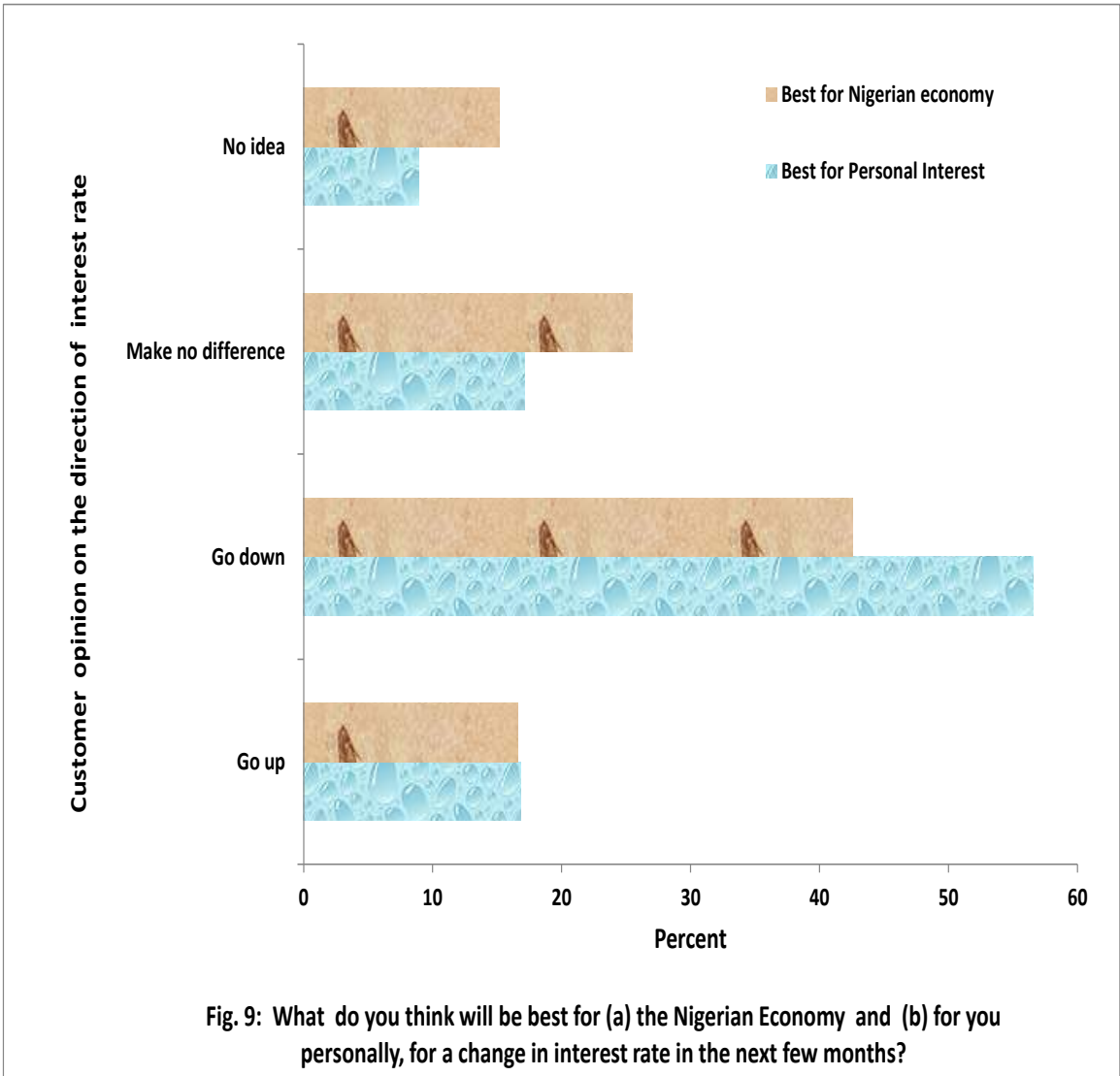


# The CBN Inflation Attitudes Survey For Q1 2012



## EXECUTIVE SUMMARY

The 2012 First Quarter survey of households' attitudes to inflation and interest rates was conducted by the Statistics Department between 15th –20th February, 2012. This was in its bid to assess the general public's perceptions of inflation which will help gauge Banks macroeconomic policy formulation.

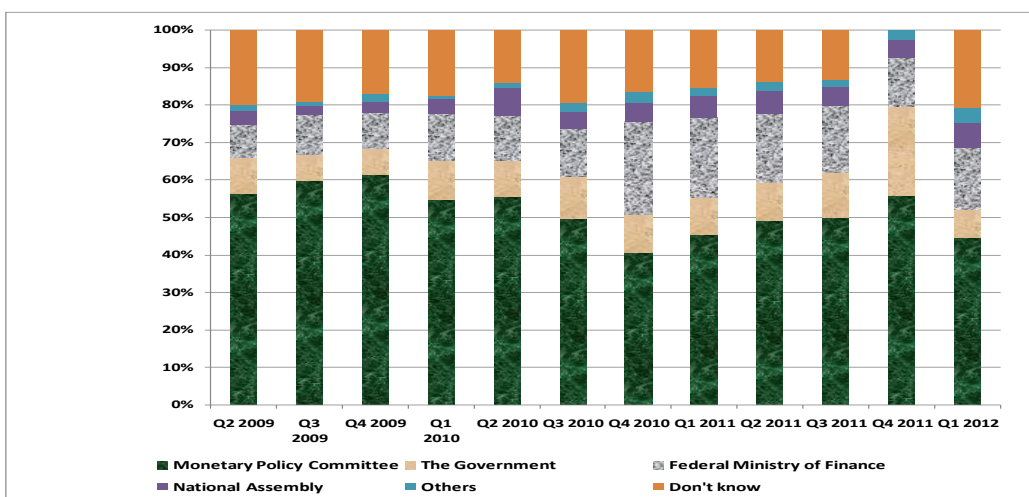
- The survey shows given a choice, about 45.3 per cent of the respondents would prefer a rise in interest rate as against 19.6 percent which preferred that price should rise faster.
- The results revealed that 69.5 percent of the respondents are aware that the CBN sets the interest rate.
- About 40.2 percent of the respondents were of the view that the 10.0 per cent Government targeted inflation rates in this year's budget is too high, whereas 18.9 per cent felt it is too low.
- About 41.4 per cent of the respondent households expected prices in the shops generally to go up by 1% but less than 3% over the next twelve months.
- Majority of the respondents, (63.6 percent) are satisfied with the way CBN is doing its job; while only 7.9 per cent are dissatisfied, giving a net satisfaction of 55.7 per cent.

## THE CBN INFLATION ATTITUDES SURVEY

*Monetary Policy framework will be most effective, if accompanied by wide public understanding and support, both for the objective of price stability and the methods to achieve it.”*

### 1. Introduction

Apart from its price and monetary stability mandate, the Bank (CBN) is also tasked with supporting the Government's blueprint on economic growth and unemployment reduction. One major objective of the Bank is to build public confidence and support for economic growth, price stability, and public understanding of the Monetary Policy Committee's roles. If people understand and support the objectives of price stability as well as understand how the interest rate is used to achieve it, macroeconomic stability which is an essential prerequisite for economic growth and development would be attained.



### Who sets the direction of the Interest Rates ?

The level of interest rates deemed appropriate to achieve this, is decided by the Monetary Policy Committee (MPC) on periodic basis. The Committee equally articulates other foremost policy frameworks which are considered as catalysts in moderating price changes and economic stability.

In order to assess the impact of the Bank's efforts in building general public support for price stability, sample survey of public opinion is often used. The Statistics Department, on behalf of the Bank embarked upon this survey, with a view to assessing the general public's perceptions of inflation in the past one year, their expectations for inflation over the next

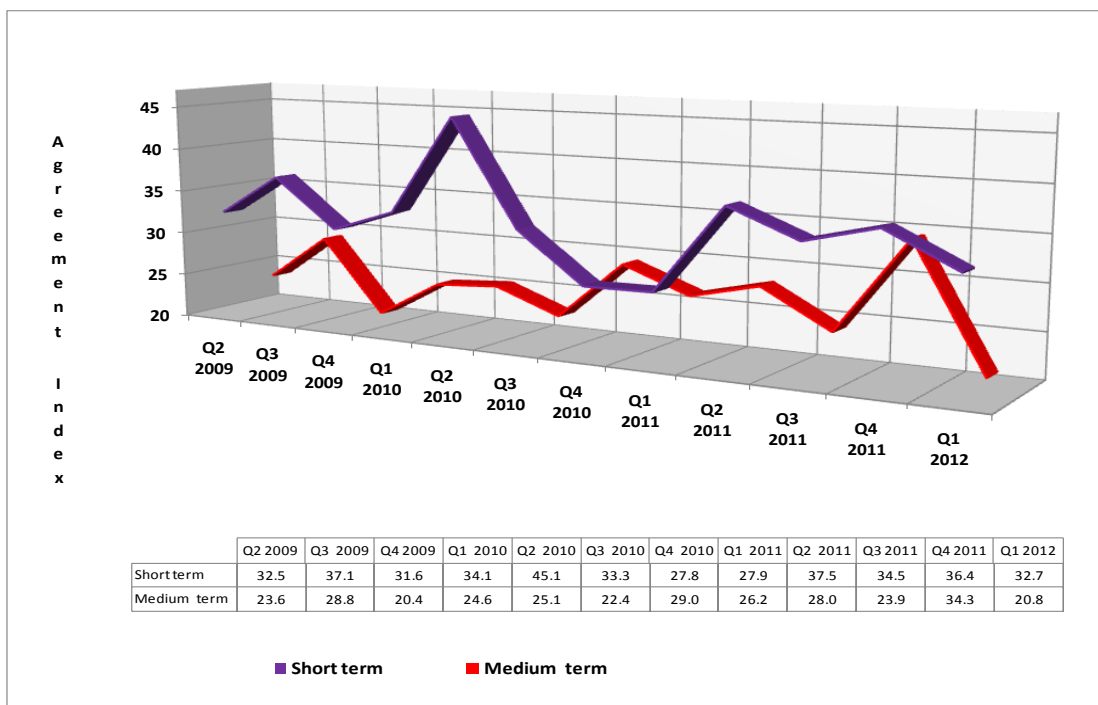
## THE CBN INFLATION ATTITUDES SURVEY

year, their views on interest rate and knowledge of the monetary policy framework. Opinion poll was effectively used in exploring the progression of public views and general understanding of monetary policy matters. Good estimates of inflation expectations and public understanding of what influences them are important parameter for successful monetary policy.

In this way, the Bank will be in a position to quantify the impact of its efforts in stabilizing and sustaining prices in the Nigerian economy. Results of the recent survey of the public perceptions on this are as hereunder discussed.

### 2. The Inflation Attitudes Survey

The Statistics Department had gone out on quarterly basis since June 2009 to sample the views of households on how they view the price changes of goods and services in the shops in the last twelve months, and their expectations of price changes over the next twelve months. The Q1,2012 Inflation Attitude Survey being the most recent in the series was conducted between 15th –20th February, 2012, with a sample size of 1400 people, aged 15 and above in 350 randomly selected Enumeration Areas (EAs),



**Would a rise in interest rate make prices in the street to rise?**

## THE CBN INFLATION ATTITUDES SURVEY

in the six geopolitical zones of the country. The raw data were weighted to match the demographic profile of Nigeria as a whole ( Table 1 presents the summary of results of the Twelveth inflation attitudes surveys so far conducted).

*“Questions were also asked about how prices had moved in the past 12 months and expected movement in prices in the next 12 months. A total of 14 questions were asked. Some of these questions sought information on public knowledge, understanding and attitudes towards the MPC process, as well as expectations of interest rates and inflation.”*

Inflation expectations do vary amongst people due to the differences in the goods and services bought, which often leads to differences in the prices of the goods and services. Thus, the designed questionnaire captures information on age, sex, income, employment status among others. The survey involves in-house face-to-face interviews of members of selected households. The selection entailed a quota sample of individuals within randomly selected Enumeration Areas (EAs). This was done using the instrumentality of the National Integrated Survey of Households (NISH) of the National Bureau of Statistics (NBS). The survey asked questions about the evolution of prices of 'goods and services', and the questions were designed to reflect a concept of inflation the general public are most likely to be familiar with, instead of any specific measures of inflation, like the Consumer Price Index inflation rate.

The questionnaire was therefore couched in a manner to capture the expectations of respondents. The options for questions asked were in ranges of price change, of which respondent households are expected to select one that best suites their expectations. The options were in the form of “Gone Down” ,“Not Changed, “ up by 1% but less than 3%”, “up by 3%” or Above” and “No Idea”. Respondents were made to answer a total of 14 questions which includes; their thought on how prices had changed in the previous twelve months and how they expect prices to change over the next twelve months, in addition to inquiring from them the body that sets the interest rates. Also range of questions seeking information on public knowledge, understanding and attitudes towards MPC process and expectations of interest rates were asked. The respondents were equally requested to state whether they were satisfied or not with the way the Central Bank of Nigeria is doing its job of setting interest rates in order to control inflation. The survey result showed that 63.6 percent were satisfied as compared to 70.1 percent recorded in Q4 2011. Since public reactions to interest rate movements is likely to be influenced by other factors in the national mood, care must therefore be taken in drawing conclusions from such opinion polls about public perceptions of monetary policy in view of the inherent risk in drawing such conclusion.

## THE CBN INFLATION ATTITUDES SURVEY

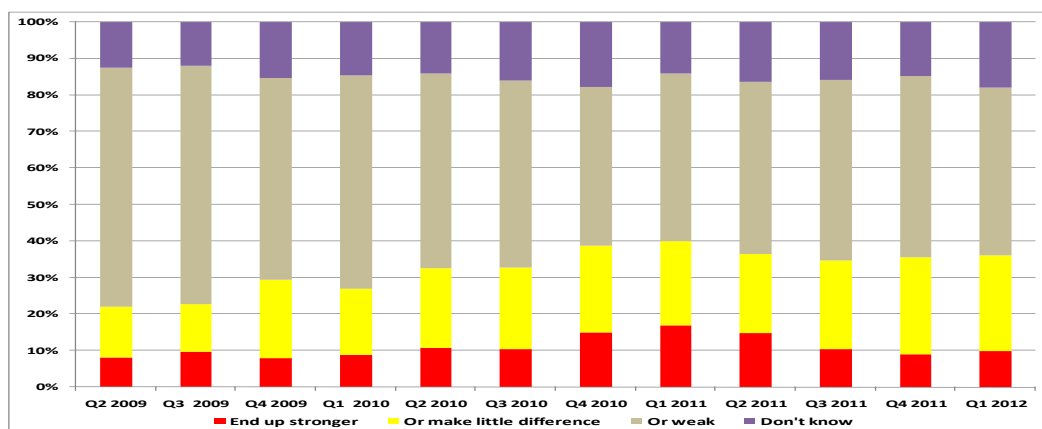
and attitudes towards MPC process and expectations of interest rates were asked. In addition, households focus on particular types of goods and services when thinking about inflation. Noticeable variation in the answers may therefore be because respondents are thinking about inflation as it relates to their own patterns of spending in addition to media reports about price trends. Their understanding of the transmission mechanism of monetary policy may also be another factor to be considered in their opinion about inflation. The rest report would discuss in details the developments in the households' inflation rates and interest rates perceptions and expectations, and their awareness of quantitative easing.

## KNOWLEDGE AND EXPECTATIONS QUESTIONS

*“Most respondent households by 46.0 percent margin, opined that the economy would be weakened if inflation persisted, whereas 26.2 percent felt it would make little difference in the economy”*

### 3.1 Inflation

The survey result showed that 9.9 percent respondent households believe that the economy would end up stronger, while 46.0 percent felt that the economy would end up weaker if prices started to rise faster than they do now, thereby giving a sizeable support to price stability. Also, about 26.2 per cent of the respondents believed it would make little difference in the economy if prices continue to rise faster than they do now. The result has followed the same pattern since the inception of the survey in Q2 2009 (Question 3). When asked in question 1, to say how prices have changed over the past 12 months, by making a choice from the five banded options on the questionnaire. The respondents gave a median answer of 3.6 per cent, which is



#### If prices start rising faster than they do now, would Nigeria's economy...?

consistent with the previous trends. This however, conceals a wide variation, from 16.4 per cent who thought prices had gone down or not changed, to 51.1 per cent who felt they had risen by 3 percent or above, as well as 22.3 per cent who chose the “up by 1 percent but less than 3 percent” option or band. Respondent's median expectations of the rate of inflation over the next twelve months (Question 2) was 2.7 per cent, which is 0.9 per cent higher than the perceptions of the previous quarter. These figures, though within the sampling error, have fluctuated very little relative to the corresponding period a year earlier.

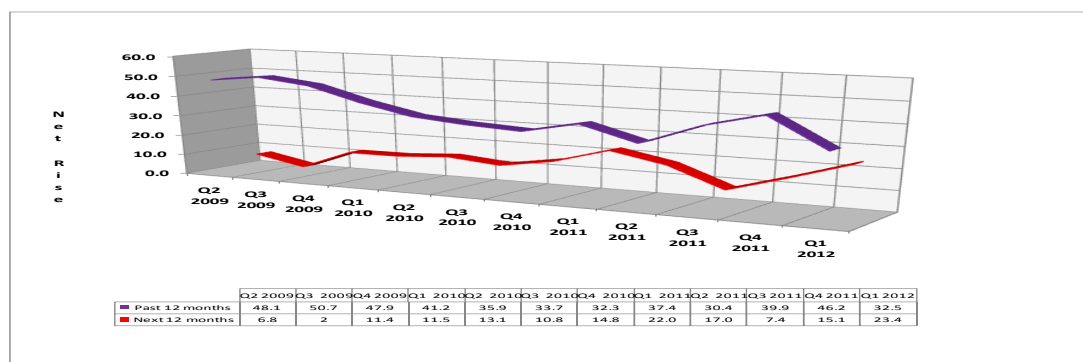
## KNOWLEDGE AND EXPECTATIONS QUESTIONS

*“Respondents sentiments on whether the interest rate will rise or fall over the next 12 months were divergent“*

The views of the respondents on Question 2, on ‘how much they expect prices in the shops generally to change over the next 12 months?’, show that 41.4 per cent of the respondent households expect prices to rise by 3 percent or above in the next 12 months; relative to 24.2 percent of this group that expect prices to rise by 1 per cent but less than 3 per cent in the next 12 months. Similarly, 24.2 per cent of the ‘respondents were optimistic that prices over the next one year would either go down or remain the same. Few people thought that inflation was not likely to rise. This pattern has been maintained in all the ten series of the survey so far conducted.

### 3.2 Interest Rate

(Questions 5 and 6) At 47.1 points, the percentage of respondent households who felt that interest rate has risen in the last 12 months fell by 10.7 point in the current quarter, from the 57.8 per cent attained in Q4 2011. On the other hand, 14.6 per cent as against 11.6 per cent, recorded in Q4 2011 believed that interest rates had fallen, while 19.3 percent are of the opinion that the rates stayed about the same level in the last 12 months. The remaining 19.0 per cent of the households had no idea. Respondents had conflicting views on whether the interest rate will rise or fall over the next 12 months. While 45.3 per cent of the respondents were of the view that the rates would rise, 21.9 per cent believed it would fall (leaving a ‘net rise’ of 23.4 percent). Almost, one third of the sample, either expected no change (17.5 percent), or had no idea (15.4 per cent). The ‘net rise’ value



Net rise in interest on bank loans and savings



## 4 THE CENTRAL BANK OF NIGERIA

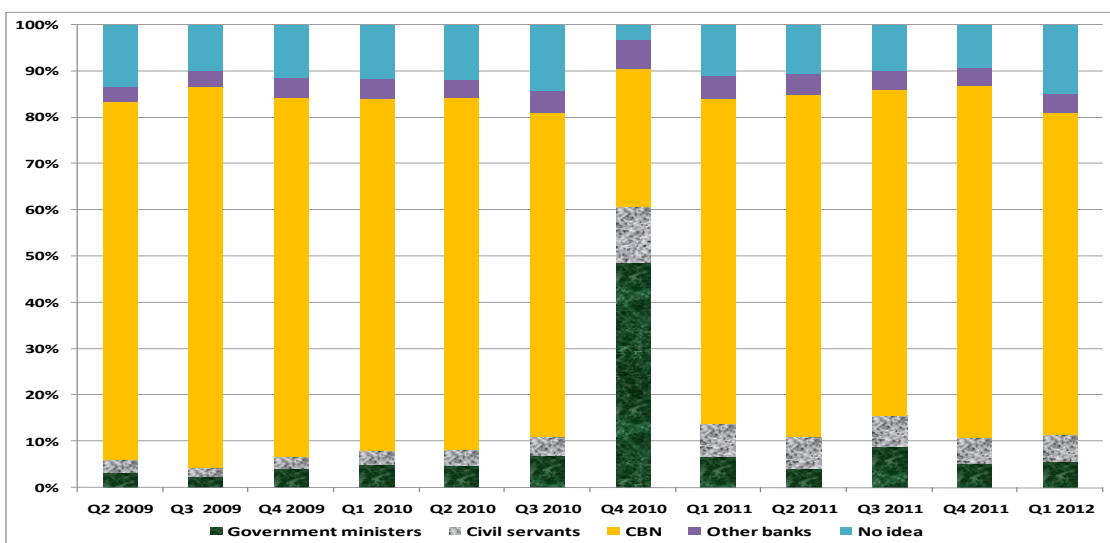
### Questions 11 & 12

Questions 11 and 12 assess whether people are aware of the way monetary policy works in Nigeria. Question 11 asks whether they know which group of people meets to set Nigeria's basic interest rate level. In response, 44.7 percent felt it is Monetary Policy Committee, as against 16.5 percent for Federal Ministry of Finance and 7.5 percent who believed it was the Government, while 6.5 percent felt it was the National Assembly. About 4 per cent answered 'others' or do not know.

*“Asked, who set Nigeria’s ‘basic interest rate level’? (44.7 percent) felt it was the Monetary Policy Committee (7.5 percent), Federal Ministry of Finance (16.5 percent); whereas 6.5 percent felt it is the National Assembly”*

Question 12 then prompted respondents to identify which group sets the interest rates with a show card containing five options, The result indicated that most people are aware that Central Bank of Nigeria sets the interest rate with 69.5 percent response rate in Q1 2012, though lower than the 75.8 percent in the preceding quarter. Other respondents opined that the Government (5.7 percent) now sets interest rates. 5.7 and 4.3 per cent of the respondents are of the opinion that civil servants and other banks set the rates, while 14.8 percent had no idea. This level of proportions have not significantly changed in all the series.

Responding to Question 13 about the nature of the MPC, 26.6 percent felt that the Committee is a body wholly owned, appointed by the Government; while 22.6 percent believed that it is an independent body, partly appointed the Government and 7.9 percent who believed that it is completely independent,

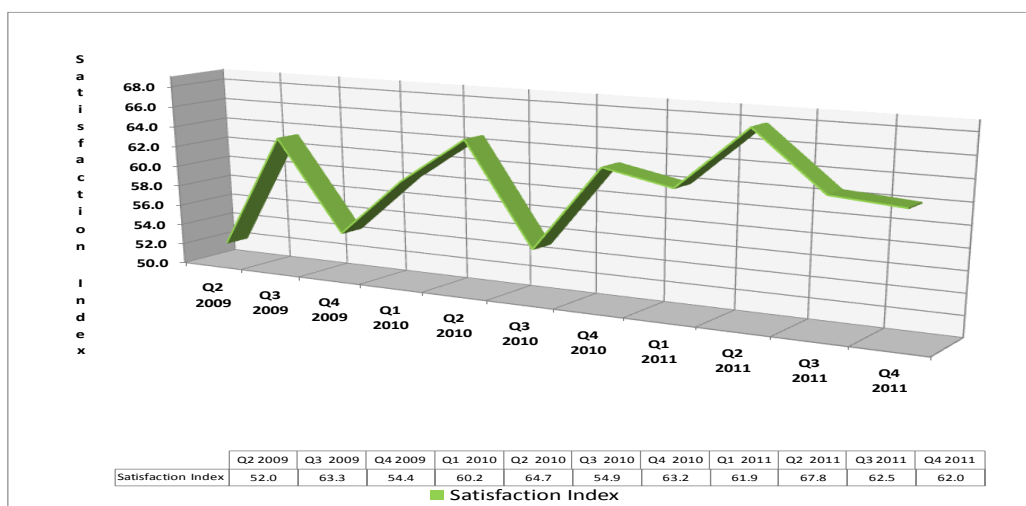


## THE CBN INFLATION ATTITUDES SURVEY

*Respondents were equally asked to assess the way that CBN is ‘doing its job to set interest rates to control inflation’ (Question 14). To this 63.6 percent were ‘totally satisfied’ in contrast to 7.9 percent that were ‘totally dissatisfied’.*

implying, no government role in appointments. However, 24 percent regard the MPC as ‘part of the Government’.

Question 14 asks whether respondents are satisfied with the way CBN is ‘doing its job to set interest rates to control inflation’. The net satisfaction index—the proportion satisfied minus the proportion dissatisfied was +55.7 percent as against +62.0 percent recorded in Q4 2011. This was slightly lower than the net satisfaction index of +61.9 percent when compared to the corresponding period a year ago. Among the satisfied group, 28.8 percent were ‘very satisfied’ while 34.8 were ‘fairly satisfied’. However, 13.5 percent were ‘neither satisfied nor dissatisfied’ whereas 7.9 percent were ‘very dissatisfied’. Those who had no idea accounted for 15 percent of the respondents compared to 8.2 percent achieved in Q4 2011.



**CBN Customer Satisfaction Index**

### 5.0 ATTITUDE QUESTIONS

#### 5.1 Inflation

Question 3 gauges public view in maintaining low and stable inflation. It was asked here whether Nigeria’s economy would be stronger, weaker or make little difference if prices started to rise faster than they do now. Responding, 46.0 percent were of the opinion that Nigeria’s economy would end up weaker, about 9.9 percent felt it would end up stronger, 26.2 percent believed that it would make little difference, while 17.9 percent had no idea. This pattern has been fairly maintained over the past ten series of the survey.

## THE CBN INFLATION ATTITUDES SURVEY

On the overall, these responses suggest considerable support for price stability as a good number of people were of the view that inflation is inimical to economic growth. It should be noted that public attitudes to this issue was tested during periods of high inflation, rising unemployment, uncertain political climate and unsteady economic growth, so these answers may not be a guide to how the public might react if economic circumstances were different.

Informed in Question 4 that the Government has set an inflation target of 10.0 percent in this year's budget, 20.8 per cent of the respondents thought that the target was 'about right', 40.2 percent believe it was 'too high', 18.9 percent said 'too low' while the rest 18.6 percent had no idea. This pattern had been relatively steady in all the series so far, and equally maintained in every zone and demographic group, suggestive of their support for low inflation.

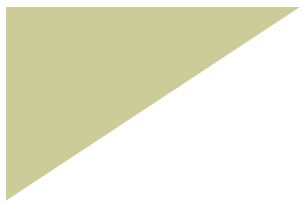
*Majority of the respondents were of the view that it would be better for the Nigerian economy for interest rates to 'go down'.*

### 5.2 Interest rates

Questions 7 and 8 ask the respondents about their opinions on what would be 'best for the Nigerian economy- higher interest rates, lower rates or no change'. In their response, to Question seven, 40.2 percent were of the opinion that it would be best for the Nigerian economy for interest rates to 'go down' whereas 19.6 percent believed it should 'go up'. The other 24.2 per cent said 'make no difference' while 15.9 percent 'had no idea'. This result has been within the same range since the inception of the survey in Q2 2009.

Respondents were in Question 8 asked what would be 'best for you personally, for interest rates to go up or go down'. Respondents answers showed that 54.4 per cent reported that it would be best for them personally if interest rates went down, while about 18.3 per cent of the respondents opted for higher interest rates. The results further revealed that 17.8 percent expressed a thought that it would make no difference. The responses to questions 7 and 8 reveal that many people favoured lower interest rates for themselves rather than for the Nigerian economy as a whole. The high lending rates by Deposit Money Banks which discourages borrowing that could serve as catalyst for industrial and economic development could be responsible for the respondents holding such views.

## 6.0 INFLATION VERSUS INTEREST RATE

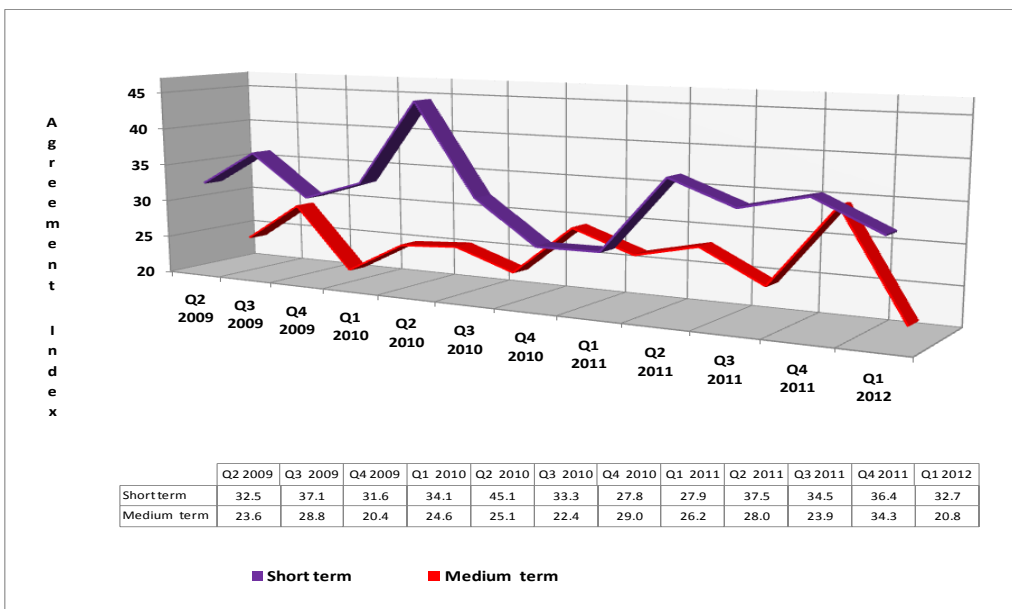


*When a trade-off is suggested, more people would accept higher interest rates rather than higher inflation. The margin is a little above two to one ; that is 45.3 percent relative to 19.6 percent.*



Question 9 was designed to measure people’s understanding of how rise in interest rates would affect changes in prices (inflation) . In response to what the impact would be, of a rise in interest rates for, (a) in the short term and (b) in the medium term, just about half the respondents (52.0 percent) agreed that ‘a rise in interest rates would make prices in the street rise more slowly in short term’, whereas 13.8 per cent disagreed. With respect to the medium term, 43.9 per cent of the respondents agreed, as opposed to 23.1 percent that disagreed.

However, an interesting picture was observed in Question 10 when asked ‘if a choice had to be made, either to raise interest rates to keep inflation down, or keep interest rates down and allow prices in the shops to rise faster; which would you prefer?’ When a trade-off is suggested, most people would accept higher interest rates rather than higher inflation. The margin is a little above three to one: that is, 45.3 percent relative to 19.6 percent. However, 33.2 per cent had no idea. This position suggest that the respondent households agree with the Bank’s price stability stance.



**Interest Rate versus Inflation**

## SUMMARY OF RESULTS INFLATION ATTITUDES SURVEY

PER CENT	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012
<b>Q.1 Which of these options best describes how prices have changed over the last 12 months?</b>												
Gone down	4.0	5.1	6.5	7.7	11.0	11.8	12.5	10.0	10.2	8.7	7.0	6.6
Not changed	6.2	12.5	8.8	14.2	15.9	23.2	17.6	17.7	15.5	15.7	14.4	9.8
Up by 1% but less than 3%	4.7	21.5	29.0	18.4	26.2	19.4	23.3	23.1	21.6	23.5	26.9	22.3
Up by 3% or above	74.8	53.3	40.8	40.8	33.4	31.7	34.4	34.5	43.0	40.3	38.5	51.1
No idea	10.1	7.6	14.8	11.3	12.1	13.8	12.2	14.7	9.6	11.7	13.2	10.2
Median (%)	3.0	3.0	2.9	3.4	2.3	1.8	2.2	2.3	2.8	2.7	2.6	3.6
<b>Q. 2 How much would you expect prices in the shops generally to change over the next 12 months</b>												
Would Go down	15.7	22.6	16.5	21.1	27.2	24.5	21.2	20.9	28.0	26.2	21.2	12.3
Not changed	8.7	10.2	8.0	13.8	16.1	14.9	16.1	14.1	13.5	13.8	13.2	11.9
Up by 1% but less than 3%	6.9	20.5	28.3	21.2	22.0	24.1	23.9	24.3	23.8	22.3	22.0	24.2
Up by 3% or above	54.8	34.6	32.6	28.1	21.4	21.9	26.2	26.2	24.2	26.5	30.2	41.4
No idea	13.6	12.1	14.6	12.2	11.8		14.5	12.6	14.5	10.5	11.3	10.3
Median (%)	3.0	2.1	2.3	1.8	1.1	1.3	1.5	1.6	1.3	1.4	1.8	2.7
<b>Q. 3 If prices started to rise faster than they do now, do you think Nigeria's economy would...?</b>												
End up stronger	8.0	9.7	7.9	8.8	10.8	10.3	15.0	16.9	14.7	10.4	9.0	9.9
Or make little difference	14.0	13.0	21.5	18.1	21.8	22.5	23.7	23	21.7	24.3	26.6	26.2
Or weak	65.1	65.4	55.2	58.4	53.4	51.1	43.5	46.0	47.1	49.5	49.6	46.0
Don't know	12.5	11.9	15.3	14.7	14.1	16.1	17.8	14.1	16.4	15.9	14.7	17.9
<b>Q. 4 The Government in this years budget anticipated an inflation rate of 10.0%. What do you think of this rate ?</b>												
Too high	45.7	45.8	45.3	46.2	44.7	40.0	38.3	42.9	48.2	43.2	46.5	40.2
Or too low	20.5	17.7	21.4	14.7	14.8	17.9	22.7	19.4	16.8	13.3	17.0	18.9
Or about right	13.9	16.2	12.6	18.2	20.2	17.2	17.0	18.7	17.2	21.6	19.9	20.8
No idea	19.2	20.0	20.7	20.9	20.1	24.9	21.9	18.9	17.8	21.8	16.6	18.1

## SUMMARY OF RESULTS INFLATION ATTITUDES SURVEY

PER CENT	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012
<b>Q. 5 How would you say interest on bank loans and savings have changed over the last 12 months?</b>												
Risen a lot	36.2	34.3	29.4	33	25.6	31.1	27.6	27.5	24.1	27.6	29.8	23.9
Risen a little	24.0	25.5	28.5	22.1	27.2	18.8	21.9	24.3	26.6	26.2	28.0	23.2
Stayed about the same	10.2	13.5	14.3	14.8	14.3	13.6	13.1	14.9	12.4	15.3	16.4	19.3
Fallen a little	6.0	6.1	5.4	11.0	10.4	9.6	10.3	8.8	11.5	9.2	7.0	8.9
Fallen a lot	6.1	3.0	4.6	2.9	6.5	6.6	6.9	5.6	8.8	4.7	4.6	5.7
No idea	17.1	17.5	17.7	16.1	16.0	20.3	20.2	19.0	16.6	16.9	14.3	19.0
Total saying 'rise'	60.2	59.8	57.9	55.1	52.8	49.9	49.5	51.8	50.7	53.8	57.8	47.1
Total saying 'fall'	12.1	9.1	10.0	13.9	16.9	16.2	17.2	14.4	20.3	13.9	11.6	14.6
Net rise	48.1	50.7	47.9	41.2	35.9	33.7	32.3	37.4	30.4	39.9	46.2	32.5

### Q. 6 How would you expect interest rates to change over the next 12 months?

Rise a lot	15	13.8	16.0	14.1	15.0	16.4	16.0	18.5	14.8	15.5	17.9	17.4
Rise a little	23.8	22.2	23.3	24.3	26.3	22.6	25.3	27.9	29.8	21.6	25.1	27.9
Stay about the same	15.0	16.0	17.1	19.0	16.0	14.6	16.5	14.4	13.1	19.3	17.4	17.5
Fall a little	21.2	24.8	18.1	18.9	18.5	17.4	15.8	14.2	20.0	17.7	18	14.8
Fall a lot	10.8	9.2	9.8	8.0	9.7	10.8	10.7	10.2	7.6	12.0	9.9	7.1
No idea	13.8	13.8	15.7	15.7	14.6	18.3	15.6	14.7	14.7	13.8	11.6	15.4
Total saying 'rise'	38.8	36.0	39.3	38.4	41.3	39.0	41.3	46.4	44.6	37.1	43.0	45.3
Total saying 'fall'	32.0	34.0	27.9	26.9	28.2	28.2	26.5	24.4	27.6	29.7	27.9	21.9
Net rise	6.8	2.0	11.4	11.5	13.1	10.8	14.8	22.0	17.0	7.4	15.1	23.4

### Q. 7 What do you think would be best for the Nigerian economy - for interest rates to go up over the next few months, or to go down, or to stay where they are now, or would it make no difference either way?

Go up	13.7	14.1	16.3	15.1	22.1	17.7	21.4	23.7	18.6	18.1	15.1	19.6
Go down	52.4	54.5	51.0	51.9	47.5	49.3	43.3	42.6	49.0	43.0	46.8	40.2
Make no difference	12.7	17.5	15.4	19.6	29.0	17.8	20.4	19.4	17.5	23.0	23.4	24.2
No idea	13.1	13.8	17.3	12.5	1.2	15.2	14.9	14.2	13.0	15.9	14.8	15.9

### Q. 8 And which would be best for you personally, for interest rates to...

Go up	11.0	13.9	12.2	16.4	20.0	17	21.4	24.3	20.3	20.1	13.8	18.3
Go down	67.6	75.2	68.4	62.8	63.9	64.8	43.3	56.9	62.8	57.3	59.9	54.4
Make no difference	9.1	10.4	17.3	18.9	22.6	16.9	20.4	17.7	15.2	18.8	19.4	17.8
No idea	8.9	0.0	2.1	1.5	0.5	1.4	14.9	1.1	1.3	3.7	6.8	8.2

SUMMARY OF RESULTS INFLATION ATTITUDES SURVEY												
	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012

Q. 9 How strongly do you agree with the following statements? A rise in interest rates would make prices in the street rise more slowly in the (a) short term - say a month or two,

Agree strongly	21.3	23.8	18.8	25.2	30.1	27.8	22.4	22.8	24.6	24.9	22.9	22
Agree	32.2	33.6	32.5	27.8	31.0	26.9	28.2	28.7	31.5	29.9	33.0	30
Neither agree nor disagree	12.8	11.7	15.3	13.6	14.0	11.9	14.2	12.3	12.7	13.8	12.6	15.2
Disagree	13.8	14.1	14.5	12.1	10.9	17.0	15.9	17.3	12.4	15.3	14.4	13.8
Disagree strongly	7.2	6.2	5.2	6.8	5.1	4.4	6.9	6.3	6.2	5.0	5.1	5.5
Don't know	12.1	10.5	13.8	14.5	8.6	12.0	12.5	12.6	12.5	11.2	12.0	13.6
Total agree	53.5	57.4	51.3	53.0	61.1	54.7	50.6	51.5	56.1	54.8	55.9	52.0
Total disagree	21.0	20.3	19.7	18.9	16.0	21.4	22.8	23.6	18.6	20.3	19.5	19.3
Net agree	32.5	37.1	31.6	34.1	45.1	33.3	27.8	27.9	37.5	34.5	36.4	32.7

b) A rise in interest rates would make prices in the street rise more slowly in the medium term - say a year or two

Agree strongly	14.8	17.1	11.7	18.1	18.6	20.1	20.6	21.2	19.2	17.6	20.7	17.1
Agree	32.5	34.8	32.9	27.8	29.3	28.3	30.2	28.4	30.3	30.7	33.2	26.8
Neither agree nor disagree	14.1	12.3	16.4	16.3	14.8	11.3	13.1	12.7	16.1	15.7	14	17.5
Disagree	15.2	17.8	15.8	14.5	17.6	19.6	14.7	15.4	12.7	15.8	13.8	16.1
Disagree strongly	8.5	5.3	8.4	6.8	5.2	6.4	7.1	8.0	8.8	8.6	5.8	7
Don't know	6.7	12.4	14.9	15.6	12.4	14.3	14.2	14.3	12.3	11.6	12.5	15.5
Total agree	47.3	51.9	44.6	45.9	47.9	48.4	50.8	49.6	49.5	48.3	53.9	43.9
Total disagree	23.7	23.1	24.2	21.3	22.8	26.0	21.8	23.4	21.5	24.4	19.6	23.1
Net agree	23.6	28.8	20.4	24.6	25.1	22.4	29.0	26.2	28.0	23.9	34.3	20.8

Q. 10 If a choice had to be made, either to raise interest rates to try to keep inflation down; or keep interest rates down and allow prices in the shops to rise faster, which would you

Interest rates to rise	48.2	50.8	52.7	41.6	52.1	49.3	45.5	49.2	48.8	52.4	48.2	45.3
Prices to rise faster	14.1	14.8	15.9	16.1	15.0	14.1	21.3	19.5	20.1	17.0	21.4	19.6
No idea	36.8	34.1	31.3	42.2	32.4	36.6	33.2	31.2	30.9	30.7	30.5	33.2

SUMMARY OF RESULTS INFLATION ATTITUDES SURVEY												
	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012

Q. 11 Every other month, a group of people meet to set Nigeria's basic interest rate level.

Do you know what this group is?

Monetary Policy Committee	55.9	59.5	61.2	54.7	55.6	49.6	40.6	45.5	49.2	49.9	55.8	44.7
The Government	9.4	7.0	7.0	10.4	9.7	11.4	10.0	9.7	10.1	12.0	24	7.5
Federal Ministry of Finance	8.7	10.5	9.5	12.5	11.6	12.5	24.8	21.4	18.3	17.8	12.7	16.5
National Assembly	4.0	2.4	3.2	3.9	7.8	4.9	5.2	5.8	6.0	5.1	4.9	6.5
Others	1.2	1.0	2.0	0.9	1.1	2.2	2.7	2.3	2.4	2.1	2.6	4
Don't know	20.0	19.2	17.0	17.6	14.2	19.4	16.6	15.3	13.9	13.1	0.0	20.9

Q. 12 Which of these groups do you think sets the interest rates?

Government ministers	3.1	2.4	4.3	4.9	4.7	6.8	40.6	6.7	4.3	8.9	5.2	5.7
Civil servants	2.8	1.8	2.4	3.2	3.6	4.1	10.0	7.2	6.7	6.6	5.7	5.7
CBN	76.9	82.3	77.5	75.9	75.7	70.4	24.8	70.0	74.1	70.3	75.8	69.5
Other banks	3.4	3.5	4.5	4.4	4.1	4.6	5.2	5.1	4.4	4.2	4.1	4.3
No idea	13.1	9.8	11.2	11.6	11.8	14.2	2.7	11.0	10.6	9.9	9.1	14.8

Q. 13 In fact, the decisions are taken by the Monetary Policy Committee of the Central Bank of Nigeria.

Which of these do you think best describes the Monetary Policy Committee?

Part of the Government	26.3	22.3	16.9	27.5	23.0	25.3	28.6	26.8	22.3	20.9	25.3	24
A Body wholly owned appoir	27.2	33.6	42.4	26.5	32.9	28.9	26.7	30.1	32.3	20.9	32.8	26.6
An independent body, partly	20.0	19.8	21.3	20.2	24.1	20.5	21.0	21.4	25.7	21.1	20.1	22.6
A completely independent bo	6.8	6.2	5.2	11.5	6.5	8.0	8.6	7.5	7.2	11.8	7	7.9
No idea	18.3	17.5	14.2	14.4	13.3	17.2	15.0	14.1	12.4	13.8	14.6	18.6

Q. 14 Overall, how satisfied or dissatisfied are you with the way the Central Bank of Nigeria is doing its job to set interest rates in order to control inflation?

Very satisfied	20.2	27.1	21.4	30.8	27.5	26.0	29.6	35.7	28.7	35.6	35.5	28.8
Fairly satisfied	44.6	44.6	41.6	36.7	45.2	38.6	39.7	35.2	44.7	35.3	34.6	34.8
Neither satisfied nor dissatisf	12.4	12	17.6	16	11.0	14.5	10.5	10.5	13.3	13.5	13.6	13.5
Very dissatisfied	12.8	8.4	8.6	7.3	8.0	9.7	6.1	9.0	5.6	8.4	8.1	7.9
No idea	9.2	7.1	8.7	9.5	8.3	11.3	14.0	9.6	7.6	7.2	8.2	15
Total satisfied	64.8	71.7	63.0	67.5	72.7	64.6	69.3	70.9	73.4	70.9	70.1	63.6
Total dissatisfied	12.8	8.4	8.6	7.3	8.0	9.7	6.1	9.0	5.6	8.4	8.1	7.9
Net satisfied	52.0	63.3	54.4	60.2	64.7	54.9	63.2	61.9	67.8	62.5	62.0	55.7