



Economics Group

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Consumer Confidence Rebounds in June

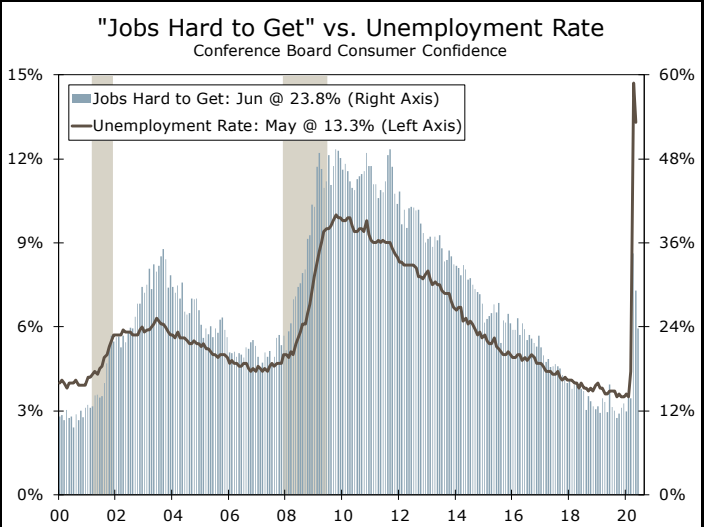
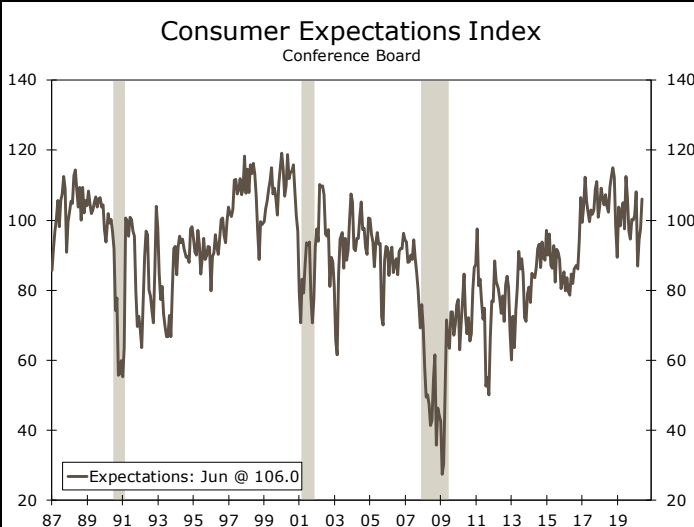
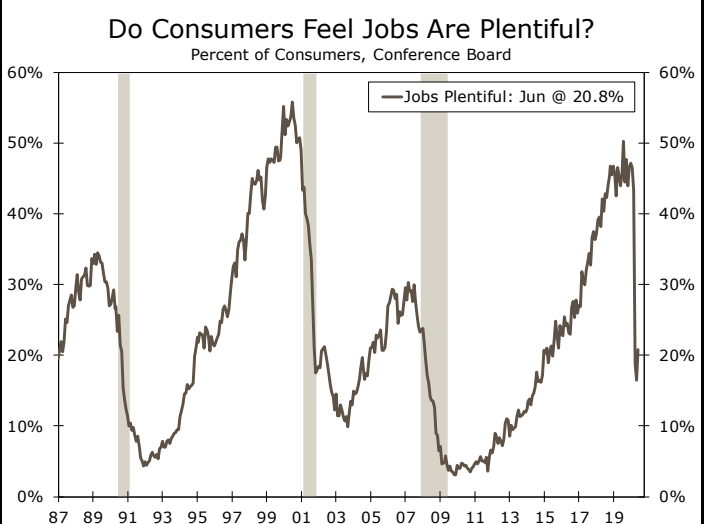
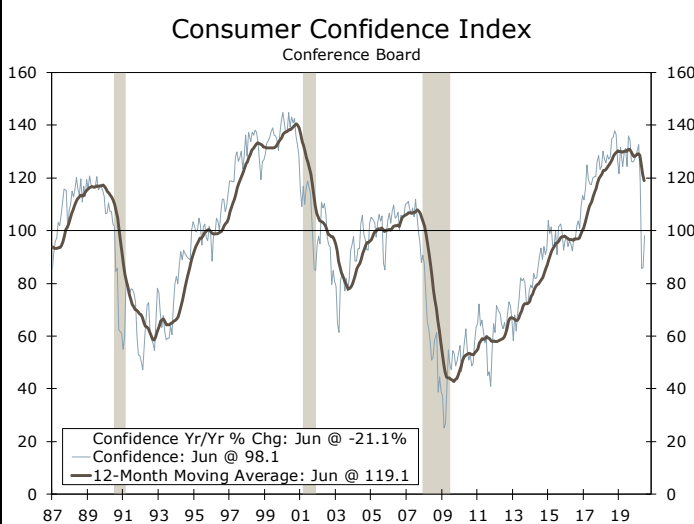
Consumer confidence surprised to the upside for June but the better-than-expected outturn only partially retraces recent steep declines. Expectations rose nearly to pre-crisis levels, but recent virus flare-up is a risk.

Confidence is Shaken, but Expectations Are Not

- The initial estimate of consumer confidence for June came in at 98.1 which was considerably better than the consensus estimate of 91.5, but still well short of the pre-pandemic peak of 132.6.
- The forward-looking expectations index rose back up above 100 to 106.0. The current situation may be bleak, but the expectations is not meaningfully off from the pre-recession peak of 108.1 and is actually above the 100.6 average for all of 2019.

Less Bad Jobs Outlook

- The proportion of respondents saying jobs are plentiful is still pitifully low at 20.8, but that is up from 16.5 in May. Those finding jobs hard to get fell to 23.8 from 29.2 in the prior month.
- The much better-than-expected jobs report for May perhaps lifted the outlook for the job market. The improved (or at least less bad) outlook may also be a reflection of shrinking COVID-19 case counts earlier in the month. The recent uptick could reverse that.



Source: Conference Board, U.S. Department of Labor and Wells Fargo Securities

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