



CENTRALE BANK VAN ARUBA

CONSUMERS MORE PESSIMISTIC IN THE FIRST QUARTER OF 2022: HIGHER PRICES A KEY CONCERN

Press release

Results for the first quarter of 2022

Oranjestad, June 21, 2022 – Consumers became more pessimistic, as consumer confidence index fell by 0.6 index point to 93.5 in the first quarter of 2022 (Chart 1)¹.

By the end of the first quarter, consumers were mainly concerned about (i) deteriorating of the financial position of the government (Q4-2021: 61 percent) and (ii) worsening economic conditions (Q4-2021: 32 percent). Almost all the respondents (98 percent) indicated that they expect prices to be higher in the next 6 months. More than half of respondents still thought that finding a new job was difficult, i.e., 10 percentage points more compared to previous quarter (Q4-2021: 41 percent). In addition, 31 percent of respondents expect their financial household position to deteriorate, i.e., 15 percentage points more compared to previous quarter (Q4-2021: 16 percent).

Both the future expectation and the present situation index fell, i.e., by, 1.8 index points to 94.3 and 0.2 index point to 93.2, respectively, in the first quarter of 2022.

The number of respondents reporting that buying a car was not suitable grew from 66 percent to 69 percent in the first quarter of 2022, while 66 percent indicated that taking out a loan was not appropriate (Q4-2021: 67 percent). Also, 62 percent of respondents mentioned that

taking out a mortgage was unsuitable (Q4-2021: 60 percent). About 50 percent stated that going on vacation was not appropriate (Q4-2021: 51 percent). Consequently, the consumer purchasing habit index remained unchanged at 93.9 in the first quarter of 2022.

Chart 1: Consumer Confidence Index



Source: Centrale Bank van Aruba

More information on the Consumer Confidence survey is available on CBA's website (<https://www.cbaruba.org/>).

Centrale Bank van Aruba
June 21, 2022

¹ The index can vary between 90 and 110. Between 90 and 100 indicates a situation of pessimism. An index of exactly 100 indicates that consumers are neither pessimistic nor optimistic but are neutral with regard to their thoughts

about economic developments in Aruba. Between 100 and 110 indicates a situation of optimism in consumer sentiments.