

Consumer Opinion Survey

August 2023

Bulletin 262

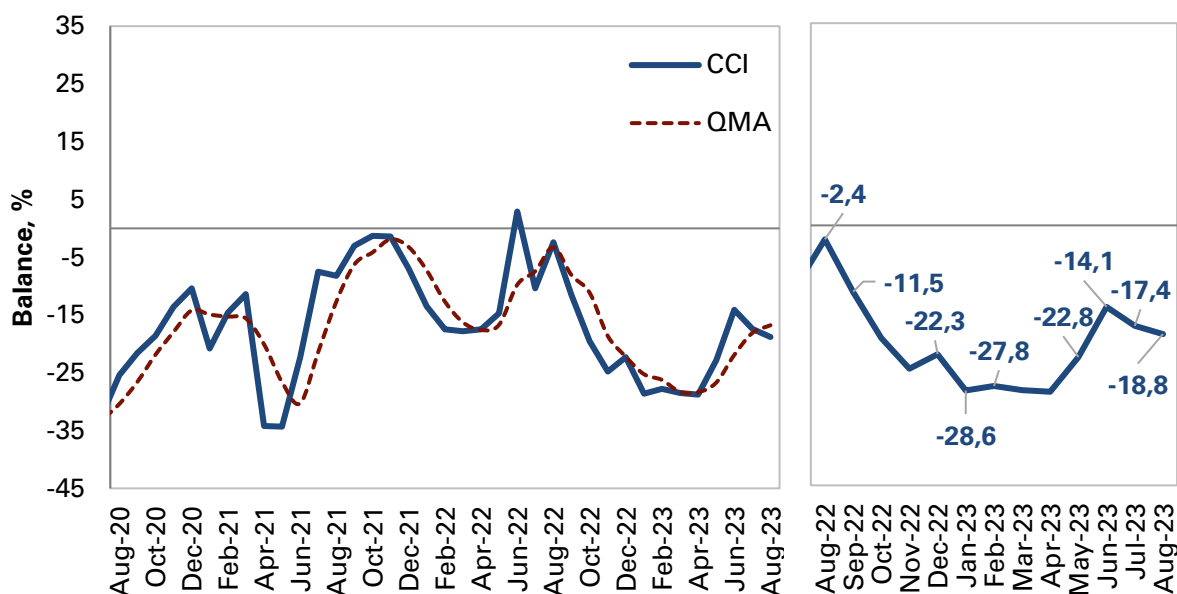


In August 2023, the Consumer Confidence Index (CCI) decreased by 1.4 percentage points (pps) compared to July 2023, reaching a balance of -18.8%. This decline is attributed to a 4.4 pps decrease in the Economic Conditions Index, which was partially offset by a 0.6 pps increase in the Consumer Expectations Index.

In the month of August, consumer confidence decreased in two out of the five cities analyzed and among the lower socioeconomic level. The willingness to purchase housing and furniture and appliances decreased compared to the previous month, while the willingness to buy vehicles increased.

The results of the Consumer Opinion Survey (COS) for August reveal that the Consumer Confidence Index (CCI) experienced a decrease of 1.4 pps compared to the previous month, standing at -18.8%.

Graph 1. Consumer Confidence Index (CCI)



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

The decline in consumer confidence compared to July 2023 was explained by a decrease of 4.4 pps in the Economic Conditions Index, which was partially offset by a 0.6 pps increase in the Consumer Expectations Index.

The Consumer Confidence Index (CCI) consists of five components detailed in Table 1. The first three components correspond to households' expectations for one 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 form the Economic Conditions Index (ECI).

Compared to July, the decrease in the CCI was explained by a decrease in the Consumer Expectations Index (4.4 pps), which was partially offset by an increase in the Consumer Expectations Index (0.6 pps).

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

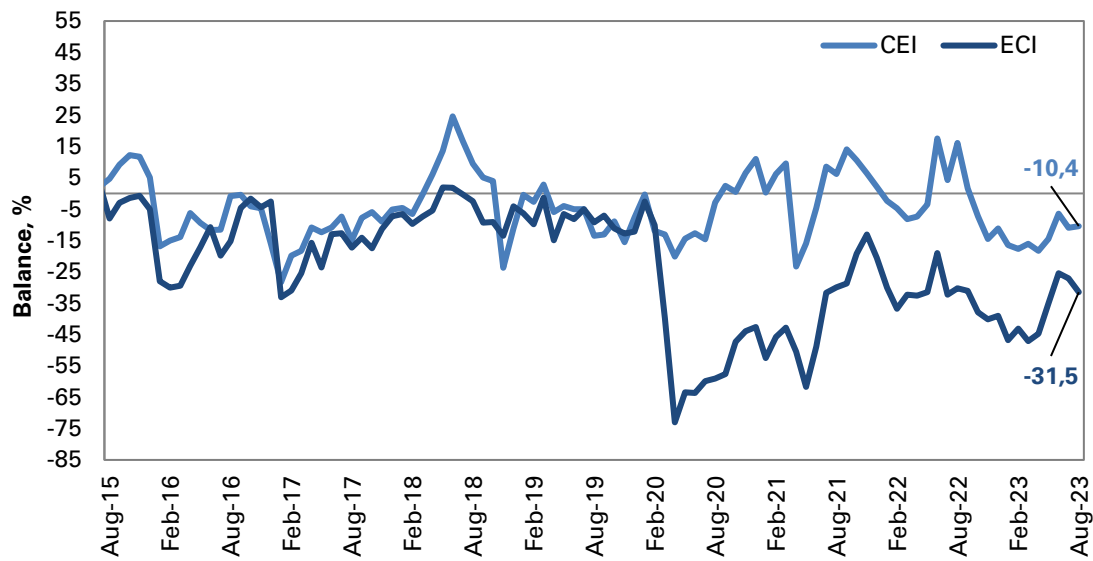
Variable / Balance %	2022	2023	
	August	July	August
Consumer Confidence Index - CCI	-2,4	-17,4	-18,8
A. Consumer Expectations Index - CEI	16,1	-11,0	-10,4
- Do you think that within a year your household will economically do better, worse or the same than now?	30,0	8,5	5,7
- Do you think that within the next twelve months we will have good or bad economic times?	5,0	-25,3	-27,7
- Do you think that the country's economic conditions will be better or worse within a year than they currently are?	13,4	-16,2	-9,2
B. Economic Conditions Index - ECI	-30,2	-27,1	-31,5
- Do you think that your household is economically doing better or worse than a year ago?	-15,6	-18,6	-24,0
- Do you think this is a good time to purchase items such as furniture and household appliances?	-44,9	-35,5	-39,0

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

When comparing the results of the current third quarter¹ of 2023 with those of the second quarter, an increase of 2.2 pps and 3.4 pps is observed in consumers' assessment of their household and country's situation, respectively. Furthermore, consumers' willingness to purchase durable goods stood at -37.3% during the third quarter, representing an increase of 5.4 pps compared to the balance recorded in the second quarter of 2023 (Graph 3).

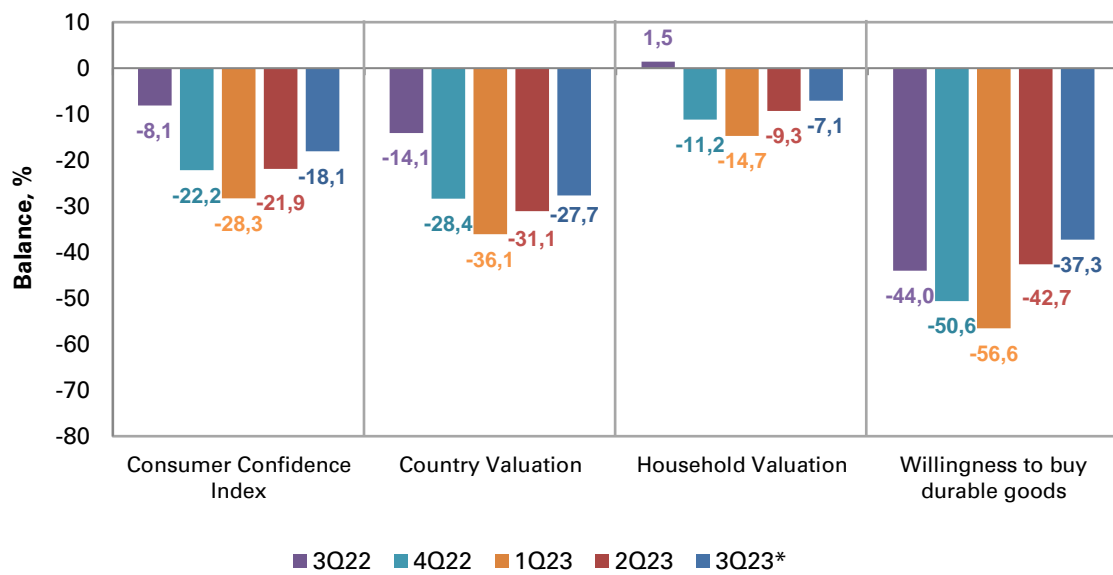
¹ Quarter up to August 2023.

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.
*Quarter up to August 2023.

Cities. In August, the CCI decreased in two out of the five cities analyzed compared to July 2023.

En comparación con el mes anterior, se registraron las siguientes variaciones en el ICC: -13,6 pps en Bucaramanga, -4,3 pps en Bogotá, 2,8 pps en Medellín, 3,0 pps en Barranquilla y 6,6 pps en Cali.

Table 2. Evolution of the CCI by cities

City, Balance %	2022	2023	
	August	July	August
Bogotá	-2,0	-14,1	-18,4
Medellín	-16,0	-32,2	-29,4
Cali	7,8	-17,1	-10,5
Barranquilla	8,9	-12,9	-9,9
Bucaramanga	-6,6	-11,4	-25,0
Total	-2,4	-17,4	-18,8

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Socioeconomic level. Consumer confidence decreased among the lower socioeconomic level compared to July 2023.

In August 2023, a decrease of 12.4 pps was recorded in the lower stratum. Meanwhile, in the high and middle strata, an increase of 2.8 pps and 9.4 pps, respectively, was observed compared to the previous month.

Table 3. Evolution of the CCI by Socioeconomic level

Socioeconomic level. Balance %	2022	2023	
	August	July	August
High	-26,1	-48,3	-45,5
Medium	-4,2	-23,2	-13,8
Low	1,6	-8,6	-21,0
Total	-2,4	-17,4	-18,8

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Housing. The willingness to purchase housing decreased by 5.5 pps compared to the previous month. By cities, this indicator decreased in three out of the five cities analyzed relative to July 2023.

In August, the housing purchase willingness index decreased by 5.5 pps compared to the previous month, reaching -45.2%. There was a decrease in the cities of Bucaramanga (19.1 pps), Bogotá (13.6 pps), and Cali (2.3 pps), which were offset by increases in Medellín (7.6 pps) and Barranquilla (25.5 pps).

Table 4. Willingness to buy a house by cities

City. Balance %	2022	2023	
	August	July	August
Bogotá	-37,6	-38,9	-52,5
Medellín	-17,2	-50,4	-42,8
Cali	-20,3	-30,6	-32,9
Barranquilla	-0,8	-45,6	-20,1
Bucaramanga	-40,9	-23,1	-42,2
Total	-29,1	-39,7	-45,2

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Compared to the previous month, the willingness to purchase housing decreased in the high and middle socioeconomic levels.

When analyzed by socioeconomic level, it is observed that in August, the willingness to purchase housing decreased by 19.9 pps and 6.0 pps in the middle and high socioeconomic levels, respectively. Meanwhile, in the low socioeconomic level, there was an increase of 8.1 pps relative to the previous month.

Table 5. Willingness to buy a house by socioeconomic level

Income level. Balance %	2022	2023	
	August	July	August
High	-43,3	-70,2	-76,2
Medium	-31,8	-31,1	-51,0
Low	-25,0	-44,8	-36,7
Total	-29,1	-39,7	-45,2

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Durable goods. The willingness to purchase furniture and appliances decreased by 3.5 pps compared to July 2023. By cities, this indicator decreased in four out of the five cities analyzed compared to the previous month.

In August, the percentage of positive responses regarding whether it is a good or bad time to buy items such as furniture and appliances recorded a balance of -39.0%, representing a decrease of 3.5 pps compared to the previous month. When analyzed by cities, a decrease in the willingness to purchase durable goods was observed, with a decrease of 55.0 pps in Bucaramanga, 5.2 pps in Medellín, 3.0 pps in Bogotá, and 1.2 pps in Barranquilla. Conversely, there were increases of 11.0 pps in Cali.

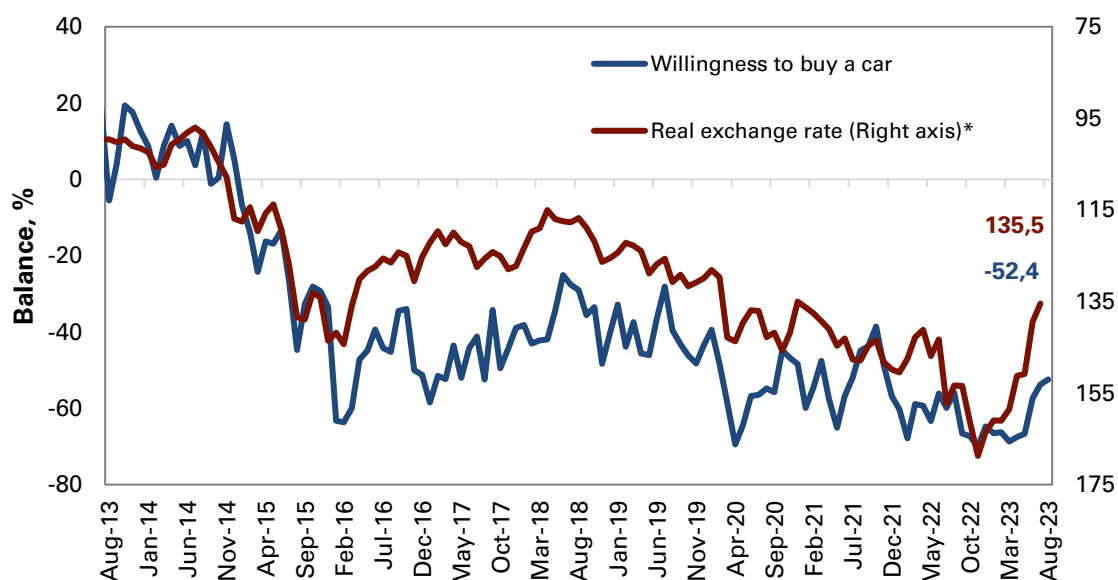
Table 6. Willingness to buy furniture and home appliances by cities

City. Balance %	2022	2023	
	August	July	August
Bogotá	-54,0	-35,7	-38,7
Medellín	-37,9	-45,2	-50,4
Cali	-26,1	-38,1	-27,1
Barranquilla	-31,3	-21,0	-22,2
Bucaramanga	-41,1	-11,2	-66,2
Total	-44,9	-35,5	-39,0

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Vehicles. In August, the willingness to buy a vehicle recorded a balance of **-52.4%**, representing an increase of 1.4 pps compared to the previous month (-53.8%).

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



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

*Real exchange rate up to July 2023.



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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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