

10.Feb.2023

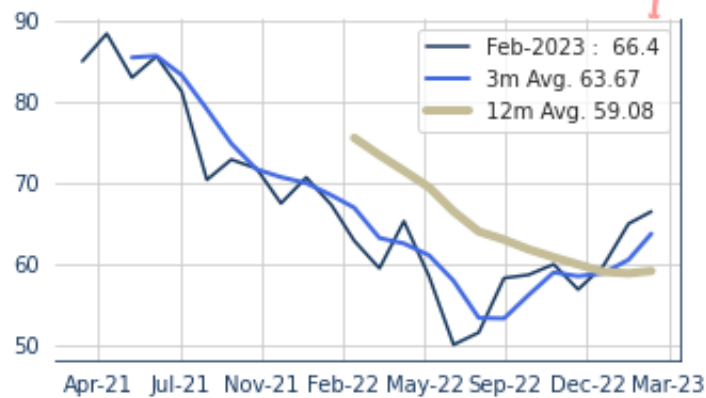
Consumer Sentiment: Above Year-Ago Levels, Still Muted

Bottom Line: Consumer sentiment edged slightly higher in early February, despite an increase in year-ahead inflation expectations. The preliminary reading of consumer sentiment from the University of Michigan's survey showed consumers still feel unease about high prices and concerns about rising unemployment on the horizon and are exercising caution in their spending. Sentiment around their current situation rose moderately, but consumers' future expectations fell. Overall, sentiment is now 6% above year-ago levels but still 14% below the level two years ago and 22% below the historical average. Consumers still face historic uncertainty - while they are getting used to the current environment, they are particularly concerned about the future.

U. Mich. Consumer Sentiment February: +66.4, consensus: +65



Recent Trends



Contingent Macro Advisors 2023 source: University of Michigan

The University of Michigan's Consumer Sentiment Index ROSE 1.5 to 66.4, ABOVE the 3-month average of 63.67 and 5.7% ABOVE the year-ago level.

The Current Conditions Index ROSE 4.2 to 72.6, ABOVE the 3-month average of 66.8 and 6.5% ABOVE the year-ago level.

The Future Expectations Index was nearly unchanged, -0.4 to 62.3, ABOVE the 3-month average of 61.63 and 4.9% ABOVE the year-ago level.

Year-ahead inflation expectations ROSE 0.3 to 4.2, ABOVE the 3-month average of 4.17 but -0.7 BELOW the year-ago level.

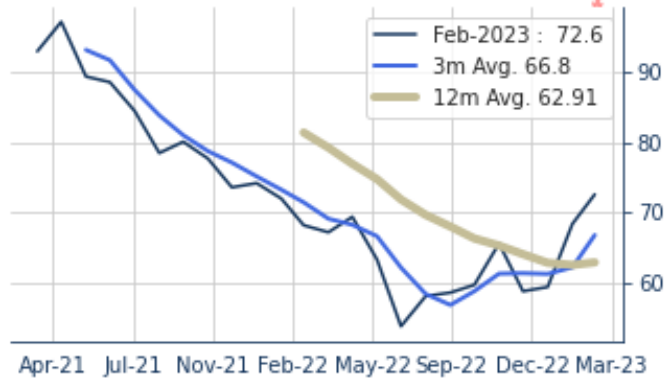
Long-term (5 years) inflation expectations were unchanged at 2.9, BELOW the 3-month average of 2.9 and -0.1 BELOW the year-ago level.

Current Conditions

February: +72.6, consensus: +68.5



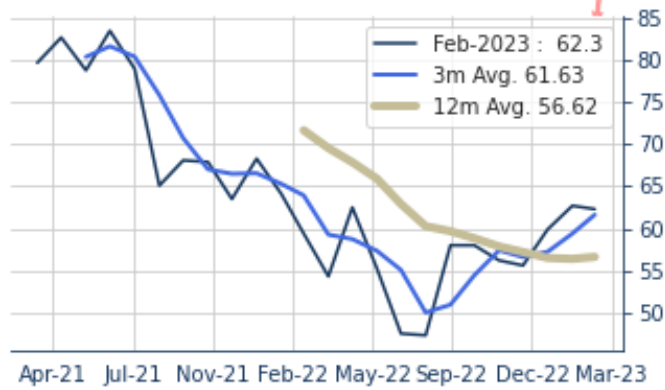
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Future Expectations February: +62.3, consensus: +63.1



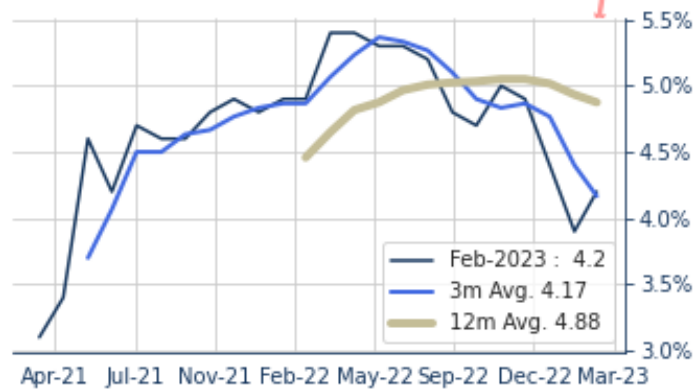
Recent Trends



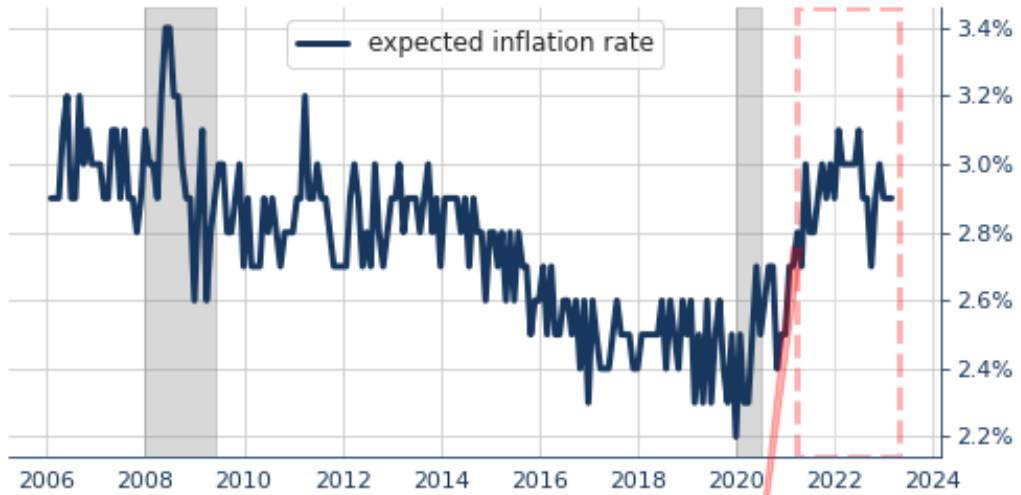
1-year Ahead Inflation Expectations



Recent Trends



5-year Ahead Inflation Expectations



Recent Trends

