

Consumer Opinion Survey

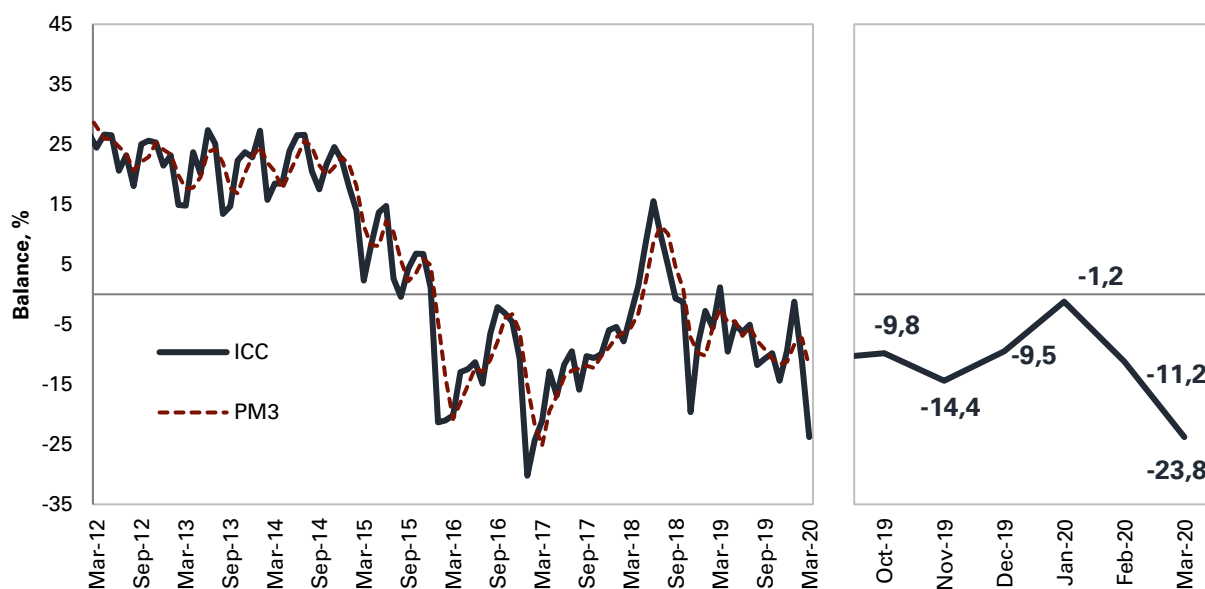
March 2020



In March, the Consumer Confidence Index (CCI) recorded a balance of -23.8%. This represents a decrease of 12.5 percentage points (pps) compared to the previous month. Compared to February 2020, the decrease was due to a fall of 29,7 pps in the Economic Conditions Index and a decrease of 1,1 pps in the Consumer Expectations Index. Consumer confidence decreased in all strata and the five analyzed cities compared to February 2020. Meanwhile, willingness to buy furniture and home appliances decreased relative to the last month.

According to the results of the Consumer Opinion Survey (COS) of March, the Consumer Confidence Index (CCI) recorded a balance of -23.8%. This value represents a decrease of 12.5 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 February 2020 was due to a fall in the Consumer Expectations Index and a decrease 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 decrease of the CCI compared to February is explained by a fall of 29.7 pps in the Economic Conditions Index (-39,8%) and a decrease of 1.1 pps in the Consumer Expectations Index (-13,1%).

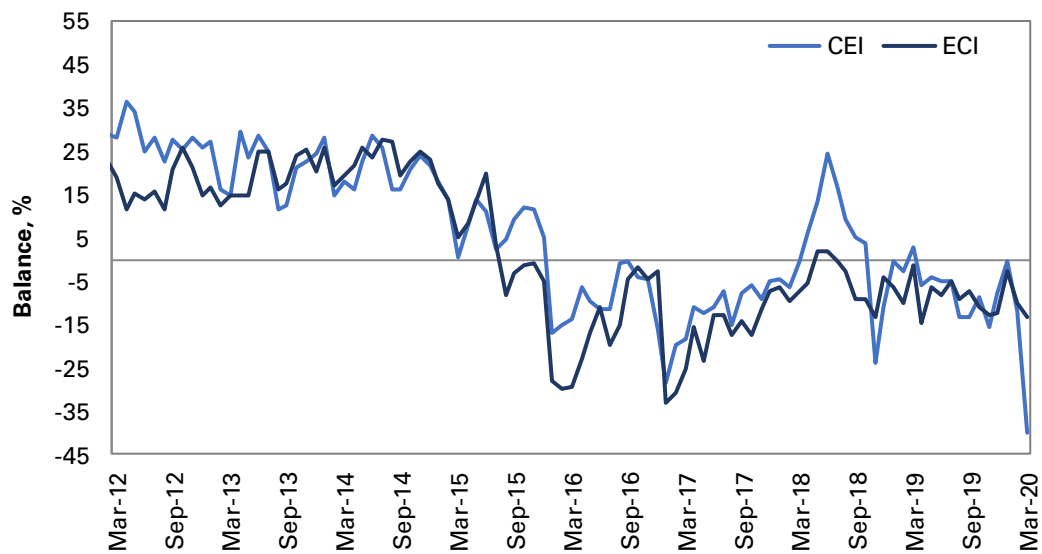
Table 1. Evolution of CCI Components
(Balances between favorable and unfavorable responses, %)

Variable / Balance %	2019	2020	
	March	February	March
Consumer Confidence Index - CCI	1,2	-11,2	-23,8
A. Consumer Expectations Index - CEI	2,9	-12,0	-13,1
-Do you think that within a year your household will economically do better, worse or the same than now?	31,7	20,0	20,0
-Do you think that within the next twelve months we will have good or bad economic times?	-16,8	-37,6	-44,7
-Do you think that the country's economic conditions will be better or worse within a year than they currently are?	-6,3	-18,4	-14,6
B. Economic Conditions Index - ECI	-1,4	-10,1	-39,8
- Do you think that your household is economically doing better or worse than a year ago?	-6,6	-8,9	-29,5
-Do you think this is a good time to purchase items such as furniture and household appliances?	3,9	-11,3	-50,1

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

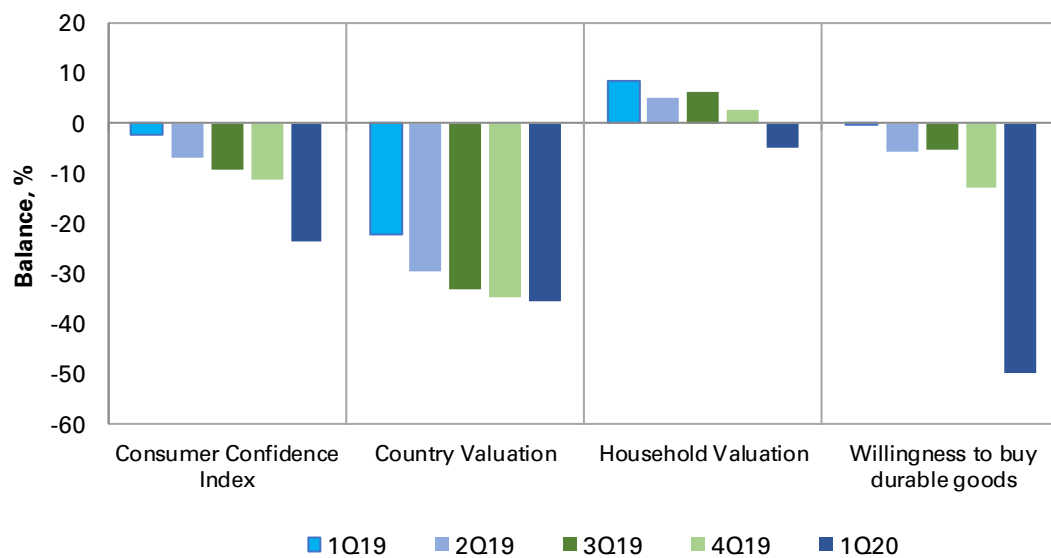
When comparing the results of the first quarter of 2020 with the observed average during the first quarter of 2019, consumer's assessment of their households' situation decreased 7.4 pps and the consumer's assessment of the country decreased 0.8 pps. On the other hand, consumer's willingness to buy durable goods was -50.1%, this represents a decrease of 37.2 pps relative to the average balance recorded during the first quarter of 2021 (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 CCI decreased in the five surveyed cities compared to February 2020.

The CCI decreased compared to the previous month in Cali (26.9 pps), Bucaramanga (23.2 pps), Medellín (19.3 pps), Bogotá (8.3 pps) and Barranquilla (1.2 pps).

Table 2. Evolution of the CCI by cities

City, Balance %	2019	2020	
	March	February	March
Bogotá	-5,0	-16,1	-24,4
Medellín	10,4	-3,9	-23,2
Cali	11,4	-5,3	-32,2
Barranquilla	11,1	-4,7	-5,9
Bucaramanga	-8,4	-5,1	-28,2
Total	1,2	-11,2	-23,8

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Socioeconomic level. In February, consumer confidence decreased in all strata compared to the previous month.

By socioeconomic level and compared to the previous month, the CCI decreased 17.0 pps in the upper strata, 13.1 pps in the middle strata and 11.4 pps in the low strata.

Table 3. Evolution of the CCI by income level

Income Level Balance %	2019	2020	
	March	February	March
High	-3,0	-5,1	-22,1
Medium	3,0	-10,3	-23,4
Low	-0,1	-13,0	-24,4
Total	1,2	-11,2	-23,8

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Housing. The willingness to buy a house decreased 35.5 pps compared to last month. By cities, this indicator decreased in all the analyzed cities relative to February 2020.

In March, the willingness to buy a house was -35.1%, 35.5 pps lower than the previous month. For this month, willingness to buy a house decreased in Bucaramanga (54.3 pps), Medellín (45.6 pps), Cali (45.5 pps), Barranquilla (32.6 pps) and Bogotá (29.2 pps) compared to what was observed in February 2020.

Table 4. Willingness to buy a house by cities

City Balance %	2019	2020	
	March	February	March
Bogotá	-9,1	-9,9	-39,1
Medellín	5,1	15,5	-30,1
Cali	26,5	19,6	-25,8
Barranquilla	23,5	21,2	-11,4
Bucaramanga	-8,6	-19,5	-73,8
Total	1,2	0,4	-35,1

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Compared to the previous month, willingness to buy a house decreased in all strata.

When analyzing by socioeconomic level in March, willingness to buy a house showed a decrease compared to last month of 42.6 pps in the middle strata, 28.9 pps in the upper strata and 28.6 pps in the low strata, compared to what was observed in February 2020.

Table 5. Willingness to buy a house by socioeconomic level

Income level Balance %	2019	2020	
	March	February	March
High	-13,7	13,7	-15,2
Medium	7,1	-5,5	-48,1
Low	-3,0	3,6	-25,0
Total	1,2	0,4	-35,1

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Durable goods. Willingness to buy furniture and home appliances decreased 38,8 pps compared to the previous month. By cities, this indicator decreased in all the analyzed cities compared to what was observed in February 2020.

The balance of answers about whether it is a good or bad time to buy goods such as furniture and appliances was -50.1% in March. This represents a decrease of 38.8 pps compared to February 2020. Relative to last month, willingness to buy durable goods decreased in Cali (72.7 pps), Bucaramanga (53.5 pps), Medellín (48.3 pps), Barranquilla (35.7 pps) and Bogotá (27.5 pps).

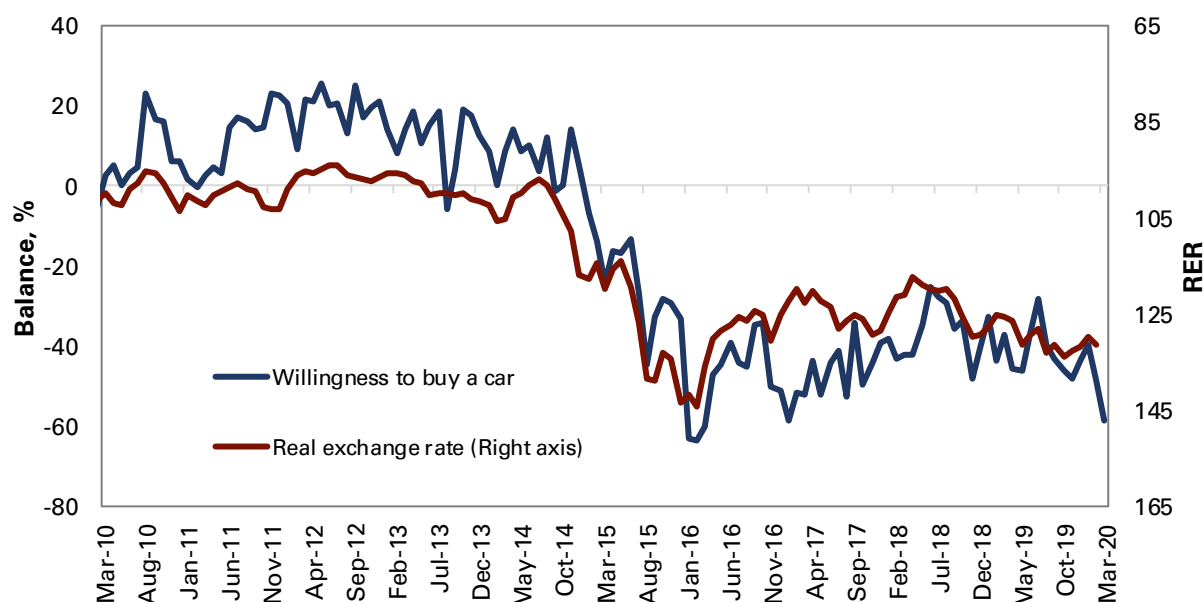
Table 6. Willingness to buy furniture and home appliances by cities

City. Balance %	2019		2020
	March	February	March
Bogotá	-4,5	-19,9	-47,4
Medellín	9,7	-7,7	-56,0
Cali	31,5	11,5	-61,1
Barranquilla	7,6	8,4	-27,3
Bucaramanga	-14,8	-18,0	-71,5
Total	3,9	-11,3	-50,1

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

Vehicles. In March, the willingness to buy a vehicle registered a balance of -58.6%. This implies a decrease of 10.2 pps compared to the previous month (-48.4).

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



Note: Real exchange rate until February 2020

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



50 AÑOS
FEDESARROLLO
Centro de Investigación Económica y Social

Contact us if you would like to have access to disaggregated results by city, level of income and other survey questions

+57 1 3259777 ext. 340
comercial@fedesarrollo.org.co

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Comments to Daiyan Andrea Correa Jimenez: dcorrea@fedesarrollo.org.co