

The Chinese University of Hong Kong
The Centre for Quality of Life
Results of the Quarterly Survey (March 2009) on Public Perception of the
Economic Conditions

The Centre for Quality of Life at The Chinese University of Hong Kong (CUHK) conducted a survey on the public perception of the economic conditions from March 25 to 26, 2009. A total of 539 Hong Kong residents aged 18 or above took part in the survey and answered questions about their family financial situation, their perception towards the business environment, the economic outlook, as well as their sentiment over consumption.

From table 1, it was revealed that 52% of the respondents said that their families were financially “worse off” than a year ago, increased by 7 percentage points from the survey results in December 2008, while only 3% said that they were “better off”.

On consumer confidence, 23% of the respondents thought it “is” time to buy major household goods, while 60% said the opposite and 17% said they “don’t know or it’s difficult to tell”. Comparing with the findings in December, those saying “yes” decreased by 2 percentage points while those saying “no” increased by 2 percentage points.

However, 14% of the respondents believed their families would be financially “better off” in the coming year, recording an increase of 4 percentage points from the December survey. 29% believed they would be “worse off”, showing a 5 percentage-point decrease from the previous survey.

9% of the respondents were optimistic over the economic outlook in the coming year, saying the business environment would be “good”. 41% and 45% said “mediocre” and “bad” respectively. Comparing with the previous survey, those saying “good” increased 6 percentage points while those saying “bad” dropped by 14 percentage points.

53% said they were “optimistic” about the economic conditions of Hong Kong for the coming five years, up 9 percentage points from December. 21% predicted the situations would be “the same”. 21% said they were “pessimistic”, showing a 8 percentage-point decrease from the previous survey.

The survey also found that 16% of the respondents expected the employment situation would “improve” in the coming year and 14% expected it to remain “unchanged”. 67% thought it would “deteriorate”. Comparing with the December survey, those saying “improve” increased drastically by 11 percentage points, while those saying “deteriorate” dropped 7 percentage points.

The Indices of Consumer Confidence, Consumer Sentiment and Employment Confidence (see table 2)

The Index of Consumer Confidence is compiled from the scores of questions number 3, 4 and 5. The higher the index, the stronger people’s confidence about economic conditions.

The Index of Consumer Sentiment is compiled from the scores of questions number 1 to 5. A higher index indicates people are more optimistic about the present situation and future development of economic conditions.

The Index of Employment Confidence is compiled from the score of the sixth question. A higher index shows a stronger confidence about employment situation.

For the first two indices, the baseline is January 2000 with the index as 100. For the Index of Employment Confidence, the baseline is February 2000 with the index as 100.

The Indices of Consumer Confidence and Consumer Sentiment in March 2009 are 80.9 and 76.9 respectively, increased 13.2 and 6.4 points from the December survey. The consumer confidence of the Hong Kong people has been picking up since the financial tsunami.

The Index of Employment Confidence went up drastically by 15.7 points from the December survey. The Index has been climbing up since the record low of 22.5 in October 2008, indicating a positive sentiment towards the employment outlook among the residents.

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Table 1

Survey questions		Answer	December 2008	March 2009	Change in percentage point (s)
問題一	與一年前比較，你和家人目前的財政狀況是變好、變壞或跟一年前一樣？	變好	5%	3%	- 2
		變壞	45%	52%	+7
		跟一年前一樣	48%	45%	- 3
		唔知道/好難講	2%	1%	-1
問題二	現在是否購買主要家庭用品(如傢具、電視機、冰箱、煮食爐等)的好時機？	係	25%	23%	- 2
		唔係	58%	60%	+2
		唔知道/好難講	17%	17%	不變
問題三	展望未來一年，你和家人的財政狀況將會變好、變壞或跟現在一樣？	變好	10%	14%	+4
		變壞	34%	29%	- 5
		跟現在一樣	45%	46%	+1
		唔知道/好難講	11%	11%	不變
問題四	展望未來一年，香港的整體營商環境會好、差或一般？	好	3%	9%	+6
		差	59%	45%	- 14
		一般	32%	41%	+9
		唔知道/好難講	6%	5%	- 1
問題五	未來五年，香港的整體經濟表現會樂觀、悲觀或跟現在一樣？	樂觀	44%	53%	+9
		悲觀	29%	21%	- 8
		跟現在一樣	21%	21%	不變
		唔知道/好難講	6%	5%	- 1
問題六	未來一年，香港失業情況會改善，惡化或跟現在一樣？	改善	5%	16%	+11
		惡化	74%	67%	- 7
		跟現在一樣	16%	14%	- 2
		唔知道/好難講	5%	4%	- 1

Table 2

	Index of Consumer Confidence	Index of Consumer Sentiment	Index of Employment Confidence
January 2000	100	100	-
February 2000	101.1	103.3	100
March 2000	105.3	103.3	106.1
April 2000	97.8	99.1	100.2
May 2000	88.3	89.8	91.6
June 2000	84.1	85.6	84.7
September 2000	90.9	92.1	86.6
December 2000	89.8	91.7	88.8
March 2001	75.5	79.1	69.6
June 2001	78.0	81.3	66.1
September 2001	50.3	55.9	29.1
December 2001	70.5	77.2	45.0
March 2002	70.0	72.6	45.5
June 2002	65.5	69.4	45.0
September 2002	64.9	67.1	51.2
December 2002	70.0	72.9	77.2
March 2003	56.4	59.1	49.5
April 2003	55.0	57.4	40.9
May 2003	73.2	74.3	57.6
June 2003	70.7	73.8	47.8
September 2003	96.7	95.4	102.6
December 2003	103.4	103.2	118.8
March 2004	107.6	104.5	121.2
June 2004	99.2	100.4	114.4
September 2004	101.8	99.6	115.4
December 2004	106.1	105.2	115.6
March 2005	110.8	109.6	128.5
June 2005	114.6	112.6	129.3
September 2005	113.2	111.1	120.3
December 2005	113.7	114.7	118.1
March 2006	107.9	106.0	114.1
June 2006	109.2	109.9	116.7
September 2006	105.5	105.5	109.9
December 2006	108.9	112.2	111.2
March 2007	112.1	113.7	117.3
June 2007	115.7	116.9	112.8

September 2007	111.9	113.3	113.6
December 2007	110.4	111.8	119.5
March 2008	100	100.7	106.7
June 2008	78.4	78.1	76.5
September 2008	66.1	66.8	44.1
October 2008	59.8	61.1	22.5
December 2008	67.7	70.5	27.1
March 2009	80.9	76.9	42.8
Comparing March 2009 with December 2008 (quarterly change)	+13.2	+6.4	+15.7