



CENTRALE BANK VAN ARUBA

## **CONSUMERS MORE PESSIMISTIC IN THE FIRST QUARTER OF 2023: PRICE HIKES STILL A KEY CONCERN**

Press release

Results for the first quarter of 2023

**Consumers more pessimistic, as consumer confidence index plummeted by 1.2 index points to 93.0 in the first quarter of 2023 (Chart 1)<sup>1</sup>.**

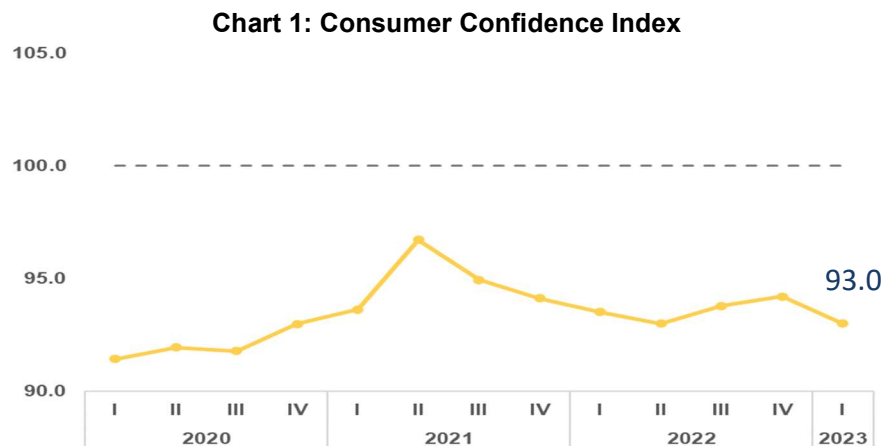
By the end of the first quarter, consumers were mainly concerned about (i) deteriorating business and economic conditions (Q1-2023: 51 percent vs. Q4-2022: 54 percent), (ii) difficulty in finding a new job (Q1-2023: 44 percent vs. Q4-2022: 38 percent), and (iii) deteriorating financial position of the government (Q1-2023: 43 percent vs. Q4-2022: 35 percent). In addition, 33 percent of respondents reported worsening household's financial position in the first quarter of 2023, which is 15 percentage points less compared to the previous quarter (Q4-2022: 45 percent). An estimated 91 percent of all respondents indicated that they expect prices to be higher in the next 6 months (Q4-2022: 92 percent).

Both the present situation index and the future expectation index diminished, i.e., by 0.8 index point to 93.4 and 0.1 index point to 93.9, respectively, in the first quarter of 2023.

The number of respondents stating that going on vacation was not appropriate increased to 57 percent (Q4-2022: 36 percent), while 56 percent of the respondents reported that purchasing a major appliance was unsuitable (Q4-2022: 41 percent). As for taking out a loan, 68 percent of respondents indicated it was not appropriate (Q4-2022: 60 percent). Furthermore, 65 percent of respondents mentioned that taking out a mortgage was unsuitable (Q4-2022: 58 percent) and 73 percent of respondents indicated that buying a car was not suitable (Q4-2022: 65 percent). Consequently, the consumer purchasing habit index fell from 95.1 in the fourth quarter of 2022 to 92.5 in the first quarter of 2023.

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<sup>1</sup> 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.



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 1, 2023

## About the Centrale Bank van Aruba

The main purpose of the Centrale Bank van Aruba (CBA) is to contribute to the financial stability and economic well-being of the Aruban community. The CBA accomplishes this mission by implementing an effective monetary policy aimed towards maintaining the value of the florin, by promoting the soundness and integrity of the financial system, and by enhancing an efficient and reliable payments system.

Besides these core tasks, the CBA is also the sole issuer of florin banknotes and florin coins, and acts as banker to the Government of Aruba. In addition, it regulates the flow of international payments, manages the available foreign exchange reserves of Aruba, and supervises the spending thereof.

For more information on the Centrale Bank van Aruba, please visit the website [www.cbaruba.org](http://www.cbaruba.org)

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