

Consumer Opinion Survey

March 2023

Bulletin 257

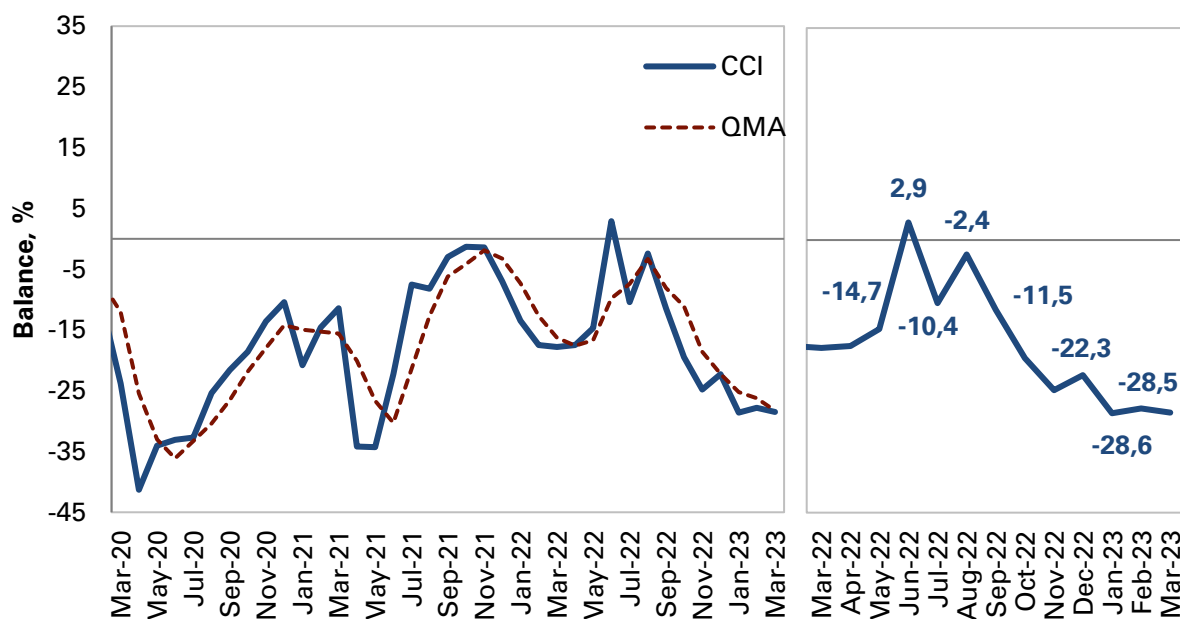


In March 2023, the Consumer Confidence Index (CCI) decreased by 0.7 percentage points (pps) compared to February 2023, reaching a balance of -28.5%. This decrease is mainly due to a 4.0 pps decrease in the Economic Conditions Index, partially offset by an improvement of 1.6 pps in the Consumer Expectations Index.

Regarding cities, consumer confidence decreased in Bogotá, Medellín, and Bucaramanga, and increased in Cali and Barranquilla. Regarding socioeconomic strata, a reduction in confidence was observed in the middle stratum, while it increased in the high and low strata. On the other hand, the willingness to buy housing increased, while the willingness to buy vehicles and furniture and household appliances decreased compared to February.

The results of the Consumer Opinion Survey (EOC) for March reveal that the Consumer Confidence Index (CCI) experienced a decrease of 0.7 percentage points (pps) compared to the previous month, placing it at -28.5%. This is the second lowest balance recorded since May 2021, after the one observed in January 2023 (-28.6%).

Graph 1. Consumer Confidence Index (CCI)



Source: Consumer Opinion Survey (COS) – Fedesarrollo. QMA: Quarterly moving average.

The decrease in consumer confidence compared to February 2023 was due to a decrease in the Economic Conditions Index, although this was offset by an increase in the Consumer Expectations Index.

The Consumer Confidence Index (CCI) is composed of five components detailed in Table 1. The first three components correspond to households' expectations for the next year, while the remaining two reflect consumers' perception of the current economic situation. The first three components make up the Consumer Expectations Index (CEI), while the last two make up the Economic Conditions Index (ECI).

Regarding February, the CCI registered a decrease, explained by a 4.0 pps decrease in the Economic Conditions Index (-47.1%), which was offset by a 1.6 pps increase in the Consumer Expectations Index (-16.1%).

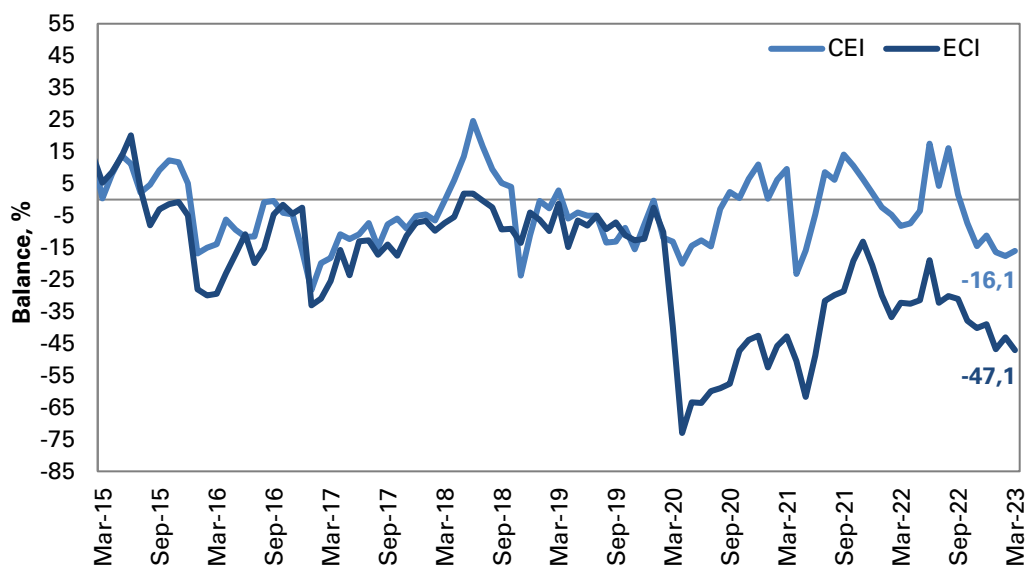
Table 1. Evolution of CCI Components
(Balances between favorable and unfavorable responses, %)

Variable / Balance %	2022	2023	
	March	February	March
Consumer Confidence Index - CCI	-17,8	-27,8	-28,5
A. Consumer Expectations Index - CEI	-8,2	-17,7	-16,1
- Do you think that within a year your household will economically do better, worse or the same than now?	12,2	2,9	7,2
- Do you think that within the next twelve months we will have good or bad economic times?	-31,8	-35,6	-39,4
- Do you think that the country's economic conditions will be better or worse within a year than they currently are?	-4,9	-20,4	-16,1
B. Economic Conditions Index - ECI	-32,3	-43,1	-47,1
- Do you think that your household is economically doing better or worse than a year ago?	-25,2	-32,2	-37,6
- Do you think this is a good time to purchase items such as furniture and household appliances?	-39,4	-53,9	-56,5

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

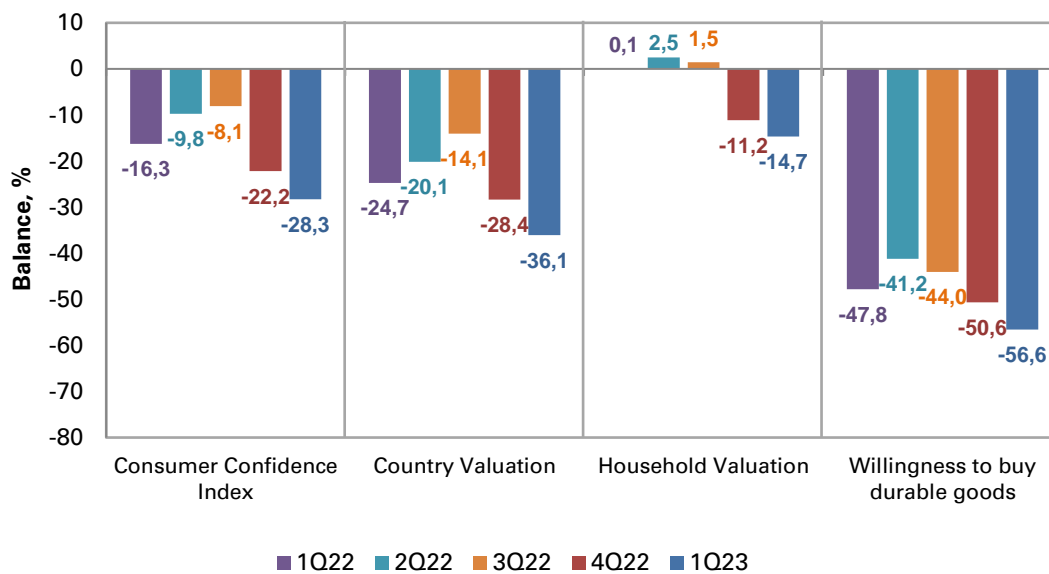
When comparing the results of the first quarter of 2023 with those of the fourth quarter of 2022, a decrease of 3.5 pps can be observed in consumers' assessment of the situation of their households, and a decrease of 7.7 pps in their assessment of the situation of their country. Additionally, consumers' willingness to purchase durable goods was at -56.6% during the first quarter, representing a 5.9 pps decrease compared to the balance registered in the fourth 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 March, the Consumer Confidence Index (CCI) decreased in three of the five cities analyzed compared to February 2023.

Compared to the previous month, the following changes were recorded in the Consumer Confidence Index (CCI): -4.6 pps in Bucaramanga, -4.0 pps in Medellín, -2.8 pps in Bogotá, 3.0 pps in Barranquilla, and 11.3 pps in Cali.

Table 2. Evolution of the CCI by cities

City, Balance %	2022	2023	
	March	February	March
Bogotá	-20,9	-25,7	-28,5
Medellín	-16,2	-41,6	-45,6
Cali	-11,4	-28,8	-17,5
Barranquilla	-6,4	-12,6	-9,6
Bucaramanga	-27,1	-24,5	-29,1
Total	-17,8	-27,8	-28,5

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Socioeconomic level. In March, consumer confidence decreased in the middle socioeconomic level compared to February 2023

In March 2023, a decrease of 3.4 pps was recorded in the middle socioeconomic stratum compared to the previous month. On the other hand, an improvement was observed in the ICC of the high and low strata by 7.3 pps and 1.3 pps, respectively.

Table 3. Evolution of the CCI by income level

Income level. Balance %	2022	2023	
	March	February	March
High	-17,0	-51,9	-44,6
Medium	-14,4	-24,4	-27,8
Low	-21,1	-28,9	-27,6
Total	-17,8	-27,8	-28,5

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Housing. The willingness to buy a house increased by 3.5 pps compared to last month. By cities, this indicator increased in three out of the five cities analyzed relative to February 2023.

In March, the index of willingness to buy housing increased by 3.5 pps compared to the previous month, reaching -44.8%. There was an increase in the cities of Barranquilla (32.4 pps), Bogotá (4.2 pps), and Cali (3.8 pps), although Bucaramanga (-7.9 pps) and Medellín (-10.1 pps) experienced a decrease compared to February 2023.

Table 4. Willingness to buy a house by cities

City. Balance %	2022	2023	
	March	February	March
Bogotá	-10,1	-50,3	-46,1
Medellín	-20,0	-48,6	-58,7
Cali	-37,2	-44,3	-40,5
Barranquilla	-3,3	-40,5	-8,1
Bucaramanga	-44,4	-47,2	-55,1
Total	-16,2	-48,3	-44,8

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Compared to the previous month, the willingness to buy a house increased in the low- and middle-income levels.

When analyzing by socioeconomic level, it can be observed that in March, the willingness to buy housing increased by 2.3 pps in the middle socioeconomic level and by 7.1 pps in the low socioeconomic level compared to the previous month. However, a decrease of -23.1 pps was recorded in the high socioeconomic level.

Table 5. Willingness to buy a house by socioeconomic level

Income level. Balance %	2022	2023	
	March	February	March
High	-50,0	-64,9	-88,0
Medium	-1,5	-49,3	-47,0
Low	-26,2	-45,8	-38,7
Total	-16,2	-48,3	-44,8

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Durable goods. The willingness to purchase furniture and appliances decreased by 2.6 pps compared to February 2023. By cities, this indicator decreased in three of the five cities analyzed compared to the previous month.

In March, the percentage of positive responses regarding whether it is a good or bad time to buy goods such as furniture and appliances recorded a balance of -56.5%, representing a decrease of 2.6 pps compared to the previous month. If analyzed by cities, a decrease in the willingness to buy durable goods was observed in Cali (-20.4 pps), Medellín (-4.2 pps), and Barranquilla (-1.0 pps). On the other hand, an increase of 1.1 pps in Bogotá and 6.7 pps in Bucaramanga was evidenced compared to the previous month.

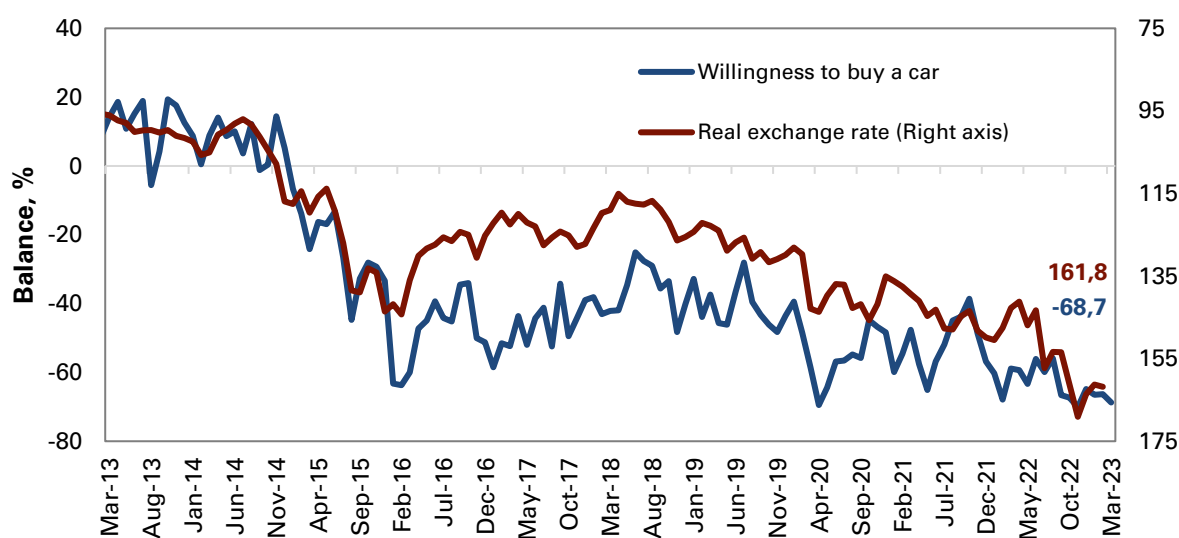
Table 6. Willingness to buy furniture and home appliances by cities

City. Balance %	2022		2023
	March	February	March
Bogotá	-43,8	-55,8	-54,7
Medellín	-38,1	-63,0	-67,2
Cali	-31,1	-43,0	-63,4
Barranquilla	-17,0	-37,5	-38,5
Bucaramanga	-57,2	-57,3	-50,6
Total	-39,4	-53,9	-56,5

Source: Consumer Opinión Survey (COS) – Fedesarrollo

Vehicles. In March, the willingness to buy a vehicle recorded a balance of **-68.7%**, which represents a decrease of 2.4 pps compared to the previous month (-66.3%).

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



Source: Consumer Opinión 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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