

Confidence in Financial Institutions

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Confidence in financial institutions is critical for ensuring economic and financial stability, as well as the effectiveness of monetary policy. The Surveys of Consumers have monitored consumer confidence in various financial institutions for over thirty years. These questions were first asked in 1987 after the sharp plunge in stock markets on Black Monday and periodically thereafter. In 2023, data were collected in the wake of the failure of Silicon Valley Bank and other banks and the extraordinary measures taken by the Federal Reserve, Treasury, and FDIC to limit the impact on the wider economy. This year's data were collected in the first quarter of the year at the start of the new presidential administration, resuming in August and September as the White House escalated its rebukes of the Fed, including the August 25 announcement that Governor Lisa Cook would be fired. Meanwhile, [consumers' participation in stock markets has increased amid soaring asset values](#), while insurance companies have come under heavy criticism in public discourse. Against this backdrop, this special report discusses recent trends in confidence in various financial institution types for Americans as a whole, then focuses on heterogeneity across population subgroups—political affiliation and stock market participation.

Table 1: Net Change in Confidence in Financial Institutions, 1987 - 2025

Balance Scores (% More Confident - % Less Confident)

Confidence Compared With Five Years Ago	Nov/Dec 1987	Apr 1991	Oct/Nov 2008	Sep/Oct 2009	Oct/Nov 2010	Oct/Nov 2011	Jan/Feb 2015	Nov/Dec 2017	Sep/Oct 2019	Sep/Oct 2021	Aug/Sep 2022	Apr/May 2023	Jan-Mar 2025	Aug/Sep 2025
Federal Reserve	-10	-18	-50	-37	-40	-53	-26	-26	-23	-35	-41	-45	-29	-37
Commercial Banks	-13	-29	-59	-59	-49	-57	-19	-24	-13	-21	-22	-48	-30	-28
Credit Unions	-29	-21	-63	-55	-50	-49	-16	-17	-14	-14	7	-1	9	6
Brokerage & Mutual Funds	8	2	-7	1	6	15	22	22	22	15	-23	-28	-20	-19
Insurance Companies	-15	-33	-45	-40	-34	-29	-22	-33	-26	-26	-29	-35	-62	-56

Note: Missing values omitted from all tables and figures. Question text: The next few questions are about the trust and confidence people have in this country's financial institutions. For each type of financial institution, indicate whether your confidence in that financial institution has changed in recent years. Compared with five years ago, do you have a lot more confidence now, a little more confidence now, a little less confidence now, a lot less confidence now, or has your confidence remained about the same, for each type of financial institution?

As seen in Table 1, the net change in confidence improved since 2023 for all institution types but one. Insurance companies were the only institution type that experienced worsening confidence. This year's confidence readings for insurance companies plunged from 2023 and are the lowest that we have seen since our first data collection in 1987. The 2025 decline in confidence is consistent with rising insurance costs in a number of domains that have added to the consumers' mounting frustration with the persistence of high prices.

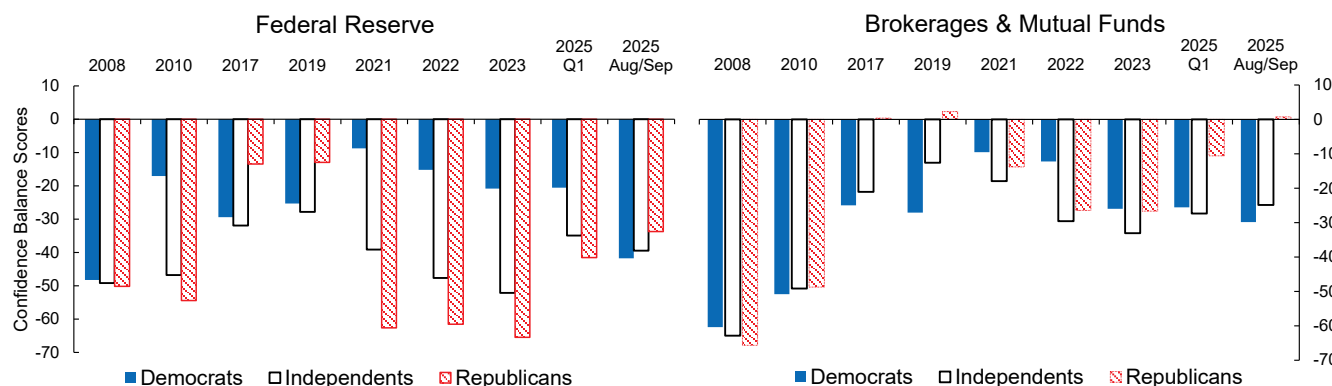
Confidence in the Federal Reserve had been relatively poor in 2022 and 2023 compared with 2015-2021; it improved at the start of 2025 but fell in recent months. Confidence in commercial banks plunged in 2023 in the wake of SVB's failure; since then, confidence has improved a touch but has not recovered to levels seen between 2015 and 2022. For brokerages and mutual funds, confidence rose in 2025, consistent with continued strength in stock market performance seen this year. However, readings are still net negative, in contrast to net positive readings from 1987 to 2021 (with the single negative exception in 2008 amid the Global Financial Crisis). This year, credit unions are the only financial institution with net positive readings for confidence, again stronger than seen in 2023.

Generally speaking, consumer expectations for the economy are consistently more favorable for those who express more confidence in the Fed, and less favorable for those expressing less confidence, but this gap has fluctuated over time (Table

Table 2: Change in Confidence in the Federal Reserve, 1987 - 2025

Confidence Compared With Five Years Ago	Nov/Dec 1987	Apr 1991	Oct/Nov 2008	Sep/Oct 2009	Oct/Nov 2010	Oct/Nov 2011	Jan/Feb 2015	Nov/Dec 2017	Sep/Oct 2019	Sep/Oct 2021	Aug/Sep 2022	Apr/May 2023	Jan-Mar 2025	Aug/Sep 2025
More confident now	9	7	7	12	9	6	15	12	13	10	8	8	13	12
Same	71	66	34	38	41	34	43	48	50	44	41	37	42	36
Less confident now	20	26	59	49	50	60	42	39	37	46	51	55	45	52
Addenda														
Index of Consumer Expectations: Differences in Index Points from corresponding full sample means														
More Confident in Fed	18.6	10.7	22.1	26.5	14.7	10.9	20.1	17.1	8.4	32.5	24.8	25.3	5.0	6.3
Less Confident in Fed	-11.2	-12.6	16.8	0.1	-11.5	8.5	-28.1	-29.1	-3.0	20.0	29.1	-1.6	-16.3	-5.1
Difference	29.8	23.3	5.3	26.4	26.2	2.4	48.2	46.2	11.4	12.5	-4.3	26.9	21.3	11.4

Figure 1: Across political affiliation, confidence in the Fed converged in late 2025, while for brokerages and mutual funds confidence diverged across groups



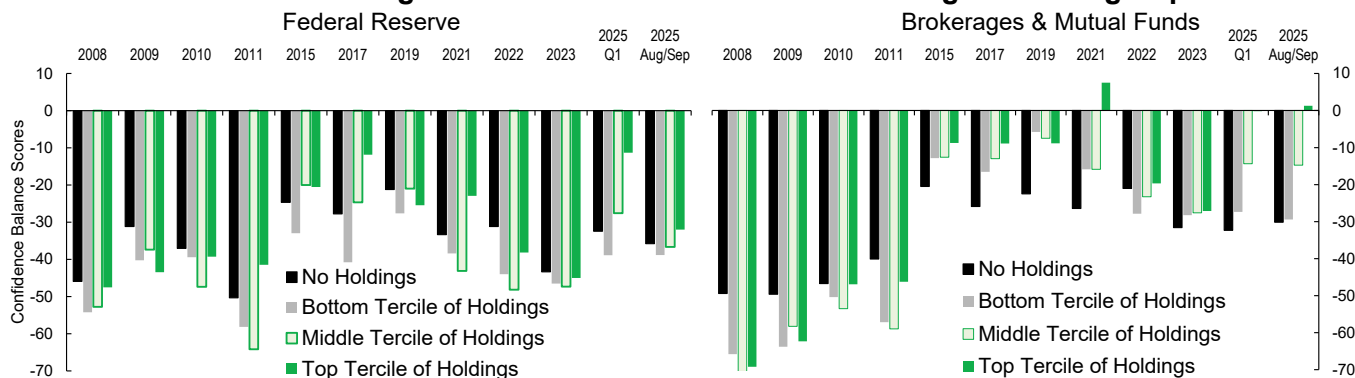
2). The current gap is relatively small compared to previous years, likely a reflection of the fact that overall levels of sentiment are near historic lows.

This year, the executive branch of government has expressed an unusual level of criticism of the Fed, in addition to the unprecedented attempt to remove a sitting governor. Moreover, views of economic policy are increasingly politically polarized. In light of these trends, it may be surprising that confidence readings for the Fed from August and September of this year are remarkably similar across political affiliation (Figure 1, left panel). This stands in contrast to the large differences between Democrats and Republicans seen between 2021 and 2023; during that period, Republicans exhibited far less confidence in the Fed than Democrats, with independents in the middle. Overall, Republicans exhibited an improvement in confidence in the Fed in the past two years, while Democrats have seen a deterioration, leading to a convergence between the two groups in August and September 2025. Note it is not possible to parse out the extent to which consumers believe that Fed independence is under question, nor whether or not Fed independence would be favorable for the economy.

Confidence in the Fed split by stock holdings is displayed in the left panel of Figure 2. In August and September of 2025, we see few differences in confidence across stock holdings; consumers with the largest stock holdings are only slightly more confident in the Fed than consumers who do not participate in stock markets. These patterns are very different than the beginning of 2025, when those with stock portfolios in the highest tercile held the Fed in much higher confidence than those with smaller or no holdings.

The right panel of Figure 1 displays confidence balance scores for brokerages and mutual funds by political affiliation. Here, views of Democrats and independents are little changed since 2023, whereas confidence of Republicans has

Figure 2: Across groups by stock holdings, confidence in the Fed has converged in late 2025, while for brokerages and mutual funds confidence diverged across groups



improved substantially and is net positive in the most recent reading. Historically, some years have seen little partisan differences in confidence in brokerages and mutual funds. Between 2008 and 2010, all three political groups had similarly low levels of confidence in this institution type. A partisan gap emerged in 2017 and 2019, with Democrats and independents exhibiting net negative confidence while Republicans surged and reported net positive confidence in brokerages and mutual funds. Starting in 2021, Republicans rejoined the other two political affiliations with net negative confidence, and only in recent months has their confidence in brokerages and mutual funds turned positive once again. Notably, the emergence and closing of partisan gaps in confidence coincide with presidential changes.

We see much more consistent heterogeneity in confidence in brokerages and mutual funds across the distribution of stockholdings. Confidence among the largest stockholders surged in 2025, reaching net positive levels in August and September of this year. For consumers who do not participate in stock markets, however, confidence in brokerages and mutual funds remains low. Consumers with the lowest tercile of holdings have similar low levels of confidence this year, though confidence for both groups were much worse in 2008 to 2011 during and after the Global Financial Crisis.

Differences in net confidence for each institution type by age, income, and stock holdings are displayed in Tables 3a through 3e below.

Table 3a: Net Change in Confidence in the FEDERAL RESERVE: Balance Scores (% More - % Less)

	Nov/Dec 1987	Apr 1991	Oct/Nov 2008	Sep/Oct 2009	Oct/Nov 2010	Oct/Nov 2011	Jan/Feb 2015	Nov/Dec 2017	Sep/Oct 2019	Sep/Oct 2021	Aug/Sep 2022	Apr 2023	Jan-Mar 2025	Aug/Sep 2025
All	-10	-18	-50	-37	-40	-53	-26	-26	-23	-35	-41	-45	-29	-37
Age														
18 - 34	-5	-13	-48	-43	-40	-64	-28	-30	-20	-34	-30	-43	-25	-33
35 - 54	-11	-23	-52	-37	-46	-56	-26	-26	-27	-39	-42	-49	-40	-46
55 or older	-13	-17	-46	-37	-35	-49	-25	-24	-22	-34	-47	-44	-25	-36
Household Income														
Bottom third	-8	-9	-48	-30	-35	-51	-18	-30	-21	-39	-35	-41	-36	-39
Middle third	-13	-18	-50	-36	-47	-53	-29	-34	-25	-38	-49	-49	-29	-40
Top third	-10	-24	-51	-43	-38	-55	-27	-15	-22	-29	-42	-47	-22	-33
Stock Holdings														
Does not own	--	--	-46	-31	-37	-51	-25	-28	-21	-33	-31	-43	-32	-36
Bottom third	--	--	-54	-41	-39	-58	-33	-41	-27	-39	-44	-46	-39	-39
Middle third	--	--	-53	-37	-47	-64	-20	-24	-21	-44	-49	-47	-27	-37
Top third	--	--	-48	-44	-39	-41	-20	-12	-25	-23	-38	-45	-12	-32

Table 3b: Net Change in Confidence in COMMERCIAL BANKS: Balance Scores (% More - % Less)

	Nov/Dec 1987	Apr 1991	Oct/Nov 2008	Sep/Oct 2009	Oct/Nov 2010	Oct/Nov 2011	Jan/Feb 2015	Nov/Dec 2017	Sep/Oct 2019	Sep/Oct 2021	Aug/Sep 2022	Apr 2023	Jan-Mar 2025	Aug/Sep 2025
All	-13	-29	-59	-59	-49	-57	-19	-24	-13	-21	-22	-48	-30	-28
Age														
18 - 34	-7	-23	-56	-50	-34	-55	-5	-25	-16	-16	-16	-49	-37	-37
35 - 54	-17	-29	-60	-59	-52	-56	-18	-20	-9	-24	-24	-49	-37	-36
55 or older	-16	-32	-58	-62	-51	-57	-27	-26	-15	-22	-22	-47	-27	-24
Household Income														
Bottom third	-10	-25	-48	-52	-42	-48	-18	-26	-14	-25	-23	-48	-34	-26
Middle third	-12	-24	-57	-53	-58	-60	-22	-22	-14	-25	-24	-47	-30	-30
Top third	-19	-34	-69	-72	-51	-63	-18	-23	-12	-17	-17	-50	-28	-30
Stock Holdings														
Does not own	--	--	-48	-50	-39	-47	-16	-23	-13	-24	-18	-48	-29	-23
Bottom third	--	--	-58	-47	-49	-70	-26	-32	-13	-27	-29	-52	-40	-39
Middle third	--	--	-65	-68	-49	-55	-16	-21	-17	-17	-20	-47	-29	-32
Top third	--	--	-66	-74	-63	-62	-18	-22	-7	-14	-17	-41	-20	-22

Table 3c: Net Change in Confidence in BROKERAGES & MUTUAL FUNDS:
Balance Scores (% More - % Less)

	Nov/Dec 1987	Apr 1991	Oct/Nov 2008	Sep/Oct 2009	Oct/Nov 2010	Oct/Nov 2011	Jan/Feb 2015	Nov/Dec 2017	Sep/Oct 2019	Sep/Oct 2021	Aug/Sep 2022	Apr 2023	Jan-Mar 2025	Aug/Sep 2025
All	-29	-21	-63	-55	-50	-49	-16	-17	-14	-14	-23	-28	-20	-19
Age														
18 - 34	-21	-17	-58	-62	-48	-47	-4	-10	-1	-9	-18	-16	-28	-25
35 - 54	-35	-24	-67	-56	-57	-53	-20	-17	-20	-17	-24	-33	-27	-28
55 or older	-31	-22	-60	-53	-44	-45	-19	-20	-14	-15	-26	-32	-17	-16
Household Income														
Bottom third	-19	-11	-45	-44	-44	-42	-14	-19	-17	-24	-21	-32	-30	-27
Middle third	-28	-20	-65	-56	-51	-48	-14	-19	-10	-13	-28	-29	-19	-21
Top third	-40	-33	-75	-67	-53	-53	-19	-12	-13	-7	-21	-24	-14	-12
Stock Holdings														
Does not own	--	--	-50	-50	-47	-40	-21	-26	-22	-26	-21	-32	-32	-30
Bottom third	--	--	-66	-64	-50	-57	-13	-17	-6	-16	-28	-28	-27	-30
Middle third	--	--	-71	-58	-54	-59	-12	-13	-7	-16	-23	-28	-15	-14
Top third	--	--	-69	-62	-47	-46	-9	-9	-9	7	-19	-28	0	2

Table 3d: Net Change in Confidence in CREDIT UNIONS: Balance Scores (% More - % Less)

	Nov/Dec 1987	Apr 1991	Oct/Nov 2008	Sep/Oct 2009	Oct/Nov 2010	Oct/Nov 2011	Jan/Feb 2015	Nov/Dec 2017	Sep/Oct 2019	Sep/Oct 2021	Aug/Sep 2022	Apr 2023	Jan-Mar 2025	Aug/Sep 2025
All	8	2	-7	1	6	15	22	22	22	15	7	-1	9	6
Age														
18 - 34	17	2	-12	-4	8	-1	30	23	25	13	7	-1	5	-2
35 - 54	8	3	-5	3	5	22	23	29	19	17	9	-3	6	4
55 or older	0	0	-8	2	5	12	17	17	22	15	8	-1	13	9
Household Income														
Bottom third	8	3	-17	-1	-1	9	19	14	20	9	7	-9	3	2
Middle third	8	6	-1	7	12	22	30	30	26	19	8	2	13	7
Top third	9	-4	-3	1	6	14	22	27	20	17	10	3	10	9
Stock Holdings														
Does not own	--	--	-17	-2	-4	9	17	10	17	8	5	-9	0	0
Bottom third	--	--	-4	4	6	14	29	37	24	23	9	3	17	4
Middle third	--	--	6	0	10	26	37	27	23	20	19	4	14	12
Top third	--	--	-9	5	11	14	16	21	24	18	4	3	11	12

Table 3e: Net Change in Confidence in INSURANCE COMPANIES: Balance Scores (% More - % Less)

	Nov/Dec 1987	Apr 1991	Oct/Nov 2008	Sep/Oct 2009	Oct/Nov 2010	Oct/Nov 2011	Jan/Feb 2015	Nov/Dec 2017	Sep/Oct 2019	Sep/Oct 2021	Aug/Sep 2022	Apr 2023	Jan-Mar 2025	Aug/Sep 2025
All	-15	-33	-45	-40	-34	-29	-22	-33	-26	-26	-29	-35	-62	-56
Age														
18 - 34	-13	-35	-36	-25	-20	-18	-12	-26	-25	-19	-17	-35	-72	-63
35 - 54	-18	-32	-51	-42	-42	-35	-28	-34	-24	-33	-30	-30	-69	-64
55 or older	-14	-32	-42	-43	-31	-26	-23	-36	-28	-24	-35	-37	-63	-56
Household Income														
Bottom third	-7	-22	-39	-27	-27	-20	-12	-34	-23	-24	-24	-39	-62	-54
Middle third	-17	-43	-44	-42	-42	-27	-26	-35	-28	-30	-31	-33	-64	-60
Top third	-19	-32	-51	-51	-33	-40	-27	-30	-26	-26	-34	-32	-64	-58
Stock Holdings														
Does not own	--	--	-40	-27	-30	-21	-13	-33	-27	-23	-20	-37	-49	-48
Bottom third	--	--	-45	-38	-32	-30	-29	-43	-20	-28	-36	-34	-73	-65
Middle third	--	--	-46	-45	-39	-36	-30	-32	-23	-30	-33	-37	-67	-61
Top third	--	--	-53	-60	-33	-33	-26	-28	-27	-23	-35	-29	-62	-54