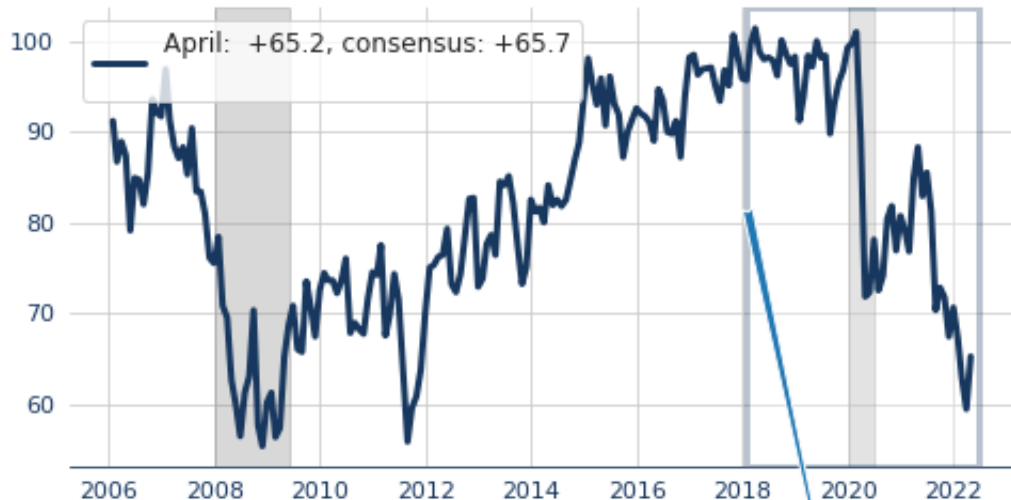


29.Apr.2022

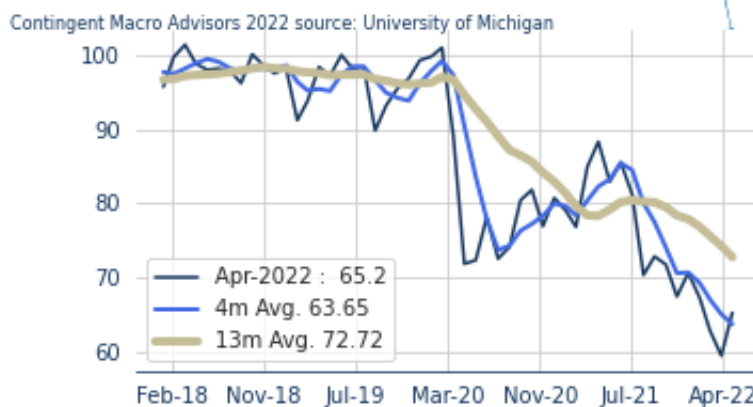
### Consumer Sentiment: Modest Decline

**Bottom Line:** Consumer sentiment fell modestly in the final reading for April. While the April of the University of Michigan's survey index is still higher than in March, the level is historically low, suggesting consumers are uncertain about the economy and their financial prospects. While the outlooks for survey participants tend to correlate with their political affiliation (leaning more positive when the President is from their party), the geopolitical uncertainty with the war in Ukraine and recent shutdowns for Covid in China weighed on most participants regardless of their political affiliation. Moreover, they are heavily influenced by recent changes in gasoline prices -- even the latest small declines in prices at the pump correlated with improved sentiment. **Overall, consumer balance sheets are still flush with cash from stimulus funds, but they are also facing uncertainty and worried about how far that will go.**

## U. Mich. Consumer Sentiment April: +65.2, consensus: +65.7



### Recent Trends

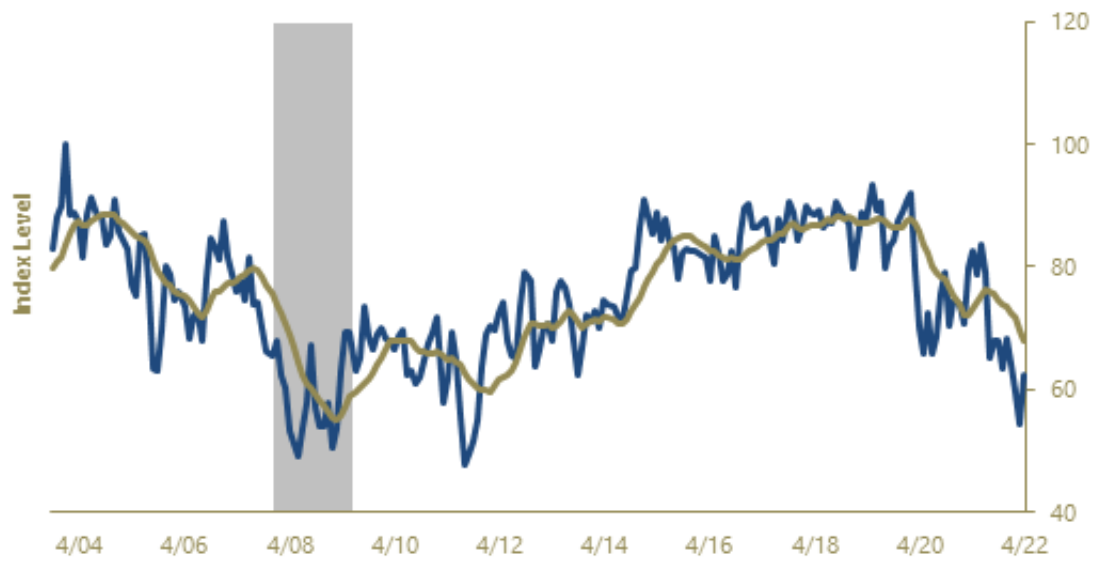


**Consumer Sentiment** was REVISED DOWN by 0.5 points in late April to 65.2, compared with market expectations for no change to 65.7. Sentiment has deteriorated by -2.0 points over the past 3 months. With this month's moderate increase, compared to March's final level of 59.4, sentiment is 26.2% BELOW its year-ago level.

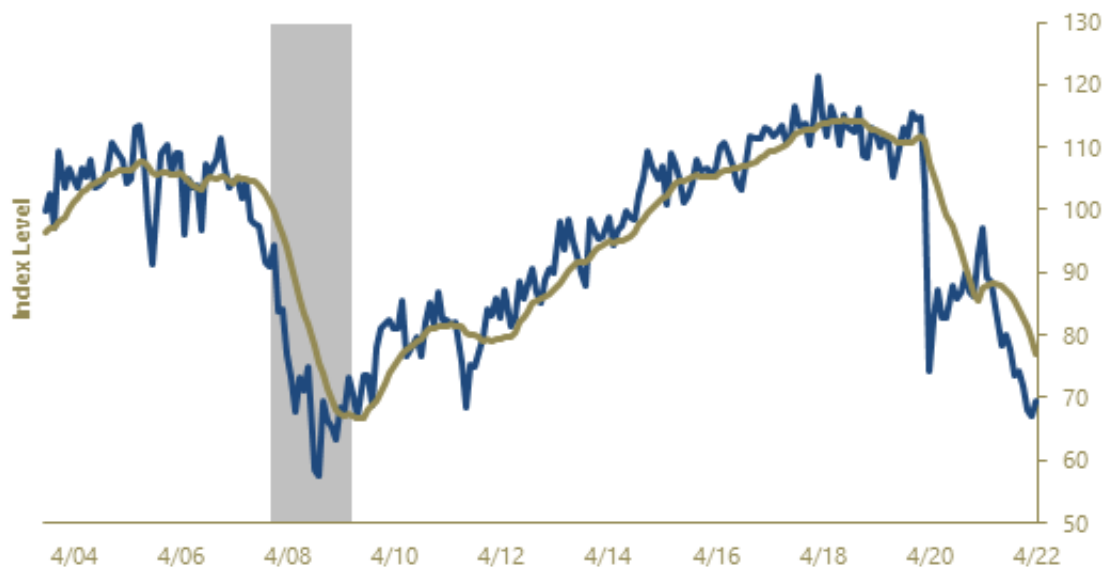
**Current Conditions** were REVISED UP by 1.3 points to 69.40. Current conditions are now 28.6% BELOW their year-ago level.

**Consumer Expectations** were REVISED DOWN by 1.6 points to 62.5. With this month's sharp increase, compared to March's final level of 54.3, expectations are 24.4% BELOW their year-ago level.

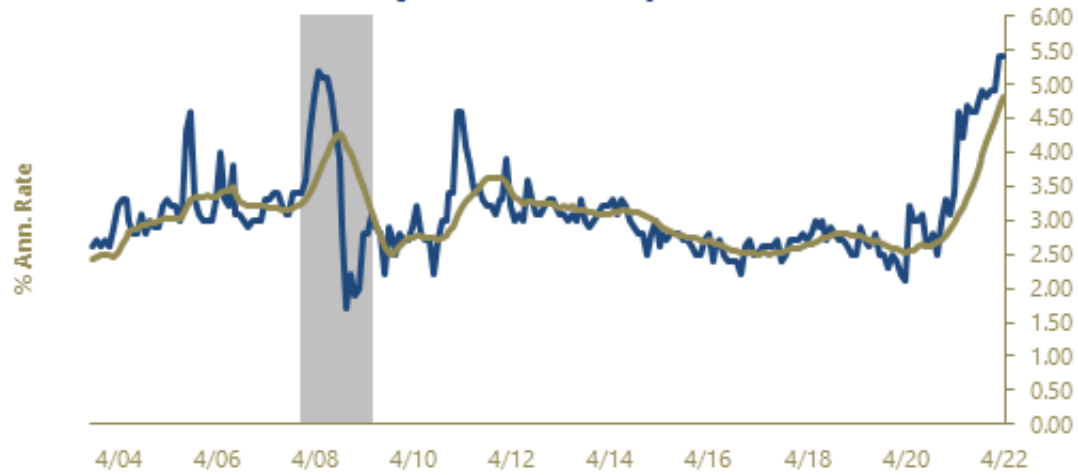
## Expectations



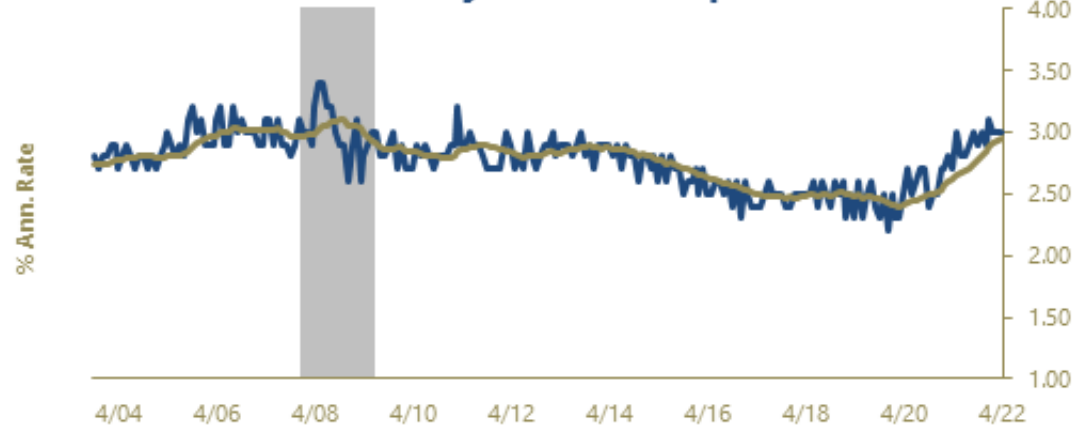
## Current Conditions



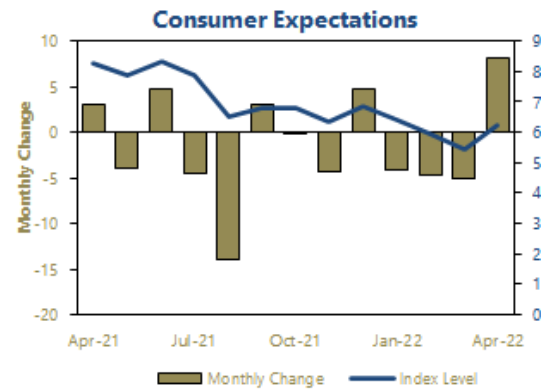
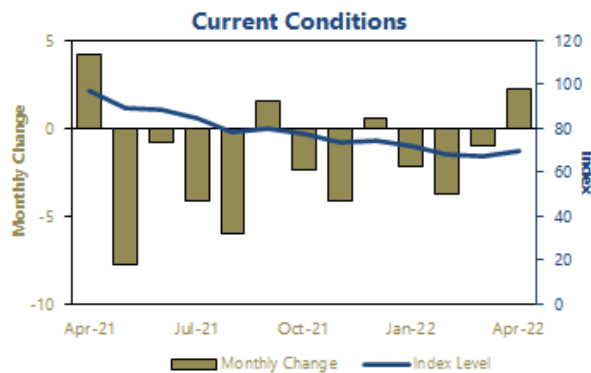
## 1y Inflation Expectations



## 5-10y Inflation Expectations



	Index Levels									
	Monthly				Averages for					
	Apr Final	Apr Prelim.	Mar-22	Feb-22	Three Month	Six Month	Twelve Month	2020	2019	Re- sessions
Consumer Sentiment	65.2	65.7	59.4	62.8	62.5	65.4	71.4	80.7	99.3	68.3
Current Conditions	69.4	68.1	67.2	68.2	68.3	70.8	77.0	90.0	115.5	80.8
Consumer Expectations	62.5	64.1	54.3	59.4	58.7	62.0	67.9	74.6	88.9	60.5
1-year Inflation Expectation	5.4	5.4	5.4	4.9	5.4	5.0	4.7	2.7	2.6	
5-year Inflation Expectation	3.0	3.0	3.0	3.0	3.0	3.0	2.9	2.5	2.4	



Source: University of Michigan Surveys of Consumers via Bloomberg. Our calculations.