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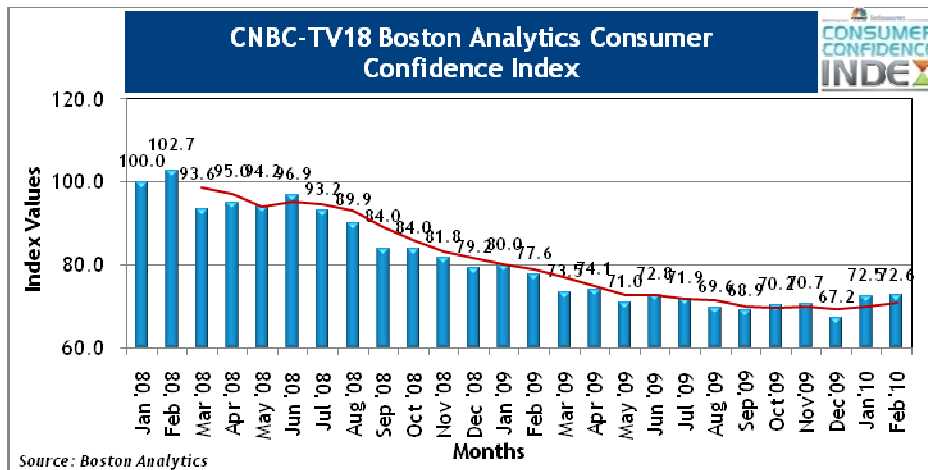
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CONSUMER CONFIDENCE RISES SLIGHTLY IN FEBRUARY 2010 DRIVEN PRIMARILY BY IMPROVEMENT IN PESSIMISM RELATED TO INFLATION, EMPLOYMENT AND CONSUMER SPENDING.

MUMBAI, March 5, 2010 – Today CNBC TV18 and Boston Analytics released the CNBC-TV18 Boston Analytics Consumer Confidence Index for February 2010. The index is designed to measure consumer confidence in India on a monthly basis. The index is derived from a monthly survey targeting nearly 10,000 respondents across fifteen Indian cities, which makes it the largest and most comprehensive exercise of this kind in the country. The index is a monthly barometer of the opinion of Indian consumers regarding the current state and future expectations of the macro economy, household financial conditions and consumption. The index is computed from responses to 25 questions covering different variables known to affect consumer confidence. These variables pertain to general economic conditions, employment, inflation, interest rates, real estate, household financial conditions, household income, household spending plans, and savings.

The headline index for February 2010 stands at 72.6, an increase of a 0.2 percent from January’s reading of 72.5. The slight improvement is mainly due to improvement in consumer confidence related to employment and inflation, both rising from very low levels. Improvement in sentiment related to consumer spending was also a contributor to the marginal increase in the composite for February 2010.

The exhibit below shows the CNBC-TV18 Boston Analytics Consumer Confidence Index between January 2008 and February 2010.



Source: Boston Analytics

The CNBC-TV18 Boston Analytics Consumer Confidence Index consists of two sub-indices – the Current Situation Index and the Future Expectations Index. While the Current Situation Confidence Index registered a small decline in February 2010, the Future Expectations Confidence Index registered an increase.

The Current Situation Index for February 2010 stands at 76.5, a decrease of 2.9 percent from January’s reading of 78.8. The Future Expectations Confidence Index increased by 1.7 percent from 65.5 in January to 66.6 in February 2010

"The slight improvement in headline confidence noted in our February 2010 survey masks encouraging news within its major subcomponents. While the levels remain low, we continue to see relative

improvement in consumer sentiment pertaining to employment conditions and inflation. We hope that the next few months will show a distinct turn upwards in the major trend,” said **Dr. Sam Thomas, Ph.D., Director of Research and Development at Boston Analytics.**

“While disaggregating the data, we noticed that the current improvement in national consumer confidence is attributable to improvement in sentiment of consumers in the Tier I and II cities of the country. In contrast, the CCI for smaller Tier III cities actually got worse in February due to rising concerns over employment conditions in these regions,” said **Debopam Chaudhuri, Economist, Boston Analytics.** “Wide variations were observed within each tier. For example, within Tier I cities a distinct difference in opinion was observed based on the geographic location of the cities. Consumers located in the northern cities seemed to be more optimistic when compared to their southern counterparts, highlighting a north-south divide in the level of confidence among Indian consumers.”

About the CNBC-TV18 Boston Analytics Consumer Confidence Index

The index is designed to measure consumer confidence in India on a monthly basis. The index is derived from a monthly survey targeting 10,000 respondents across fifteen Indian cities—Delhi, Mumbai, Kolkata, Chennai, Hyderabad, Bangalore, Ahmedabad, Chandigarh, Nagpur, Kochi, Jaipur, Lucknow, Bhubaneswar, Patna, and Vishakhapatnam. The sample is stratified based on the socio-economic characteristics of the Indian population in order to ensure sufficient sample sizes for sub-groups of interest. All data are collected via face-to-face interviews. The index is computed from responses to 25 questions covering various variables known to affect consumer confidence. These variables pertain to general economic conditions, employment, inflation, interest rates, real estate, household financial conditions, household income, spending plans, and savings. The index value in January 2008 was set to 100 to serve as the starting benchmark value of the time series. Inspired by the product design and index computation methodologies of consumer sentiment and consumer confidence indices across the world, the index has been adapted to the Indian economy’s unique conditions.

About CNBC-TV 18: CNBC-TV18 is the undisputed leader in the business. The channel's benchmark coverage extends from corporate news, financial markets coverage, expert perspective on investing and management to industry verticals and beyond. CNBC-TV18 has been constantly innovating with new genres of programming that helps make business more relevant to different constituencies across India. CNBC-TV18 is currently available in over 30 million households in India. Boston Analytics provides its corporate, consulting and financial clients the most current, accurate and actionable research and analysis—so they can be the first to uncover and exploit opportunities. The firm’s work powers knowledge processes and enables effective decisions at all levels of its clients’ businesses. Boston Analytics brings together leading analytical minds worldwide, delivers robust offerings of knowledge services, and works as a genuine partner. Boston Analytics is headquartered in Boston with offices in New York, London, and Mumbai. For more information visit www.bostonanalytics.com. Monthly reports—Executive Summary and Full Report and the Data Sets—Nationwide Aggregate and City-wise Disaggregate Data are available for purchase from Boston Analytics at www.bostonanalytics.com/India_Watch/India_Watch.html