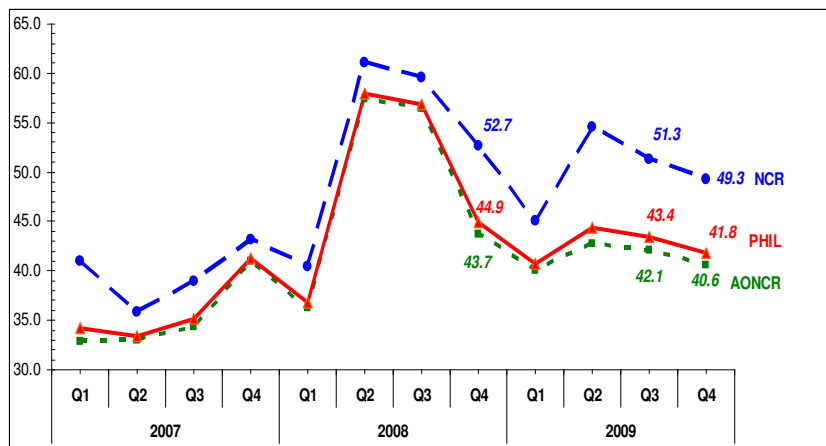


**Expenditures for Next Quarter**

*Households expect an increase in spending on basic goods and services in Q1 2010.*

While more consumers expect to spend more in Q1 2010 than otherwise, the number who did so declined relative to a quarter ago as income expectations for the near term were less favorable. Respondents expect to spend more in Q4 2009 for the following goods and services: food, electricity, transportation, fuel, clothing and footwear and hotel and restaurant.

Confidence Index: Expenditures Next Quarter



**Buying Conditions**

*Buying conditions are seen to be less favorable in Q4 2009.*

Consistent with the less optimistic consumer sentiment, the percentage of respondents that considered the current quarter as a favorable time to buy big-ticket items declined compared to the previous quarter's results. Buying conditions for housing declined the most, followed by motor vehicles and consumer durables.



By area, consumers' views on buying conditions turned less favorable in both NCR and AONCR. The less upbeat outlook was relatively more evident among NCR respondents.

The bearish buying conditions for big-ticket items for Q4 2009 were mainly due to consumers' decision to give more priority to the purchase of basic household needs as their financial conditions were perceived to be less favorable given the general weakness in economic conditions.

### Buying Intentions

*Consumers continue to be cautious in their buying intentions for the next 12 months.*

The more cautious outlook of consumers on buying conditions for Q4 2009 was carried over to the next 12 months. The biggest decline in buying intentions was observed for housing followed by those for consumer durables and motor vehicles.

By area, consumers' buying intentions declined in both NCR and AONCR compared to the previous quarter. Respondents cited as a reason for the decline the need to give more priority to the purchase of basic needs.

### Selected Economic Indicators

*Consumer sentiment on inflation, interest rates, and unemployment improve over the next 12 months.*

Consumers have a more favorable view on the general direction of selected economic indicators. Fewer respondents, compared to the previous survey, expected prices, interest rates, and unemployment to increase in the next 12 months. Respondents expect inflation to remain steady at 8.7 percent over the course of the next 12 months. Meanwhile, consumers anticipated that the peso would continue to depreciate against the US dollar in the year ahead.

### Expenditures of Overseas Filipino Workers (OFWs)

*OFW households utilize their remittances primarily for food, education, medical expenses, debt payments, and savings in Q4 2009.*

Most OFW households used remittances in Q4 2009 for food and other household needs (95.2 percent of the households). Over sixty five percent of the households (65.8 percent) used their remittances for education expenses, 62.2 percent for medical expenses, and 49.2 percent for debt payments. The percentage of OFW households that utilized remittances to purchase consumer durables and motor vehicles was broadly steady at 26.0 percent and 6.7 percent, respectively (from 26.5 percent and 6.8 percent in Q3 2009). Those that apportioned part of their remittances for amortization or full payment for houses dropped to 10.5 percent (from 12.1 percent in the previous quarter).

The percentage of households that allocated portions of their remittances to savings, which has been steadily increasing since

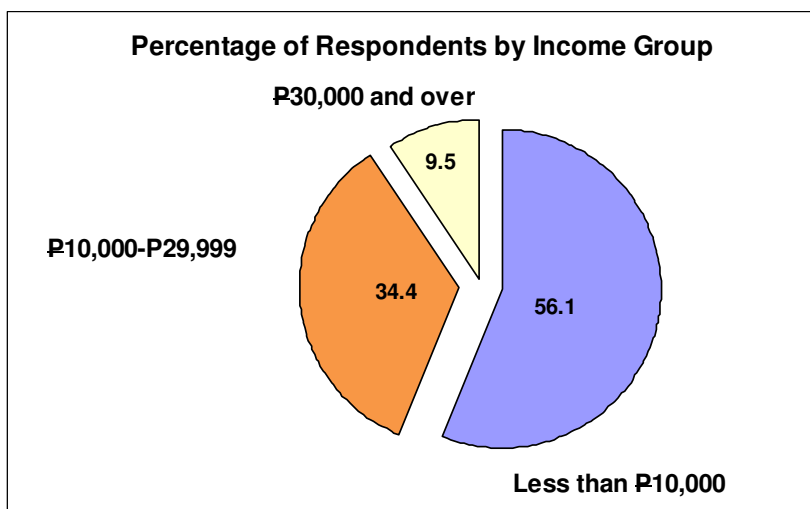
Q2 2009, rose to 44.8 percent (from 39.9 percent in Q3 2009), while those households using remittances for investment decreased slightly to 7.1 percent in Q4 2009 (from 7.6 percent in Q3 2009). The utilization pattern of remittances was broadly similar for both NCR and AONCR households.

**About the Survey**

*Survey respondents total 5,496 households nationwide.*

The Bangko Sentral ng Pilipinas started conducting the Consumer Expectations Survey (CES) in the National Capital Region in Q3 2004. The CES became a nationwide survey beginning Q1 2007. For Q4 2009, the CES was conducted during the period 1-27 October 2009 with a total sample size of 5,496 households, of which 2,830 (51.5 percent) were from the NCR and 2,666 (48.5 percent) from the AONCR. The CES samples were drawn from the National Statistics Office’s (NSO) Master Sample List of Households, which is considered a representative sample of households nationwide. The said master sample was generated using a stratified multi-stage probability sampling scheme.

The nationwide total survey response rate for Q4 2009 was 95.5 percent (from 95.1 percent in the last quarter’s survey). By area, the response rate was 94.9 percent in NCR and 96.2 percent in AONCR. Majority of the respondents (56.1 percent) were from the low-income group (less than ₱10,000 monthly family income), 34.4 percent were from the middle-income group (₱10,000 - ₱29,999 monthly family income), and 9.5 percent belonged to the high-income group (monthly family income of ₱30,000 and over).



**TECHNICAL NOTES**

The overall consumer confidence index is computed as the average of the three indices, namely:

1. Economic Condition refers to the perception of the respondent regarding the general economic condition of the country.
2. Family Financial Situation refers to the level of household income in cash as well as in kind, savings, outstanding debts, investments and assets.
3. Family Income includes primary income and receipts from other sources received by all family members as participants in any economic activity or as recipients of transfers, pensions, grants, and the like.

The confidence index or diffusion index is computed as the percentage share of respondents that answered in the affirmative less the percentage share of respondents that answered negative in a given indicator. A positive CI indicates that respondents with a favorable view outnumber those with an unfavorable view, except for unemployment, change in prices and interest rate for borrowing money, where a positive CI indicates the opposite.



**Consumer Expectations Survey**  
**Philippines**  
**Q3 2007 - Q4 2009**

	2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>1. Overall Consumer Outlook: Composite Index</b>												
<b>Current Quarter</b>	-33.3	-26.0	-23.6	-33.6	-32.1	-43.8	-52.8	-40.3	-25.7	-34.2	-31.9	-36.0
NCR	-23.3	-24.5	-23.4	-35.0	-24.5	-42.1	-46.6	-32.8	-21.5	-34.3	-30.6	-36.2
AONCR	-35.2	-26.3	-23.7	-33.4	-33.2	-44.1	-53.8	-41.5	-26.4	-34.2	-32.1	-36.0
<b>Next 3 Months</b>	-11.1	-6.7	4.1	-4.6	-3.4	-26.9	-25.1	-11.2	-6.2	-13.2	-3.7	-10.5
NCR	-7.8	-1.9	2.6	-1.2	3.6	-20.7	-23.6	-11.8	-9.1	-12.5	-4.0	-13.9
AONCR	-11.7	-7.5	4.3	-5.1	-4.4	-27.9	-25.4	-11.1	-5.7	-13.3	-3.7	-10.0
<b>Next 12 Months</b>	0.8	5.8	7.9	5.5	6.6	-20.3	-23.9	-10.7	-2.3	-7.6	-0.9	-0.8
NCR	12.3	14.0	13.4	9.0	16.3	-16.8	-18.7	-9.4	-2.2	-7.8	5.1	6.1
AONCR	-1.3	4.3	7.0	5.0	5.1	-20.8	-24.7	-10.9	-2.3	-7.6	-1.9	-2.0
<b>2. Consumer outlook indices on the current economic and family condition: Current Quarter</b>												
<b>Philippines</b>												
Economic Condition	-47.5	-40.4	-36.1	-55.9	-53.6	-73.0	-81.2	-69.9	-44.6	-56.8	-54.4	-63.6
Less than ₱10,000	-49.9	-43.4	-36.8	-58.6	-56.6	-71.9	-81.2	-70.4	-45.5	-55.8	-56.4	-64.1
₱10,000-₱29,999	-41.9	-33.8	-35.9	-52.4	-48.4	-75.3	-81.2	-70.1	-43.0	-58.3	-50.8	-64.1
₱30,000 and over	-27.1	-23.5	-23.3	-36.2	-47.6	-73.9	-82.4	-65.2	-42.9	-59.3	-49.5	-56.0
Family Financial Situation	-32.8	-25.6	-25.2	-28.9	-27.9	-40.6	-51.5	-35.0	-22.8	-31.6	-28.6	-29.5
Less than ₱10,000	-38.6	-31.7	-33.0	-39.8	-36.2	-49.6	-65.4	-53.5	-43.6	-42.0	-41.1	-40.2
₱10,000-₱29,999	-16.6	-12.5	-10.1	-11.2	-14.0	-27.9	-37.2	-20.1	-4.8	-16.0	-9.2	-15.9
₱30,000 and over	-1.5	8.3	10.2	7.5	-2.8	-1.9	-16.9	2.2	7.2	3.7	14.8	11.9
Family Income	-19.7	-12.1	-9.6	-16.0	-14.7	-17.8	-25.8	-15.8	-9.8	-14.2	-12.7	-15.0
Less than ₱10,000	-26.4	-19.0	-15.4	-27.1	-23.3	-26.0	-34.6	-26.8	-19.3	-22.8	-23.0	-25.2
₱10,000-₱29,999	-1.2	2.9	1.1	1.7	0.0	-5.5	-12.8	0.8	6.7	-1.1	2.5	-1.5
₱30,000 and over	13.9	24.2	22.7	25.7	10.1	13.8	7.3	16.4	11.0	14.3	26.6	22.3
<b>NCR</b>												
Economic Condition	-41.7	-39.7	-37.7	-57.6	-40.8	-75.8	-78.8	-64.0	-47.0	-64.3	-55.9	-67.6
Less than ₱10,000	-48.9	-45.2	-41.2	-66.4	-44.6	-79.3	-81.2	-65.8	-48.9	-63.1	-58.3	-67.6
₱10,000-₱29,999	-35.9	-36.2	-36.3	-51.7	-38.5	-74.0	-77.1	-61.8	-45.7	-67.3	-54.3	-69.4
₱30,000 and over	-19.7	-23.7	-21.0	-29.9	-28.3	-67.7	-74.1	-63.7	-44.9	-59.7	-51.3	-61.4
Family Financial Situation	-20.5	-25.2	-23.0	-32.5	-23.5	-38.0	-43.2	-26.8	-13.8	-26.0	-25.9	-27.3
Less than ₱10,000	-29.6	-33.4	-31.9	-48.4	-35.3	-51.7	-59.8	-43.9	-33.0	-39.5	-40.1	-45.1
₱10,000-₱29,999	-10.4	-20.7	-18.4	-19.9	-15.4	-31.9	-32.9	-17.4	-3.9	-17.8	-17.2	-19.0
₱30,000 and over	-5.3	3.1	12.8	7.4	9.7	-2.4	-8.1	11.7	16.7	2.4	5.4	9.8
Family Income	-7.7	-8.7	-9.6	-14.7	-9.2	-12.5	-17.9	-7.5	-3.9	-12.5	-9.9	-13.8
Less than ₱10,000	-17.5	-20.2	-16.4	-30.0	-17.9	-24.1	-30.7	-18.8	-15.0	-25.1	-20.6	-27.6
₱10,000-₱29,999	1.3	-0.3	-5.4	-2.2	-3.2	-6.9	-8.6	0.8	3.7	-3.9	-3.8	-6.6
₱30,000 and over	16.8	19.7	14.2	21.2	15.1	16.7	5.0	10.8	6.2	10.3	15.8	12.7
<b>AONCR</b>												
Economic Condition	-48.6	-40.5	-35.8	-55.6	-55.6	-72.6	-81.6	-70.9	-44.2	-55.5	-54.1	-62.9
Less than ₱10,000	-50.0	-43.2	-36.3	-57.7	-57.9	-71.1	-81.1	-70.9	-45.2	-55.0	-56.2	-63.7
₱10,000-₱29,999	-44.1	-33.0	-35.8	-52.5	-50.6	-75.6	-82.1	-72.0	-42.3	-56.1	-50.0	-62.8
₱30,000 and over	-33.0	-23.3	-24.3	-39.4	-53.4	-76.3	-86.3	-65.7	-42.2	-59.2	-48.8	-54.1
Family Financial Situation	-35.0	-25.7	-25.6	-28.4	-28.6	-41.0	-52.8	-36.4	-24.3	-32.5	-29.0	-29.9
Less than ₱10,000	-39.8	-31.5	-33.1	-38.7	-36.3	-49.4	-61.1	-46.0	-34.0	-42.3	-41.2	-39.7
₱10,000-₱29,999	-18.9	-9.8	-7.9	-9.4	-13.6	-27.0	-38.2	-20.7	-5.1	-15.5	-7.3	-15.2
₱30,000 and over	1.6	11.7	9.1	7.6	-6.6	-1.7	-20.9	-0.9	4.0	4.1	18.1	12.6
Family Income	-21.9	-12.7	-9.6	-16.2	-15.5	-18.7	-27.0	-17.1	-10.7	-14.5	-13.2	-15.2
Less than ₱10,000	-27.5	-18.9	-15.3	-26.7	-23.9	-26.3	-35.0	-27.7	-19.8	-22.6	-23.3	-25.0
₱10,000-₱29,999	-2.1	3.9	2.8	2.5	0.7	-5.2	-13.7	0.7	7.6	-0.5	4.0	-0.3
₱30,000 and over	11.6	27.2	26.4	28.0	8.6	12.7	8.4	18.3	12.6	15.5	30.4	25.8



**Consumer Expectations Survey**  
**Philippines**  
**Q3 2007 - Q4 2009**

	2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

**3. Consumer outlook indices on economic and family condition: Next Quarter**

**Philippines**

Economic Condition	-25.2	-16.9	-7.4	-24.8	-19.4	-46.4	-47.2	-27.0	-21.2	-25.1	-18.0	-28.1
Less than ₱10,000	-26.3	-20.1	-8.7	-27.4	-20.5	-46.5	-47.1	-26.9	-20.4	-26.2	-19.7	-28.2
₱10,000-₱29,999	-22.8	-9.3	-5.0	-21.2	-18.8	-46.7	-48.1	-26.9	-22.5	-22.1	-15.2	-29.6
₱30,000 and over	-16.5	-6.7	-0.4	-7.9	-6.5	-44.1	-44.2	-28.8	-22.5	-26.7	-12.2	-20.6
Family Financial Situation	-9.0	-7.9	4.4	-0.9	-3.2	-28.6	-24.5	-8.2	-3.5	-12.0	-0.9	-6.5
Less than ₱10,000	-14.2	-12.0	0.7	-9.0	-6.8	-34.2	-30.7	-13.9	-8.4	-17.7	-7.2	-11.1
₱10,000-₱29,999	5.8	1.6	12.0	11.7	3.0	-21.3	-15.0	-0.4	5.0	-3.6	7.2	-0.8
₱30,000 and over	14.4	7.3	16.6	32.8	5.3	-1.6	-3.2	11.4	7.0	6.7	28.7	11.7
Family Income	1.0	4.8	15.3	11.9	12.6	-5.6	-3.7	1.7	6.1	-2.5	7.7	3.0
Less than ₱10,000	-3.3	1.0	11.8	5.6	7.5	-9.2	-7.4	-1.3	3.7	-6.2	3.9	0.1
₱10,000-₱29,999	13.5	13.5	24.4	22.3	22.2	0.2	1.9	6.8	11.4	4.2	13.7	5.6
₱30,000 and over	19.7	20.7	13.6	32.8	17.5	5.7	10.0	7.7	5.3	4.4	21.2	17.8

**NCR**

Economic Condition	-24.6	-13.4	-8.4	-15.8	-9.3	-39.9	-43.9	-27.5	-26.9	-26.3	-17.8	-32.1
Less than ₱10,000	-29.0	-17.3	-11.9	-23.0	-9.4	-41.5	-49.4	-31.5	-26.1	-28.0	-20.9	-32.9
₱10,000-₱29,999	-22.0	-10.2	-5.6	-10.7	-9.6	-39.3	-38.8	-25.0	-29.3	-25.4	-14.6	-32.0
₱30,000 and over	-6.9	-6.5	1.2	5.2	-5.7	-34.8	-39.5	-19.7	-20.3	-22.0	-15.8	-30.1
Family Financial Situation	-3.4	-3.0	1.4	-1.4	3.1	-21.4	-23.2	-11.5	-4.9	-10.3	-1.1	-9.5
Less than ₱10,000	-10.3	-6.5	-3.4	-11.0	-0.9	-29.7	-36.6	-20.8	-13.4	-17.7	-10.1	-19.2
₱10,000-₱29,999	2.7	-0.5	2.9	5.7	5.8	-17.6	-12.4	-5.2	-0.5	-5.0	4.8	-2.8
₱30,000 and over	14.9	5.0	26.2	25.3	15.2	0.1	-2.2	5.9	8.9	2.6	17.9	3.8
Family Income	4.7	10.8	14.8	13.7	16.8	-1.0	-3.7	3.4	4.6	-0.9	7.0	-0.1
Less than ₱10,000	-0.7	7.4	13.3	5.0	13.3	-4.5	-12.1	0.1	1.0	-4.6	2.6	-4.1
₱10,000-₱29,999	10.1	13.9	15.0	21.6	19.2	0.5	3.2	5.1	6.5	1.8	10.3	0.9
₱30,000 and over	16.0	15.7	24.5	29.8	25.9	8.5	9.1	11.7	10.4	5.1	14.9	11.0

**AONCR**

Economic Condition	-25.4	-17.5	-7.2	-26.2	-21.0	-47.5	-47.8	-27.0	-20.2	-24.9	-18.0	-27.4
Less than ₱10,000	-25.9	-20.4	-8.3	-28.0	-21.8	-47.1	-46.8	-26.4	-19.8	-26.0	-19.6	-27.7
₱10,000-₱29,999	-23.2	-9.0	-4.8	-23.4	-20.9	-48.5	-50.2	-27.3	-20.7	-21.3	-15.3	-29.0
₱30,000 and over	-24.2	-6.8	-1.1	-14.5	-6.8	-47.8	-46.4	-31.8	-23.2	-28.1	-10.9	-17.1
Family Financial Situation	-10.0	-8.8	4.9	-0.8	-4.2	-29.7	-24.7	-7.7	-3.3	-12.3	-0.9	-6.0
Less than ₱10,000	-14.7	-12.6	1.2	-8.8	-7.4	-34.7	-30.0	-13.1	-7.9	-17.7	-6.8	-10.2
₱10,000-₱29,999	6.9	2.3	14.3	13.0	2.4	-22.2	-15.5	0.8	6.5	-3.2	7.7	-0.3
₱30,000 and over	14.1	8.8	12.4	36.6	2.2	-2.3	-3.6	13.3	6.4	8.1	32.6	14.5
Family Income	0.3	3.7	15.4	11.6	11.9	-6.3	-3.7	1.4	6.3	-2.8	7.8	3.5
Less than ₱10,000	-3.7	0.3	11.6	5.7	6.9	-9.7	-6.8	-1.5	4.0	-6.3	4.0	0.6
₱10,000-₱29,999	14.7	13.3	26.8	22.5	22.9	0.2	1.7	7.2	12.8	4.8	14.4	6.8
₱30,000 and over	22.8	24.0	8.9	34.3	15.0	4.6	10.4	6.4	3.5	4.2	23.5	20.3

**4. Consumer outlook indices on economic and family condition: Next 12 Months**

**Philippines**

Economic Condition	-15.2	-7.1	-5.8	-15.9	-13.2	-44.3	-48.9	-31.0	-20.2	-27.6	-15.5	-16.1
Less than ₱10,000	-18.1	-10.8	-8.6	-20.5	-15.2	-44.7	-50.4	-31.3	-21.0	-29.8	-18.7	-18.4
₱10,000-₱29,999	-8.0	1.4	0.8	-9.4	-10.7	-44.8	-46.8	-29.9	-18.6	-22.5	-10.7	-15.4
₱30,000 and over	5.7	7.3	-2.0	10.7	-0.7	-37.6	-41.5	-32.3	-19.2	-27.1	-4.2	3.4
Family Financial Situation	4.0	5.8	8.9	9.5	9.5	-19.6	-23.1	-7.6	1.8	-3.9	1.2	0.7
Less than ₱10,000	-2.0	1.4	4.3	2.9	4.1	-25.4	-30.1	-14.5	-3.9	-10.9	-6.6	-6.6
₱10,000-₱29,999	20.6	15.0	18.7	19.8	18.5	-12.6	-12.5	2.8	11.3	8.1	13.2	10.3
₱30,000 and over	37.3	31.9	22.3	37.2	26.3	10.4	2.5	12.9	16.3	14.1	28.3	26.2
Family Income	13.6	18.7	20.7	23.0	23.6	3.2	0.3	6.6	11.5	8.5	11.6	12.9
Less than ₱10,000	7.9	14.0	16.8	16.2	18.5	-2.7	-5.0	1.4	7.3	3.6	7.1	7.8
₱10,000-₱29,999	29.0	29.7	28.7	34.4	32.5	13.8	7.1	14.4	19.7	18.4	19.0	20.9
₱30,000 and over	44.8	36.9	33.8	42.5	35.9	16.0	25.0	21.9	16.4	15.1	25.8	26.4



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**Philippines**  
**Q3 2007 - Q4 2009**

	2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

**4. Consumer outlook indices on economic and family condition: Next 12 Months (Continued)**

<b>NCR</b>												
Economic Condition	-0.4	2.1	5.1	-7.9	-0.1	-41.3	-42.3	-32.0	-23.7	-29.7	-7.0	-6.2
Less than ₱10,000	-3.8	-2.1	2.8	-13.1	-3.5	-44.1	-48.2	-33.5	-25.4	-34.0	-8.6	-9.7
₱10,000-₱29,999	3.7	6.3	8.2	-4.3	3.0	-39.7	-36.6	-30.5	-22.8	-27.6	-5.9	-5.0
₱30,000 and over	3.2	5.2	4.6	8.3	5.2	-36.0	-36.1	-30.9	-20.7	-18.5	-4.0	2.9
Family Financial Situation	14.5	13.9	13.2	8.8	19.3	-16.4	-14.8	-8.7	0.8	-3.3	7.7	8.7
Less than ₱10,000	9.0	8.0	9.8	0.1	13.1	-30.2	-28.6	-17.2	-4.3	-15.9	-2.7	-0.9
₱10,000-₱29,999	19.9	16.9	15.3	15.8	25.2	-7.8	-5.2	-4.8	-0.7	7.3	14.7	14.3
₱30,000 and over	26.3	35.5	25.5	30.5	27.5	11.2	11.2	13.3	25.2	13.6	29.0	24.9
Family Income	22.9	26.0	21.9	25.9	29.7	7.4	0.9	12.4	16.2	9.5	14.5	15.9
Less than ₱10,000	17.3	19.3	20.0	16.8	22.9	-0.1	-9.3	7.0	13.1	2.2	10.9	8.4
₱10,000-₱29,999	29.5	30.8	23.2	33.9	35.4	11.7	8.0	14.3	17.4	16.0	16.1	22.0
₱30,000 and over	30.0	42.6	27.6	44.1	42.2	23.3	20.5	27.9	22.4	17.6	25.0	22.8
<b>AONCR</b>												
Economic Condition	-17.9	-8.8	-7.5	-17.2	-15.2	-44.8	-49.9	-30.8	-19.6	-27.2	-16.9	-17.7
Less than ₱10,000	-19.9	-11.8	-9.9	-21.5	-16.5	-44.8	-50.7	-31.0	-20.6	-29.3	-19.9	-19.4
₱10,000-₱29,999	-12.2	-0.3	-1.2	-10.4	-13.8	-46.1	-49.0	-29.8	-17.4	-21.3	-11.9	-17.9
₱30,000 and over	7.8	8.7	-4.9	11.9	-2.5	-38.3	-44.0	-32.8	-18.7	-29.9	-4.3	3.5
Family Financial Situation	2.1	4.4	8.2	9.6	8.0	-20.2	-24.4	-7.4	2.0	-3.9	0.1	-0.6
Less than ₱10,000	-3.4	0.7	3.7	3.3	3.1	-24.8	-30.3	-14.2	-3.9	-10.3	-7.1	-7.2
₱10,000-₱29,999	20.8	14.4	19.5	20.6	17.0	-13.8	-14.0	4.5	14.7	8.3	12.9	9.3
₱30,000 and over	46.1	29.6	20.9	40.6	25.9	10.0	-1.6	12.7	13.2	14.3	28.1	26.8
Family Income	11.9	17.4	20.5	22.5	22.6	2.5	0.2	5.7	10.8	8.4	11.2	12.5
Less than ₱10,000	6.8	13.3	16.4	16.1	18.0	-3.0	-4.5	0.8	6.7	3.8	6.7	7.7
₱10,000-₱29,999	28.9	29.4	30.2	34.5	31.9	14.3	6.9	14.4	20.4	19.0	19.6	20.6
₱30,000 and over	56.8	33.2	36.6	41.6	33.9	13.0	27.2	19.9	14.3	14.3	26.1	27.7

**5. Confidence Index on Amount of Expenditures: Next Quarter**

<b>Philippines</b>												
Food	34.2	33.4	35.1	41.3	36.8	57.9	56.9	44.9	40.7	44.4	43.4	41.8
Clothing and Footwear	52.7	52.9	58.2	69.2	61.0	84.4	84.4	68.9	63.2	66.1	67.8	66.4
Fuel	22.1	25.4	32.5	27.7	23.0	42.3	37.3	31.3	26.0	27.4	31.9	25.5
Electricity	36.3	37.5	37.0	39.8	33.9	65.9	69.2	43.1	39.7	49.2	50.8	46.2
Water	44.1	40.8	42.4	45.1	41.5	63.3	62.2	47.5	42.6	50.3	52.9	42.1
House rent	23.3	17.4	16.1	19.2	19.4	33.2	32.8	25.3	23.1	27.6	27.4	21.9
Transportation	5.4	1.0	1.0	2.2	1.7	18.4	15.8	11.7	10.9	12.9	8.9	11.1
Communication	37.3	36.8	37.2	40.8	34.5	68.0	82.9	52.2	36.0	51.1	51.2	46.5
Education	17.6	14.9	15.1	15.7	12.3	33.3	30.2	22.1	20.7	24.5	21.9	19.8
Medical Care	35.5	47.2	36.4	44.4	44.9	60.1	45.9	41.6	40.8	45.7	38.2	34.6
Personal Care & Effects	37.3	36.4	34.8	38.9	38.0	59.2	52.5	44.7	40.6	42.7	40.8	33.6
Hotel & Restaurant	37.6	37.2	35.0	45.9	42.6	59.8	59.4	47.1	44.4	45.4	39.0	39.7
	13.4	10.2	12.2	12.7	10.0	26.4	26.0	16.4	15.8	14.6	15.0	13.2
<b>NCR</b>												
Food	41.0	35.9	39.0	43.2	40.5	61.0	59.6	52.7	45.0	54.5	51.3	49.3
Clothing and Footwear	59.8	57.2	64.8	70.6	62.7	86.2	87.5	78.1	67.6	80.4	78.7	77.2
Fuel	21.2	27.9	31.5	26.9	26.5	39.7	35.4	33.4	23.1	28.5	31.7	23.2
Electricity	44.7	47.0	44.4	43.4	55.2	75.2	77.9	61.7	58.1	68.3	64.5	64.7
Water	62.3	58.7	56.2	46.8	56.8	73.4	69.0	68.3	62.1	73.4	68.3	64.5
House rent	52.3	40.6	35.6	37.5	45.2	58.2	61.1	59.6	53.6	63.8	60.6	56.0
Transportation	14.1	3.8	4.3	6.8	6.8	25.6	21.4	18.5	18.6	21.3	18.7	16.8
Communication	33.5	27.4	38.0	47.0	40.5	71.8	83.6	59.9	35.9	59.2	53.4	49.9
Education	23.4	14.8	16.8	14.7	16.8	33.8	34.3	26.1	19.0	28.5	26.1	26.2
Medical Care	39.2	45.0	27.9	40.0	43.8	56.8	42.2	43.0	36.8	41.8	37.1	30.8
Personal Care & Effects	41.0	26.6	29.7	36.1	35.5	52.4	42.1	38.5	30.9	37.9	35.2	31.9
Hotel & Restaurant	39.8	31.8	33.5	43.9	42.1	57.5	51.8	47.8	40.2	47.3	34.3	35.9
	23.1	16.6	30.6	22.0	21.4	39.9	30.9	22.6	23.6	17.3	16.0	10.6



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	2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>5. Confidence Index on Amount of Expenditures: Next Quarter (Continued)</b>												
<b>AONCR</b>	32.9	33.0	34.4	41.0	36.2	57.4	56.5	43.7	40.0	42.8	42.1	40.6
Food	51.4	52.2	57.1	69.0	60.7	84.1	83.9	67.3	62.5	63.8	66.0	64.6
Clothing and Footwear	22.3	25.0	32.6	27.8	22.4	42.7	37.6	31.0	26.5	27.2	31.9	25.9
Fuel	34.7	35.8	35.9	39.2	30.6	64.3	67.8	40.1	36.7	46.1	48.6	43.2
Electricity	40.7	37.5	40.2	44.9	39.1	61.7	61.1	44.2	39.4	46.5	50.4	38.4
Water	18.0	13.2	13.0	16.3	15.4	29.1	28.2	19.8	18.1	21.8	22.0	16.3
House rent	3.9	0.5	0.5	1.4	1.0	17.3	14.9	10.6	9.6	11.5	7.4	10.1
Transportation	38.0	38.4	37.1	39.8	33.6	67.3	82.8	51.0	36.0	49.8	50.9	46.0
Communication	16.6	14.9	14.9	15.8	11.6	33.2	29.5	21.5	20.9	23.8	21.2	18.7
Education	34.8	47.6	37.8	45.1	45.0	60.6	46.6	41.4	41.4	46.3	38.3	35.2
Medical Care	36.6	38.1	35.6	39.4	38.3	60.2	54.2	45.7	42.2	43.4	41.7	33.9
Personal Care & Effects	37.1	38.1	35.2	46.2	42.7	60.2	60.6	47.0	45.1	45.0	39.8	40.4
Hotel & Restaurant	11.7	9.1	9.2	11.3	8.2	24.2	25.2	15.4	14.5	14.2	14.9	13.7
<b>6. Percentage of households who consider the current quarter good time to buy</b>												
<b>Philippines</b>	16.2	19.9	21.0	23.1	20.4	14.7	11.4	15.0	17.5	15.8	18.0	15.5
Consumer Durables	12.9	18.6	19.8	24.3	18.8	13.4	11.2	14.0	16.5	14.7	16.6	15.0
Motor Vehicle	14.6	14.7	15.9	16.4	13.9	9.5	6.1	9.1	11.3	11.5	12.7	10.4
House & Lot	20.9	26.5	27.3	28.5	28.4	21.2	16.9	22.0	24.8	21.1	24.7	21.1
<b>NCR</b>	17.3	19.4	22.9	18.2	18.5	18.6	15.5	17.3	16.4	19.1	20.6	14.7
Consumer Durables	12.4	17.5	24.3	19.9	17.0	18.6	17.1	19.0	17.1	17.5	23.8	16.6
Motor Vehicle	17.5	13.3	15.2	11.5	10.9	10.4	5.1	8.0	9.5	12.2	11.1	8.7
House & Lot	22.0	27.4	29.0	23.1	27.4	26.8	24.4	24.8	22.6	27.4	27.0	18.6
<b>AONCR</b>	16.0	20.0	20.7	23.9	20.7	14.1	10.8	14.6	17.7	15.2	17.6	15.7
Consumer Durables	13.0	18.8	19.1	25.0	19.1	12.6	10.3	13.1	16.4	14.3	15.5	14.8
Motor Vehicle	14.1	14.9	16.0	17.2	14.3	9.3	6.3	9.3	11.6	11.4	12.9	10.7
House & Lot	20.7	26.3	27.0	29.4	28.6	20.3	15.7	21.5	25.2	20.0	24.4	21.5
<b>7. Percentage of households who intend to buy in the next 12 months</b>												
<b>Philippines</b>	9.3	12.1	13.6	15.3	13.0	7.9	6.0	7.0	7.5	7.5	9.5	7.4
Consumer Durables	14.2	20.5	21.7	26.4	20.3	10.6	8.3	9.5	9.7	9.8	12.7	11.0
Motor Vehicle	5.9	6.3	8.1	8.3	7.6	5.3	3.7	3.9	4.6	5.3	5.6	4.8
House & Lot	7.7	9.5	11.1	11.2	11.2	8.0	5.9	7.6	8.3	7.4	10.3	6.3
<b>NCR</b>	9.1	13.2	19.4	15.4	15.8	8.8	7.6	5.6	5.7	6.9	9.3	5.0
Consumer Durables	13.7	23.0	32.1	26.4	24.7	12.4	11.6	8.7	8.2	9.7	13.9	8.3
Motor Vehicle	6.0	6.1	10.1	8.2	7.5	4.1	3.7	2.3	2.9	3.4	4.1	1.9
House & Lot	7.8	10.5	16.0	11.5	15.2	9.7	7.6	5.6	5.9	7.6	9.8	4.9
<b>AONCR</b>	9.3	11.9	12.7	15.3	12.6	7.8	5.7	7.2	7.8	7.6	9.6	7.7
Consumer Durables	14.2	20.1	20.0	26.4	19.6	10.2	7.8	9.6	9.9	9.8	12.5	11.5
Motor Vehicle	5.9	6.4	7.7	8.4	7.6	5.4	3.7	4.1	4.9	5.6	5.8	5.3
House & Lot	7.7	9.3	10.3	11.1	10.6	7.7	5.6	8.0	8.7	7.4	10.4	6.5
<b>8. Indices on Selected Economic Indicators: Next 12 Months</b>												
<b>Philippines</b>												
Unemployment Rate Index	69.1	60.0	57.6	61.3	64.5	73.0	76.1	71.1	72.4	73.6	65.1	64.4
Interest Rate Index for Borrowing Money	63.0	55.5	53.6	55.8	48.4	57.0	58.2	46.0	45.4	46.7	46.5	41.3
Exchange Rate Index	-11.4	1.1	19.4	3.4	20.2	0.0	-29.7	-19.8	-10.8	-21.8	-13.2	-4.5
Change in Prices Index	68.7	67.1	66.9	70.1	66.5	59.3	59.5	47.2	46.2	49.3	49.5	48.5
Inflation Rate	5.9	6.0	5.9	7.4	9.5	12.2	12.4	8.8	8.6	8.7	8.6	8.7
<b>NCR</b>												
Unemployment Rate Index	63.9	50.4	49.7	56.2	46.9	76.5	78.4	69.5	72.1	72.8	58.7	56.7
Interest Rate Index for Borrowing Money	63.8	50.7	54.4	50.4	39.5	46.9	51.9	41.2	43.6	43.1	45.4	38.8
Exchange Rate Index	-6.9	7.8	31.2	14.5	23.2	-0.5	-28.5	-18.8	-8.2	-22.7	-4.5	-7.6
Change in Prices Index	69.5	60.6	59.0	63.6	65.0	61.6	61.1	52.2	53.4	56.2	54.6	56.1
Inflation Rate	4.6	4.7	4.3	6.2	7.9	13.5	14.1	9.7	8.5	10.3	10.3	9.6
<b>AONCR</b>												
Unemployment Rate Index	70.1	61.7	58.8	62.1	67.2	72.4	75.8	71.3	72.5	73.7	66.1	65.7
Interest Rate Index for Borrowing Money	62.9	56.4	53.5	56.7	49.8	58.7	59.2	46.8	45.7	47.3	46.6	41.7
Exchange Rate Index	-12.2	-0.1	17.6	1.6	19.7	0.1	-41.1	-27.8	-15.4	-21.6	-14.9	-4.0
Change in Prices Index	68.6	68.2	68.1	71.1	70.3	58.9	59.3	52.2	53.4	56.2	54.6	56.1
Inflation Rate	6.1	6.2	6.2	7.5	9.7	11.9	12.1	8.6	8.6	8.4	8.3	8.5



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	2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4

**9. Percentage of OFW Households by Type of Use of OFW Remittances**

**Philippines**

Food	92.1	91.8	94.1	97.3	96.2	95.7	95.6	95.8	94.7	96.2	93.4	95.2
Education	2.3	53.1	53.9	61.2	62.4	62.3	68.2	68.2	69.8	68.2	71.8	65.8
Medical expenses	0.7	24.2	24.5	29.3	38.5	51.2	44.4	57.6	55.2	62.4	63.2	62.2
Debt payments	-	22.9	30.2	34.0	31.1	39.2	36.0	48.9	48.5	51.1	50.0	49.2
Savings	7.2	15.7	19.8	17.5	14.0	31.3	30.4	35.8	40.0	38.3	39.9	44.8
Purchase of Appliances/Consumer Durables	5.2	9.0	10.3	7.5	6.5	20.3	18.0	24.6	24.7	25.9	26.5	26.0
Purchase of House*	2.7	2.5	1.5	1.1	6.1	14.3	12.4	16.1	11.2	10.8	12.1	10.5
Investment	2.3	4.5	4.1	5.9	1.8	3.0	7.4	4.7	5.9	8.3	7.6	7.1
Purchase of Car / motor vehicle	1.6	3.5	1.5	1.4	1.6	5.1	4.4	6.4	5.5	7.0	6.8	6.7
Others	0.7	2.2	2.1	0.7	0.7	6.2	8.4	6.3	4.5	6.1	6.6	6.5

**NCR**

Food and other household needs	92.5	91.1	93.4	96.9	94.6	95.9	94.4	97.3	95.5	96.9	94.1	95.9
Education	1.9	55.1	51.4	62.0	61.7	67.1	69.1	72.8	72.3	64.1	73.0	69.0
Medical expenses	0.4	20.0	21.7	30.6	38.8	45.5	43.2	58.1	58.3	57.6	65.2	60.9
Debt payments	-	25.3	34.0	34.9	30.0	30.5	30.9	47.7	45.5	44.1	47.3	43.5
Savings	4.9	15.1	16.5	14.0	10.8	32.5	30.9	38.6	44.2	38.6	44.1	52.8
Purchase of House*	2.6	1.8	1.9	1.3	8.8	19.1	16.1	19.1	12.4	13.4	18.8	11.8
Purchase of Appliances/Consumer Durables	4.1	6.7	7.1	7.9	5.8	19.1	22.5	29.5	28.9	28.3	32.4	29.9
Purchase of Car / motor vehicle	0.8	4.0	0.9	1.3	2.5	4.1	4.9	7.4	6.6	8.3	9.0	7.7
Investment	1.1	3.1	2.4	5.2	1.3	2.0	8.8	4.0	7.9	10.0	8.6	5.5
Others	0.4	0.9	1.4	0.4	1.3	6.5	6.3	6.4	2.1	4.5	5.5	5.2

**AONCR**

Food and other household needs	91.6	92.6	94.9	97.6	98.0	95.9	97.2	93.9	94.0	95.4	92.6	94.5
Education	2.8	50.6	56.8	60.4	63.2	67.1	67.0	62.2	67.3	72.3	70.4	62.5
Medical expenses	1.1	29.5	27.8	27.8	38.2	45.5	46.0	57.0	52.2	67.4	60.9	63.6
Debt payments	-	19.9	25.6	33.0	32.4	30.5	42.8	50.4	51.4	58.2	53.0	55.3
Savings	10.7	16.5	23.9	21.2	17.6	32.5	29.8	32.2	35.9	37.9	35.2	36.4
Purchase of Appliances/Consumer Durables	6.7	11.9	14.2	7.1	7.4	19.1	12.1	18.3	20.7	23.5	20.0	21.7
Purchase of House*	2.8	3.4	1.1	0.9	2.9	19.1	7.4	12.2	10.0	8.1	4.8	9.1
Investment	3.9	6.3	6.3	6.6	2.5	2.0	5.6	5.7	4.0	6.7	6.5	8.7
Purchase of Car / motor vehicle	2.8	2.8	2.3	1.4	0.5	4.1	3.7	5.2	4.4	5.6	4.3	5.5
Others	1.1	4.0	2.8	0.9	0.0	6.5	11.2	6.1	6.8	7.7	7.8	7.9

**10. Distribution of Households with OFW**

**Philippines**

Number of Respondent Households with OFW	444	423	419	469	477	525	552	562	520	624	533	562
Percentage Over Total Sample Respondents	8.5	8.2	8.6	9.4	9.6	11.4	10.5	10.7	9.8	11.0	10.5	10.7
Number of Households that Received Remittances	425	401	388	441	444	469	500	528	493	575	486	524
Percentage Over Total Households with OFW	95.7	94.8	92.6	94.0	93.1	89.3	90.6	94.0	94.8	92.1	91.2	93.2

**NCR**

Number of Respondent Households with OFW	266	237	231	248	262	271	310	318	249	314	283	287
Percentage Over Total Sample Respondents	9.9	9.2	9.7	10.1	10.7	12.5	10.8	11.6	9.5	11.2	11.1	10.7
Number of Households that Received Remittances	253	225	212	229	240	246	285	298	242	290	256	271
Percentage Over Total Households with OFW	95.1	94.9	91.8	92.3	91.6	90.8	91.9	93.7	97.2	92.4	90.5	94.4

**AONCR**

Number of Respondent Households with OFW	178	186	188	221	215	254	242	244	271	310	250	275
Percentage Over Total Sample Respondents	6.9	7.3	7.5	8.8	8.6	10.5	10.0	9.6	10.1	10.8	10.0	10.7
Number of Households that Received Remittances	172	176	176	212	204	223	215	230	251	285	230	253
Percentage Over Total Households with OFW	96.6	94.6	93.6	95.9	94.9	87.8	88.8	94.3	92.6	91.9	92.0	92.0

Note: - means data is not available during the period

\* From Q2-Q4 2008, purchase of house included rentals



**Consumer Expectations Survey**  
**Philippines**  
**Q3 2007 - Q4 2009**

	2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>11. Percentage Distribution of Respondents by Income Group</b>												
<b>Philippines</b>												
Less than ₱10,000	66.5	62.3	61.9	59.1	58.4	58.2	57.5	57.1	55.5	58.4	58.4	56.1
₱10,000 – ₱29,999	28.6	32.9	33.0	35.9	36.5	34.0	33.6	33.8	36.1	32.6	33.4	34.4
₱30,000 – and over	4.9	4.9	5.1	5.0	5.1	7.8	8.9	9.1	8.4	9.0	8.2	9.5
<b>Total</b>	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>NCR</b>												
Less than ₱10,000	54.5	49.6	51.4	51.3	49.4	47.4	49.4	47.6	42.0	47.9	48.9	45.4
₱10,000 – ₱29,999	37.6	42.8	41.1	41.0	43.7	41.0	37.9	40.0	46.3	39.6	39.9	41.1
₱30,000 – and over	7.9	7.6	7.6	7.6	6.9	11.6	12.8	12.4	11.7	12.5	11.3	13.5
<b>Total</b>	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>AONCR</b>												
Less than ₱10,000	79.0	75.1	71.9	66.6	67.2	67.9	67.2	67.3	68.7	68.6	68.1	67.3
₱10,000 – ₱29,999	19.2	22.8	25.4	31.0	29.4	27.7	28.5	27.1	26.1	25.8	26.8	27.4
₱30,000 – and over	1.8	2.1	2.7	2.4	3.4	4.4	4.3	5.6	5.2	5.5	5.1	5.4
<b>Total</b>	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

**12. Total Sample Households and Response Rate**

<b>Philippines</b>												
Number of Sample Households	5453	5251	5093	5087	5084	4839	5472	5448	5487	5909	5315	5496
Number of Respondents	5239	5130	4876	4969	4962	4597	5271	5264	5290	5680	5054	5250
Response Rate	96.1	97.7	95.7	97.7	97.6	95.0	96.3	96.6	96.4	96.1	95.1	95.5
<b>NCR</b>												
Number of Sample Households	2879	2689	2558	2526	2522	2306	2990	2850	2724	2973	2717	2830
Number of Respondents	2677	2584	2381	2446	2456	2171	2858	2732	2613	2806	2544	2685
Response Rate	93.0	96.1	93.1	96.8	97.4	94.1	95.6	95.9	95.9	94.4	93.6	94.9
<b>AONCR</b>												
Number of Sample Households	2574	2562	2535	2561	2562	2533	2482	2598	2763	2936	2598	2666
Number of Respondents	2562	2546	2495	2523	2506	2426	2413	2532	2677	2874	2510	2565
Response Rate	99.5	99.4	98.4	98.5	97.8	95.8	97.2	97.5	96.9	97.9	96.6	96.2

Note:

\* From Q2-Q4 2008, purchase of house included rentals

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**Bangko Sentral ng Pilipinas**  
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