

U.S. Data Review

- Consumer confidence: stalled at a low level

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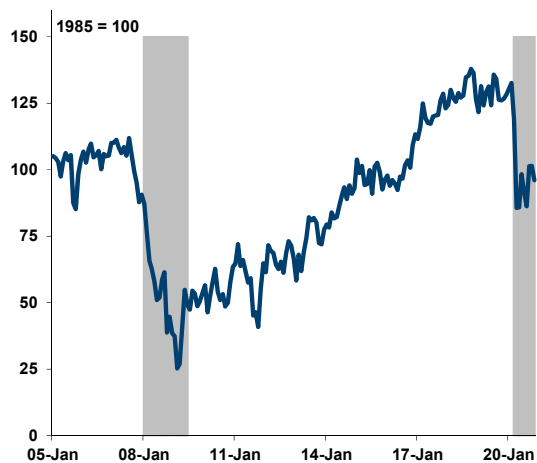
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Consumer Confidence

The Conference Board's index of consumer confidence fell 5.3 index points (or 5.2 percent) in November, a softer performance than the expected drop of 3.0 index points. The change occurred from an upwardly revised level in October (0.5 index point firmer than previously believed), but the index level of 96.1 was still below the expected reading of 97.9 (chart, left).

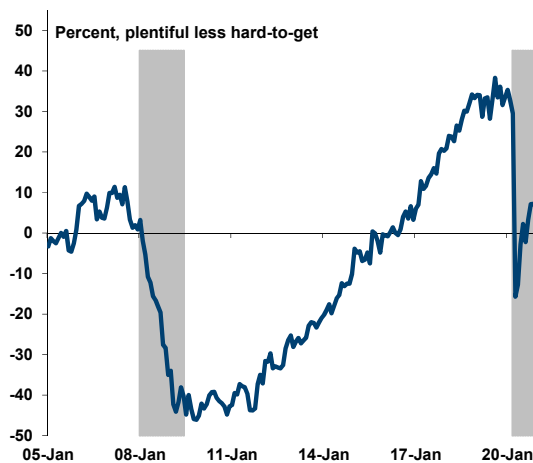
The soft results continued a disappointing performance seen in the prior several months, as confidence has rebounded only modestly from the pandemic-related drop in the spring. After the drop in November, the index has retraced only 22 percent of the ground lost in the spring. The elevated and rising number of new Covid cases undoubtedly has had a strong influence on attitudes. In addition, the drop in the stock market in the latter part of October might have led to pessimistic responses in the early part of November. Sub-par conditions in the labor market are probably playing a role as well. In November, the share of survey respondents indicating that jobs were plentiful totaled 26.7 percent down from a pre-virus average 46.9 percent in January/February; the share indicating that jobs were hard to get totaled 19.5 percent in November, up from 12.9 percent in January/February. The net response of 7.2 percent (plentiful less hard to get) was not recession-like, but it was low by historical standards (chart, right).

Consumer Confidence*



* The shaded areas on the chart indicate periods of recession.
 Source: The Conference Board and The National Bureau of Economic Research via Haver Analytics

Labor Market Assessment*



* The share of survey respondents indicating that jobs are plentiful less the share reporting that jobs are hard to get. The shaded areas on the chart indicate periods of recession.
 Source: The Conference Board and The National Bureau of Economic Research via Haver Analytics

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