

Consumer Opinion Survey

July 2022

Bulletin 242



In July, the Consumer Confidence Index (CCI) recorded a balance of -10.4%. This represents a decrease of 13.3 percentage points (pps) compared to the previous month. The decrease was due to a fall of 13.2 pps in the Consumer Expectations Index and of 13.3 pps in the Economic Conditions Index, compared to June 2022.

Consumer confidence decreased in the low, medium and high socioeconomic level. On the other hand, it decreased in all the cities that were analyzed compared to June 2022, except in Barranquilla. Additionally, willingness to buy furniture and home appliances decreased 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 July, the Consumer Confidence Index (CCI) recorded a balance of -10.4%. This value represents a decrease of 13.3 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 decrease in consumer confidence compared to June 2022 was due to a reduction in the Consumer Expectations Index, that was accompanied by another negative 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 June is explained by a decrease of 13.2 pps in the Consumer Expectations Index (4.3%) and of 13.3 in the Economic Conditions Index (-32.3%). Despite this variation, the Consumer Expectations Index remains at positive levels.

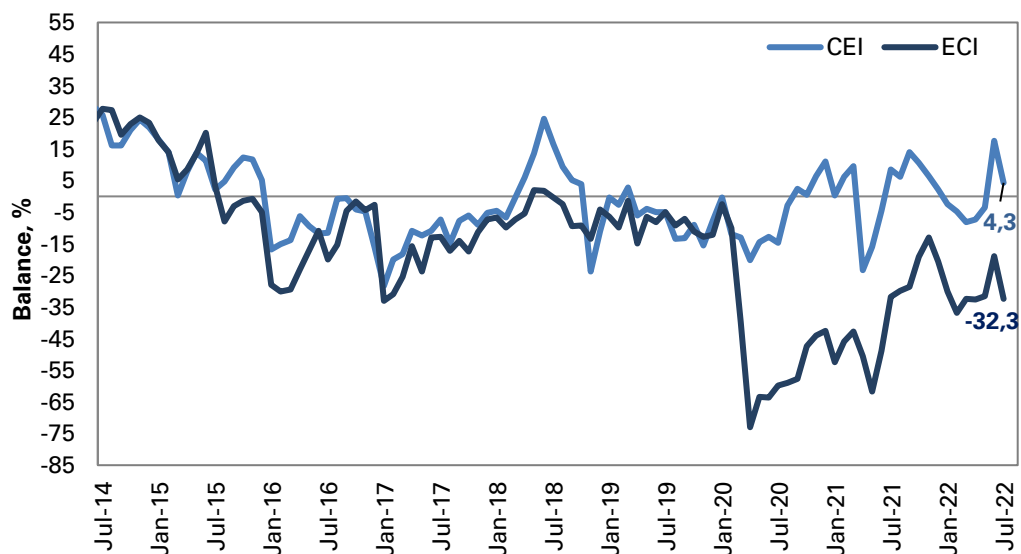
Table 1. Evolution of CCI Components
(Balances between favorable and unfavorable responses, %)

Variable / Balance %	2021	2022	
	July	June	July
Consumer Confidence Index - CCI	-7.5	2.9	-10.4
A. Consumer Expectations Index - CEI	8.6	17.5	4.3
- Do you think that within a year your household will economically do better, worse or the same than now?	34.0	28.6	18.6
-Do you think that within the next twelve months we will have good or bad economic times?	-10.0	9.6	-10.7
-Do you think that the country's economic conditions will be better or worse within a year than they currently are?	1.8	14.3	4.9
B. Economic Conditions Index - ECI	-31.7	-19.0	-32.3
- Do you think that your household is economically doing better or worse than a year ago?	-20.1	-1.3	-19.9
- Do you think this is a good time to purchase items such as furniture and household appliances?	-43.3	-36.8	-44.7

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

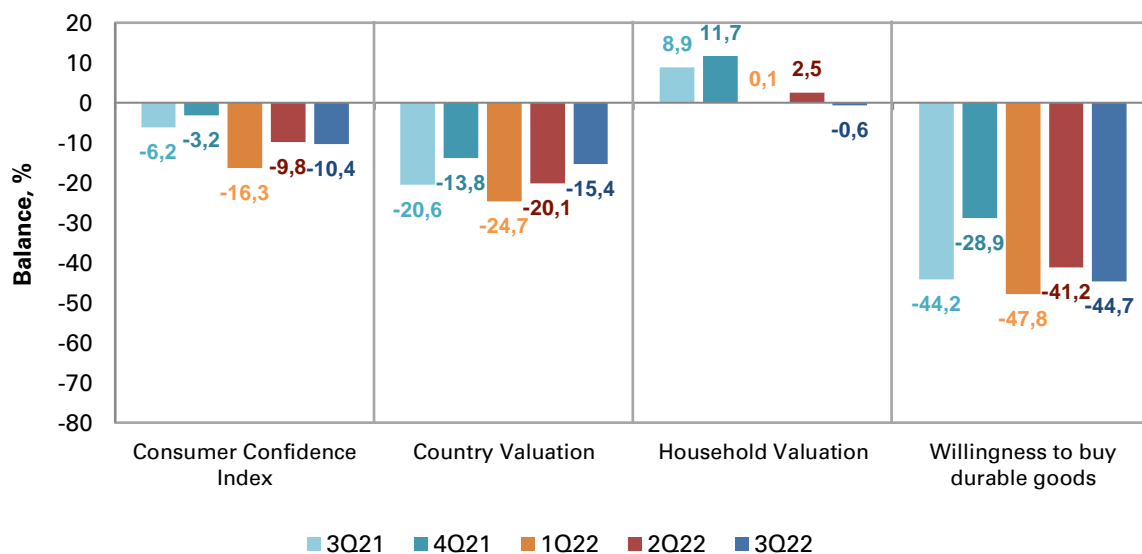
When comparing the results of what has been the third quarter of 2022 with the observed average during the second quarter of 2022, consumer's assessment of their households' situation decreased 3.2 pps and the consumer's assessment of the country decreased 4.7 pps. Additionally, consumer's willingness to buy durable goods was -44.7%. This represents a reduction of 3.5 pps relative to the average balance recorded during the second 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 July, the CCI decreased in Bogotá, Medellín, Cali and Bucaramanga, while it increased in Barranquilla compared to June 2022.

Relative to the previous month, the CCI had a variation of -19.8 pps in Medellín, 0.6 pps in Barranquilla, -13.2 in Bogotá, -8.4 pps in Cali and -22.4 pps in Bucaramanga.

Table 2. Evolution of the CCI by cities

City, Balance %	2021	2022	
	July	June	July
Bogotá	-6.2	3.1	-10.1
Medellín	-2.9	-0.9	-20.7
Cali	-18.7	0.4	-8.0
Barranquilla	-9.8	7.0	7.6
Bucaramanga	-6.8	16.2	-6.2
Total	-7.5	2.9	-10.4

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Socioeconomic level. In July, consumer confidence decreased in all the socioeconomic levels, in contrast with the previous month when it only decreased for the higher level.

By socioeconomic level, and compared to the previous month, the CCI decreased 33.4 pps in the higher strata, 21.9 pps in the medium strata and 2.3 pps in the lower strata.

Table 3. Evolution of the CCI by income level

Income level. Balance %	2021	2022	
	July	June	July
High	2.3	-4.5	-37.9
Medium	-1.0	9.2	-12.7
Low	15.4	-2.5	-4.8
Total	-7.5	2.9	-10.4

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Housing. The willingness to buy a house decreased 17.1 pps compared to last month. By cities, this indicator decreased in four of the five analyzed cities relative to June 2022.

In July, the indicator of willingness to buy a house was -35.3%, 17.1 pps lower than the previous month (-22.0%). For this month, willingness to buy a house increased in Bucaramanga (14.1 pps), while it decreased in Barranquilla (-4.6 pps), Bogotá (-12.7 pps) and Cali (-26.1 pps) and Medellín (-27.6 pps) compared to June.

Table 4. Willingness to buy a house by cities

City, Balance %	2021	2022	
	July	June	July
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 in all the socioeconomic levels.

When analyzing by socioeconomic level in July, willingness to buy a house showed a decrease of 31.7 pps in the higher strata, 18.0 pps in the medium strata and 14.5 in the lower strata, compared to what was observed in June 2022.

Table 5. Willingness to buy a house by socioeconomic level

Income level. Balance %	2021		2022	
	July	June	June	July
High	-2.2	-26.4	-26.4	-58.1
Medium	3.9	-16.3	-16.3	-34.3
Low	-9.8	-19.0	-19.0	-33.5
Total	-2.9	-18.2	-18.2	-35.3

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Durable goods. Willingness to buy furniture and home appliances decreased 7.9 pps compared to the previous month. By cities, the indicator decreased in all the analyzed cities compared to June 2022.

The balance of answers about whether it is a good or bad moment to buy goods such as furniture and appliances was **-44.7%** in **July**. This represents a reduction of **7.9 pps** compared to **June 2022**. Relative to last month, willingness to buy durable goods dropped **20.5 pps** in Cali, **13.1 pps** en Medellín, **2.6 pps** in Bogotá, **3.6 pps** in Bucaramanga and **18.2 pps** in Barranquilla.

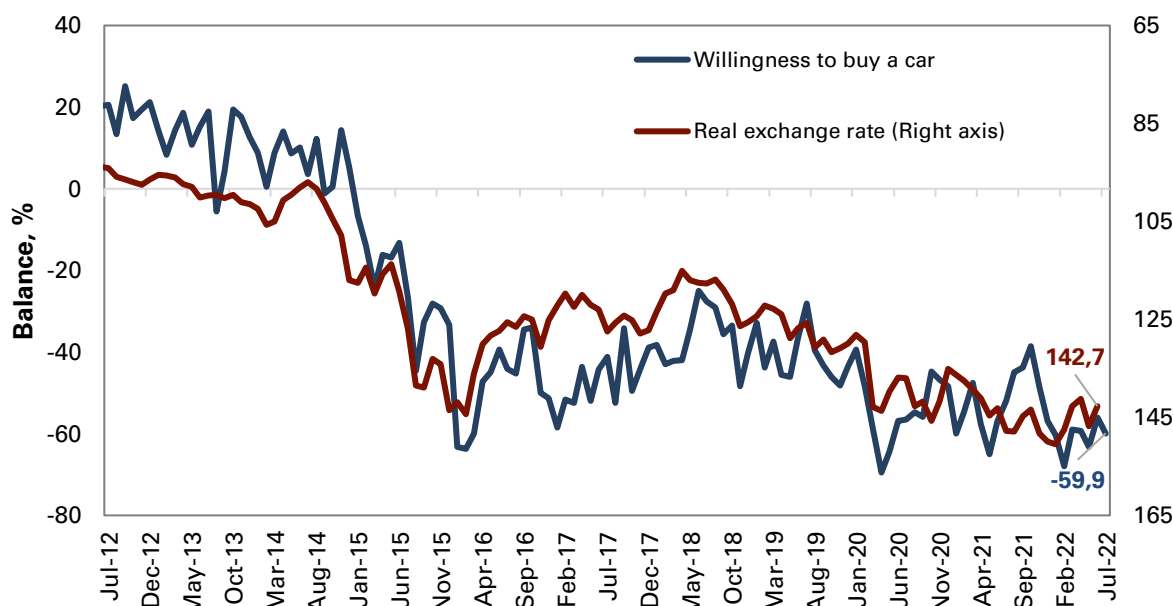
Table 6. Willingness to buy furniture and home appliances by cities

City. Balance %	2021		2022	
	July	June	June	July
Bogotá	-58.3	-48.1	-48.1	-42.3
Medellín	-56.2	-37.2	-37.2	-31.9
Cali	-56.0	-45.1	-45.1	-35.4
Barranquilla	-54.4	-40.1	-40.1	-12.1
Bucaramanga	-53.6	-46.4	-46.4	-30.1
Total	-57.2	-45.1	-45.1	-36.8

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

Vehicles. In July, the willingness to buy a vehicle registered a balance of **-59.9%**. This implies a decrease of 3.8 pps compared to the previous month (-56.1%).

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



Note: Real exchange rate until June 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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