

# Consumers and the Economic Outlook - US - Summer 2023

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## This report looks at the following areas:

- Change in consumer finances within the past year
- Consumers' outlook on their finances
- Consumers' past spending behaviors
- Consumers' future spending expectations

The US economy is in as good a spot as it has been since the volatility of last year. Prices are at their lowest in over two years, the labor market remains solid, along with GDP growth currently sitting at that ideal rate of 2% as of Q1 2023 (see State of the Economy). As far as the overall health of the economy, households have a lot to be positive about, and these optimistic sentiments are extended to their personal finances as well – with nearly half of consumers predicting they will be financially better off over the next twelve months (see Consumer Trends). Further easing across prices, coupled with historically low unemployment and robust wage gains are likely the direct macro factors fuelling this optimism. With consumers feeling upbeat about their finances and the general health of the economy, discretionary spending seems to be back on the menu for many households – with travel and home improvements the two most notable outlets during this summer (see Consumer Trends).



“The economic sentiment for most of last year was that the US was headed towards a downturn, as inflation ran rampant in tandem with quickly rising interest rates. Over a year from when prices peaked at a more than 40-year high, however, the US economy has continued to defy the odds.”

– Amr Hamdi, Senior Finance Analyst

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