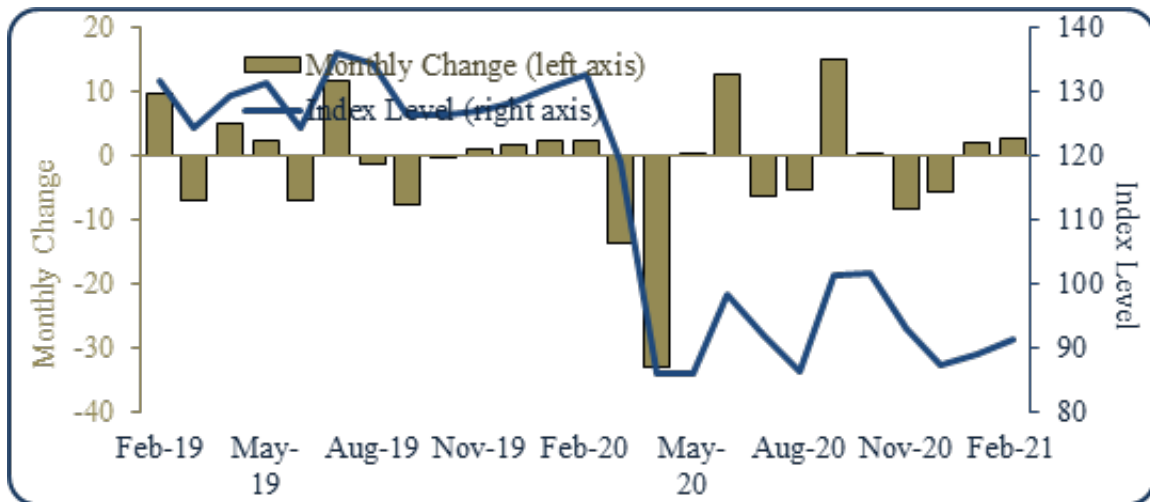
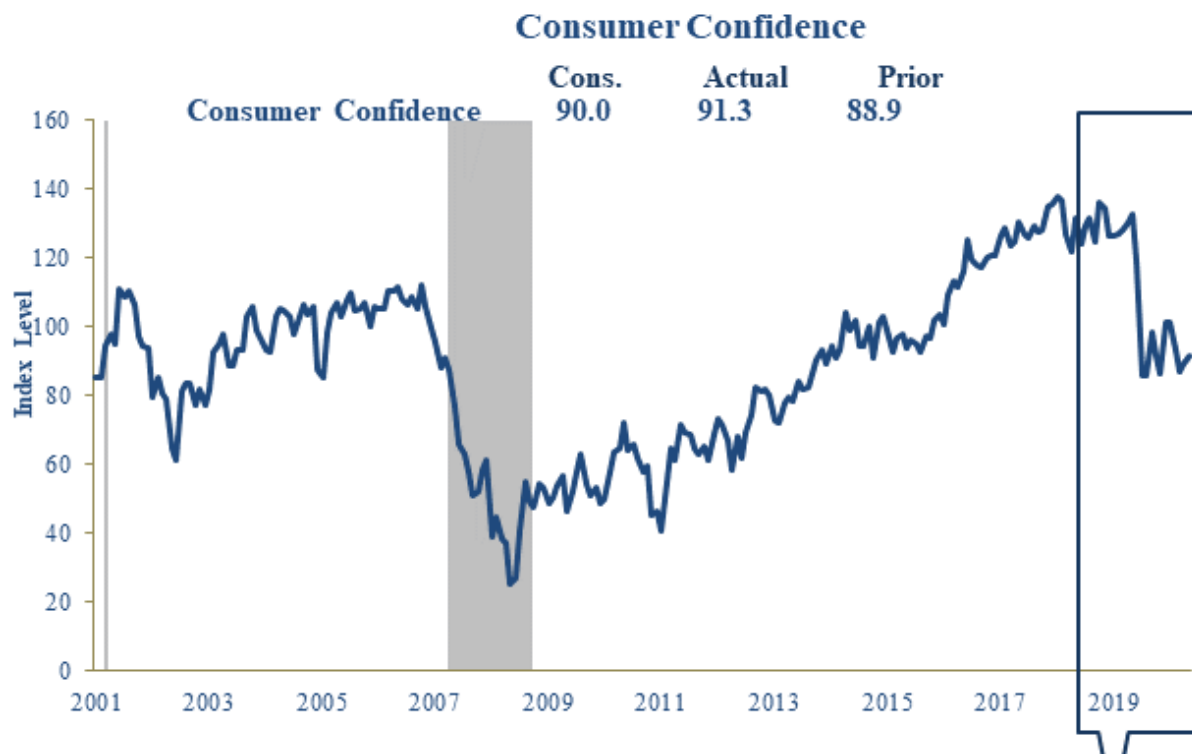


23.Feb.2021

## Consumer Confidence: Sharp Rebound, Historically Still Mixed

**Bottom Line:** Consumers' assessments of their current situations rose sharply, as expectations for the future slipped slightly. Overall confidence, at 91.3, is above its three-month average of 89.1. Consumers' assessments of current situations increased while headline expectations dropped but have been rather volatile month-to-month over the past year. Additionally, details were mixed as 6-month outlooks for business fell modestly, outlooks for income rose modestly and employment fell modestly. US consumers were notably more optimistic about their outlook for future international travel as the vaccine distribution continued. Overall, this report suggests the consumer outlook remains fragile but improving. As vaccines help reopenings, expect a surge in services spending followed by a longer readjustment period as consumers who can afford to do so shift their spending patterns back towards services, away from goods, reversing a trend seen since the pandemic.





**Consumer Confidence** ROSE by 2.4 points in February to 91.3, compared with market expectations for an increase to 90.0. The index is now 31.1% BELOW its year-ago level.

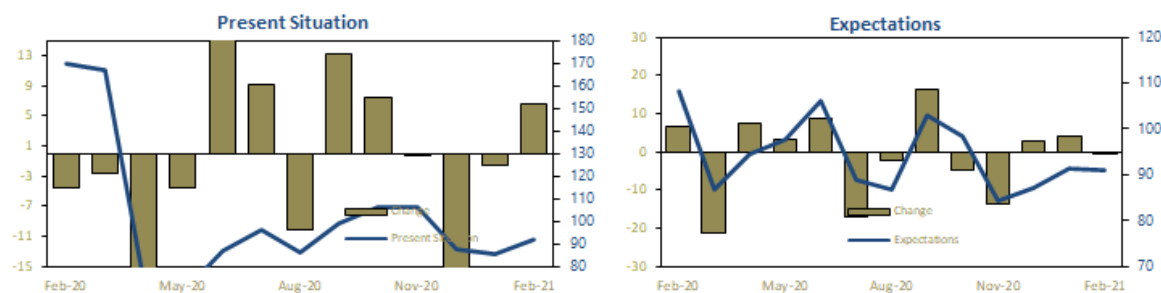
**Present Situation Index** ROSE by 6.5 points to 92.0. The index is 45.7% BELOW its year-ago level.

**The Expectations Index** FELL by 0.4 points to 90.8. The index is 16.0% BELOW its year-ago level.

The labor differential, the percentage of respondents who said jobs are “hard to get” from the percentage who said jobs are “plentiful”, moved higher by 3.2 points to 0.7.



	Index Levels										
	Monthly				Averages for						
	Feb-21	Jan-21	Dec-20	Nov-20	Three Month	Six Month	Twelve Month	2017	2016	Recess-ions	Expans-ions
Consumer Confidence	91.3	88.9	87.1	92.9	89.1	93.8	94.1	123.1	113.3	71.9	102.5
Present Situation	92.0	85.5	87.2	105.9	88.2	96.0	96.0	156.5	123.5	65.2	107.8
	90.8	91.2	87.0	84.3	89.7	92.4	92.9	100.8	106.4	76.4	99.1
Jobs plentiful	21.9	20.0	21.0	26.3	21.0	23.3	23.5	36.3	26.0	12.6	23.2
Jobs hard to get	21.2	22.5	22.9	19.4	22.2	21.0	22.5	16.0	22.7	38.0	27.9



Source: The Conference Board via Bloomberg. Our calculations.

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February 23, 2021

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