



CONSUMER CONFIDENCE INDEX AT 44.9 IN JUNE 2024:
OVERALL CONSUMER CONFIDENCE UP 1.2%, EXPECTATIONS UP, DURABLE GOODS DOWN

Consumer Confidence Index (CCI) Overview:

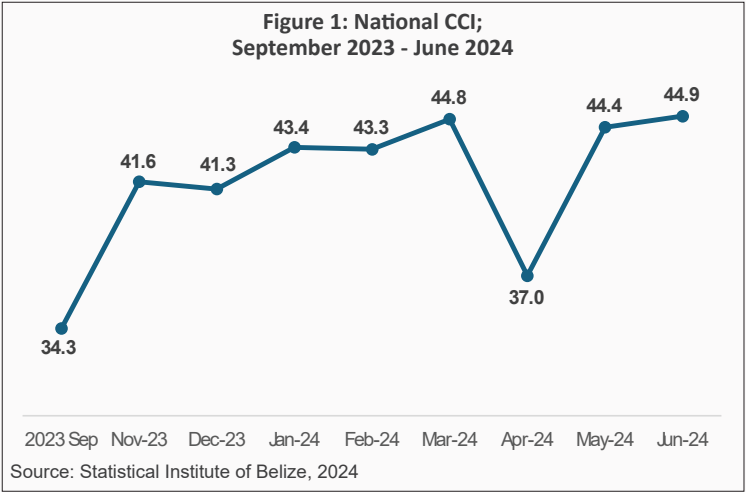
The Consumer Confidence Index (CCI) is an indicator that measures consumers’ sentiments with respect to general economic conditions within the country, their household’s own economic situation, and making major household purchases. It provides an early indication of future household spending, investing, and saving. With household spending being a major contributor to the overall economy, this in turn is an early indicator of future economic growth.

The CCI is an index number, ranging from 0 (completely pessimistic) to 100 (completely optimistic). Generally, a value greater than 50 indicates that consumers are more optimistic overall about the economy and their own economic prospects. The CCI is comprised of three components: (1) perceptions about how present macroeconomic conditions and the household’s financial situation compare to twelve months prior; (2) expectations about economic conditions and the household’s financial situation over the coming twelve months; and (3) perceptions about whether the present is a good time for making major purchases of durable goods such as homes, cars, furniture, and appliances. An index is also produced for each of these three components, to provide more detailed information on what is driving consumer sentiment.

The CCI is intended to provide information on consumer sentiment and how it moves in the short term; therefore, it is analyzed on a month-over-month basis.

National CCI – June 2024 (Month-Over-Month):

For the month of June 2024, the national Consumer Confidence Index (CCI) stood at 44.9, this represents an increase of 1.2 percent from 44.4 in May of 2024. Following a drop in April, this indicated a return to the gradual but generally upward trend in consumer confidence seen during the year (see Figure 1).



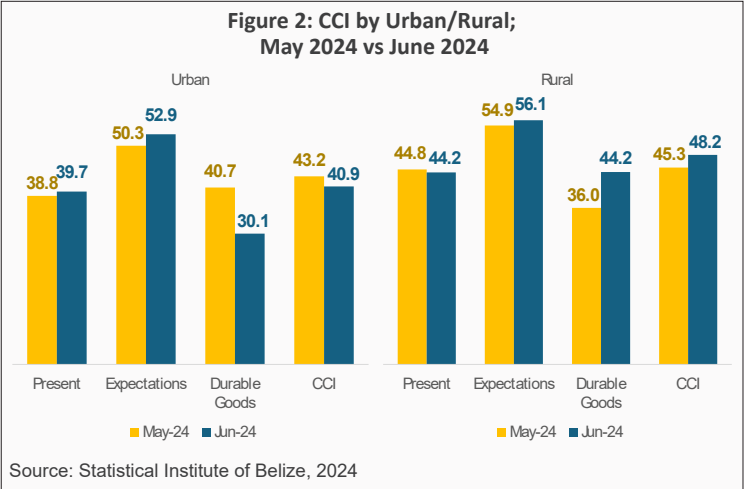
Consumer Confidence by Components

The small overall increase in the Consumer Confidence Index was driven by a rise in the ‘Expectations’ sub-index, as consumers were 3.5 percent more optimistic about their households’ future financial situation and the expected general economic conditions over the next twelve months. Within this component, the CCI rose from 52.9 in May 2024 to 54.7 in June 2024. The ‘Present’ sub-index also increased during the period, albeit by a marginal 0.1 percent, from 42.1 to 42.2. This increase was partially offset by a 0.6 percent decline in the ‘Durable goods’ sub-index, which was down from 38.1 to 37.8, as consumers felt more pessimistic about making major purchases of durable goods in June 2024 compared to one month prior in May.

Consumer Confidence by Region

Consumer confidence among urban consumers decreased by 5.4 percent, from 43.2 in May 2024 to 40.9 in June. Although there was improved sentiment related to present conditions as well as expectations for the future, consumers living in urban areas expressed increased pessimism about making major purchases, reflected in a 26.1 percent fall in the ‘Durable goods’ sub-index for this group, from 40.7 to 30.1.

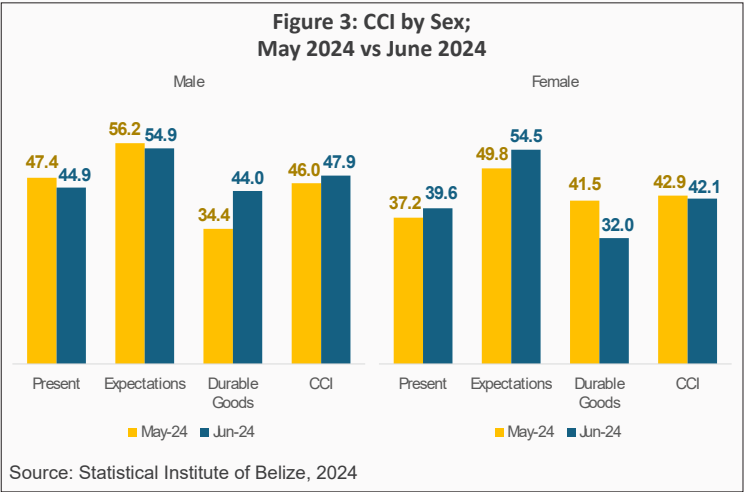
Conversely, confidence among rural consumers grew by 6.5 percent during the month, from 45.3 to 48.2. This improvement was primarily the result of a significant 22.9 percent rise in the ‘Durable goods’ component, from 36.0 in May to 44.2 in June (see Figure 2).



Consumer Confidence by Sex

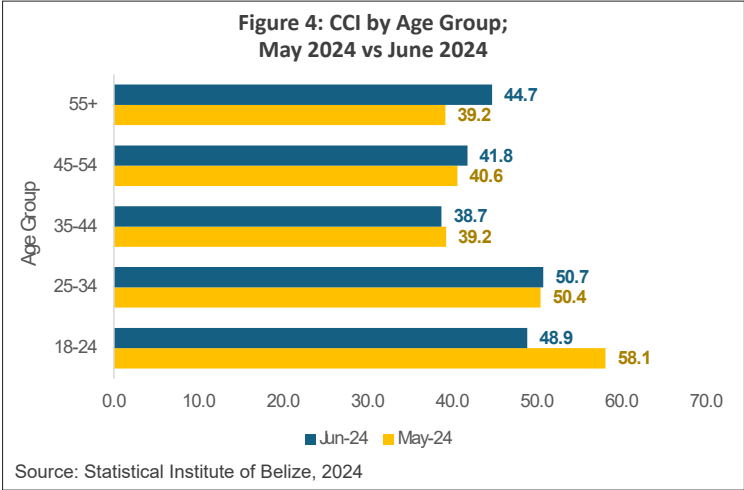
Consumer confidence among males rose by 4.3 percent, from 46.0 in May 2024 to 47.9 in June 2024. This was driven by a considerable 28.1 percent improvement in the ‘Durable goods’ sub-index during the period, from 34.4 to 44.0, which overshadowed decreased male sentiment with respect to present conditions and expectations for the future.

In contrast, female consumer confidence recorded an overall decline of 1.8 percent, from 42.9 in May to 42.1 in June, owing to a significant drop in the ‘Durable goods’ sub-index, from 41.5 to 32.0. Nonetheless, female sentiment surrounding their household’s future financial situation and the expected general economic conditions over the next twelve months improved, reflected in a 9.5 percent increase in the ‘Expectations’ sub-index from a slightly pessimistic 49.8 to an optimistic 54.5 (see Figure 3).



Consumer Confidence by Age Groups

For the month of June 2024, persons aged 55 and older experienced the largest improvement in consumer sentiment when compared to May 2024, with the CCI for this group rising from 39.2 to a less pessimistic 44.7. This was also the only age group to record improvements across all components of consumer confidence for the month of June. Persons aged 18-24, on the other hand, reported the largest decrease of 15.9 percent, from 58.1 in May to 48.9 in June. Persons within this age group recorded reduced sentiment across all three sub-indices during the one-month period, with the most pronounced reductions seen in relation to the ‘Present’ and ‘Expectations’ for the future (see Figure 4).



Consumer Confidence by Ethnicity

Consumer confidence was highest for the ethnicities that are grouped within the ‘Other’ category, increasing by 24.9 percent from 37.3 in May 2024 to 46.6 in June 2024. Additionally, persons of Mestizo/Hispanic descent recorded a 4.4 percent improvement in consumer confidence, from 42.7 to 44.6. Increases were observed across all three sub-indices of the CCI for this group, most notably within the ‘Expectations’ component. Consumer sentiment among persons of Creole descent grew by 2.3 percent, from 44.4 to 45.4, due to a rise in the ‘Expectations’ and ‘Present’ sub-indices.

On the other hand, the Maya and Garifuna recorded decreases in consumer confidence of 11 percent and 8.9 percent, respectively. Among the former, there was considerable reduction in sentiment related to present conditions and expectations for the future, while a notable decline in ‘Expectations’ was seen among the latter. (see Figure 5).

