



**January 2026 survey results**

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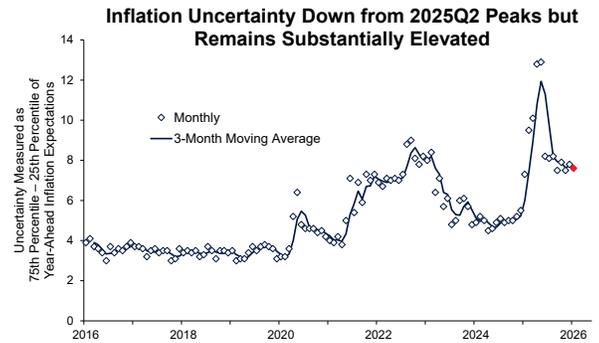
Consumer sentiment lifted about 3.5 index points this month, with minor gains seen across all index components. While the overall improvement was small, it was broad based, seen across the income distribution, educational attainment, older and younger consumers, and Republicans and Democrats alike. However, national sentiment remains more than 20% below a year ago, as consumers continue to report pressures on their purchasing power stemming from high prices and the prospect of weakening labor markets. Aside from tariff policy, consumers do not appear to be connecting foreign developments to their views of the economy. Note that interviews for this release concluded on January 19<sup>th</sup>, two days after Trump’s social media post announcing additional tariffs on eight countries in Europe.

Year-ahead inflation expectations fell back to 4.0% this month. This is the lowest reading since January 2025 but remains well above that month’s 3.3%. Long-run inflation expectations inched up from 3.2% last month to 3.3% this month. In comparison, readings ranged between 2.8% and 3.2% in 2024, and were below 2.8% throughout 2019 and 2020. As seen in the chart, uncertainty over short-run inflation expectations, as measured by the interquartile range of responses, has fallen from mid-2025 but remained considerably elevated in recent months, comparable to levels seen in 2022; see today’s [special report](#) for additional context for long-run inflation expectations.

Short-run inflation expectations have now fallen for the fifth consecutive month and are more than 2.5 percentage points below the peak seen last May. During this period, consumers’ reported concerns about tariffs eased, concurrent with the partial reversal of some tariff hikes as well as the slowdown in tariff policy developments. The share of consumers spontaneously mentioning tariffs during interviews has declined for five straight months and is now under 40%, down from a high of 66% in May 2025. Consumers referencing tariffs continue to exhibit higher inflation expectations than consumers who do not, particularly over the year-ahead time horizon. If tariff policy re-escalates, recent improvements in inflation expectations may be tenuous.

In contrast to tariffs, consumers have not been connecting international developments to the economy. Spontaneous references to developments (positive or negative) in Gaza, Iran, Venezuela, or Greenland have been negligible both this month and as well as over the past year. Consumers may very well have opinions about these international developments, but they do not appear to see meaningful consequences for their personal finances nor the US economy more generally. In comparison, spontaneous mentions of Russia or Ukraine peaked at one-quarter of consumers in April 2022, and consumers often explicitly cited potential impacts on energy prices or supply chains. At this time, consumers remain focused on bread-and-butter issues; about 45% of consumers spontaneously mentioned that their living standards were being eroded by high prices, down just a touch from the 47% seen last month.

January 23, 2026



	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026
Index of Consumer Sentiment	71.7	64.7	57.0	52.2	52.2	60.7	61.7	58.2	55.1	53.6	51.0	52.9	56.4
Current Economic Conditions	75.1	65.7	63.8	59.8	58.9	64.8	68.0	61.7	60.4	58.6	51.1	50.4	55.4
Index of Consumer Expectations	69.5	64.0	52.6	47.3	47.9	58.1	57.7	55.9	51.7	50.3	51.0	54.6	57.0
Index Components													
Personal Finances - Current	87	82	74	71	67	78	83	77	76	78	66	68	74
Personal Finances - Expected	109	99	86	78	79	94	91	91	86	82	85	93	95
Economic Outlook - 12 Months	81	73	56	48	50	63	66	61	57	57	56	59	63
Economic Outlook - 5 Years	88	83	66	60	60	74	72	70	62	59	61	64	68
Buying Conditions - Durables	106	86	89	82	83	88	91	80	78	72	64	60	67