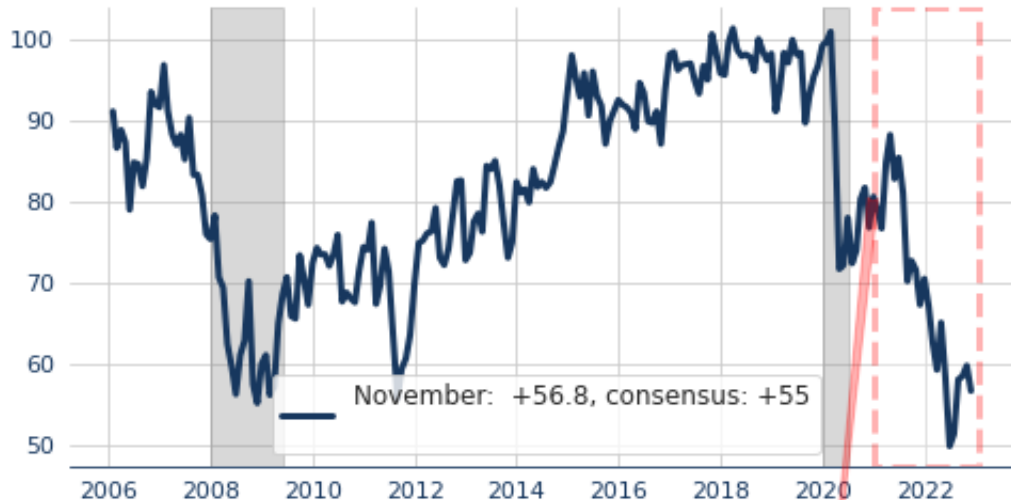


23.Nov.2022

## **Consumer Sentiment: Modest Rebound After Initial Survey Drop**

**Bottom Line:** The final reading of consumer sentiment from the University of Michigan's survey rebounded modestly after sharp declines in the initial results. Buying conditions for durable goods had markedly improved in September and October but fell sharply in November. Consumers remained nervous about interest rate increases and inflation. Inflation expectations were little changed this month, 4.9% for the year ahead and 3% over the longer horizon, and were holding above their three-month averages but still below highs seen earlier this year. Importantly, the expectations index for the change in unemployment over the next year hit its highest levels in a decade. **Overall, consumer sentiment remains historically low as consumers struggle to assess their financial situations amid continued high inflation and interest rates. And now consumers are more worried about their job prospects than at any time in the last 10 years.**

## U. Mich. Consumer Sentiment November: +56.8, consensus: +55



### Recent Trends



Contingent Macro Advisors 2022 source: University of Michigan

**Consumer Sentiment** was REVISED UP by 2.1 points in late November to 56.8, compared with market expectations for a small increase to 55.0. Sentiment has deteriorated by -1.4 points over the past 3 months. With this month's modest decline, compared to October's final level of 59.9, sentiment is 15.7% BELOW its year-ago level.

**Current Conditions** were REVISED UP by 1.0 points to 58.80. Current conditions are now 20.1% BELOW their year-ago level.

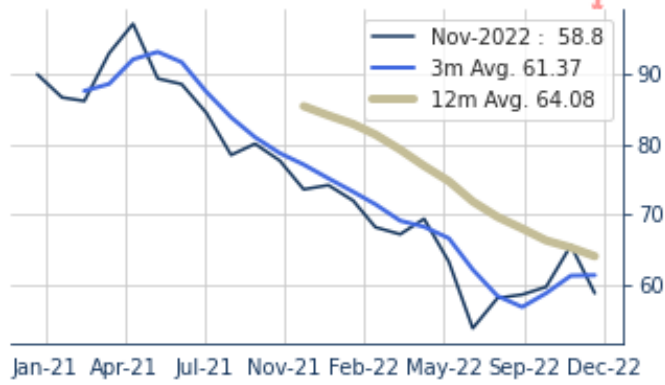
**Consumer Expectations** were REVISED UP by 2.9 points to 55.6. Despite this month's slight decline, compared to October's final level of 56.2, expectations are 12.4% BELOW their year-ago level.

# Current Conditions

November: +58.8, consensus: +57.8



## Recent Trends



## Future Expectations

**November: +55.6, consensus: +52.5**



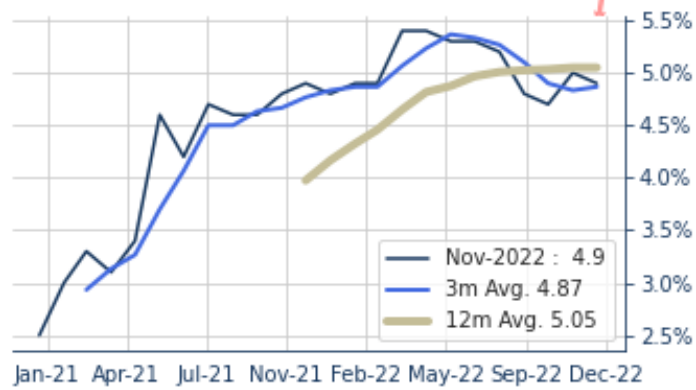
### Recent Trends



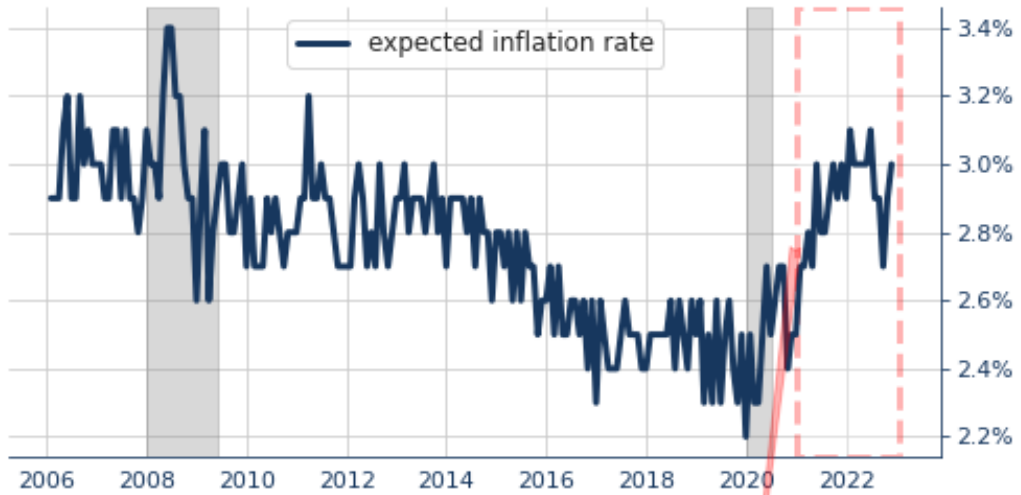
# 1-year Ahead Inflation Expectations



## Recent Trends



# 5-year Ahead Inflation Expectations



## Recent Trends

