Consumer Opinion Survey
May 2024
Bulletin 271

FEDESARROLLO
Centro de Investigación Económica y Social

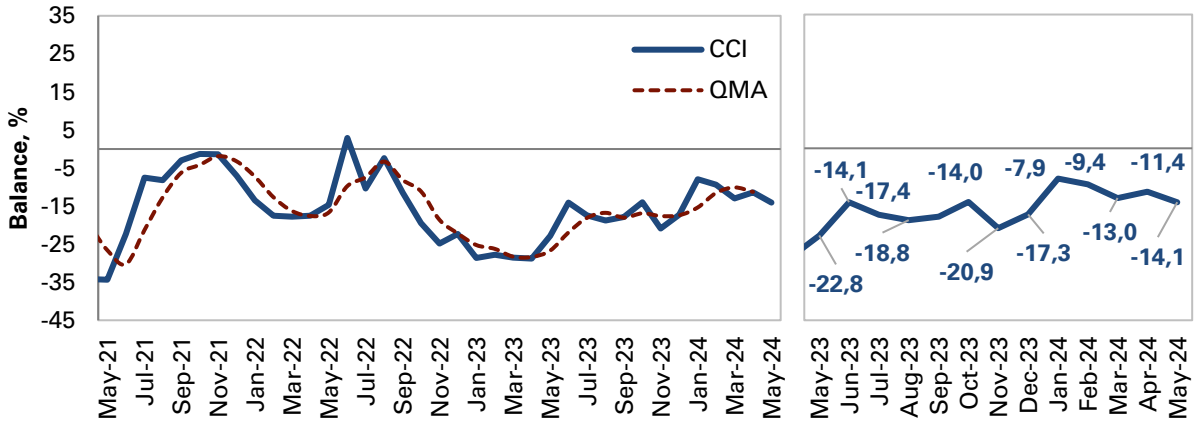
In May 2024, the Consumer Confidence Index (ICC) reached a balance of -14.1%, decreasing by 2.7 percentage points compared to April 2024 (-11.4%) and increasing by 8.7 percentage points compared to May 2023 (-22.8%). This decline was due to a drop of 3.6 percentage points in the Economic Conditions Index and 2.1 percentage points in the Consumer Expectations Index, respectively.

When comparing the results for the second quarter of 2024 with those of the first quarter of 2024, a decrease in consumer confidence is observed, as well as in consumers' assessment of the country's situation and their households. Likewise, the willingness to buy durable goods decreased compared to the previous quarter.

In May, consumer confidence decreased in four of the five cities analyzed, and across all socioeconomic levels. Additionally, the willingness to buy housing and vehicles increased compared to the previous month.

The results of the May Consumer Opinion Survey (COS) reveal that the Consumer Confidence Index (CCI) reached a balance of -14.1%, registering a decrease of 2.7 percentage points compared to the previous month (-11.4%), and an increase of 8.7 percentage points compared to May 2023 (-22.8%).

Graph 1. Consumer Confidence Index (CCI)



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

The decline in consumer confidence compared to April 2024 was due to a drop of 3.6 percentage points and 2.1 percentage points in the Economic Conditions Index and the Consumer Expectations Index, respectively. Compared to the same month of the previous year, the increase in consumer confidence was due to an increase of 10.4 percentage points and 7.5 percentage points in the Economic Conditions Index and the Consumer Expectations Index, respectively.

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

Regarding April 2024, the decline in the CCI in May was explained by a drop of 3.6 percentage points in the ECI, from -21.2% to -24.8%, as well as a drop of 2.1 percentage points in the CEI, from -4.9% to -7.0%. Compared to May 2023, there was an increase of 10.4 percentage points in the ECI, from -35.2% to -24.8%, and of 7.5 percentage points in the CEI, from -14.5% to -7.0%.

Table 1. Evolution of CCI Components

(Balances between favorable and unfavorable responses, %)

Variable / Balance %	2023	2024	
	May	April	May
Consumer Confidence Index - CCI	**-22,8**	**-11,4**	**-14,1**
A. Consumer Expectations Index - CEI	**-14,5**	**-4,9**	**-7,0**
- Do you think that in a year your household will economically do better, worse or the same than now?	10,3	14,0	12,0
- Do you think that within the next twelve months we will have good or bad economic times?	-35,4	-19,5	-18,9
- Do you think that the country's economic conditions will be better or worse in a year than they currently are?	-18,4	-9,2	-14,1
B. Economic Conditions Index - ECI	**-35,2**	**-21,2**	**-24,8**
- Do you think that your household is economically doing better or worse than a year ago?	-26,4	-16,6	-22,0
- Do you think this is a good time to purchase items such as furniture and household appliances?	-44,1	-25,7	-27,6

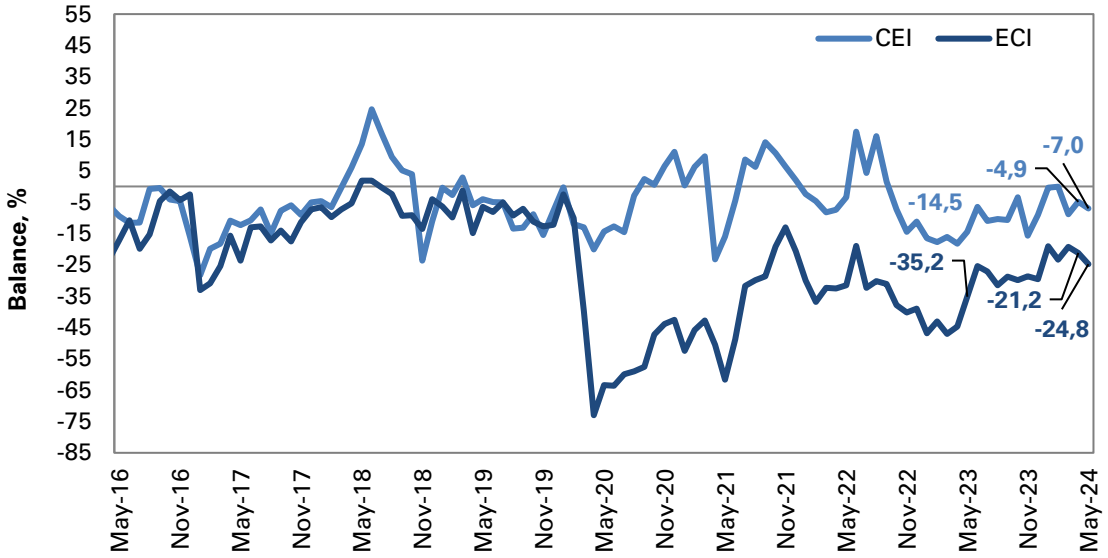
Source: Consumer Opinion Survey (COS) – Fedesarrollo.

When comparing the results of the second quarter of 2024[1] with those of the first quarter of 2024, a decrease of 2.7 percentage points in the Consumer Confidence Index (CCI) is observed, from -10.1% to -12.8%. Similarly, consumers' assessment of their country's situation and their households decreased by 3.5 percentage points and 3.4 percentage points, respectively. Additionally, consumers' willingness to purchase durable goods

[1] Quarter up to May 2024.

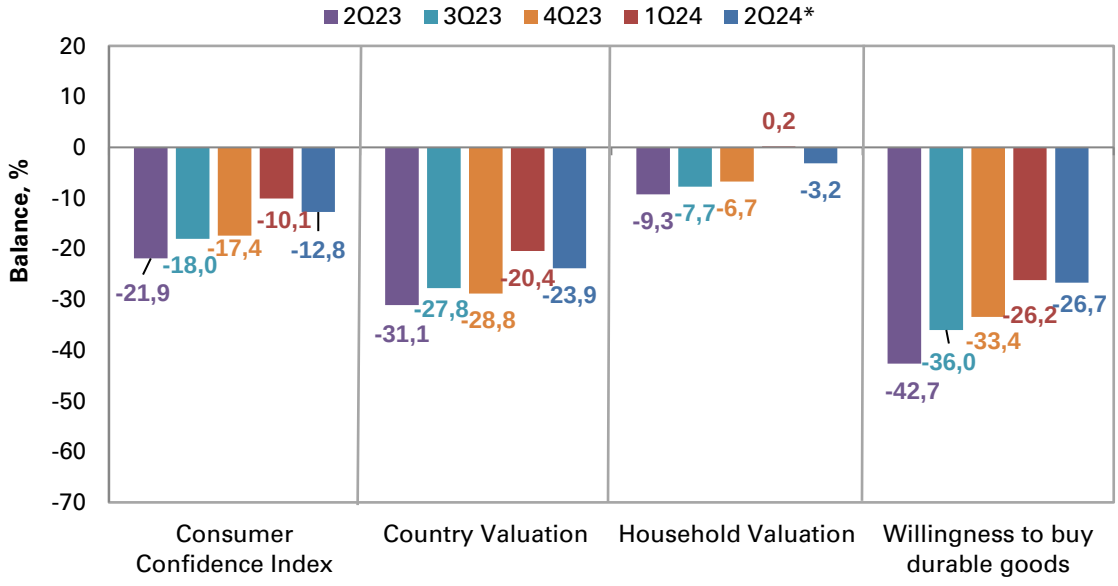
decreased by 0.5 percentage points compared to the balance recorded in the first quarter of 2024 (Graph 3). Compared to the same quarter of the previous year, there is an increase of 9.1 percentage points in the CCI (Q2 2023: -21.9%), as well as an increase of 7.2 percentage points and 6.1 percentage points in consumers' assessment of their country's situation and their households, respectively. Additionally, the willingness to purchase durable goods increased by 16.0 percentage points compared to the balance recorded in the second quarter of 2023.

Graph 2. Consumer Expectations Index (CEI) and 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 May 2024.

Cities. In May 2024, the Consumer Confidence Index (CCI) decreased in four of the five cities analyzed compared to April 2024.

Compared to the previous month, the following variations were recorded in the CCI: -9.0 percentage points in Cali, -7.1 percentage points in Medellín, -1.1 percentage points in Bogotá, -0.3 percentage points in Barranquilla, and 12.9 percentage points in Bucaramanga.

Table 2. Evolution of the CCI by cities

City. Balance %	2023	2024	
	May	April	May
Bogotá	-19,5	-9,5	-10,6
Medellín	-49,2	-15,8	-22,9
Cali	-10,9	-6,0	-15,0
Barranquilla	-16,3	-14,9	-15,2
Bucaramanga	-27,2	-33,1	-20,2
Total	**-22,8**	**-11,4**	**-14,1**

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Socioeconomic level. Consumer confidence decreased across all socioeconomic levels compared to April 2024.

In May 2024, there was a decrease of 4.0 percentage points in the high socioeconomic level, 1.8 percentage points in the middle level, and 3.3 percentage points in the low level, compared to the previous month.

Table 3. Evolution of the CCI by Socioeconomic level

Socioeconomic level. Balance %	2023	2024	
	May	April	May
High	-56,3	-42,2	-46,2
Medium	-20,6	-8,7	-10,5
Low	-21,1	-11,3	-14,6
Total	**-22,8**	**-11,4**	**-14,1**

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Housing. The willingness to buy housing increased by 6.3 percentage points compared to the previous month and by 10.7 percentage points compared to May 2023. When analyzing by cities, it is observed that the willingness to buy housing increased in four out of the five cities analyzed, relative to April 2024.

In April 2024, the housing purchase willingness index increased by 2.1 percentage points compared to the previous month, changing from -42.6% to -40.5%. An increase is observed in the cities of Bogotá (9.2 percentage points) and Bucaramanga (4.7 percentage points), contrasted with the decrease observed in Medellín (-7.5 percentage points), Cali (-8.7 percentage points), and Barranquilla (-10.7 percentage points).

Table 4. Willingness to purchase housing by cities

City. Balance %	2023	2024	
	May	April	May
Bogotá	-48,8	-41,5	-39,1
Medellín	-48,9	-48,4	-24,4
Cali	-28,0	-25,3	-25,7
Barranquilla	-25,8	-34,9	-31,6
Bucaramanga	-57,2	-50,1	-42,7
Total	**-44,9**	**-40,5**	**-34,2**

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Compared to the previous month, the willingness to buy housing increased at all socioeconomic levels.

When analyzing by socioeconomic level, it is observed that in May 2024, the willingness to buy housing increased by 25.4 percentage points in the high socioeconomic level, 8.2 percentage points in the middle socioeconomic level, and 2.6 percentage points in the low socioeconomic level.

Table 5. Willingness to purchase housing by socioeconomic level

Income level. Balance %	2023	2024	
	May	April	May
High	-68,5	-65,0	-39,6
Medium	-46,7	-41,3	-33,1
Low	-40,7	-37,4	-34,8
Total	**-44,9**	**-40,5**	**-34,2**

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Durable goods. The willingness to purchase furniture and appliances experienced a decrease of 1.9 percentage points compared to April 2024, and an increase of 16.5 percentage points compared to May 2023. By cities, this indicator decreased in three out of the five cities analyzed compared to the previous month.

In May 2024, 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 -27.6%, representing a decrease of 1.9 percentage points compared to the previous month (-25.7%). When analyzed by cities, a decrease in the willingness to purchase durable goods of 4.5 percentage points in Bogotá, 4.1 percentage points in Cali, and 2.8 percentage points in Medellín was observed. Meanwhile, an increase of 1.7 percentage points in Bucaramanga and 23.2 percentage points in Barranquilla was observed.

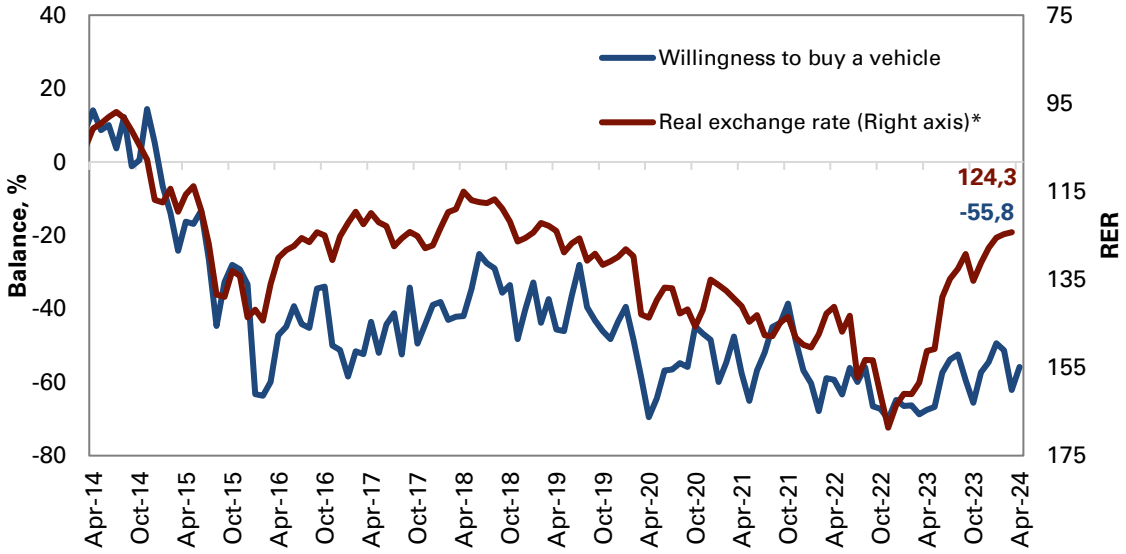
Table 6. Willingness to buy furniture and home appliances by cities

City. Balance %	2023	2024	
	May	April	May
Bogotá	-42,9	-24,2	-28,7
Medellín	-55,0	-25,8	-28,6
Cali	-40,1	-18,8	-22,9
Barranquilla	-28,5	-40,9	-17,7
Bucaramanga	-50,1	-44,4	-42,7
Total	**-44,1**	**-25,7**	**-27,6**

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

Vehicles. In May 2024, the willingness to buy a vehicle recorded a balance of -55.5%, representing an increase of 0.3 percentage points compared to the previous month (-55.8%). Compared to May 2023 (-66.7%), it is observed that the willingness to buy a vehicle increased by 11.2 percentage points.

Graph 4. Willingness to purchase a vehicle vs. real exchange rate



Source: Consumer Opinion Survey (COS) – Fedesarrollo and Central Bank of Colombia.
*Real exchange rate up to April 2024.

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

Published on June 11, 2024
Comments to Carlos Alfredo Ayala Betancourt: cayala@fedesarrollo.org.co