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# Consumer Confidence Index In Armenia Slips 0.9 Points To 53.5%

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Consumer confidence index in Armenia slipped 0.9 points at the first quarter of 2008 to 53.5%. , Mertin Galstyan, chief of Armenian Central Bank's statistical unit, said on Thursday at a press conference.

He said that consumer confidence index consists of two sub-indices - current situation and expectations.

"Some decline in consumer confidence index was due to the fact that the expectation sub-index of the 1st Q 2008 is lower than that of the same quarter of the previous year, though current situation sub-index was higher than that of the previous year's 1st Q", Galstyan said.

He said that these indices will be taken into account in calculating inflation enriching the present model.

"Inflation expectation plays an important role in outlining goals on inflation. Indices make it possible to estimate consumers' expectations", Galstyan said.

Consumer confidence index is an arithmetical mean of surveyed consumers' answers to the question about expected income, expenses and occupation rate as well as about expected economic situation.

The Central Bank started surveying non-financial, financial organizations and household economies in early 2005 to gauge changes in current economic situation and to compare it with other periods of time.

The CBA press office says 824 organizations functioning in industry, construction and services sectors have been surveyed in Yerevan and all the provinces of Armenia.

The poll is conducted through Internet, telecommunication and fax.

The index was calculated on a 100-point scale. Indices above 50 mean high activeness. Indices below 50 show low activeness and index 50 points out unchanged situation.

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