



## **CONSUMERS EVEN MORE PESSIMISTIC IN THE SECOND QUARTER OF 2023: PRICE HIKES A MAJOR CONCERN**

Press release

Results for the second quarter of 2023

**Consumers more pessimistic, as consumer confidence index fell by 0.4 index point to 92.6 in the second quarter of 2023 (Chart 1)<sup>1</sup>.**

By the end of the second quarter, consumers were mainly concerned about (i) weakening business and economic conditions (Q2-2023: 61 percent vs. Q1-2023: 51 percent), (ii) difficulty in finding a new job (Q2-2023: 51 percent vs. Q1-2023: 44 percent), and (iii) deteriorating financial position of the government (Q2-2023: 44 percent vs. Q1-2023: 43 percent). In addition, 39 percent of respondents reported worsening household's financial position in the second quarter of 2023, which was 9 percentage points more compared to the previous quarter (Q1-2023: 30 percent). An estimated 93 percent of all respondents indicated that they expect prices to be higher in the next 6 months (Q1-2023: 91 percent).

Both the future expectation index and the present situation index diminished, i.e., by 0.9 index point to 93.0 and 0.7 index point to 92.7, respectively, in the second quarter of 2023.

The number of respondents stating that taking out a mortgage was unsuitable increased to 68 percent (Q1-2023: 65 percent), as for taking out a loan, 69 percent of respondents indicated it was not appropriate (Q1-2023: 68 percent). While the respondents that indicated it unsuitable to buy a car and to purchase a major appliance, remained unchanged at 73 percent and 56 percent, respectively. Furthermore, 56 percent of respondents mentioned that going on vacation was not appropriate (Q1-2023: 57 percent). Consequently, the consumer purchasing habit index inched up from 92.5 in the first quarter of 2023 to 92.6 in the second quarter of 2023.

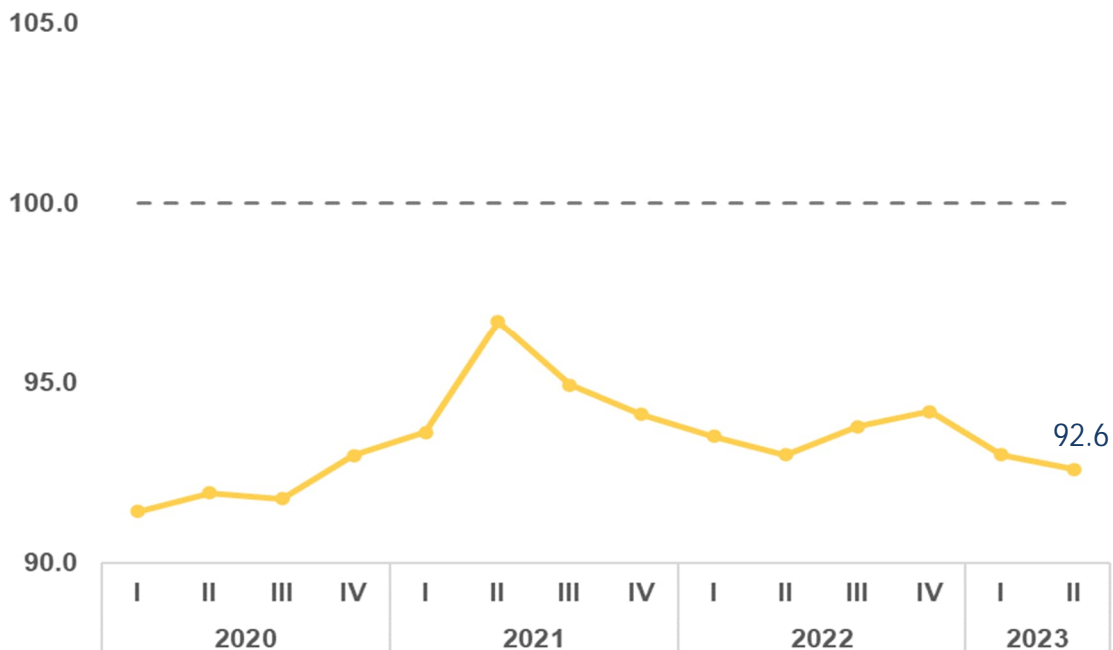
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<sup>1</sup> The index can vary between 90 and 110. Between 90 and 100 indicates a situation of pessimism. An index of exactly 100 indicates that consumers are neither pessimistic nor optimistic but are neutral with regard to their thoughts about economic developments in Aruba. Between 100 and 110 indicates a situation of optimism in consumer sentiments.



## CENTRALE BANK VAN ARUBA

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  
August 3, 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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