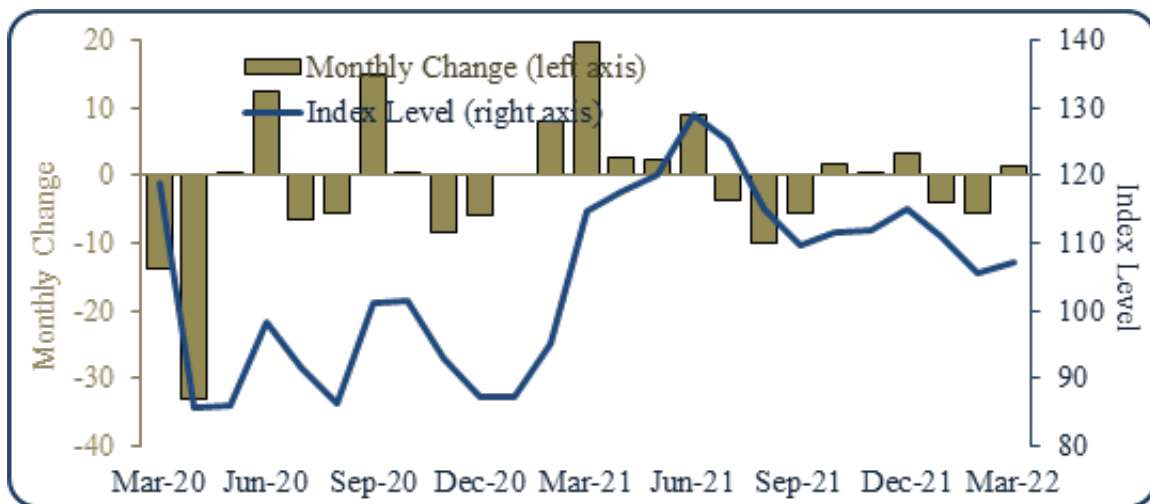
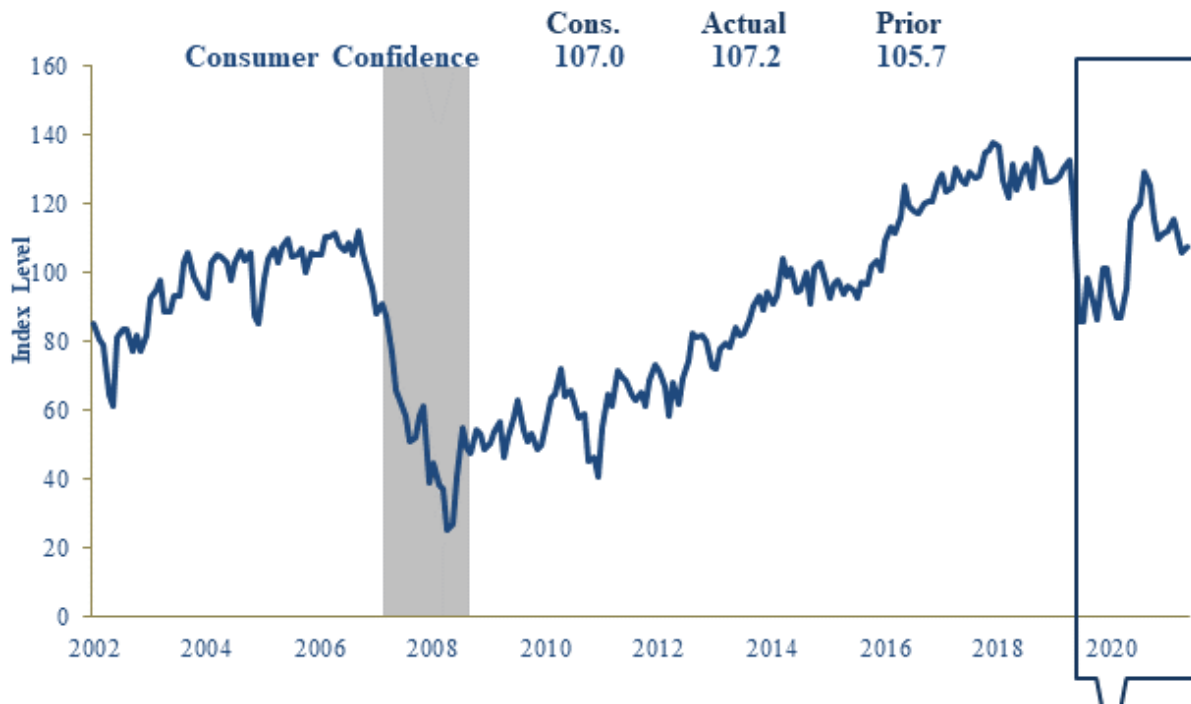


29. Mar.2022.

Consumer Confidence: Further Declines on Net

Bottom Line: The Conference Board revised February's Consumer Confidence Index sharply lower (from 110.5 to 105.7) as it released a March reading of 107.2, very close to expectations that would have been a decline before the surprising revisions. While the present situation index remained buoyed by reports of solid labor market conditions, the expectations index slipped further as consumers worried about rising interest rates and inflation. Year-ahead inflation expectations hit a record high of 7.9%. While the present situation index continues to diverge from other indicators suggesting consumer confidence has declined, the expectations component is starting to come in line with Michigan's survey -- the critical factor for both surveys is that fewer consumers plan to purchase homes, automobiles, and major appliances, or go on vacations. Moreover, consumers in both surveys reported concerns about inflation. **Overall, the aggregate U.S. consumer remains well-positioned to spend with fortified balance sheets thanks to the pandemic stimulus, but there are concerns their willingness to spend is easing.**

Consumer Confidence



Consumer Confidence ROSE by 1.5 points in March to 107.2, compared with market expectations for an increase to 107.0. The index is now 6.7% BELOW its year-ago level.

Present Situation Index ROSE by 10.0 points to 153.0. The index is 28.1% ABOVE its year-ago level.

The Expectations Index FELL by 4.2 points to 76.6. The index is 31.5% BELOW its year-ago level.

The labor differential, the percentage of respondents who said jobs are “plentiful” from the percentage who said jobs are “hard to get”, moved lower by 81.0 points to -39.0.

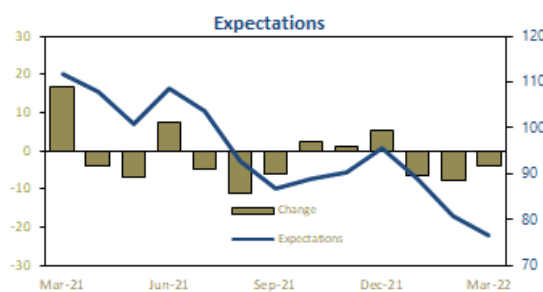
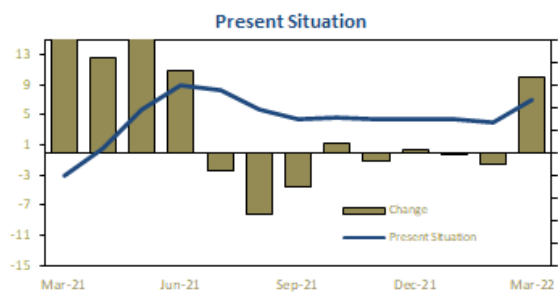
Present Situation



Expectations



	Index Levels										
	Monthly				Averages for						
	Mar-22	Feb-22	Jan-22	Dec-21	Three Month	Six Month	Twelve Month	2020	2019	Recessions	Expansions
Consumer Confidence	107.2	105.7	111.1	115.2	108.0	110.5	114.9	87.1	128.2	71.9	102.5
Present Situation	153.0	143.0	144.5	144.8	146.8	145.9	147.2	87.2	170.5	65.2	107.8
Expectations	76.6	80.8	88.8	95.4	82.1	86.8	93.5	87.0	100.0	76.4	99.1
Jobs plentiful	0.0	53.8	55.0	55.9	36.3	45.8	48.5	21.0	46.5	12.6	23.2
Jobs hard to get	39.0	11.8	12.0	11.7	20.9	16.1	14.0	22.9	13.0	38.0	27.9



Source: The Conference Board via Bloomberg. Our calculations.

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