

Abstract

Research on Consumer Survey Index in Seoul

HeeSeok Park · JiWon Gwak

It is believed that the Consumer Survey Index (CSI) would be the most useful indicator in understanding the business cycle. In case of South Korea, the national CSI have been released since 1995 by the Bank of Korea. However, it does not inform about the Seoul Metropolitan Area (SMA), which is the most important region in the economy of South Korea. To diagnosis economic conditions of SMA, the Seoul Institute (SI) has been quarterly researching CSI Seoul since the 4th quarter 2008. These indices are expected to provide primary data for analyzing business cycles and for managing local economic plans as well.

The sample of CSI in Seoul consists of 1,000 households, including those aged from 20 to 69, married or ever married, and living in Seoul. They are selected by purposive sampling method which is assigned by proportional distribution of households for each ages and distinction in Seoul. This survey is conducted by telephone and indexed as a result of the household responses based on the attitudes and expectations of the consumers concerning the present and future state of the economy, household living standard and consumption expenditure plans, etc.

The CSI are estimated as follows :

$$\text{CSI} = \frac{\sum w_i f_i}{n}, \quad i = 1, 2, \dots, 5$$

where the weight is attached to the i th response such as better (w_1)=200, good (w_2)=150, same (w_3)=100, bad (w_4)=50, worse (w_5)=0, f_i is the number of selecting i th responses, and n is the total number of sample. The index is based on 100, which 100 means that the number of positive answer is equivalent to the negative.

The main results of the survey are as follows :

Consumer Survey Index in Seoul

	CSI	living conditions		business conditions		expenditure	
		present	expect	present	expect	durable consumer goods	household consumption goods
4Q 2013	102.0	89.4	101.8	71.5	96.8	99.1	104.9
1Q 2014	97.9	84.6	99.7	63.8	95.0	95.7	101.5
2Q 2014	95.1	81.8	97.5	59.5	90.7	94.5	99.6
3Q 2014	96.3	82.9	97.5	60.7	91.9	95.8	99.9
4Q 2014	92.5	79.7	91.9	59.2	81.7	94.9	96.1

Consumer Expenditure Index in Seoul

	consumer expenditure index		net asset	employment situation	price anticipation
	present	expect			
4Q 2013	92.3	99.4	97.3	91.2	138.2
1Q 2014	119.0	104.2	96.4	88.6	143.8
2Q 2014	114.5	99.7	96.7	85.9	134.6
3Q 2014	112.4	99.7	96.1	86.2	133.6
4Q 2014	107.6	98.4	93.7	75.3	128.0

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