# Consumer Confidence Index in Mongolia (Summary)

**ALTANTSETSEG Batchuluun**
*Associate Professor of Economics, National University of Mongolia*

**DAVAADORJ Tsenddavaa**
*Director, Mongol-Japan Human Resource Development Center, National University of Mongolia*

**SOYOLMAA Batbekh**
*Associate Professor of Economics, National University of Mongolia*

This paper reports the results of the Consumer Confidence Index survey conducted in Mongolia in the second quarter of 2019. The Consumer Confidence Index measures the degree of optimism that Mongolian consumers feel about the overall state of the economy and their financial situation. People's spending and saving activity depend on how confident they feel about the stability of their incomes and earnings. If consumer confidence is higher on account of economic expansion, consumers will make more purchases. However, if confidence is lowered as the economy contracts, consumers will cut their spending and save more. In addition to consumer confidence, the survey also measures the households plan to purchase durables, which is a leading indicator, price expectations (inflation, exchange rate, housing prices and interest rates) and confidence in the national currency.

In the second quarter of 2019, the consumer confidence index in Mongolia increased compared to the same period in the year previous. This quarter saw significant improvement in the current situation index. Consumers are expecting the situation to improve further in the next six months. Consumers' high level of confidence in job availability increased the expectation index. Demand for durable goods is presumed to be stable. Furthermore, consumers are presuming the annual inflation rate to be around 5.1 percent and inflation in the next 6 months to be about 3.5 percent. These levels are stable compared to the same period of the previous year. The survey has been conducted quarterly since 2014, covering 1000 randomly selected individuals per quarter.