

Consumer Opinion Survey

October 2023

Bulletin 264

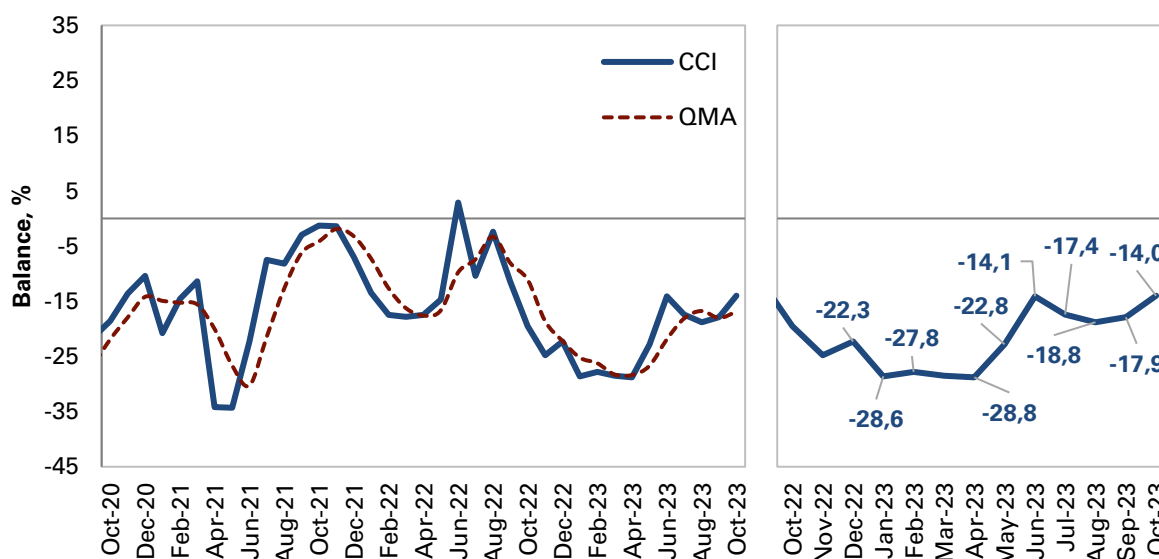


In October 2023, the Consumer Confidence Index (CCI) increased by 3.9 percentage points (pps) compared to September 2023, reaching a balance of -14.0%. This increase is due to an improvement of 7.2 pps in the Consumer Expectations Index, which was partially offset by a decrease of 1.1 pps in the Economic Conditions Index.

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

The results of the Consumer Opinion Survey (COS) for October reveal that the Consumer Confidence Index (CCI) experienced an increase of 3.9 percentage points (pp) compared to the previous month, reaching -14.0%.

Graph 1. Consumer Confidence Index (CCI)



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

The increase in consumer confidence compared to September 2023 was explained by an improvement of 7.2 percentage points in the Consumer Expectations Index, which was partially offset by a decrease of 1.1 percentage points in the Economic Conditions 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).

Regarding September, the increase in the Consumer Confidence Index (CCI) was explained by an improvement in the Consumer Expectations Index (7.2 percentage points), which was partially offset by a decrease in the Economic Conditions Index (1.1 percentage points).

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

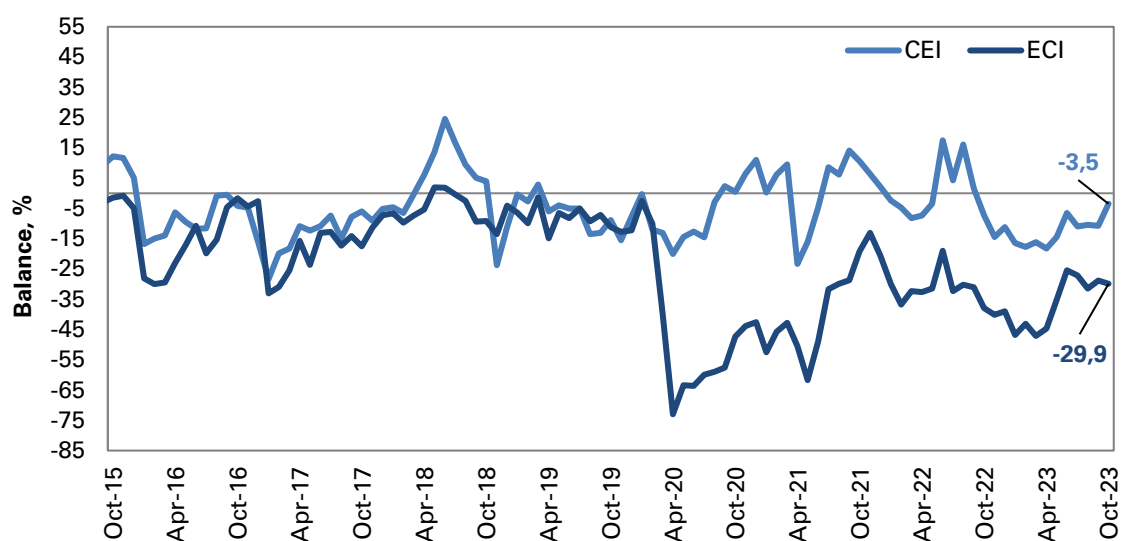
Variable / Balance %	2022	2023	
	October	September	October
Consumer Confidence Index - CCI	-19,5	-17,9	-14,0
A. Consumer Expectations Index - CEI	-7,3	-10,7	-3,5
- Do you think that within a year your household will economically do better, worse or the same than now?	4,4	6,0	13,0
- Do you think that within the next twelve months we will have good or bad economic times?	-19,5	-25,5	-16,1
- Do you think that the country's economic conditions will be better or worse within a year than they currently are?	-6,8	-12,6	-7,3
B. Economic Conditions Index - ECI	-37,9	-28,8	-29,9
- Do you think that your household is economically doing better or worse than a year ago?	-28,3	-24,0	-26,0
- Do you think this is a good time to purchase items such as furniture and household appliances?	-47,4	-33,5	-33,8

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

When comparing the results of the current fourth quarter of 2023¹ with those of the third quarter, there is an increase of 1.2 percentage points and 5.9 percentage points in consumers' assessment of their households' situation and their country's situation, respectively. Furthermore, consumers' willingness to purchase durable goods stood at -33.8%, representing an increase of 2.2 percentage points compared to the balance recorded in the third quarter of 2023 (Graph 3).

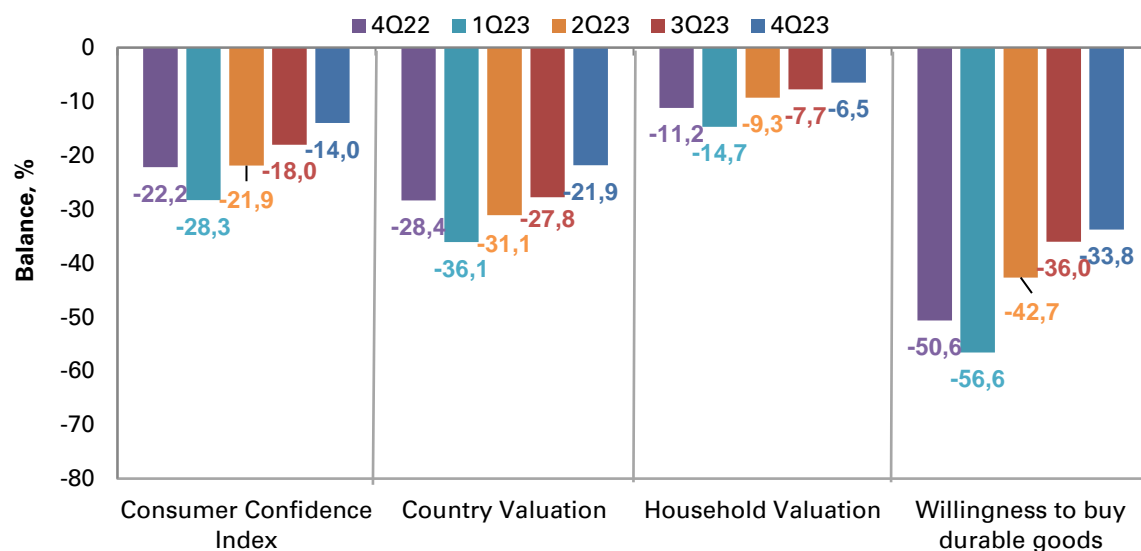
¹ Quarter up to October.

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 Consumer Confidence Index increased in two out of the five cities analyzed compared to September 2023.

Compared to the previous month, the following variations were recorded in the Consumer Confidence Index: -12.8 percentage points in Barranquilla, -6.9 percentage points in Bucaramanga, -0.4 percentage points in Medellín, 5.2 percentage points in Cali, and 7.5 percentage points in Bogotá.

Table 2. Evolution of the CCI by cities

City, Balance %	2022	2023	
	October	September	October
Bogotá	-17,1	-16,9	-9,4
Medellín	-31,3	-28,5	-28,9
Cali	-20,2	-13,8	-8,6
Barranquilla	-7,2	-11,5	-24,3
Bucaramanga	-24,2	-14,9	-21,8
Total	-19,5	-17,9	-14,0

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Socioeconomic level. Consumer confidence increased in the middle and lower socioeconomic levels compared to September 2023.

In October 2023, there was an increase of 5.3 percentage points and 3.8 percentage points in the lower and middle socioeconomic levels, respectively. On the other hand, in the high socioeconomic level, a decrease of 8.0 percentage points was observed compared to the previous month.

Table 3. Evolution of the CCI by Socioeconomic level

Socioeconomic level. Balance %	2022	2023	
	October	September	October
High	-36,7	-35,8	-43,8
Medium	-17,9	-16,1	-12,3
Low	-19,1	-17,7	-12,4
Total	-19,5	-17,9	-14,0

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Housing. The willingness to purchase housing increased by 9.6 percentage points compared to the previous month. By cities, this indicator increased in three out of the five cities analyzed relative to September 2023.

In October, the housing purchase readiness index increased by 9.6 percentage points compared to the previous month, reaching -45.8%. There is an increase in the cities of Cali (36.5 pps), Bogotá (11.3 pps), and Bucaramanga (6.5 pps), which were offset by decreases in Barranquilla (7.8 pps) and Medellín (-10.0 pps).

Table 4. Willingness to buy a house by cities

City. Balance %	2022	2023	
	October	September	October
Bogotá	-35,6	-60,2	-48,9
Medellín	-44,0	-50,8	-60,8
Cali	-34,2	-59,9	-23,4
Barranquilla	-25,8	-27,3	-35,1
Bucaramanga	-48,1	-43,4	-36,9
Total	-36,6	-55,4	-45,8

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Compared to the previous month, the willingness to purchase housing increased in the middle and lower socioeconomic levels.

When analyzing by socioeconomic level, it is observed that in October, the willingness to purchase housing increased by 13.5 percentage points and 7.8 percentage points in the middle and lower socioeconomic levels, respectively. On the other hand, in the high socioeconomic level, a decrease of 9.3 percentage points was observed relative to the previous month.

Table 5. Willingness to buy a house by socioeconomic level

Income level. Balance %	2022	2023	
	October	September	October
High	-36,6	-69,9	-79,2
Medium	-32,4	-61,8	-48,3
Low	-40,6	-47,9	-40,1
Total	-36,6	-55,4	-45,8

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Durable goods. The willingness to purchase furniture and appliances decreased by 0.3 percentage points compared to September 2023. By cities, this indicator increased in one out of the five cities analyzed compared to the previous month.

In October, 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 -33.8%, representing a decrease of 0.3 percentage points compared to the previous month. When analyzing it by cities, there was an increase in the willingness to purchase durable goods of 27.1 percentage points in Cali. On the other hand, there is a decrease of 1.7 percentage points in Bogotá, 4.4 percentage points in Bucaramanga, 13.0 percentage points in Medellín, and 13.5 percentage points in Barranquilla.

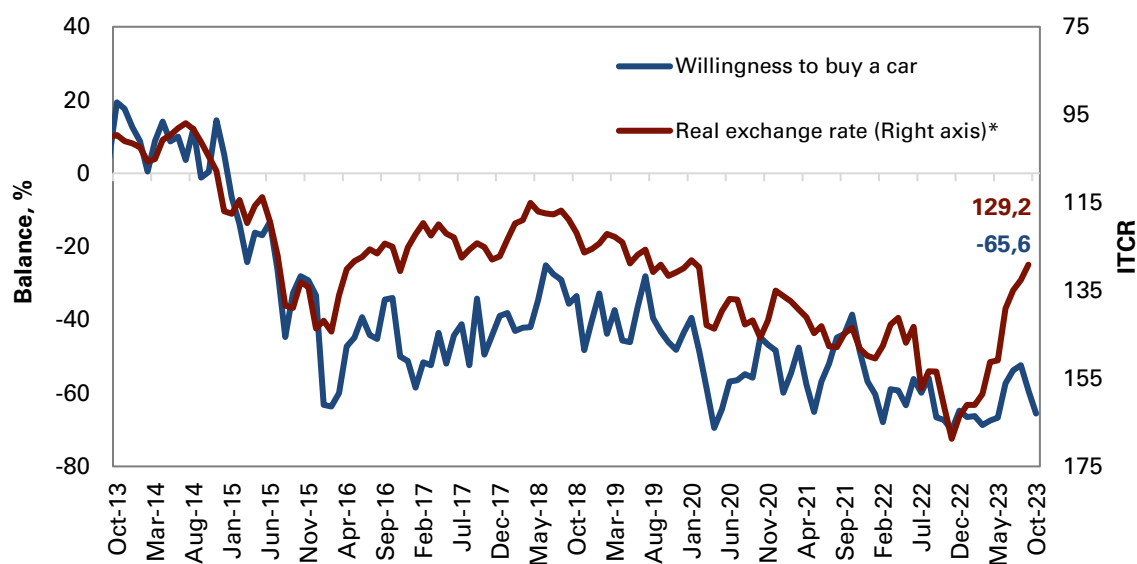
Table 6. Willingness to buy furniture and home appliances by cities

City. Balance %	2022	2023	
	October	September	October
Bogotá	-49,4	-28,5	-30,2
Medellín	-50,6	-47,0	-60,0
Cali	-41,0	-43,2	-16,1
Barranquilla	-37,0	-22,7	-36,2
Bucaramanga	-44,2	-33,6	-38,0
Total	-47,4	-33,5	-33,8

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Vehicles. In October, the willingness to purchase a vehicle recorded a balance of -65.6%, representing a decrease of 6.2 percentage points compared to the previous month (-59.4%).

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 September 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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