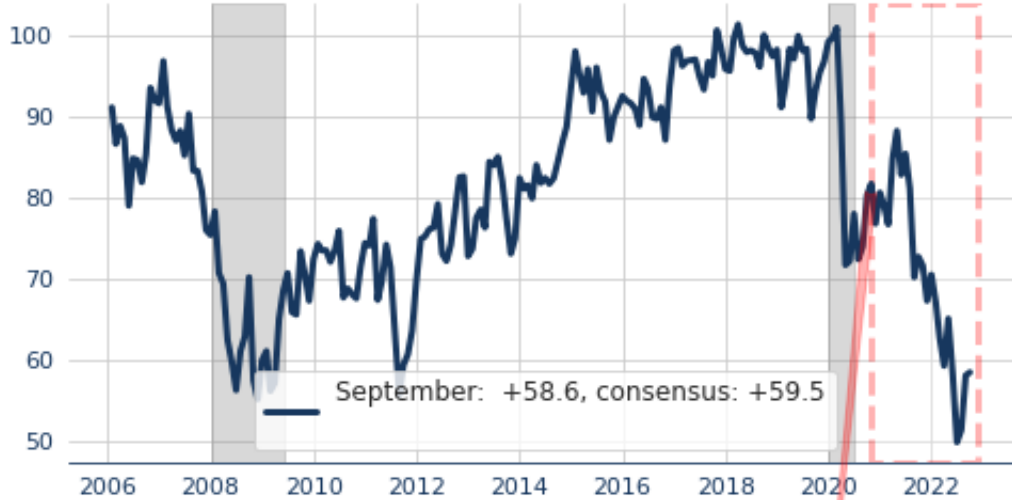


30.Sep.2022

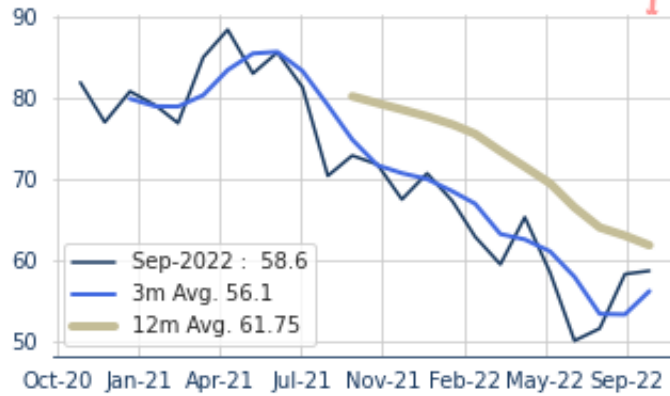
Consumer Sentiment: Slight Drop, Inflation Expectations Lower

Bottom Line: The final reading of the University of Michigan Survey of Consumers showed sentiment slipped modestly as concerns about future business conditions outweighed more positive assessments of the current conditions. Current assessments were more positive, mostly on the heels of lower inflation expectations. Year-ahead inflation expectations fell to the lowest since September, and long-run expectations fell to 2.7%, below the 2.9 - 3.1% range seen since July '21. Overall, the continued modest declines in gasoline prices (California notwithstanding) have eased consumers' fears about inflation slightly and buoyed their outlooks -- but their sentiment still remains historically low and highly sensitive to their inflation outlooks, which are mostly dictated by the direction of gasoline prices.

U. Mich. Consumer Sentiment September: +58.6, consensus: +59.5



Recent Trends



Contingent Macro Advisors 2022 source: University of Michigan

Consumer Sentiment was REVISED DOWN by 0.9 points in late September to 58.6, compared with market expectations for no change to 59.5. Sentiment has improved by 8.6 points over the past 3 months. With this month's slight increase, compared to August's final level of 58.2, sentiment is 19.5% BELOW its year-ago level.

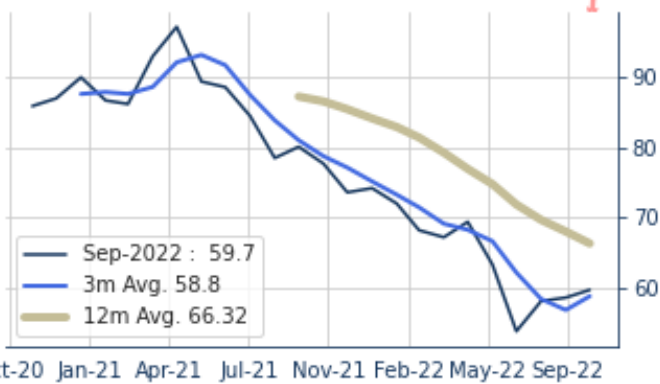
Current Conditions were REVISED UP by 0.8 points to 59.70. Current conditions are now 25.5% BELOW their year-ago level.

Consumer Expectations were REVISED DOWN by 1.9 points to 58.0. Despite this month's slight no change, compared to August's final level of 58.0, expectations are 14.8% BELOW their year-ago level.

Current Conditions September: +59.7, consensus: +58.9



Recent Trends

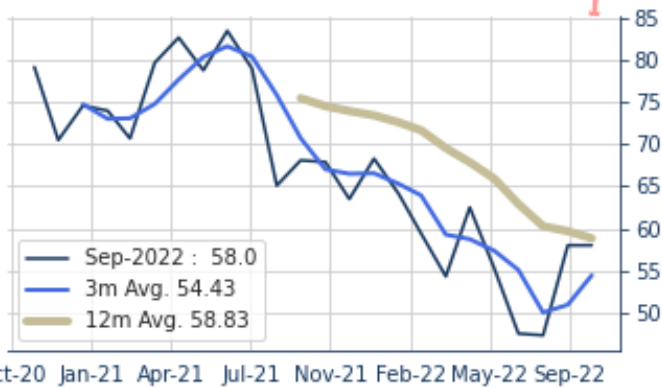


Future Expectations

September: +58.0, consensus: +59.9



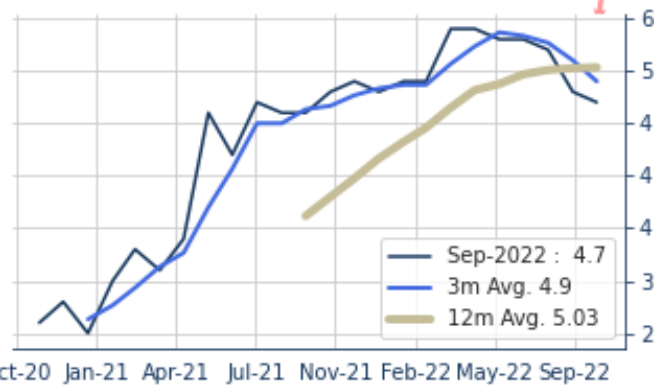
Recent Trends



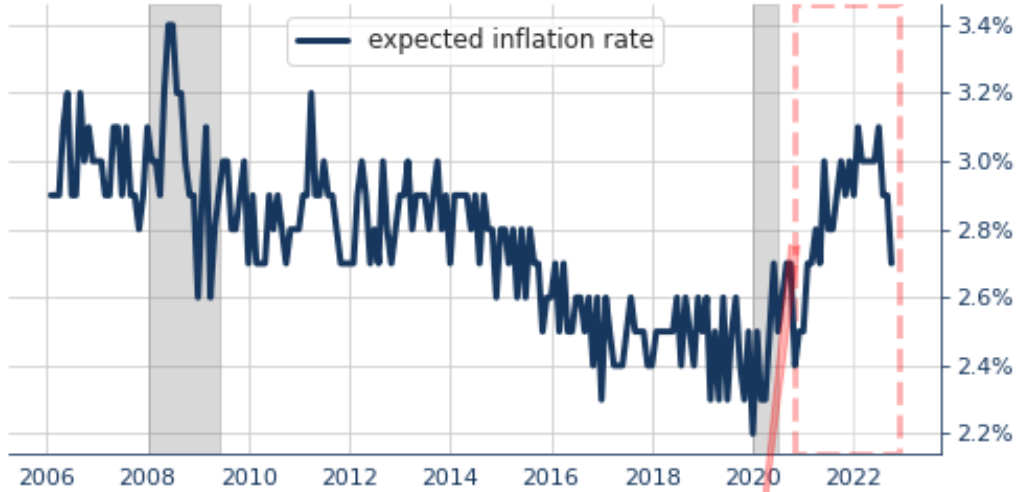
1-year Ahead Inflation Expectations



Recent Trends



5-year Ahead Inflation Expectations



Recent Trends

