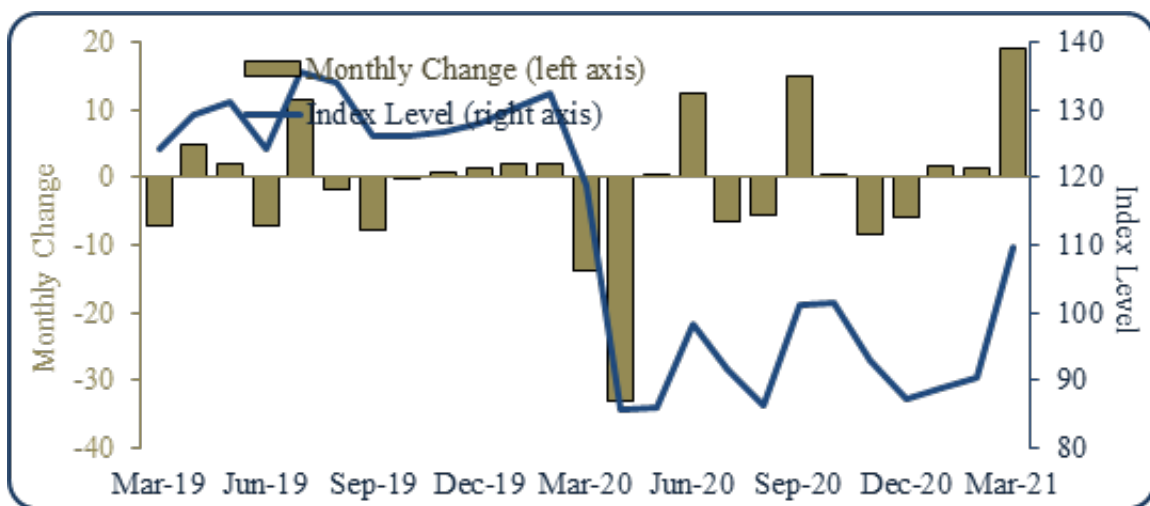
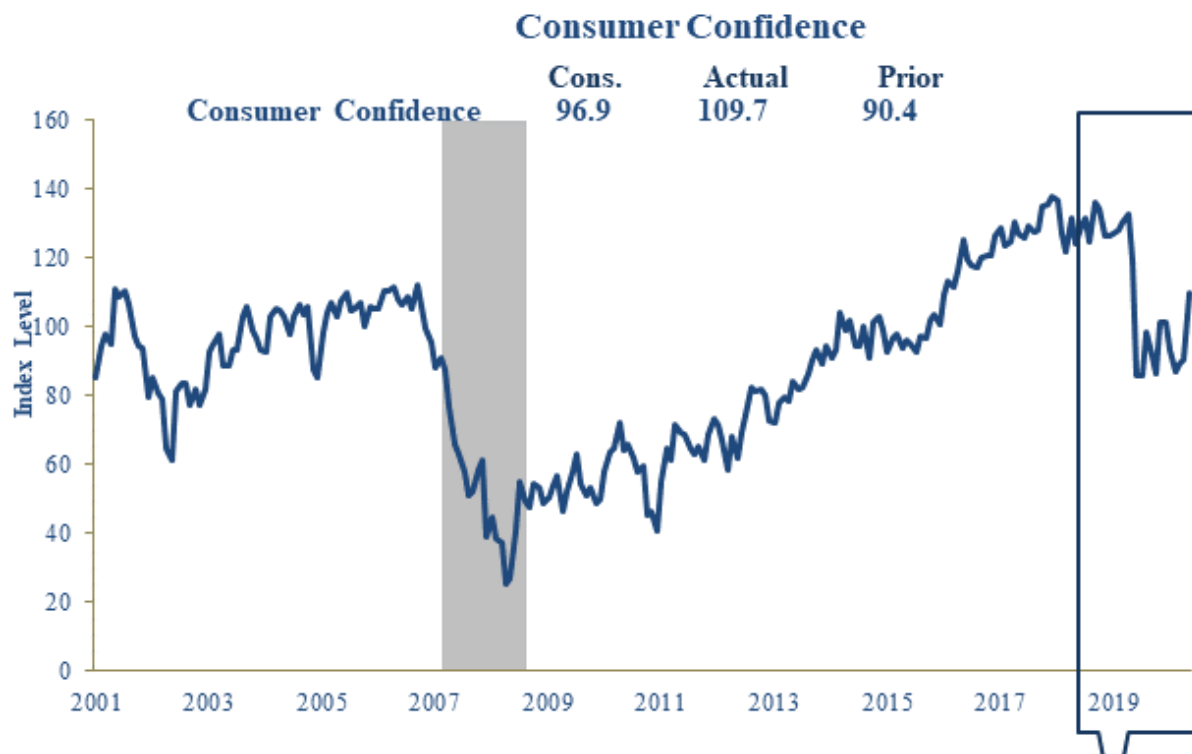


30.Mar.2021

Consumer Confidence: Jump, Led By Expectations for Future

Bottom Line: Consumers' assessments of their current situations rose sharply, as expectations for the future jumped even more in March. Well above expectations, the headline index was well above the 2020 average, nearly back to the 2019 average. While the present situation index remained well below pre-pandemic levels, consumers' assessments of the future were nearly back to the highs seen from 2017 through 2019. Consumers expected jobs to become more plentiful in the coming months and indicated a greater willingness to spend on big-ticket items, including vehicles and homes. The one negative in the report was a slight uptick in consumers' inflation expectations, likely driven by an increase in gasoline prices in recent months. Overall, this report suggests the consumer outlook improved markedly and appears to be on its most solid footing since the pandemic. 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 19.3 points in March to 109.7, compared with market expectations for an increase to 96.9. The index is now 7.7% BELOW its year-ago level.

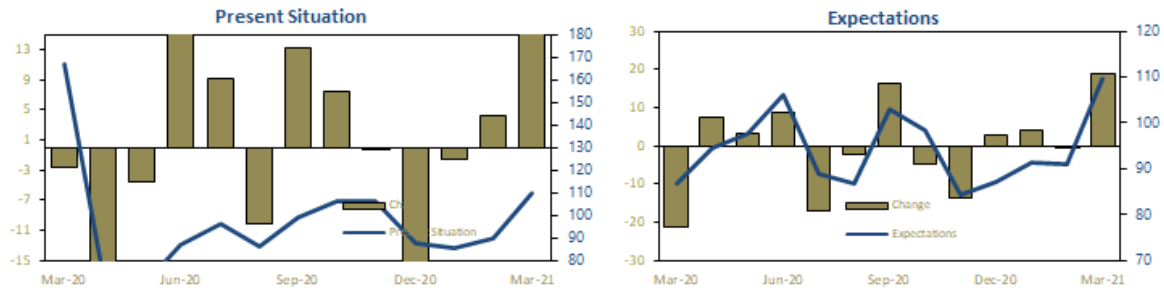
Present Situation Index ROSE by 20.4 points to 110.0. The index is 34.0% BELOW its year-ago level.

The Expectations Index ROSE by 18.7 points to 109.6. The index is 26.3% ABOVE 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 8.6 points to 7.8.



	Index Levels									
	Monthly				Averages for					
	Mar-21	Feb-21	Jan-21	Dec-20	Three Month	Six Month	Twelve Month	2020	2019	Recessions
Consumer Confidence	109.7	90.4	88.9	87.1	96.3	95.1	93.3	87.1	128.2	71.9
Present Situation	110.0	89.6	85.5	87.2	95.0	97.4	91.1	87.2	170.5	65.2
Expectations	109.6	90.9	91.2	87.0	97.2	93.5	94.8	87.0	100.0	76.4
Jobs plentiful	26.3	21.6	20.0	21.0	22.6	23.7	22.1	21.0	46.5	12.6
Jobs hard to get	18.5	22.4	22.5	22.9	21.1	20.9	23.0	22.9	13.0	38.0



Source: The Conference Board via Bloomberg. Our calculations.

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March 30, 2021

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