

Consumer Opinion Survey

June 2022

Bulletin 241

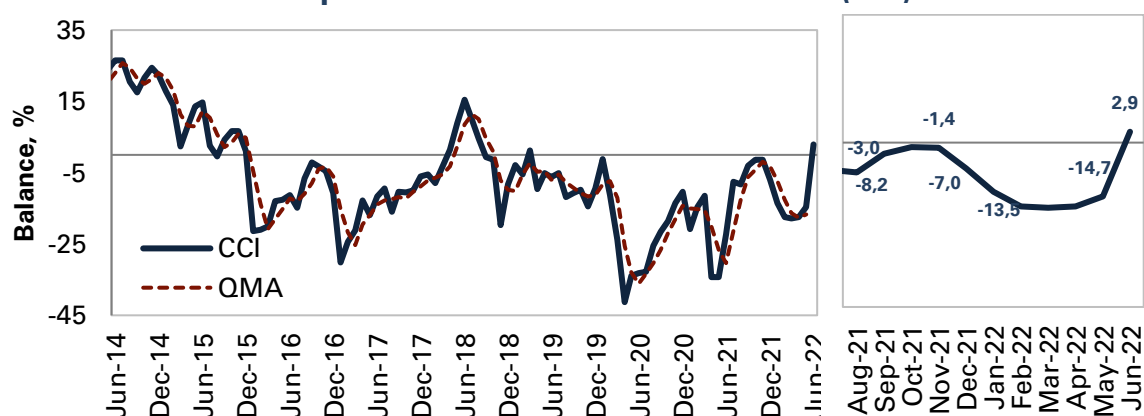


In June, the Consumer Confidence Index (CCI) recorded a balance of 2.9%. This represents an increase of 17.6 percentage points (pps) compared to the previous month. Compared to May 2022, the increase was due to a rise of 21.0 pps in the Consumer Expectations Index and of 12.5 pps in the Economic Conditions Index.

Consumer confidence increased in the low and medium socioeconomic level, but decreased 0.8 pps in the higher level. On the other hand, it increased in all the cities that were analyzed compared to May 2022. Additionally, willingness to buy furniture and home appliances increased relative to the last month, same as it happened with willingness to invest in a house.

According to the results of the Consumer Opinion Survey (COS) of June, the Consumer Confidence Index (CCI) recorded a balance of 2.9%. This value represents an increase of 17.6 percentage points (pps) compared to the previous month.

Graph 1. Consumer Confidence Index (CCI)



Source: Consumer Opinion Survey (COS) – Fedesarrollo.

QMA: Quarterly moving average.

The increase in consumer confidence compared to May 2022 was due to an increase in the Consumer Expectations Index, that was accompanied by another positive result in the Economic Conditions Index.

The CCI has five components, the details of which are presented in Table 1. The first three refer to the expectations of households in a given year, while the other two refer to the perception of consumers regarding current economic situation. The Consumer Expectations Index (CEI) is constructed with the first three and the Economic Conditions Index (ECI) with the two remaining.

The increase of the CCI compared to May is explained by an increase of 21.0 pps in the Consumer Expectations Index (17.5%) and of 12.5 pps in the Economic Conditions Index (-19.0%)

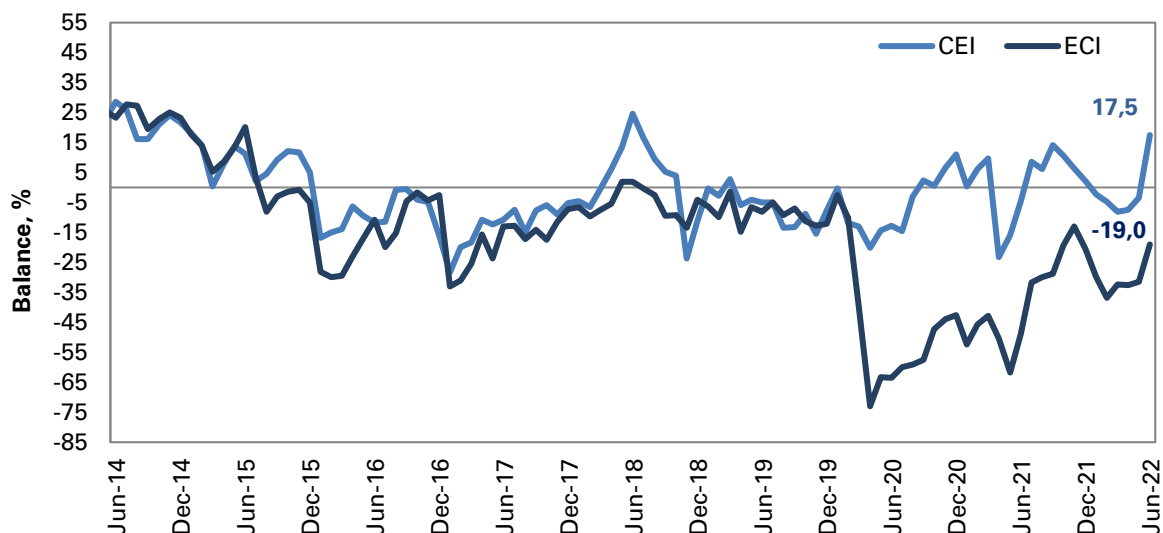
Table 1. Evolution of CCI Components
(Balances between favorable and unfavorable responses, %)

Variable / Balance %	2021	2022	
	June	May	June
Consumer Confidence Index - CCI	-22,3	-14,7	2,9
A. Consumer Expectations Index - CEI	-4,6	-3,5	17,5
- Do you think that within a year your household will economically do better, worse or the same than now?	23,2	16,0	28,6
-Do you think that within the next twelve months we will have good or bad economic times?	-34,1	-21,3	9,6
-Do you think that the country's economic conditions will be better or worse within a year than they currently are?	-3,0	-5,1	14,3
B. Economic Conditions Index - ECI	-48,8	-31,5	-19,0
- Do you think that your household is economically doing better or worse than a year ago?	-40,3	-17,9	-1,3
- Do you think this is a good time to purchase items such as furniture and household appliances?	-57,2	-45,1	-36,8

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

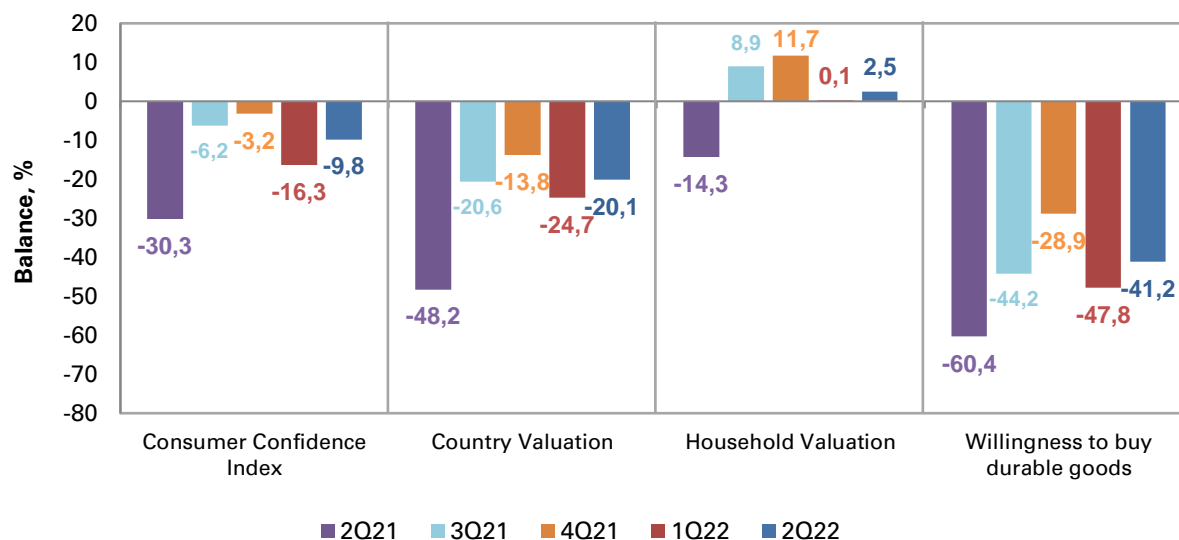
When comparing the results of the second quarter of 2022 with the observed average during the first quarter of 2022, consumer's assessment of their households' situation increased 2.5 pps and the consumer's assessment of the country increased 4.6 pps. Additionally, consumer's willingness to buy durable goods was -41.2%. This represents an increase of 6.6 pps relative to the average balance recorded during the first quarter of 2022 (Graph 3).

Graph 2. Consumer Expectations Index (CEI) – Economic Conditions Index (ECI)



Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Graph 3. Perception of consumers about the situation of the country and the household



Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Cities. In June, the CCI increased in the five surveyed cities compared to May 2022.

Relative to the previous month the CCI increased 22.1 pps in Medellín, 23.7 pps in Barranquilla, 15.9 in Bogotá, 11.5 pps in Cali and 23.4 pps in Bucaramanga.

Table 2. Evolution of the CCI by cities

City, Balance %	2021	2022	
	June	May	June
Bogotá	-23,5	-12,8	3,1
Medellín	-20,0	-23,0	-0,9
Cali	-23,1	-11,1	0,4
Barranquilla	-20,2	-20,3	7,0
Bucaramanga	-15,4	-7,2	16,2
Total	-22,3	-14,7	2,9

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Socioeconomic level. In June, consumer confidence increased in the low and medium socioeconomic levels, but decreased in the higher level. This shows a very different dynamic compared to what was seen during the previous months.

By socioeconomic level, and compared to the previous month, the CCI decreased 0.8 pps in the higher strata, and increased 24.5 pps in the medium strata and 12.6 pps in the lower strata.

Table 3. Evolution of the CCI by income level

Income level. %	Balance	2021	2022	
		June	May	June
High		-8,4	-3,7	-4,5
Medium		-21,2	-15,3	9,2
Low		-25,0	-15,1	-2,5
Total		-22,3	-14,7	2,9

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Housing. The willingness to buy a house decreased 14.8 pps compared to last month. By cities, this indicator increased in four of the five analyzed cities relative to May 2022.

In June, the indicator of willingness to buy a house was -18.2%, 14.8 pps lower than the previous month (-33.0%). For this month, willingness to buy a house increased in Bucaramanga (0.6 pps), Barranquilla (23,1 pps), Bogotá (15,8 pps) and Cali (30,4), while it decreased in Medellín (0.8 pps) compared to May.

Table 4. Willingness to buy a house by cities

City. Balance %	2021	2022	
	June	May	June
Bogotá	-21,7	-37,8	-22,0
Medellín	-18,8	-19,6	-20,4
Cali	-38,2	-44,2	-13,8
Barranquilla	-31,9	-8,2	14,9
Bucaramanga	-14,4	-29,4	-28,8
Total	-23,9	-33,0	-18,2

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Compared to the previous month, willingness to buy a house decreased only higher strata.

When analyzing by socioeconomic level in June, willingness to buy a house showed a decrease of 12.2 pps compared to last month in the higher strata. In contrast, it showed an increase of 15.1 pps in the medium strata, and of 17,1 pps in the lower one compared to what was observed in May 2022.

Table 5. Willingness to buy a house by socioeconomic level

Income level. %	Balance	2021	2022	
		June	May	June
High		18,1	-14,2	-26,4
Medium		-19,4	-31,4	-16,3
Low		-32,9	-36,1	-19,0
Total		-23,9	-33,0	-18,2

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Durable goods. Willingness to buy furniture and home appliances increased 8.3 pps compared to the previous month. By cities, the indicator increased all the analyzed cities compared to May 2022.

The balance of answers about whether it is a good or bad moment to buy goods such as furniture and appliances was **-36.8%** in **June**. This represents an increase of **8.3 pps** compared to **May 2022**. Relative to last month, willingness to buy durable goods increased in **9,7 pps** in Cali, **5,3 pps** en Medellín, **5,8 pps** in Bogotá, **16,3** in Bucaramanga and **28.0 pps** in Barranquilla.

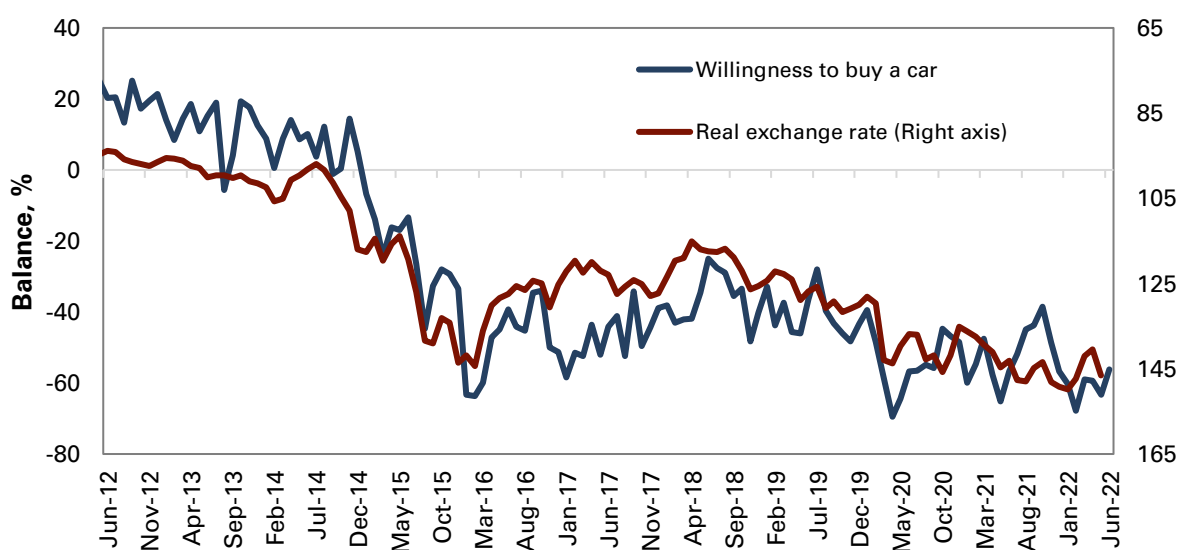
Table 6. Willingness to buy furniture and home appliances by cities

City. Balance %	2021	2022	
	June	May	June
Bogotá	-58,3	-48,1	-42,3
Medellín	-56,2	-37,2	-31,9
Cali	-56,0	-45,1	-35,4
Barranquilla	-54,4	-40,1	-12,1
Bucaramanga	-53,6	-46,4	-30,1
Total	-57,2	-45,1	-36,8

Source: Encuesta de Opinión del Consumidor (EOC) – Fedesarrollo

Vehicles. In June, the willingness to buy a vehicle registered a balance of **-56.1%**. This implies an increase of 7.2 pps compared to the previous month (-63.3%).

Graph 4. Willingness to buy car vs. real exchange rate



Note: Real exchange rate until May 2022

Source: Consumer Opinion Survey (COS) – Fedesarrollo and Central Bank of Colombia



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Contact us if you would like to have access to disaggregated results by city, level of income and other survey questions

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