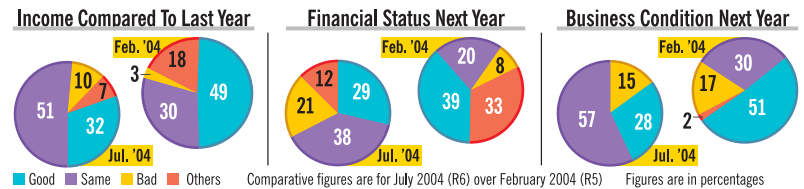


NORTH

Stuck For Now



- 31% DECREASE** in the number of people (26 per cent in R6 versus 57 per cent in R5) who believe that their REAL INCOME, after adjusting for inflation, has gone up
- 22% DROP** (64 per cent in R6 versus 88 per cent in R5) in consumers who think they will SAVE MORE
- 20% DROP** (45 per cent in R6 versus 65 per cent in R5) in the number of people who say that it is a GOOD time to BUY an AUTOMOBILE
- (=) STATUS QUO** in the number of people (14 per cent in R6 versus 14 per cent in R5) in the number of people saying that employment will be GOOD next year
- 4% DECREASE** in consumers (61 per cent in R6 versus 65 per cent in R5) who believe that it is a GOOD time to BUY a DURABLE



WHY DO CONSUMERS IN THE NORTH FEEL SO BAD? REAL INCOME EXPECTATIONS ARE DOWN, and it appears to be a bad time for either buying a durable, an automobile, or even looking for a job. It didn't help that the author of the feel-good spiel Bharatiya Janata Party was routed in the elections. And to top it all, a bad monsoon has added to the gloom, because agriculture sustains not just the rural areas, but small and medium businesses in smaller towns as well.

LALIT RANA

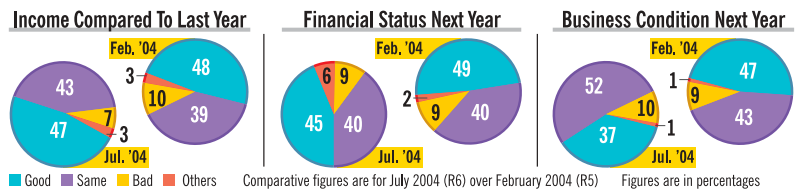
Feeling low: The truant monsoon doesn't help

SOUTH

Guarded Optimism



- 1% JUMP** (43 per cent in R6 versus 42 per cent in R5) in consumers who say their price-adjusted REAL INCOME has gone UP
- 4% RISE** in the number of consumers (57 per cent in R6 versus 53 per cent in R5) who want to SAVE MORE
- 3% DROP** (67 per cent in R6 versus 70 per cent in R5) in the number of people who say that now is a GOOD time to BUY an AUTOMOBILE
- 9% INCREASE** (21 per cent in R6 versus 12 per cent in R5) in the number of people who say that the job market will be GOOD next year
- 1% DROP** (68 per cent in R6 versus 69 per cent in R5) in consumers who say that now is a GOOD time to BUY a DURABLE



IS IT JUST THAT IT HAS LIVED WITH SO MANY BAD MONSOONS IN A ROW NOW THAT THE SOUTH DOESN'T seem to care for the rains any longer? "I speak to my friends and we don't see the drought (well, if there is one) affecting even shampoo sales. All the industries in the South look bullish," says C.K. Ranganathan, CEO, CavinKare. Real income expectations are up and job optimism is at an all-time high. Blame it on the new economy.

DEEPAK G. PAMVAR

Still bullish: Job optimism is at a high

EAST

More Things Change

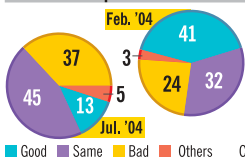


SHAMIK BANERJEE

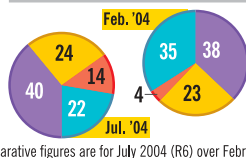
Steady state: Savings are up, but growth's there

- 8% DROP** (19 per cent in R6 versus 27 per cent in R5) in consumers who say their REAL INCOME has gone UP
- 8% JUMP** (96 per cent in R6 versus 88 per cent in R5) in the number of people who say they will SAVE MORE
- 1% INCREASE** (42 per cent in R6 versus 41 per cent in R5) in the number of people who believe that now is a GOOD time to BUY an AUTOMOBILE
- 5% JUMP** (11 per cent in R6 versus 6 per cent in R5) in consumers who are optimistic about JOB opportunities next year
- 23% DROP** (48 per cent in R6 versus 71 per cent in R5) in the number of consumers who believe that now is a GOOD time to BUY a DURABLE

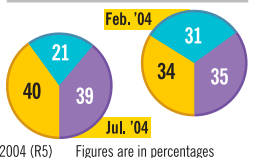
Income Compared To Last Year



Financial Status Next Year



Business Condition Next Year



Comparative figures are for July 2004 (R6) over February 2004 (R5) Figures are in percentages

THE ONLY BRIGHT SPOT FOR THE EAST IS PERHAPS A FIRST-EVER SURGE IN JOB OPTIMISM. FOR EVEN while consumers across other regions have voted for less savings, in the East the percentage of people who think they will save more has gone up from a high 88 per cent to 96 per cent. And the region's already low expectations on business environment, family income and durable purchases have dipped even further. "There is no wild boom in the markets but there is a steady growth," says Jayashree Mohanka, Marketing Head, Eveready.

WEST

Jobs Aplenty

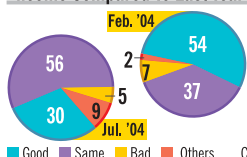


VIVAN MEHRA

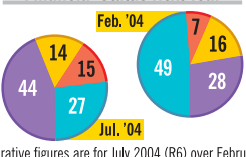
What me worry?: There's no stopping the buyers

- 27% DROP** (30 per cent in R6 versus 57 per cent in R5) in the number of people who say that their price-adjusted REAL INCOME has gone up
- 30% DECREASE** (59 per cent in R6 versus 89 per cent in R5) in consumers who intend to SAVE MORE
- 6% DROP** (54 per cent in R6 versus 60 per cent in R5) in the number of people who believe that now is a GOOD time to BUY an AUTOMOBILE
- 9% INCREASE** (20 per cent in R6 versus 11 per cent in R5) in the number of consumers who are OPTIMISTIC about JOBS next year
- 1% DROP** (62 per cent in R6 versus 63 per cent in R5) in the number of consumers who believe that now is a GOOD time to BUY a DURABLE

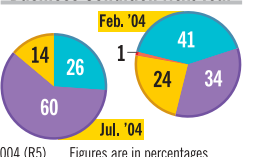
Income Compared To Last Year



Financial Status Next Year



Business Condition Next Year



Comparative figures are for July 2004 (R6) over February 2004 (R5) Figures are in percentages

CLEARLY, CONSUMERS IN THE WEST ARE LIVING FOR THE PRESENT. "THERE IS NO MAJOR DETERRENT to spending. And even if there is no feel-good factor, I see no feel-bad factor either," says R.L. Ravichandaran, Vice President, Bajaj Auto. Job optimism is high, discretionary spends are high, and even the intent for durable purchases remains high. Poor rainfall? The effects won't kick in for a good six months, so why worry now!