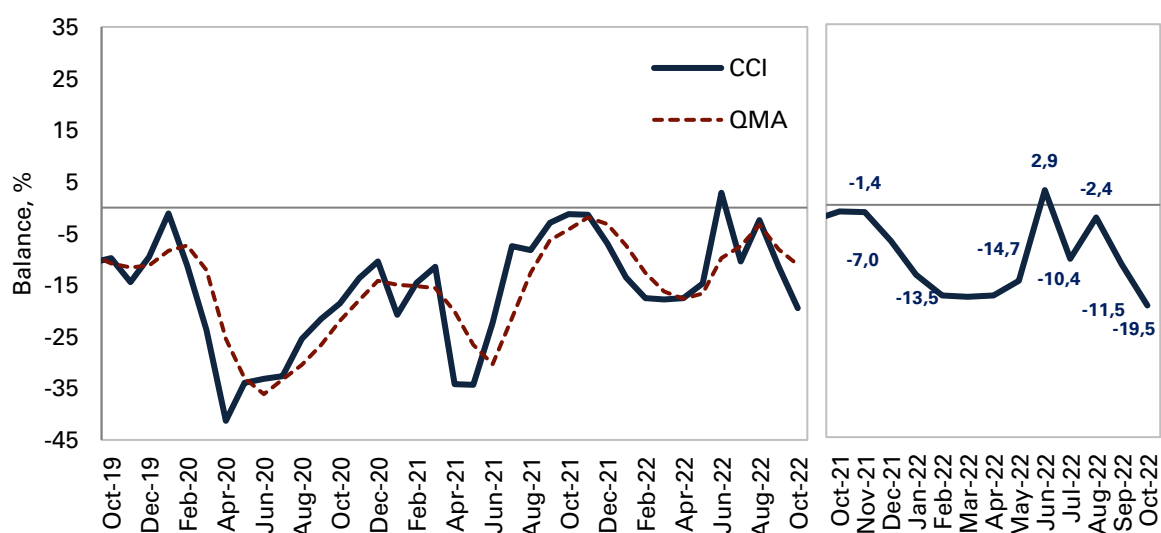


In October, the Consumer Confidence Index (CCI) recorded a balance of -19.5%. This represents a decrease of 8.0 percentage points (pps) compared to the previous month. The reduction was due to a negative variation of -8.9 pps in the Consumer Expectations Index and of -6.8 pps in the Economic Conditions Index, compared to September 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 September 2022. Additionally, willingness to buy furniture and home appliances decreased relative to the last month, as well as the willingness to invest in a house.

According to the results of the Consumer Opinion Survey (COS) of October, the Consumer Confidence Index (CCI) recorded a balance of -19.5%. This value represents a decrease of 8.0 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 the consumer confidence compared to September 2022 was due to a negative change in both the Consumer Expectations Index and 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 decrease of the CCI compared to September is explained by a reduction of 8.9 pps in the Consumer Expectations Index (-7.3%) and of 6.8 pps in the Economic Conditions Index (-37.9%).

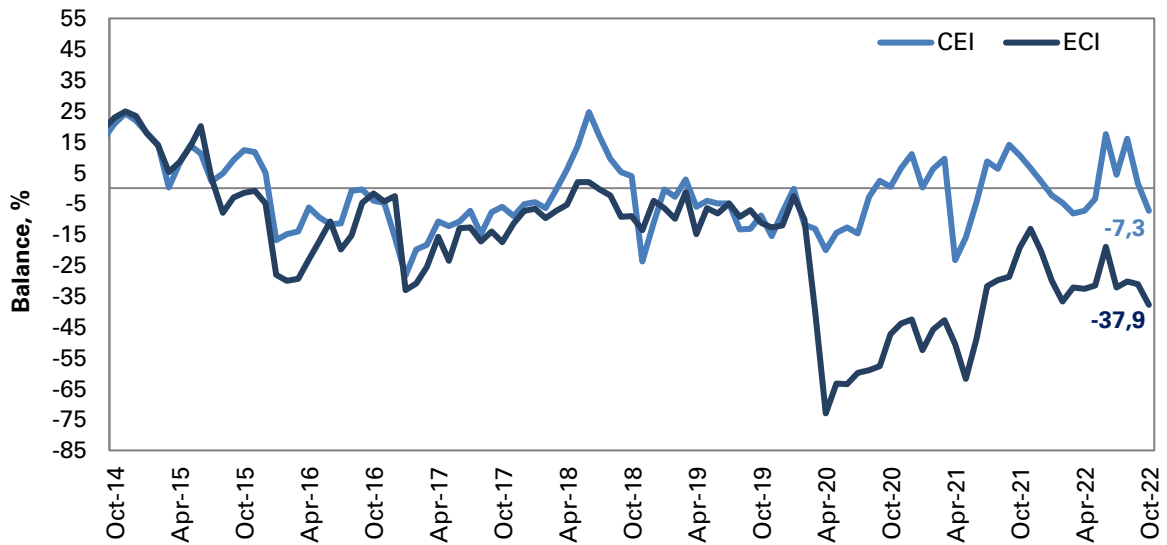
Table 1. Evolution of CCI Components
(Balances between favorable and unfavorable responses, %)

Variable / Balance %	2021		2022	
	October	September	October	September
Consumer Confidence Index - CCI	-1,3	-11,5	-19,5	
A. Consumer Expectations Index - CEI	10,6	1,6	-7,3	
- Do you think that within a year your household will economically do better, worse or the same than now?	32,0	15,3	4,4	
-Do you think that within the next twelve months we will have good or bad economic times?	-6,5	-14,6	-19,5	
-Do you think that the country's economic conditions will be better or worse within a year than they currently are?	6,3	4,1	-6,8	
B. Economic Conditions Index - ECI	-19,2	-31,1	-37,9	
- Do you think that your household is economically doing better or worse than a year ago?	-10,2	-19,7	-28,3	
- Do you think this is a good time to purchase items such as furniture and household appliances?	-28,2	-42,5	-47,4	

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

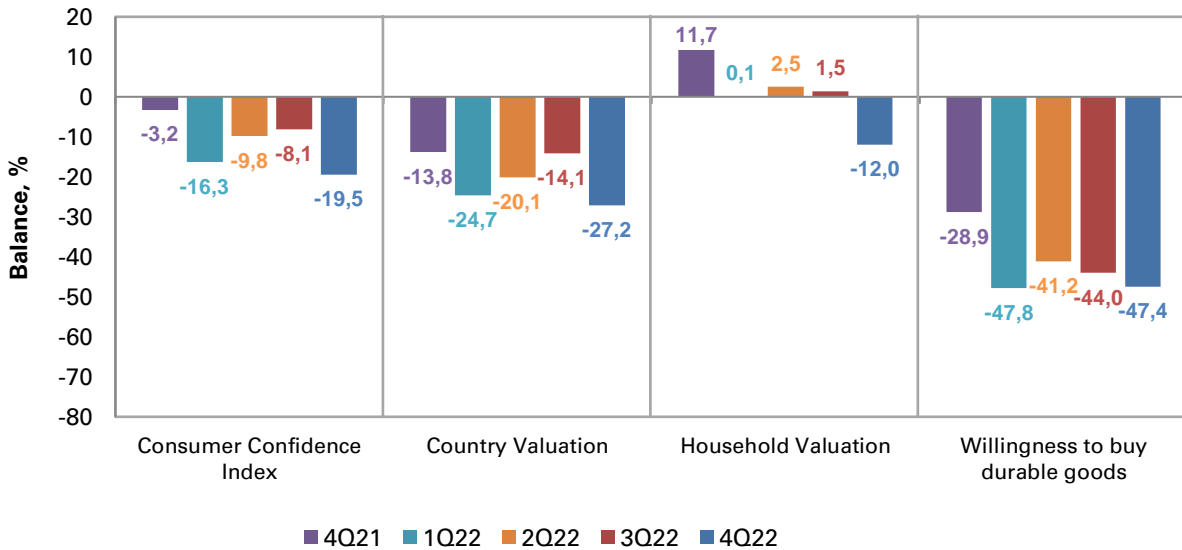
When comparing the results of what has been the fourth quarter of 2022 with the observed average during the third quarter of 2022, consumer's assessment of their households' situation decreased 13.4 pps and the consumer's assessment of the country decreased 13.1 pps. Additionally, consumer's willingness to buy durable goods was -47.4%. This represents a reduction of 3.4 pps relative to the average balance recorded during the third 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 October, the CCI decreased in Bogotá, Medellín, Cali, Bucaramanga and Barranquilla compared to September 2022.

Relative to the previous month, the CCI had a variation of -9.6 pps in Medellín, -3.1 pps in Bucaramanga, -5.3 in Bogotá, -13.4 pps in Cali and -19.9 pps in Barranquilla.

Table 2. Evolution of the CCI by cities

City, Balance %	2021	2022	
	October	September	October
Bogotá	0,2	-11,8	-17,1
Medellín	1,0	-21,7	-31,3
Cali	-8,1	-6,8	-20,2
Barranquilla	-10,5	12,7	-7,2
Bucaramanga	8,9	-21,1	-24,2
Total	-1,3	-11,5	-19,5

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Socioeconomic level. In October, consumer confidence decreased in all the socioeconomic levels, as well as in the previous month.

By socioeconomic level, and compared to the previous month, the CCI decreased 6.4 pps in the higher strata, 7.8 pps in the medium strata and 8.0 pps in the lower strata.

Table 3. Evolution of the CCI by income level

Income level. %	Balance	2021	2022	
		October	September	October
High		10,1	-30,3	-36,7
Medium		-0,8	-10,1	-17,9
Low		-3,4	-11,1	-19,1
Total		-1,3	11,5	-19,5

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Housing. The willingness to buy a house decreased 5.5 pps compared to last month. By cities, this indicator decreased in four of the five analyzed cities relative to September 2022.

In October, the indicator of willingness to buy a house was -36.6%, 5.5 pps lower than the previous month (-31.1%). For this month, willingness to buy a house increased in Bogotá (4.3 pps), while it decreased in Barranquilla (-23.3 pps), Cali (-14.1 pps), Bucaramanga (-17.7 pps) and Medellín (-20.3 pps) compared to September.

Table 4. Willingness to buy a house by cities

City. Balance %	2021	2022	
	October	September	October
Bogotá	0,6	-39,9	-35,6
Medellín	-17,2	-23,7	-44,0
Cali	0,1	-20,1	-34,2
Barranquilla	-13,8	-2,5	-25,8
Bucaramanga	-1,5	-30,4	-48,1
Total	-3,8	-31,1	-36,6

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Compared to the previous month, willingness to buy a house decreased in two of the three the socioeconomic levels.

When analyzing by socioeconomic level in October, willingness to buy a house showed a variation of 4.2 pps in the higher strata, -3.8 pps in the medium strata and -8.0 in the lower strata, compared to what was observed in September 2022.

Table 5. Willingness to buy a house by socioeconomic level

Income level. %	Balance	2021		2022
		October	September	October
High		9,0	-40,8	-36,6
Medium		-3,1	-28,6	-32,4
Low		-6,2	-32,6	-40,6
Total		-3,8	-31,1	-36,6

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Durable goods. Willingness to buy furniture and home appliances decreased 4.9 pps compared to the previous month. By cities, the indicator decreased in three of the five analyzed cities compared to September 2022.

The balance of answers about whether it is a good or a bad moment to buy goods such as furniture and appliances was **-47.4%** in **October**. This represents a reduction of **4.9 pps** compared to **September** 2022. Relative to last month, willingness to buy durable goods had a variation of **18.5 pps** in Cali, **1.0 pps** in Medellín, **-9.2 pps** in Bogotá, **-6.2 pps** in Bucaramanga and **-26.0 pps** in Barranquilla.

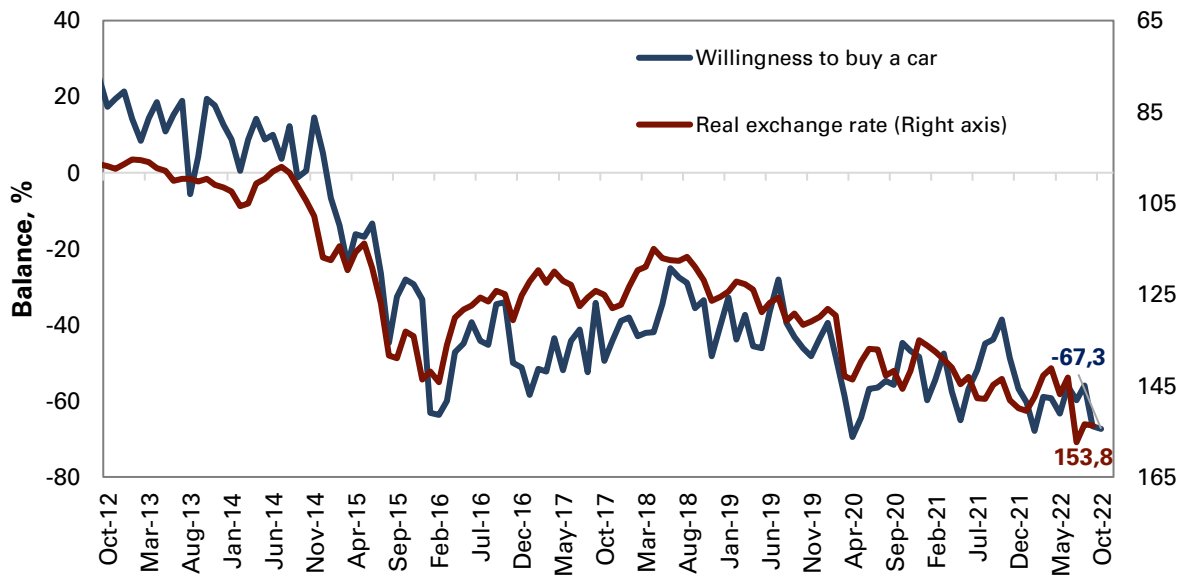
Table 6. Willingness to buy furniture and home appliances by cities

City. Balance %	2021		2022
	October	September	October
Bogotá	-29,8	-40,2	-49,4
Medellín	-8,8	-51,6	-50,6
Cali	-46,6	-59,5	-41,0
Barranquilla	-25,4	-11,0	-37,0
Bucaramanga	-30,2	-38,0	-44,2
Total	-28,2	-42,5	-47,4

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

Vehicles. In October, the willingness to buy a vehicle registered a balance of **-67.3%**. This implies a decrease of 0.7 pps compared to the previous month (-66.6%).

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



Note: Real exchange rate until September 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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