

Abstract

Research on Consumer Survey Index in Seoul

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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 in 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 survey sample of CSI consists of 1,000 households, including those aged from 20 to 69, married or ever married, and living in Seoul. They are selected by a purposive sampling method which is assigned by the proportional distribution of households for each ages and distinctions in Seoul. The 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, and so on.

The CSI is estimated as follows :

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

where the weight is attached to the i th response such as better (w_1)=200, good (w_2)=150, the same (w_3)=100, bad (w_4)=50 and 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 means that the number of positive answer is equivalent to the negative.

The main result of the survey is as follows :

Consumer Survey Index in Seoul

	CSI	living conditions		business conditions		expenditure	
		present	expect	present	expect	durable consumer goods	household consumption goods
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
1Q 2015	90.6	81.0	94.9	55.6	80.0	88.0	98.2
2Q 2015	93.9	84.3	98.1	63.1	81.5	89.1	96.2
3Q 2015	95.7	86.2	100.4	65.2	83.1	89.3	91.0
4Q 2015	98.3	90.8	101.4	68.9	82.7	90.9	80.5

Consumer Expenditure Index in Seoul

	consumer expenditure index		net asset	employment situation	price anticipation
	present	expect			
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
1Q 2015	112.5	96.7	94.2	73.1	130.9
2Q 2015	108.8	93.4	96.3	73.3	135.3
3Q 2015	106.4	95.0	92.4	79.0	131.6
4Q 2015	106.5	94.8	92.4	75.9	130.6

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