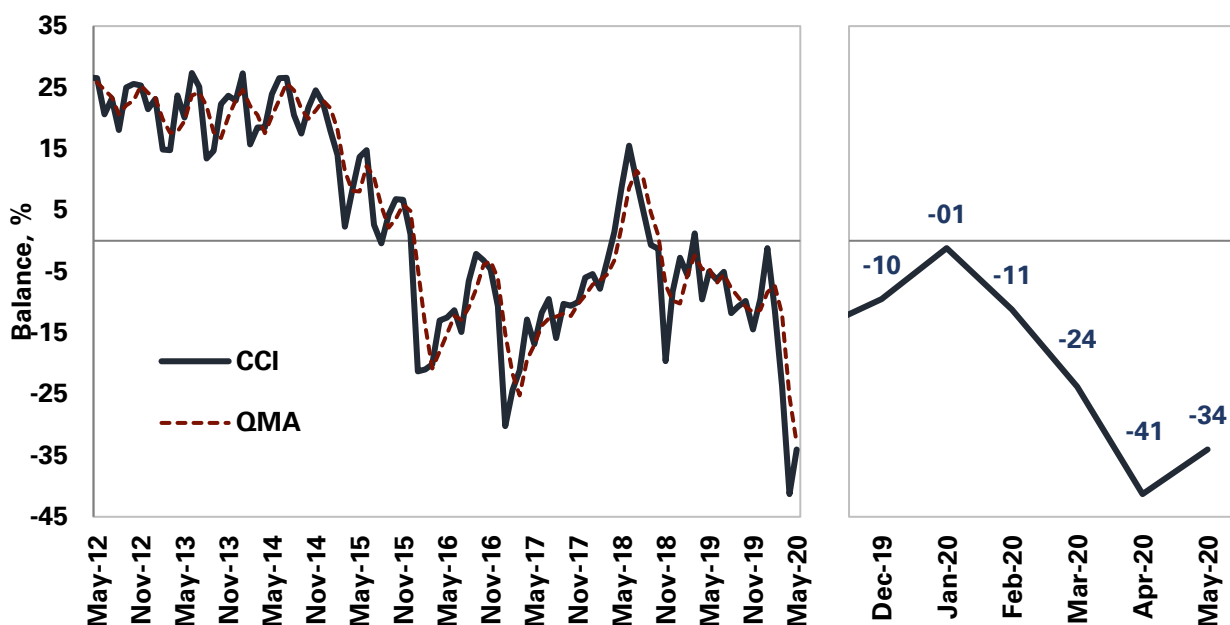


In May, the Consumer Confidence Index (CCI) recorded a balance of -34.0%. This represents an increase of 7.3 percentage points (pps) compared to the previous month. Compared to April 2020, the increase was due to a rise of 9.6 pps in the Economic Conditions Index and a rise of 5.7 pps in the Consumer Expectations Index. Consumer confidence increased in all strata and four of the five analyzed cities compared to April 2020. Meanwhile, willingness to buy furniture and home appliances increased relative to the last month.

According to the results of the Consumer Opinion Survey (COS) of May, the Consumer Confidence Index (CCI) recorded a balance of -34.0%. This value represents an increase of 7.3 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 increase in consumer confidence compared to April 2020 was due to a rise in the Consumer Expectations Index and a rise 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 increase of the CCI compared to April is explained by a rise of 9.6 pps in the Economic Conditions Index (-63,4%) and an increase of 5.7 pps in the Consumer Expectations Index (-14,4%).

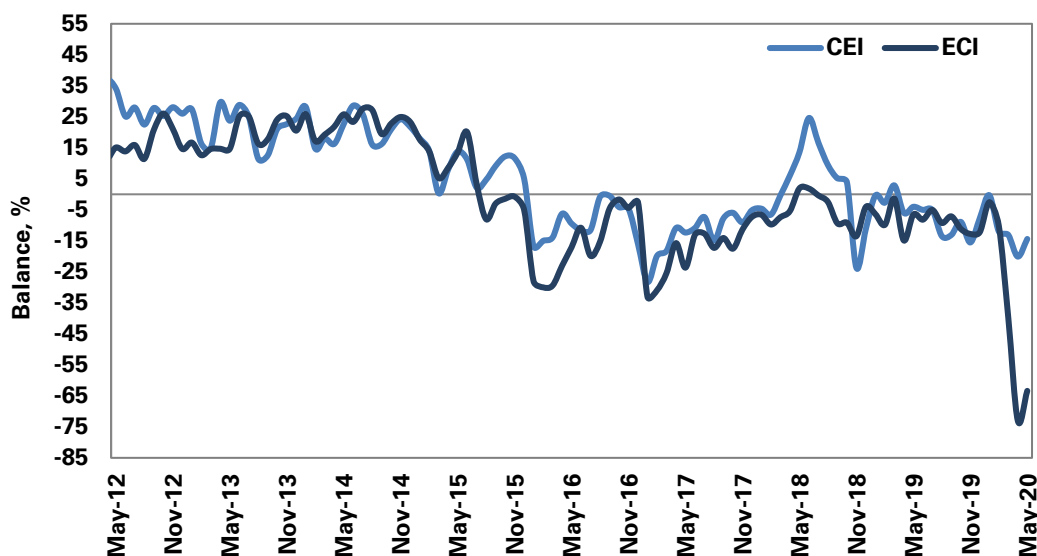
**Table 1. Evolution of CCI Components**  
(Balances between favorable and unfavorable responses, %)

Variable / Balance %	2019	2020	
	May	April	May
<b>Consumer Confidence Index - CCI</b>	-5,0	-41,3	-34,0
<b>A. Consumer Expectations Index - CEI</b>	-4,0	-20,1	-14,4
-Do you think that within a year your household will economically do better, worse or the same than now?	26,3	17,6	27,7
-Do you think that within the next twelve months we will have good or bad economic times?	-28,5	-61,4	-59,0
-Do you think that the country's economic conditions will be better or worse within a year than they currently are?	-9,9	-16,5	-11,8
<b>B. Economic Conditions Index - ECI</b>	-6,5	-73,0	-63,4
- Do you think that your household is economically doing better or worse than a year ago?	-10,4	-64,7	-60,2
-Do you think this is a good time to purchase items such as furniture and household appliances?	-2,7	-81,3	-66,7

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

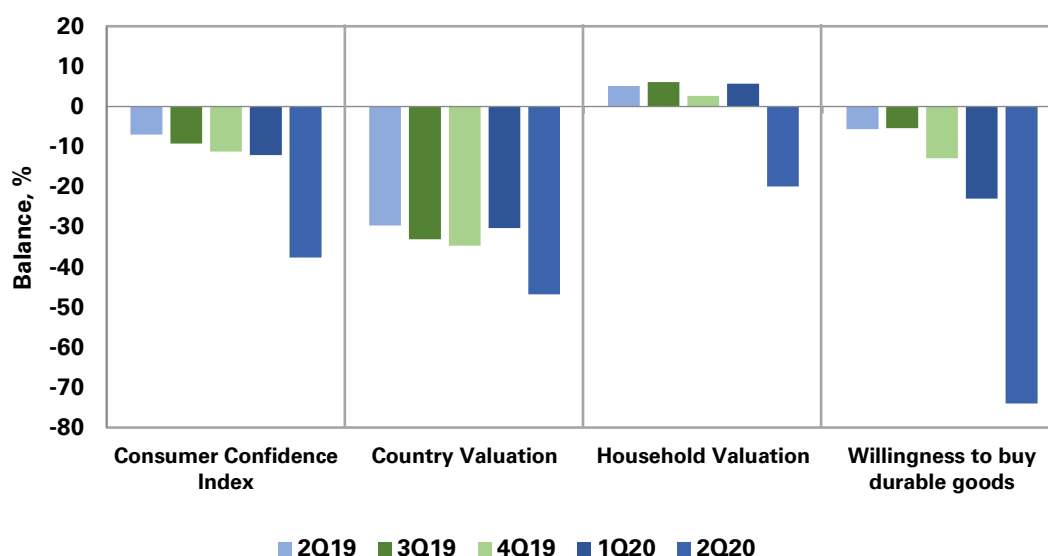
When comparing the results of the second quarter of 2020 with the observed average during the second quarter of 2019, consumer's assessment of their households' situation decreased 25.1 pps and the consumer's assessment of the country decreased 17.2 pps. On the other hand, consumer's willingness to buy durable goods was -74.0%, this represents a decrease of 68.4 pps relative to the average balance recorded during the second quarter of 2019 (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 May, the CCI increased in four of the five surveyed cities compared to April 2020.

The CCI increased compared to the previous month in Bogotá (9,3 pps), Bucaramanga (9,2 pps), Medellín (7,4 pps) and Cali (3,4 pps), and it decreased in Barranquilla (2,9 pps).

**Table 2. Evolution of the CCI by cities**

City, Balance %	2019	2020	
	May	April	May
Bogotá	-13,5	-42,5	-33,2
Medellín	1,9	-43,4	-36,0
Cali	13,4	-36,1	-32,7
Barranquilla	1,9	-35,1	-38,0
Bucaramanga	2,3	-43,8	-34,6
Total	-5,0	-41,3	-34,0

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

**Socioeconomic level.** In May, consumer confidence increased in all strata compared to the previous month.

By socioeconomic level and compared to the previous month, the CCI increased 16.1 pps in the upper strata, 7.5 pps in the middle strata and 6.1 pps in the low strata.

**Table 3. Evolution of the CCI by income level**

Income level. Balance %	2019	2020	
	May	April	May
High	3,5	-51,0	-34,9
Medium	-1,2	-41,7	-34,2
Low	-10,0	-39,8	-33,7
Total	-5,0	-41,3	-34,0

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

**Housing.** The willingness to buy a house increased 19.6 pps compared to last month. By cities, this indicator increased in four of the five analyzed cities relative to April 2020.

In May, the willingness to buy a house was -42.7%, 19.6 pps higher than the previous month. For this month, willingness to buy a house increased in Bucaramanga (33,1 pps), Bogotá (24,7 pps), Cali (19,6 pps) and Medellín (9,9 pps), and decreased in Barranquilla (2,0 pps), compared to what was observed in April 2020.

**Table 4. Willingness to buy a house by cities**

City. Balance %	2019		2020
	May	April	May
Bogotá	-14,3	-64,0	-39,3
Medellín	13,4	-57,5	-47,6
Cali	23,0	-57,1	-37,5
Barranquilla	27,2	-62,8	-64,8
Bucaramanga	0,4	-78,5	-45,4
<b>Total</b>	<b>-0,4</b>	<b>-62,3</b>	<b>-42,7</b>

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

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

When analyzing by socioeconomic level in May, willingness to buy a house showed an increase compared to last month of 23.2 pps in the middle strata, 45.5 pps in the upper strata and 14.3 pps in the low strata, compared to what was observed in April 2020.

**Table 5. Willingness to buy a house by socioeconomic level**

Income level. Balance %	2019		2020
	May	April	May
High	-8,6	-52,2	-6,7
Medium	6,9	-56,5	-33,3
Low	-6,9	-69,1	-54,8
<b>Total</b>	<b>-0,4</b>	<b>-62,3</b>	<b>-42,7</b>

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

**Durable goods.** Willingness to buy furniture and home appliances increased 14,6 pps compared to the previous month. By cities, this indicator increased in four of the five analyzed cities compared to what was observed in April 2020.

The balance of answers about whether it is a good or bad time to buy goods such as furniture and appliances was -66.7% in May. This represents an increase of 14.6 pps compared to April 2020. Relative to last month, willingness to buy durable goods increased in Bucaramanga (26,0 pps), Bogotá (18,9 pps), Cali (14,8 pps) and Medellín (7,2), and it decreased in Barranquilla (6,8 pps).

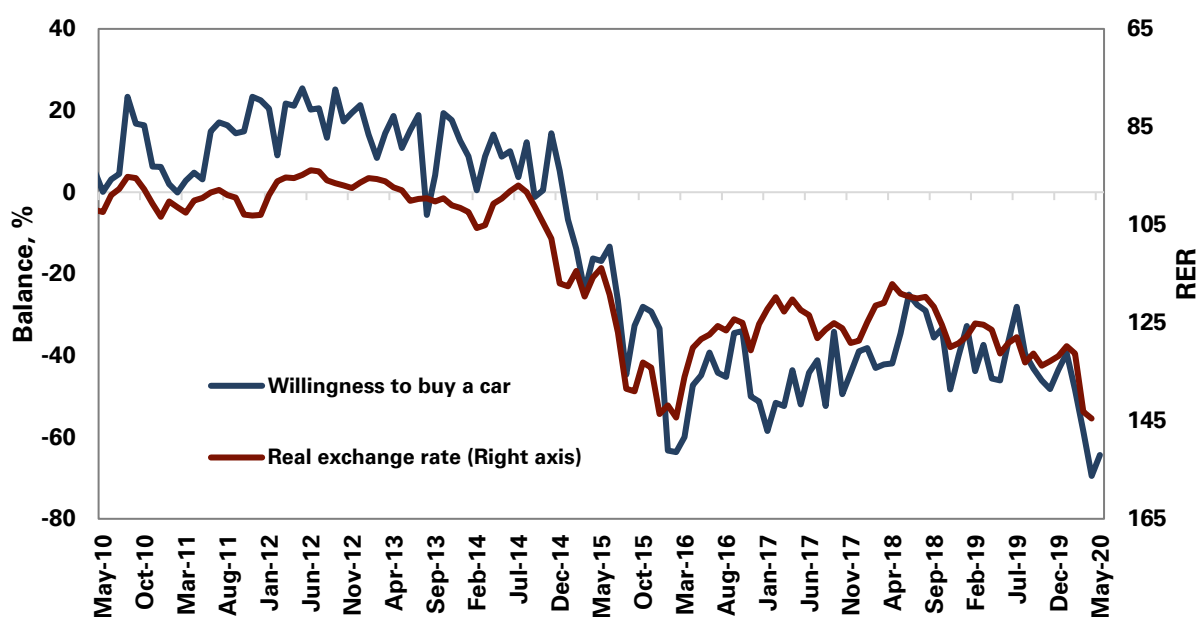
Table 6. Willingness to buy furniture and home appliances by cities

City. Balance %	2019		2020
	May	April	May
Bogotá	-15,8	-83,3	-64,4
Medellín	0,6	-81,4	-74,2
Cali	22,6	-75,5	-60,7
Barranquilla	34,1	-73,3	-80,1
Bucaramanga	4,0	-88,7	-62,7
Total	-2,7	-81,3	-66,7

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

**Vehicles.** In May, the willingness to buy a vehicle registered a balance of -64.4%. This implies an increase of 5.1 pps compared to the previous month (-69.5).

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



Note: Real exchange rate until April 2020

Source: Consumer Opinion 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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Published on June 9, 2020

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