



Nepal Rastra Bank
Economic Research Department
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Inflation Expectations Survey¹
(मुद्रास्फीति अपेक्षा सर्वेक्षण)

नेपाल राष्ट्र बैंकले, आर्थिक वर्ष २०७९/८० (२०२२/२३) को प्रथम त्रैमासिकको अपेक्षित मुद्रास्फीति सर्वेक्षणको नतिजा सार्वजनिक गरेको छ । यस सर्वेक्षण २०७९ असोज २३ देखि असोज २९ (अक्टोबर ०९ देखि १५ अक्टोबर, २०२२) सम्म ५७ सहरका ६० बजार क्षेत्रका व्यक्तिहरूसंग अन्तर्वार्ता मार्फत सम्पन्न गरिएको थियो । प्रस्तुत परिणामहरू २०४० व्यक्तिहरूको प्रतिक्रियामा आधारित छन् । अघिल्लो सर्वेक्षणको तुलनामा यस सर्वेक्षणमा ८९९ थप व्यक्तिहरू थपिएका छन् ।

प्रमुख फलकहरू

१. ८६.६ प्रतिशत उत्तरदाताले आगामी तीन महिनामा मूल्य वृद्धि हुने अपेक्षा गरेका छन् । त्यसैगरी, ९५.७ प्रतिशत उत्तरदाताले आगामी एक वर्षमा मूल्यवृद्धि हुने अपेक्षा गरेका छन् । आगामी तीन महिनामा मूल्य वृद्धि हुने अपेक्षा गर्ने उत्तरदाताहरूको अंश असार, २०७९ को तुलनामा घटेको छ र अर्को एक वर्षमा मूल्य वृद्धि हुने अपेक्षा गर्ने उत्तरदाताहरूको अंश थोरै बढेको छ । [Table 1a and 1b]
२. खाद्य र खाद्य वस्तुको सबै उपसमूह, गैर-खाद्य वस्तु तथा सेवा र सबै उपसमूह; तथा घरजग्गा (आवास) समूहमा आगामी तीन महिनामा मूल्य वृद्धि हुने अपेक्षा गर्ने उत्तरदाताहरूको अंश असार, २०७९ को तुलनामा घटेको छ । [Table 1a]
३. खाद्य र खाद्य समूह अन्तरगतका गेडागुडी, दाल, चिनी तथा मसाला र गैर-खाद्य र सेवा समूह बाहेकका अन्य समूह तथा उपसमूहमा एक वर्ष अगाडि मूल्य बढ्ने अपेक्षा गर्ने उत्तरदाताहरूको अंश असार, २०७९ को तुलनामा केही घटेको छ । [Table 1b]
४. तीन महिना पछिको मध्य (Median) र एक वर्ष पछिको मध्य अपेक्षित मुद्रास्फीति प्रक्षेपण २०७९ असारको तुलनामा घटेको छ । तीन महिना र एक वर्ष पछिको मध्य अपेक्षित मुद्रास्फीति क्रमशः १० प्रतिशत र १२.० प्रतिशत रहेको छ । व्यक्तिहरूले निकट अवधिमा मुद्रास्फीति घट्ने र मध्यम अवधिमा थोरै बढ्ने अपेक्षा गरेका छन् । नेपाल राष्ट्र बैंकले कसिलो नीति अवलम्बन गरे पश्चात अपेक्षित मुद्रास्फीतिमा कमी आउन थालेको देखिन्छ । [Chart 1a and 1b; Table 2; Table 3]

English Version

Nepal Rastra Bank has released the results of Inflation Expectations Survey (IES) for the first quarter of FY 2022/23. The survey was conducted during October 09 to October, 15 2022 among individual respondents from 60 market areas of fifty seven cities through field interviews. The results are based

¹ Methodology of the survey is explained in detail in the first report released on July 18, 2021.



on responses from 2,040 individuals, with additional 899 individuals in this survey compared to the number of individuals included in the previous survey.

Highlights:

- i. 86.6 percent of respondents have expected price level to increase in next three months. Likewise, 95.7 percent of respondents have expected price level to increase over the next one year. The share of respondents expecting price increases in next three months has decreased from mid-July, 2022, while the share of respondents expecting price increase over the next one year has slightly increased [Table 1a and 1b].
- ii. The share of respondents expecting price increase in food and sub-group; non-food and services and it's subgroup; and real estate (housing) during the next three months has decreased compared to that of mid-July, 2022 [Table 1a].
- iii. The share of respondents expecting price increase in one year ahead across the entire food products, except for cereal grains, pulses, sugar and spices and non-food and services groups has decreased compared to mid-July, 2022 [Table 1b].
- iv. Median inflation expectation for three months ahead and one year ahead has decreased compared to mid-July, 2022. Median inflation expectations for three months and one year ahead stands at 10.0 percent and 12.0 percent respectively. This shows that individuals expect inflation to decrease in the near term and slightly increase in the medium term. Nepal Rastra Bank's tight monetary policy stance have played a crucial role in anchoring inflation expectation in near and medium term. [Chart 1a and 1b; Table 2; Table 3].

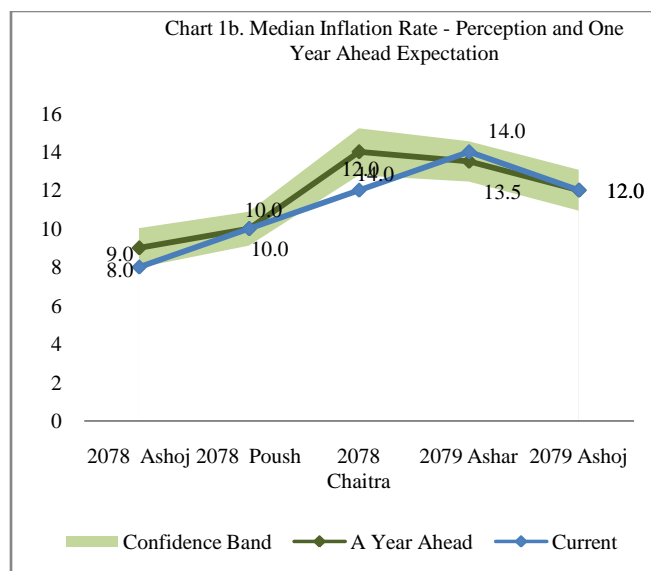
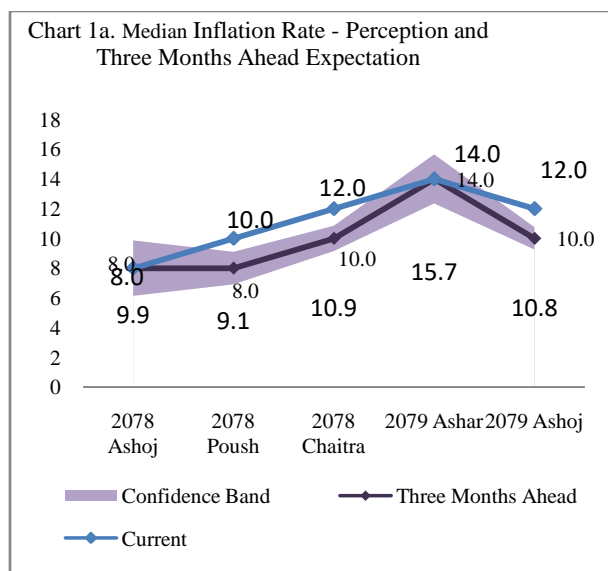




Table 1a: Product-wise Expectations of Prices for Three Months Ahead

		Percentage of Respondents							
S.N.	Survey Period ended	2079 Ashoj (Mid-October, 2022)		2079 Ashad (Mid-July, 2022)		2078 Chaitra (Mid-April, 2022)		2078 Poush (Mid-January, 2022)	
		Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
1	General								
	Price increases	86.6	2.37	94.7	2.03	92.5	2.14	91.9	3.37
	At more than current rate	22.0	3.24	27.4	5.25	27.8	5.43	24.6	6.76
	At similar to current rate	40.1	2.91	42.3	4.34	41.8	4.27	46.0	6.47
	At less than current rate	24.6	2.68	24.9	3.66	22.8	4.36	21.4	3.54
	No changes in prices	12.6	2.28	5.1	1.99	6.9	1.99	7.9	3.37
	Decline in prices	0.8	0.24	0.3	0.15	0.6	0.33	0.1	0.10
1.1	Food Product								
	Price increases	87.2	1.75	95.4	1.09	94.7	1.50	93.3	1.93
	At more than current rate	19.9	2.80	22.4	3.84	25.2	4.26	15.4	3.29
	At similar to current rate	43.4	2.93	51.9	5.04	47.4	3.44	57.1	4.62
	At less than current rate	23.9	2.40	21.0	4.10	22.2	3.38	20.8	3.18
	No changes in prices	11.9	1.60	4.5	1.09	4.9	1.49	6.7	1.93
	Decline in prices	1.0	0.42	0.2	0.10	0.3	0.34	-	-
1.1.1	Cereal grains, pulses, sugar and Spices								
	Price increases	88.3	1.85	96.8	0.84	96.1	1.23	87.4	3.08
	At more than current rate	29.7	3.02	44.4	4.65	43.4	6.11	18.8	4.15
	At similar to current rate	39.0	2.76	40.2	3.89	38.1	4.50	51.8	3.80
	At less than current rate	19.5	1.92	12.2	2.53	14.6	3.20	16.8	3.13
	No changes in prices	10.1	1.54	2.7	0.72	3.1	1.01	11.8	2.89
	Decline in prices	1.6	0.66	0.4	0.29	0.8	0.50	0.8	0.46
1.1.2	Vegetables and Fruits								
	Price increases	82.0	2.30	93.6	1.95	93.5	1.73	84.0	4.01
	At more than current rate	21.0	2.56	31.0	4.04	30.1	4.38	17.4	3.56
	At similar to current rate	37.7	2.32	44.7	3.51	42.8	3.38	40.4	4.91
	At less than current rate	23.2	2.44	17.9	2.52	20.6	3.63	26.3	3.51
	No changes in prices	12.4	1.74	5.3	1.73	5.1	1.56	9.0	2.07
	Decline in prices	5.6	1.22	1.1	0.41	1.4	0.64	6.9	2.21
1.1.3	Fish, Meat, Milk, Ghee and Oil								
	Price increases	80.4	2.16	93.3	1.67	91.7	1.79	74.0	5.68
	At more than current rate	18.2	2.25	32.1	3.60	34.2	3.95	17.2	4.72
	At similar to current rate	38.4	2.20	42.8	2.31	41.7	2.63	34.7	3.49
	At less than current rate	23.8	2.08	18.5	2.71	15.8	2.62	22.1	3.97
	No changes in prices	18.8	2.15	6.4	1.63	7.4	1.67	25.3	5.67
	Decline in prices	0.8	0.23	0.3	0.15	0.9	0.49	0.7	0.35



		Percentage of Respondents							
S.N.	Survey Period ended	2079 Ashoj (Mid-October, 2022)		2079 Ashad (Mid-July, 2022)		2078 Chaitra (Mid-April, 2022)		2078 Poush (Mid-January, 2022)	
		Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
1.1.4	Drinks and Tobacco								
	Price increases	71.9	2.65	92.0	1.81	85.9	2.77	62.8	5.64
	At more than current rate	21.4	2.43	34.9	4.29	25.7	5.16	19.0	3.49
	At similar to current rate	30.1	2.22	36.0	2.56	37.0	3.32	23.2	2.99
	At less than current rate	20.4	2.17	21.1	3.09	23.2	3.73	20.6	3.79
	No changes in prices	26.8	2.57	7.4	1.68	14.0	2.72	36.4	5.61
	Decline in prices	1.3	0.51	0.5	0.28	0.1	0.08	0.8	0.22
1.1.5	Hotel and restaurant								
	Price increases	70.8	2.84	85.4	3.14	82.8	3.57	57.8	5.22
	At more than current rate	15.8	1.87	20.8	3.35	22.0	4.52	13.1	3.72
	At similar to current rate	32.8	2.55	41.0	3.55	35.2	3.12	24.4	2.79
	At less than current rate	22.1	2.13	23.6	3.53	25.6	4.02	20.3	2.54
	No changes in prices	28.1	2.74	14.6	3.14	16.5	3.61	38.5	5.15
	Decline in prices	1.2	0.48	-	-	0.8	0.36	3.8	1.89
1.2	Non-Food and Services								
	Price increases	76.1	2.79	86.9	3.02	87.4	2.70	78.8	3.52
	At more than current rate	15.1	2.49	15.2	3.17	15.9	3.55	9.3	2.37
	At similar to current rate	35.0	3.05	43.4	4.05	41.6	3.84	41.1	5.00
	At less than current rate	26.0	2.14	28.3	3.17	29.9	4.73	28.3	3.72
	No changes in prices	22.6	2.94	12.4	3.13	12.0	2.58	20.1	3.60
	Decline in prices	1.3	0.39	0.8	0.30	0.5	0.34	1.1	0.52
1.3	Real Estate (Housing) prices								
	Price increases	53.0	5.97	66.3	7.24	71.8	7.63	76.4	8.97
	At more than current rate	17.5	3.52	26.4	4.42	27.7	4.59	31.8	7.30
	At similar to current rate	20.4	3.34	25.9	3.88	28.3	6.36	30.0	5.08
	At less than current rate	15.2	1.64	14.0	1.51	15.8	2.88	14.6	3.73
	No changes in prices	37.0	4.78	27.9	5.97	21.3	5.70	21.3	8.20
	Decline in prices	10.0	2.27	5.9	1.63	6.5	2.68	2.4	1.13



Table 1b: Product-wise Expectations of Prices for One Year Ahead

S.N.	Survey Period ended	Percentage of Respondents							
		2079 Ashoj (Mid-October, 2022)		2079 Ashad (Mid-July, 2022)		2078 Chaitra (Mid-April, 2022)		2078 Poush (Mid-January, 2022)	
1	General	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
	Price increases	95.7	0.98	94.4	2.05	97.1	1.07	97.1	1.08
	At more than current rate	34.1	3.97	33.1	4.72	30.4	5.26	34.3	7.67
	At similar to current rate	42.5	2.70	41.7	4.30	44.0	4.12	45.0	4.59
	At less than current rate	19.1	2.50	19.5	3.61	22.7	4.78	17.8	5.97
	No changes in prices	3.6	0.88	5.3	2.08	2.8	1.05	2.6	1.09
	Decline in prices	0.6	0.23	0.3	0.15	0.1	0.11	0.3	0.14
1.1	Food Product								
	Price increases	95.6	1.01	95.8	0.99	97.5	0.74	97.2	0.83
	At more than current rate	32.7	3.41	28.0	4.03	23.5	3.19	30.0	6.21
	At similar to current rate	45.7	2.43	47.4	3.73	54.6	3.04	49.3	4.60
	At less than current rate	17.2	2.02	20.3	3.64	19.4	3.31	17.9	5.22
	No changes in prices	3.9	1.00	3.9	0.97	2.3	0.73	2.6	0.81
	Decline in prices	0.4	0.16	0.4	0.20	0.2	0.16	0.1	0.10
1.1.1	Cereal grains, pulses, sugar and Spices								
	Price increases	96.7	0.67	96.5	0.90	98.5	0.51	96.3	1.11
	At more than current rate	41.1	3.05	47.8	4.01	42.5	4.67	27.6	5.22
	At similar to current rate	39.2	2.48	36.9	3.06	40.2	3.46	48.2	4.05
	At less than current rate	16.4	1.81	11.8	2.09	15.8	3.45	20.4	5.08
	No changes in prices	2.6	0.58	2.6	0.85	1.0	0.37	3.5	1.08
	Decline in prices	0.7	0.33	0.9	0.38	0.5	0.26	0.3	0.20
1.1.2	Vegetables and Fruits								
	Price increases	94.1	1.30	96.5	0.96	96.1	1.41	92.2	1.98
	At more than current rate	28.4	2.71	34.0	3.38	29.5	3.29	26.7	3.58
	At similar to current rate	44.8	2.19	45.2	2.89	48.0	2.90	44.0	4.01
	At less than current rate	20.9	2.01	17.3	2.27	18.7	2.50	21.5	5.05
	No changes in prices	3.5	0.73	2.9	0.93	2.4	0.79	6.1	1.66
	Decline in prices	2.4	0.87	0.6	0.21	1.5	0.66	1.7	0.51
1.1.3	Fish, Meat, Milk, Ghee and Oil								
	Price increases	92.2	1.20	94.8	1.62	94.1	2.76	88.1	3.43
	At more than current rate	28.6	2.78	30.8	3.60	37.1	3.53	26.3	5.79
	At similar to current rate	43.2	1.95	43.8	3.05	41.5	2.28	38.6	3.59
	At less than current rate	20.3	1.97	20.2	2.46	15.5	1.87	23.2	4.60
	No changes in prices	6.8	1.17	4.8	1.56	3.4	1.65	11.3	3.46
	Decline in prices	1.1	0.31	0.4	0.21	2.5	1.68	0.7	0.42



		Percentage of Respondents							
S.N.	Survey Period ended	2079 Ashoj (Mid-October, 2022)		2079 Ashad (Mid-July, 2022)		2078 Chaitra (Mid-April, 2022)		2078 Poush (Mid-January, 2022)	
		Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
1.1.4	Drinks and Tobacco								
	Price increases	91.6	1.23	93.3	1.47	94.0	1.77	84.9	3.97
	At more than current rate	32.9	3.06	35.0	3.78	32.6	4.68	29.9	3.57
	At similar to current rate	37.7	1.88	39.9	2.22	38.6	3.05	35.6	3.93
	At less than current rate	21.0	2.15	18.4	2.80	22.8	4.05	19.4	2.92
	No changes in prices	7.7	1.16	6.0	1.34	5.7	1.66	14.3	3.60
	Decline in prices	0.7	0.25	0.7	0.33	0.3	0.19	0.8	0.53
1.1.5	Hotel and restaurant								
	Price increases	89.7	1.37	90.7	2.46	92.7	1.94	81.3	5.43
	At more than current rate	23.2	2.58	23.6	3.21	22.8	3.90	16.3	3.51
	At similar to current rate	42.0	1.96	41.8	3.79	42.6	3.89	39.9	4.14
	At less than current rate	24.5	2.29	25.3	3.68	27.3	3.71	25.1	4.17
	No changes in prices	9.6	1.31	8.3	2.37	6.9	1.87	15.7	4.73
	Decline in prices	0.7	0.29	1.0	0.50	0.4	0.23	3.1	2.03
1.2	Non-Food and Services								
	Price increases	90.6	1.35	90.4	2.95	94.0	1.92	94.2	1.52
	At more than current rate	23.7	3.37	22.3	3.60	17.7	3.01	17.4	4.05
	At similar to current rate	42.2	2.03	44.8	4.30	49.5	3.62	46.8	4.50
	At less than current rate	24.6	2.84	23.4	2.92	26.8	3.85	30.0	6.82
	No changes in prices	8.3	1.37	9.3	2.96	5.7	1.76	5.1	1.44
	Decline in prices	1.1	0.40	0.3	0.19	0.3	0.25	0.7	0.43
1.3	Real Estate (Housing) prices								
	Price increases	69.2	4.85	72.7	6.69	82.4	6.10	82.8	9.32
	At more than current rate	29.1	5.51	32.9	6.99	35.9	7.43	50.4	10.74
	At similar to current rate	21.3	2.36	25.1	3.00	25.8	3.63	24.0	4.59
	At less than current rate	18.7	2.50	14.7	2.41	20.6	4.14	8.3	2.52
	No changes in prices	21.1	3.50	21.5	5.08	13.4	5.30	14.0	7.89
	Decline in prices	9.7	2.24	5.9	2.03	4.2	1.49	3.2	1.55



Table 2: Inflation Expectations of Various Groups: 2079 Ashoj (Mid-October 2022)

	Current Perception				Three Months ahead Expectation				One Year ahead Expectation			
	Mean		Median		Mean		Median		Mean		Median	
	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
Overall	13.2	0.81	12.0	1.93	10.5	0.57	10.0	0.75	13.4	0.67	12.0	1.06
Gender-wise												
Male	13.1	0.79	12.0	0.84	10.6	0.54	10.0	0.81	13.3	0.62	12.0	1.16
Female	13.5	1.00	12.0	1.30	10.5	0.69	10.0	0.78	13.6	0.89	13.0	1.28
Employment sector-wise												
Financial	12.6	1.18	10.1	1.36	11.2	0.90	10.0	1.17	12.7	0.86	12.0	1.14
Industrial	12.8	1.32	12.0	1.73	10.6	0.78	9.0	0.87	13.1	1.18	12.0	1.47
Agriculture	13.7	1.35	13.0	1.96	11.0	1.01	10.0	1.30	13.2	1.29	12.0	1.53
Education	12.6	0.83	10.0	0.79	10.5	0.62	10.0	0.79	13.0	0.66	12.0	0.86
Health	13.6	1.79	12.0	2.13	9.9	0.76	9.0	1.02	11.8	0.92	10.0	1.22
Other sector	12.9	0.94	12.0	1.31	10.7	0.80	10.0	1.04	13.5	0.85	12.0	1.16
Self-employed	13.3	0.96	12.0	0.97	10.5	0.53	10.0	0.84	13.6	0.75	13.0	0.72
Retired	13.5	1.92	13.0	2.06	12.0	1.29	11.0	1.80	14.0	1.76	14.0	2.17
Unemployed	14.5	1.22	14.0	1.19	9.4	1.04	8.0	1.14	14.9	1.02	15.0	1.04
Age group-wise												
Up to 25 years	13.7	1.19	12.0	1.13	9.5	1.01	8.0	1.04	13.8	0.91	13.0	0.94
26 to 35 years	12.9	0.91	12.0	0.95	10.6	0.67	10.0	0.82	13.1	0.78	12.0	0.77
36 to 45 years	13.2	0.91	12.0	1.22	10.9	0.65	10.0	0.74	13.4	0.77	12.0	1.11
46 to 55 years	13.4	0.86	12.0	1.12	10.9	0.57	10.0	0.73	13.6	0.73	12.0	0.94
More than 56 years	12.1	1.23	11.0	1.50	10.3	0.99	10.0	1.46	13.3	1.34	12.0	1.68
Province-wise												
Province 1	15.6	2.3	15.0	2.9	10.1	2.1	8.0	2.1	15.3	1.9	15.0	2.3
Madhesh	11.5	0.9	10.0	0.6	9.9	0.8	10.0	1.0	12.5	1.3	12.0	1.5
Bagmati	13.3	1.4	12.0	1.6	10.8	1.0	10.0	1.2	13.4	1.2	12.0	1.3
Gandaki	17.4	5.5	18.0	3.8	9.1	2.0	9.0	3.5	12.7	1.7	12.0	1.7
Lumbini	11.3	1.9	10.0	2.3	11.0	1.6	10.0	1.9	13.5	2.0	12.0	2.3
Karnali	8.2	3.0	6.0	2.7	10.3	2.0	8.0	1.5	10.1	2.9	8.0	1.4
Sudurpaschim	15.1	2.4	15.0	3.9	11.6	1.5	11.0	1.7	13.1	1.8	12.0	2.3



Table 3: Household Inflation Expectations - Current Perception, Three Months and One Year Ahead Expectations

	Current Perception				Three Months ahead Expectation				One Year ahead Expectation			
	Mean		Median		Mean		Median		Mean		Median	
	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE	Estimate	SE
2079 Ashoj	13.2	0.81	12.0	1.93	10.5	0.57	10.0	0.75	13.4	0.67	12.0	1.06
2079 Ashar	14.1	0.83	14.0	1.28	14.2	1.19	14.0	1.65	14.1	0.81	13.5	1.05
2078 Chaitra	12.9	0.91	12.0	0.93	10.8	0.76	10.0	0.85	14.3	0.93	14.0	1.22
2078 Paush	10.4	0.82	10.0	1.03	9.2	0.88	8.0	1.10	11.4	0.94	10.0	0.88
2078 Ashoj	9.4	0.71	8.0	1.42	8.7	1.04	8.0	1.87	10.3	0.73	9.0	1.03
2077 Magh	8.0	2.85	5.5	2.32	8.7	2.68	7.0	3.40	10.0	2.72	8.0	3.44