

Consumers and the Economic Outlook - US - Winter 2022

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This report looks at the following areas:

- The impact of COVID-19 on consumer finances within the past year
- Sentiments toward consumers' financial future
- Change in consumer spending habits
- How consumers plan to manage inflation

Consumers continued to improve their financial situations throughout 2021 amid declining unemployment rates and government aid. They also remain in good spirits about their finances going into 2022, with the US economy primed for continued growth in 2022. Despite the optimism, the annual inflation rate surged to a 39-year high, as supply chains continued to be strained amid high consumer demand. Along with growing uncertainty as to how inflation will play out in 2022, the consistent rise in prices for goods and services could put a dent in consumers' financial optimism, especially low-earning households – eroding their purchasing power and elevating their cost of living.



“Despite another COVID-19 variant, the US economy ended 2021 in good shape, with rising consumer confidence and unemployment rates that fell to a pandemic-era low. Alongside strong economic gains, consumers' financial situations also continued to improve, with most remaining optimistic about their finances going into 2022.”

– Amr Hamdi, Finance Analyst

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