



CONSUMER CONFIDENCE INDEX AT 43.6 IN AUGUST 2024:
OVERALL CONSUMER CONFIDENCE DOWN BY 3.8%

Consumer Confidence Index (CCI) Overview:

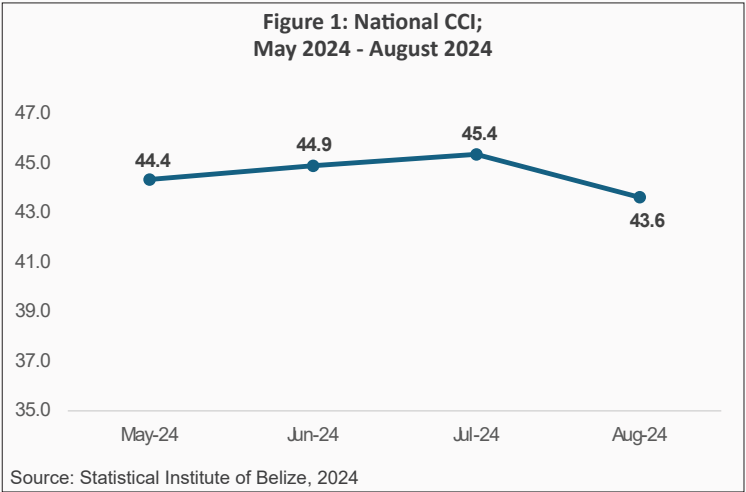
The Consumer Confidence Index (CCI) is an indicator that measures consumers’ sentiments with respect to general economic conditions within the country, their household’s own economic situation, and making major household purchases. It provides an early indication of future household spending, investing, 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.

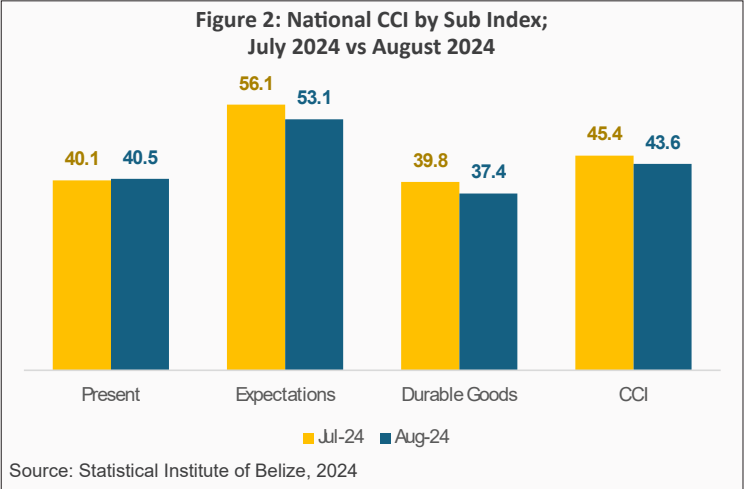
National CCI - August 2024 (Month-Over-Month):

For the month of August 2024, the National Consumer Confidence Index (CCI) stood at 43.6. This represented a decrease of 3.8 percent from 45.4 in July of 2024 (see Figure 1). This decline in the overall CCI for the month of August comes following several consecutive months of upward movement in the index starting in May 2024.



Consumer Confidence by Components

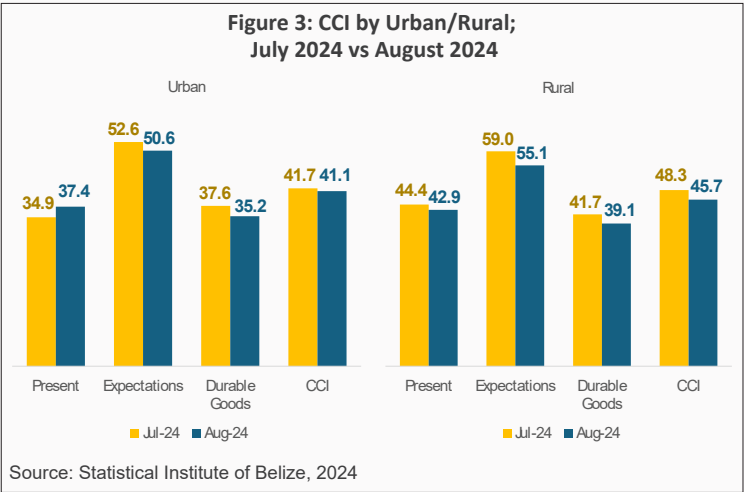
The overall decrease in the national Consumer Confidence Index (CCI), was primarily driven by a drop in both the ‘Durable Goods’ and ‘Expectations’ components. ‘Durable Goods’ fell by 6.2 percent from 39.8 in July to 37.4 in August 2024, signifying that consumers were more pessimistic about making major purchases of durable goods over the one-month period. The ‘Expectations’ sub-index saw a decrease of 5.4 percent, from 56.1 in July 2024 to 53.1 in August 2024, as consumers grew less optimistic about their household’s future financial situation and the expected general economic conditions over the next twelve months. In contrast, the ‘Present’ sub-index grew by a modest 0.9 percent, from 40.1 in July 2024 to 40.5 in August 2024, highlighting slightly improved sentiment regarding consumers’ present financial situation and the general economic situation compared to the twelve months prior (see Figure 2).



Consumer Confidence by Region

Among urban consumers, the CCI decreased by 1.6 percent, from 41.7 in July 2024 to 41.1 in August 2024. This decline was driven by a 6.5 percent decrease in ‘Durable Goods’ during the month, which fell from 37.6 in July to 35.2 in August. Furthermore, the ‘Expectations’ sub-index was down by 3.9 percent, from 52.6 to a less optimistic 50.6. Nonetheless, these reductions within urban areas were partly offset by a 7.1 percent increase in the ‘Present’ sub-index, from 34.9 to 37.4.

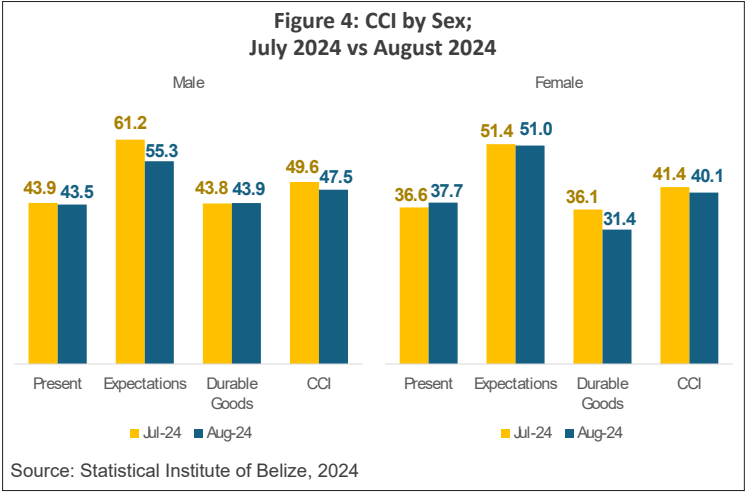
Persons living in rural areas reported an even greater reduction in consumer confidence, with their CCI down by 5.4 percent, from 48.3 in July 2024 to 45.7 in August 2024, as sentiment declined across all three components of the CCI during the period. Rural consumers were 6.6 percent less optimistic about their households’ future financial situation and the expected general economic conditions over the next twelve months, with the ‘Expectations’ sub-index decreasing from 59.6 to 55.1. These consumers were also 6.0 percent more pessimistic about making major purchases of ‘Durable Goods’, with this component decreasing from 41.7 to 39.1. Additionally, the ‘Present’ sub-index declined by 3.2 percent, from 44.4 in the month of July to 42.9 in August (see Figure 3).



Consumer Confidence by Sex

Male consumer confidence dropped by 4.2 percent, from 49.6 in July 2024 to 47.5 in August 2024. This decline was mainly attributed to a 9.6 percent decrease in the ‘Expectations’ sub-index, from 61.2 in July 2024 to 55.3 in August 2024, indicating that males experienced decreased optimism about general economic conditions and their household’s financial situation over the coming twelve months. A slight reduction was also observed in male sentiment related to the ‘Present’, with this component falling by 1.1 percent from 43.9 in July to 43.5 in August.

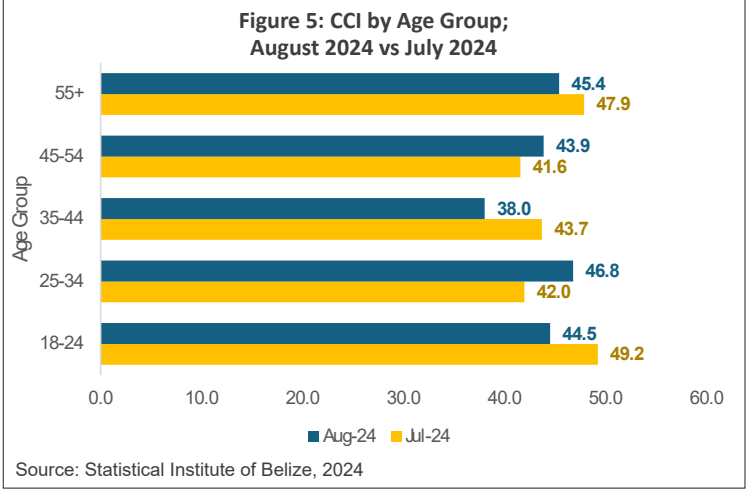
Similarly, female consumer confidence recorded a decline of 3.1 percent, from 41.4 in July 2024 to 40.1 in August 2024. Notably, the ‘Durable Goods’ component saw the most significant reduction of 13.0 percent, from 36.1 in July to 31.4 in August, indicating increased pessimism among female consumers regarding major purchases of durable goods. Conversely, the ‘Present’ sub-index increased by 3.1 percent among females in August 2024, suggesting a less pessimistic view of their household’s current financial situation and macroeconomic conditions compared to twelve months prior (see Figure 4).



Consumer Confidence by Age Groups

In August 2024, consumer confidence varied significantly across age groups, with the most substantial decline observed among consumers aged 35-44. The CCI for persons within this age group fell by 13 percent overall, from 43.7 in July 2024 to 38.0 in August 2024. This was followed by persons aged 18-24, who reported a 9.6 percent decrease in consumer sentiment, from 49.2 to 44.5. Both age groups saw declines across all three components of the CCI, indicating a growing pessimism among young and middle-aged consumers regarding making major purchases of durable goods, broader general economic conditions, and their household’s financial situation, future and the present.

Conversely, consumers aged 25-34 experienced the largest increase in confidence, with their CCI rising by 11.5 percent from 42.0 in July 2024 to 46.8 in August 2024. Within this age group, the ‘Durable Goods’ component saw the most significant increase, rising by 35.3 percent, followed by a 7.1 percent rise in the ‘Present’ sub-index (see Figure 5).



Consumer Confidence by Ethnicity

A decrease in consumer confidence was recorded across all ethnicities, with the most pronounced being among the Garifuna and Maya. The CCI for Garifuna consumers contracted by 10.9 percent, from an optimistic 51.5 in July 2024 to a pessimistic 45.9 in August. Consumers within this ethnic group experienced improved sentiment with respect to the ‘Present’ but recorded significant reductions with respect to ‘Durable Goods’ and ‘Expectations.’ A similar trend was also seen among the Maya, whose CCI fell from an optimistic 52.6 to a pessimistic 47.5. Among this ethnic group, sentiment declined across all three components of the CCI over the one-month period from July to August 2024 (see Figure 6).

