

Economics Group

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Consumer Confidence Posts Surprising Rise in July

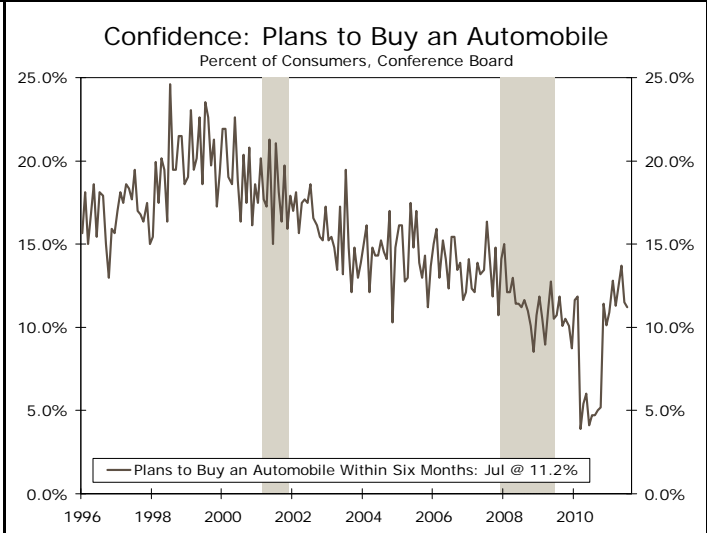
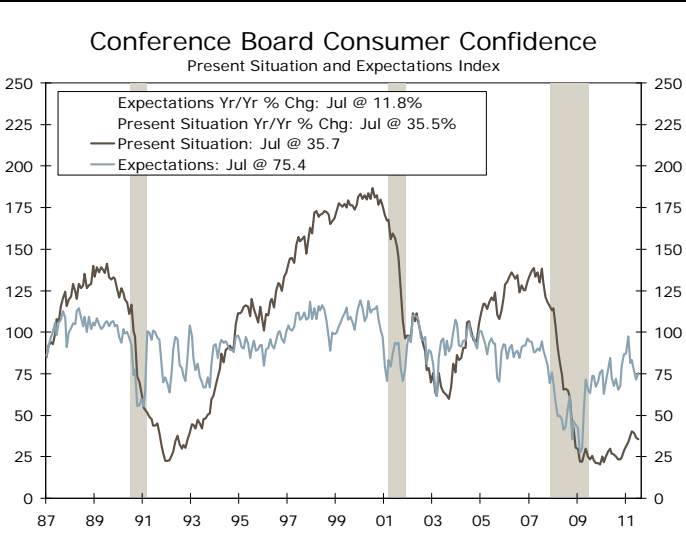
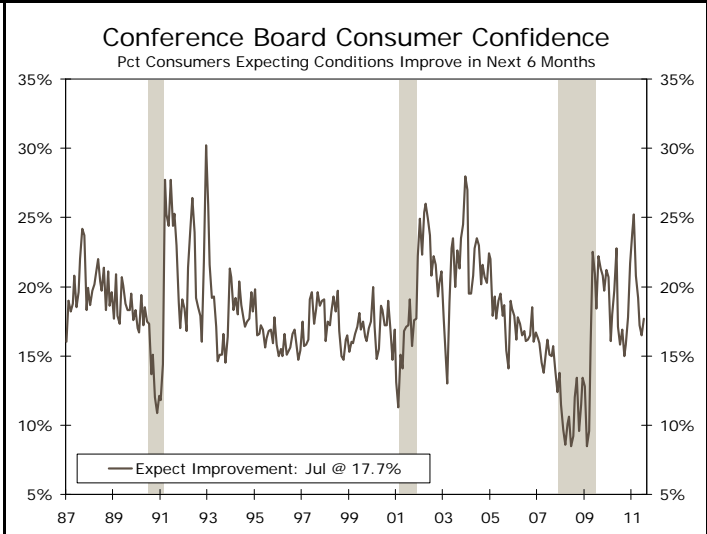
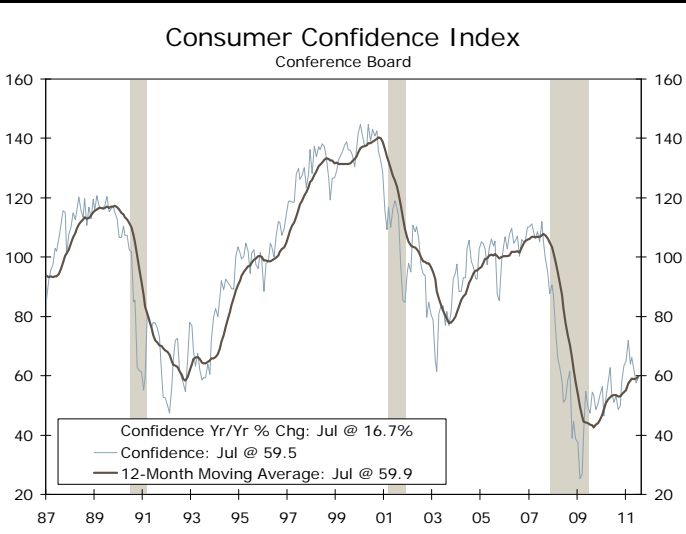
Contrary to other sentiment indicators recently, the Conference Board's index of consumer confidence edged up in July. The number of people expecting their situation to improve in six months rose.

Expectations Increase in July

- The Conference Board's index of consumer confidence edged up from 57.6 in June to 59.5 in July. Because other confidence indicators have weakened recently, the market consensus forecast had anticipated a slight decline.
- Although people reported that the "present situation" had deteriorated slightly, expectations of conditions six months from now improved.

Labor Market is Weak, but People Expect it to Improve

- The number of people reporting that jobs are "hard to get" at present rose to a 4-month high, suggesting that labor market conditions remain challenging.
- However, people do not expect the soft patch to last indefinitely. The number of respondents expecting "more jobs" in six months rose, as did expectations of income. However, plans to buy a new automobile edged down a bit.



Source: The Conference Board and Wells Fargo Securities, LLC

Wells Fargo Securities, LLC Economics Group

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