

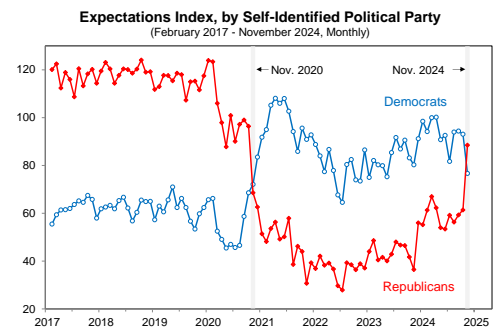


November 2024 survey results

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Consumer sentiment was little changed this month, inching up 1.3 index points from October. In November, sentiment extended a four-month stretch of consecutive incremental increases. Post-election interviews were 1.3 points below the pre-election reading, moderating the improvement seen earlier in the month. Overall, the stability of national sentiment this month obscures discordant partisan patterns. In a mirror image of November 2020 (see chart), the expectations index surged for Republicans and fell for Democrats this month, a reflection of the two groups' incongruous views of how Trump's policies will influence the economy. In contrast, current conditions saw insignificant changes this month across the political spectrum, consistent with the fact that the resolution of the election exerted little immediate impact on the current state of the economy. Ultimately, substantial uncertainty remains over the future implementation of Trump's economic agenda, and consumers will continue to re-calibrate their views in the months ahead.



Year-ahead inflation expectations fell slightly from 2.7% last month to 2.6% this month. The current reading is the lowest since December 2020 and sits within the 2.3-3.0% range seen in the two years prior to the pandemic. Long-run inflation expectations rose from 3.0% last month to 3.2% this month; uncertainty over long-run inflation, as measured by the interquartile range of expectations, increased as well.

With Trump's election, Republicans' confidence in the trajectory of the economy is soaring. For the first time since Biden entered office, Republicans rather than Democrats held a more optimistic economic outlook. In the year ahead, Republicans expected stronger income growth, stronger declines in unemployment rates, stronger improvements in business conditions, and lower interest rates relative to what they anticipated last month. Furthermore, their inflation expectations eased substantially, likely due to their belief that Trump's policies will sharply lower inflation. In contrast, Democrats began a gradual downgrading in their economic outlook as they adjust to the prospect of a Trump presidency in January. Their expectations have worsened from last month on a number of dimensions: inflation, personal incomes, overall labor markets, and business conditions. Again, these trends are unsurprising given their expressed views that Trump would be worse for the economy than Harris; they also mirror the results seen around the 2020 election.

These partisan differences in sentiment are [well-documented](#); consumers belonging to the same party as the President tend to have more favorable sentiment than consumers who do not, with Independents in the middle at the national average. When the White House changes parties, Democrats and Republicans essentially rotate positions around the national average. Importantly, this process is not merely a reflection of blind "party loyalty" divorced from economic factors. Rather, the post-election adjustment process is consistent with a response to actual underlying changes in expectations for the national economy due to factors like anticipated economic policies. This interpretation is supported by consumers' responses to questions regarding [which candidate would be better for the economy and their personal finances](#). As such, national measures of sentiment and expectations continue to reflect the collective economic experiences and observations of the American population as a whole.

	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024
Index of Consumer Sentiment	61.3	69.7	79.0	76.9	79.4	77.2	69.1	68.2	66.4	67.9	70.1	70.5	71.8
Current Economic Conditions	68.3	73.3	81.9	79.4	82.5	79.0	69.6	65.9	62.7	61.3	63.3	64.9	63.9
Index of Consumer Expectations	56.8	67.4	77.1	75.2	77.4	76.0	68.8	69.6	68.8	72.1	74.4	74.1	76.9
Index Components													
Personal Finances - Current	84	88	100	98	104	95	91	81	79	79	80	81	82
Personal Finances - Expected	106	112	122	116	122	116	111	106	105	108	111	110	116
Economic Outlook - 12 Months	57	73	93	93	95	92	79	84	86	88	93	92	97
Economic Outlook - 5 Years	63	84	94	92	94	96	84	88	84	92	94	95	96
Buying Conditions - Durables	92	100	111	106	109	109	88	88	81	78	82	85	82