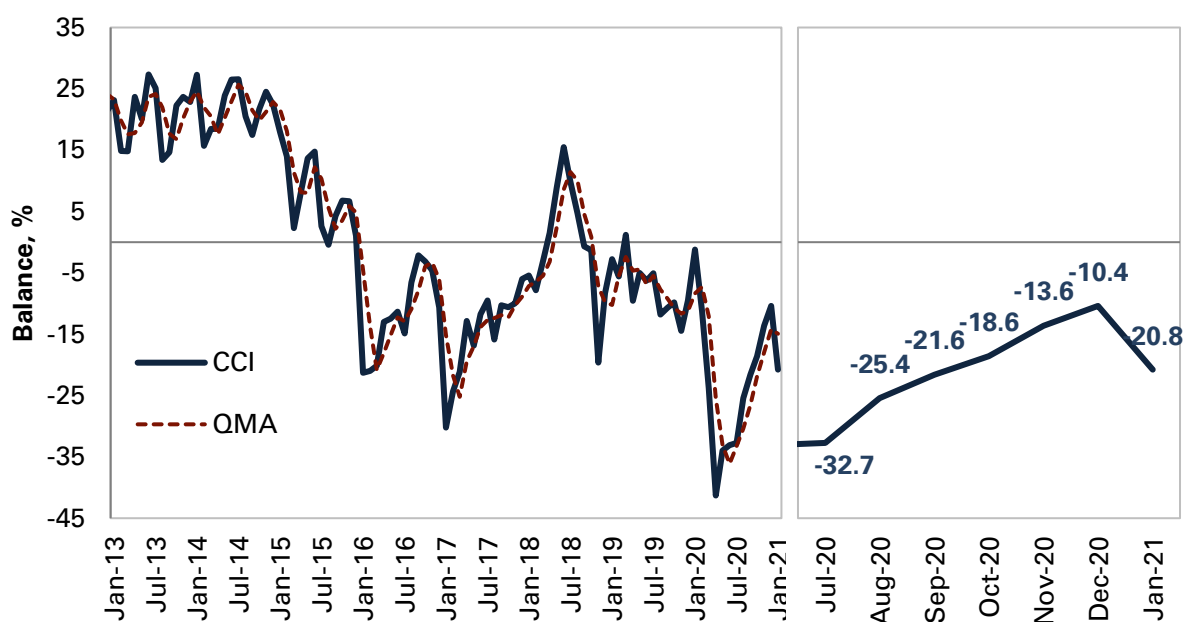


In January, the Consumer Confidence Index (CCI) recorded a balance of -20.8%. This represents a decrease of 10.4 percentage points (pps) compared to the previous month. Compared to December 2020, the decrease was due to a fall of 10.7 pps in the Consumer Expectations Index and a decrease of 9.9 pps in the Economic Conditions Index. Consumer confidence decreased in all strata and the five analyzed cities compared to December 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 January, the Consumer Confidence Index (CCI) recorded a balance of -20.84%. This value represents a decrease of 10.4 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 December 2020 was due to a fall in the Consumer Expectations Index and 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 December is explained by a fall of 10.7 pps in the Consumer Expectations Index (0.3%) and a decrease of 9.9 pps in the Economic Conditions Index (-52.5%).

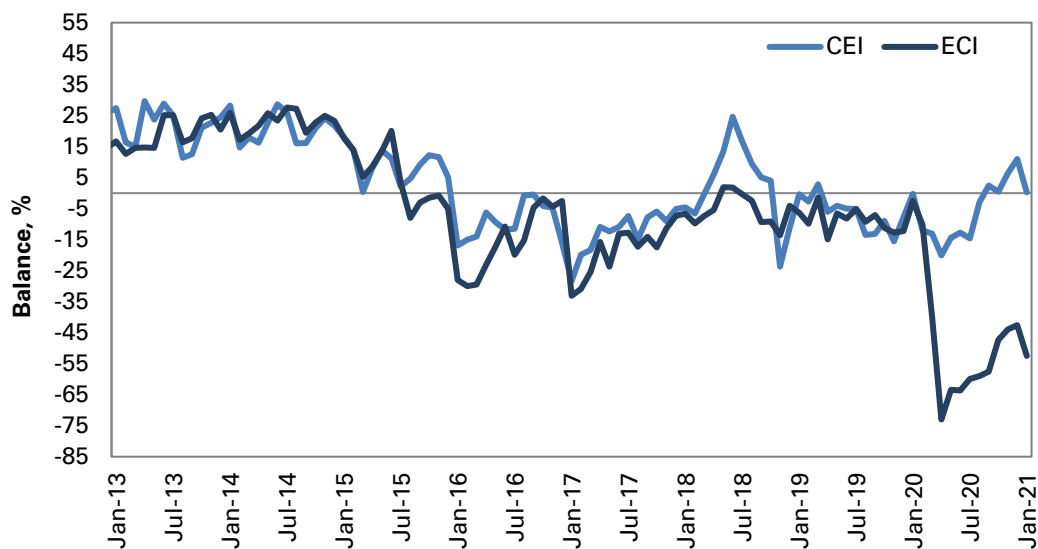
**Table 1. Evolution of CCI Components**  
(Balances between favorable and unfavorable responses, %)

| Variable / Balance %  | 2020        | 2021         |              |
|---|-------------|--------------|--------------|
|   | January     | December     | January      |
| <b>Consumer Confidence Index - CCI</b>  | <b>-1.2</b> | <b>-10.4</b> | <b>-20.8</b> |
| <b>A. Consumer Expectations Index - CEI</b>   | <b>-0.3</b> | <b>11.0</b>  | <b>0.3</b>   |
| -Do you think that within a year your household will economically do better, worse or the same than now?            | 30.0        | 41.0         | 34.1         |
| -Do you think that within the next twelve months we will have good or bad economic times?                           | -20.6       | -19.7        | -34.8        |
| -Do you think that the country's economic conditions will be better or worse within a year than they currently are? | -10.2       | 11.7         | 1.6          |
| <b>B. Economic Conditions Index - ECI</b>   | <b>-2.5</b> | <b>-42.6</b> | <b>-52.5</b> |
| - Do you think that your household is economically doing better or worse than a year ago?                           | 2.3         | -38.7        | -45.6        |
| -Do you think this is a good time to purchase items such as furniture and household appliances?                     | -7.4        | -46.4        | -59.4        |

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

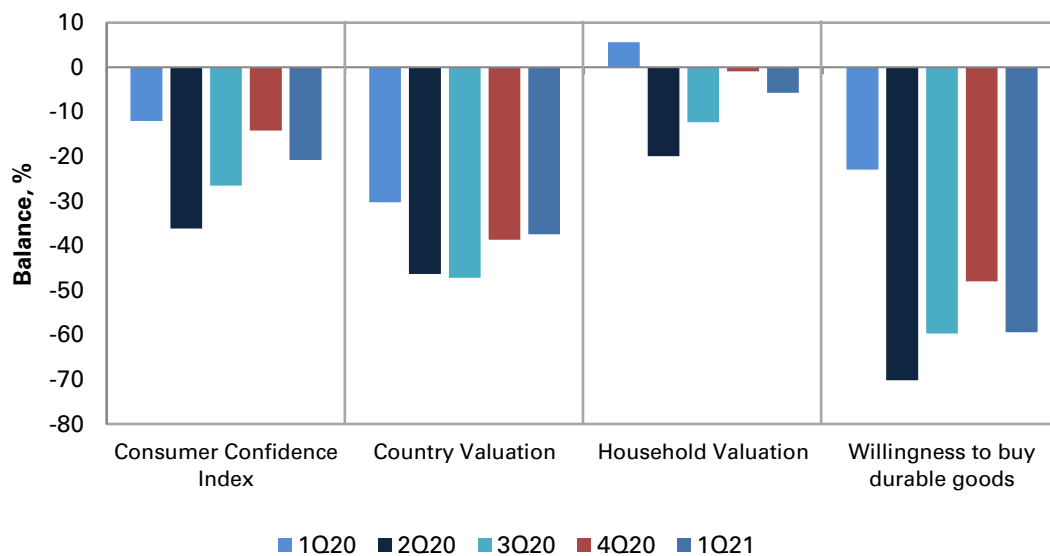
When comparing the results of the first quarter of 2021 so far with the observed average during the fourth quarter of 2020, consumer's assessment of their households' situation decreased 4.9 pps and the consumer's assessment of the country increased 1.2 pps. On the other hand, consumer's willingness to buy durable goods was -59.4%, this represents a decrease of 11.4 pps relative to the average balance recorded during the fourth quarter of 2020 (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 January, the CCI decreased in all surveyed cities compared to December 2020.

Relative to the previous month the CCI decreased in Cali (21.7 pps), Medellín (13.5 pps), Barranquilla (11.5 pps), Bogotá (7.2 pps) and Bucaramanga (7,0 pps).

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

| City, Balance % | 2020        |              | 2021         |
|-----------------|-------------|--------------|--------------|
|                 | January     | December     | January      |
| Bogotá          | -3.2        | -12.8        | -20.0        |
| Medellín        | 2.9         | -7.4         | -20.9        |
| Cali            | -0.3        | -9.3         | -31.0        |
| Barranquilla    | 3.6         | 3.1          | -8.4         |
| Bucaramanga     | -2.5        | -15.6        | -22.6        |
| <b>Total</b>    | <b>-1.2</b> | <b>-10.4</b> | <b>-20.8</b> |

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

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

By socioeconomic level and compared to the previous month, the CCI decreased 12.4 pps in the lower strata and 11.9 pps in the higher strata and 8.2 pps in the middle strata.

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

| Income level.<br>Balance % | 2020        |              | 2021         |
|----------------------------|-------------|--------------|--------------|
|                            | January     | December     | January      |
| High                       | 5.9         | 1.3          | -10.6        |
| Medium                     | 5.3         | -9.8         | -18.0        |
| Low                        | -8.5        | -12.6        | -25.0        |
| <b>Total</b>               | <b>-1.2</b> | <b>-10.4</b> | <b>-20.8</b> |

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

**Housing. The willingness to buy a house decreased 7.9 pps compared to last month. By cities, this indicator decreased in all the analyzed cities relative to December 2020.**

In January, the indicator of willingness to buy a house was -14.6%, 7.9 pps lower than the previous month. For this month, willingness to buy a house decreased in Bucaramanga (22.7 pps), Cali (12.4 pps), Medellín (8.1 pps), Bogotá (6.6 pps) and Barranquilla (3.0 pps), compared to what was observed in December.

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

| City. Balance % | 2020       |             | 2021         |
|-----------------|------------|-------------|--------------|
|                 | January    | December    | January      |
| Bogotá          | -3.5       | -8.7        | -15.3        |
| Medellín        | 18.1       | 1.5         | -6.6         |
| Cali            | 0.8        | -12.4       | -24.8        |
| Barranquilla    | 11.6       | -2.8        | -5.8         |
| Bucaramanga     | -12.4      | 0.8         | -21.9        |
| <b>Total</b>    | <b>1.8</b> | <b>-6.7</b> | <b>-14.6</b> |

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 January, willingness to buy a house showed a decrease compared to last month of 27,7 pps in the upper strata, 9.5 pps in the middle and 3.1 pps in the lower strata compared to what was observed in December 2020.

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

| Income level.<br>Balance % | 2019       | 2020        |              |
|----------------------------|------------|-------------|--------------|
|                            | January    | December    | January      |
| High                       | 12.5       | 44.8        | 17.1         |
| Medium                     | 6.6        | -3.7        | -13.2        |
| Low                        | -4.3       | -17.0       | -20.1        |
| <b>Total</b>               | <b>1.8</b> | <b>-6.7</b> | <b>-14.6</b> |

Source: Consumer Opinion Survey (COS) – Fedesarrollo.

**Durable goods. Willingness to buy furniture and home appliances decreased 13.0 pps compared to the previous month. By cities, the indicator increased in one of the five analyzed cities compared to December 2020.**

The balance of answers about whether it is a good or bad moment to buy goods such as furniture and appliances was -59.4% in January. This represents an decrease of 13.0 pps compared to December 2020. Relative to last month, willingness to buy durable goods increased in Medellin (6.5 pps), and it decreased in Cali (35.1 pps), Bucaramanga (28.5 pps), Bogota (13.8 pps) and Barranquilla (4.5 pps).

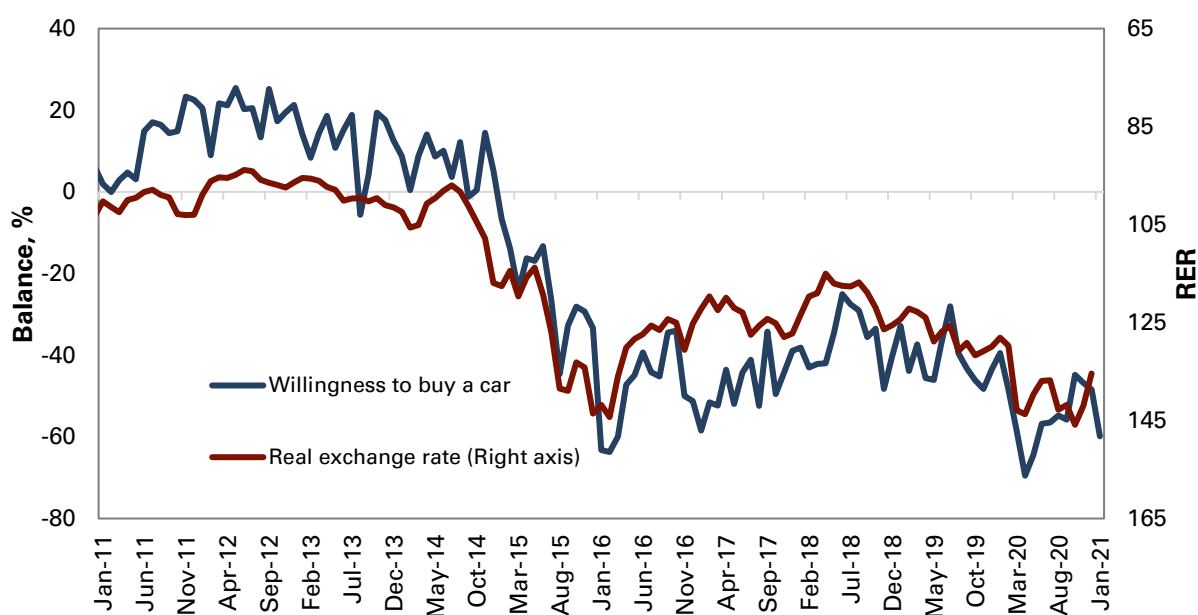
**Table 6. Willingness to buy furniture and home appliances by cities**

| City. Balance % | 2020        |              | 2021         |
|-----------------|-------------|--------------|--------------|
|                 | January     | December     | January      |
| Bogotá          | -11.8       | -44.7        | -58.5        |
| Medellín        | -9.3        | -67.7        | -61.2        |
| Cali            | 11.3        | -35.7        | -70.8        |
| Barranquilla    | -7.5        | -31.7        | -36.2        |
| Bucaramanga     | -4.9        | -45.6        | -74.1        |
| <b>Total</b>    | <b>-7.4</b> | <b>-46.4</b> | <b>-59.4</b> |

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

**Vehicles.** In January, the willingness to buy a vehicle registered a balance of -59.9%. This implies an decrease of 11.5 pps compared to the previous month (-48.4).

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



Note: Real exchange rate until December 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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