

BESPOKE INTEL

Monthly Macro, Retail, TMT, and Healthcare

January 2024



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Key Takeaways – Data Map

JANUARY 2024

January Readings

At right is our Data Map that summarizes the indicators that we’re able to pull from our monthly survey. The most recent reading is shown under *Current*, and we highlight whether it got better or worse versus the prior month and versus the current month one year ago.

After a long period of extremely weak readings, consumer confidence is finally improving again on a reasonably consistent basis. To be sure, the *level* of confidence (especially in the economy) reported by our respondents is very low versus history. But similar to other confidence metrics, the *direction* of travel is consistently positive, and confidence measured by net optimism is now at its highest levels in more than two years. Some metrics are still down versus a year ago, but the general results have a straightforward narrative of improvement.

Consumers’ finances are not the brightest point in this month’s data, with confidence in finances down versus a year ago and reported personal income growth also weaker compared to a year ago.

Labor metrics were a bit mixed this month, consistent with both seasonality. We note that the outlook part of labor markets (for the national unemployment rate) has consistently improved along with economic sentiment.

As mortgage rates have fallen, housing market metrics have started to firm as well, and as we move from the winter quiet period towards spring buying season. Housing activity is still a shadow of its impressive pandemic era surge but it’s also starting to turn up consistently.

Activity was more mixed this month as post-holiday pullbacks in spending hit; year-over-year results were little changed on balance.

Investors have gotten dramatically more bullish over the past year, and as we show in the data map at right, every category we measure was improved both MoM and YoY in the most recent data.

Bespoke Consumer Pulse Data Map					
	Current	Current Conditions vs. Dec 2023 (MoM)	Last Month	Current Conditions vs. Jan 2023 (YoY)	Last Year
Sentiment					
Consumer Confidence (Economy)	2.60	↑	2.45	↑	2.43
Consumer Confidence (Finances)	2.85	↑	2.82	↓	2.88
Discretionary Spending	2.80	↑	2.75	↓	2.81
Living Paycheck to Paycheck (%)	53.0	Better	54.1	Worse	51.3
Financial Condition vs. Average Person	2.91	↓	2.93	↓	2.96
Labor					
Weekly Hours Worked (Across Industries)	35.5	↑	35.4	↓	36.8
Unemployed and Looking for Work (%)	13.1	Worse	11.9	Worse	11.7
US Unemployment Outlook	2.91	↑	2.80	↑	2.85
Filed for Unemp. Assistance (% Unemp.)	6.3	Worse	4.4	Better	7.0
Concerns About Job Security	2.45	↑	2.36	↑	2.37
Finances					
Credit Card Delinquencies	13.6	Worse	10.3	Better	13.8
Personal Income	3.20	↓	3.29	↓	3.31
Housing					
Building Permits (%)	5.3	↑	3.2	↑	4.9
Recent Purchases (past three months, %)	1.6	↑	1.3	↓	1.8
Planned Purchases (in next year, %)	11.1	↑	9.6	↓	11.6
Mortgage Delinquencies (2+ months, %)	15.1	Better	11.6	Better	19.8
Refinanced Mortgage in Past Year (%)	5.6	↓	6.5	↓	7.9
Activity					
<i>Retail Traffic (Visits Per Respondent)</i>					
Big Box / Dollar	5.72	↓	6.35	↑	5.40
Department Stores	1.98	↓	2.18	↓	2.17
<i>Purchase Activity (Purchases Per Respondent)</i>					
E-Commerce	3.10	↑	3.01	↓	3.21
Consumer Electronics	2.13	↓	2.21	↓	2.19
Airlines	0.96	↑	0.81	↓	0.99
Restaurants	6.80	↓	7.10	↑	6.79
Healthcare					
Hospital Utilization (past month, %)	9.5	↓	9.8	↑	8.1
Physician Utilization (past month, %)	19.8	↓	21.1	↑	19.7
Insured	88.0	↓	90.0	↑	87.4
Autos					
Purchases (past three months)	3.3	↓	4.8	↓	3.7
Expected Purchases (next six months)	19.5	↑	15.8	↑	19.2
Investors					
Risk Tolerance	3.05	↑	2.92	↑	2.95
View of Stock Market	3.51	↑	3.41	↑	3.05
Bullish Sentiment (%)	49.2	↑	45.7	↑	30.8
Bearish Sentiment (%)	11.1	↓	15.3	↓	31.1



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Key Takeaways – Heat Map

JANUARY 2024

Bespoke surveys 1,500 to 2,000 Americans each month, with geographic distributions in-line with the US Census. The survey always takes place during the week containing the 12th of the month and poses 100 questions that we group into six sections: Sentiment, Labor Markets, Personal Finances, Housing, Activity, and Investors. By breaking down *Consumer Pulse* into these sections, we can show, not only top-down sentiment trends and their drivers, but individual areas of strength or weakness with respect to demand, budget, and trends.

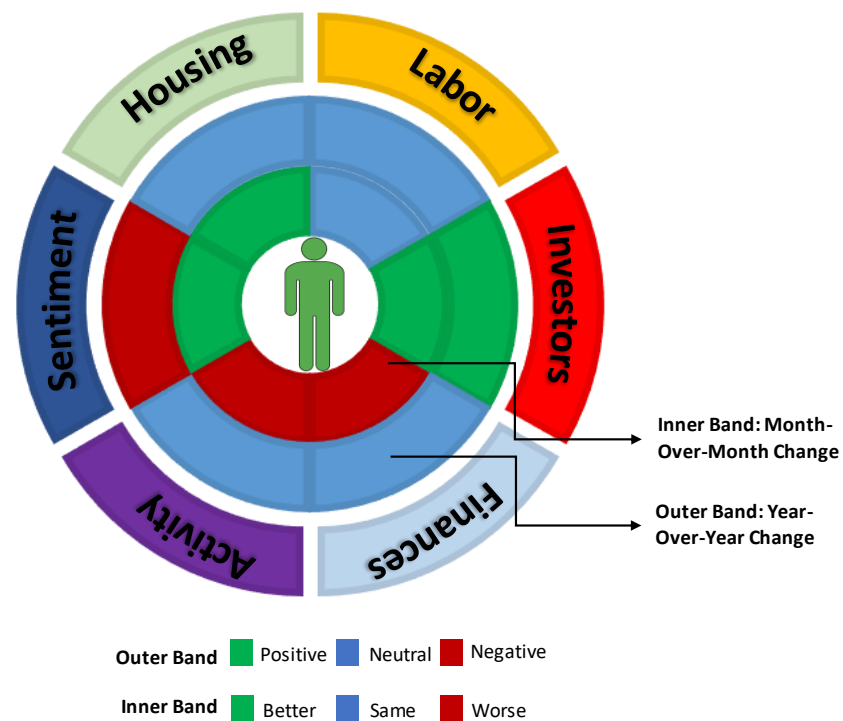
The next seven pages break down key trends we saw for each of the major categories covered in our monthly survey. Following our category summaries, we delve into a detailed analysis of individual questions, broken up by section.

Respondents reported a general improvement across a range of key metrics we track this month. Investors were definitely the bright spot, while sentiment has started trending consistently stronger over the past year and a half.

Changes in Heat Map Versus Last Month

- **Labor Market:** There was notable improvement in the part-time employment rate this month, while the outlook also improved.
- **Housing:** Housing markets were broadly improved as part of the response to mortgage rates descending from last year’s peak.
- **Consumer Sentiment:** While a number of sentiment indicators fell sequentially, most were higher year-over-year.
- **Consumer Activity:** Respondents reported weaker spending activity in the month after the holiday season, which was to be expected.
- **Personal Finances:** Income growth remains weak, and personal finances are among the softer spots within our survey.
- **Investor Sentiment:** Investor sentiment was improved across every single major indicator that we track.

Bespoke Consumer Heat Map





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Key Takeaways: Sentiment

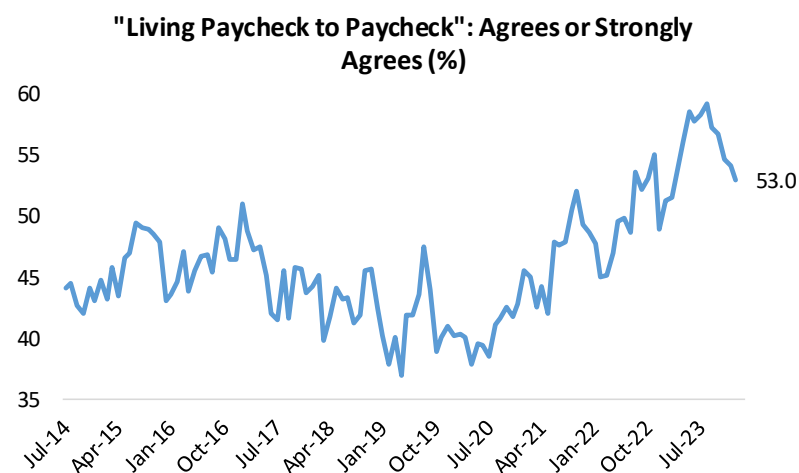
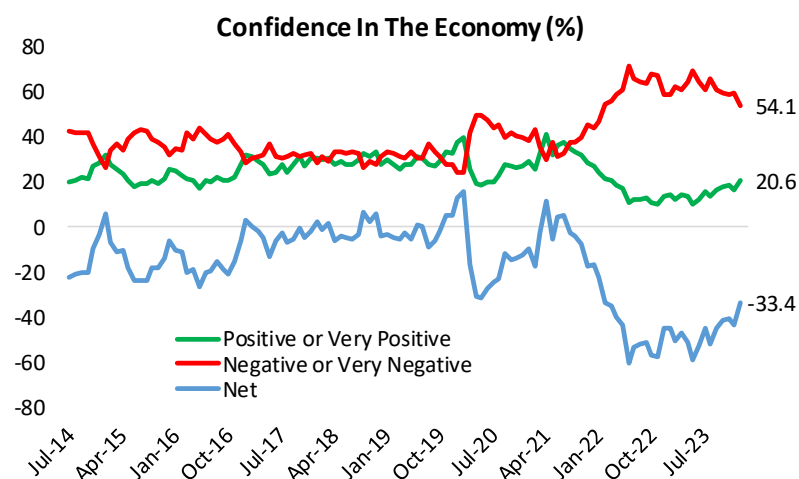
JANUARY 2024

Key Takeaways

- Confidence in the economy has risen to the highest level in two years.
- The share of respondents who report living to paycheck to paycheck hit 11-month lows.

After taking a *huge* hit during the period of high inflation during 2021 and 2022, the net percentage of respondents who report positive economic sentiment is once again rising. That spread (the percentage reporting positive or very positive sentiment less the percentage reporting negative or very negative economic sentiment) has risen to two year highs and leaped again this month. That's consistent with other economic surveys and with the view that consumers have slowly accepted a return to normal after chafing during the period of high inflation.

Another sign that consumers are getting back to normal is the share reporting they live paycheck to paycheck. That number is at 11-month lows and has retreated sharply over the last five months after peaking in August. This metric is a useful indicator of peoples' perceptions over inflation, because consumers tend to over-weight costs and under-weight income growth. High inflation has a direct pay-through to what is left over at the end of each month.





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Key Takeaways: Labor Market

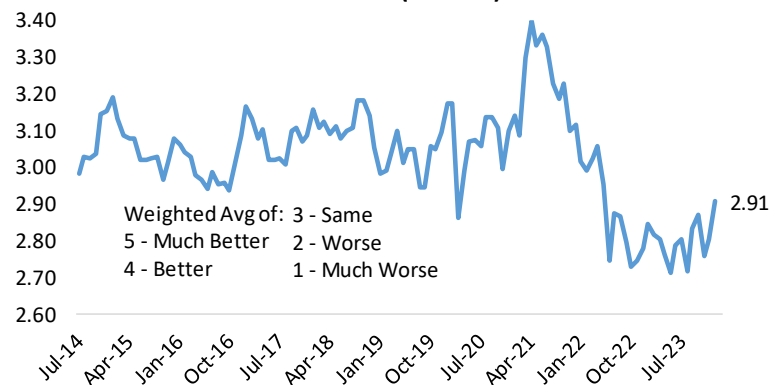
JANUARY 2024

Key Takeaways

- Respondents are getting more optimistic about the outlook for the national labor market.

Adding to the positive trend in consumer sentiment is an improving trend in expectations for the national labor market. As inflation bit and confidence dropped in 2021 and 2022, consumers expected the unemployment rate to surge. But over the last year, those expectations have started to firm and tilt much more positive. This measure of the labor market outlook is now at the strongest levels since May of 2022.

Expectations For US Unemployment Level One Year From Now (Tracker)





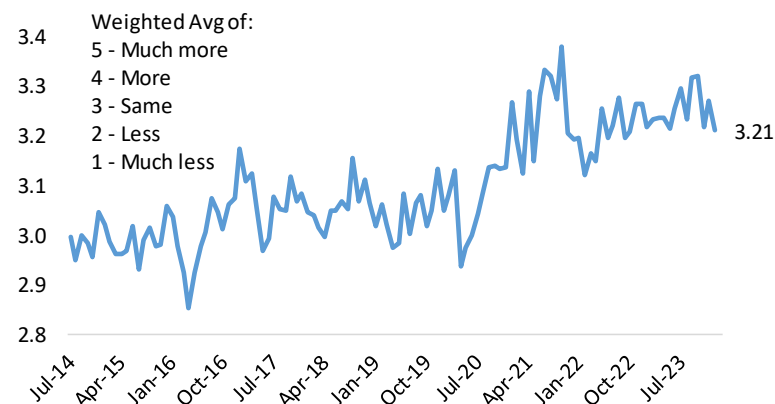
Key Takeaways

- Respondents report credit card debt growing much faster than pre-pandemic norms.
- After dropping sharply during the pandemic mortgage delinquencies look totally normal now.

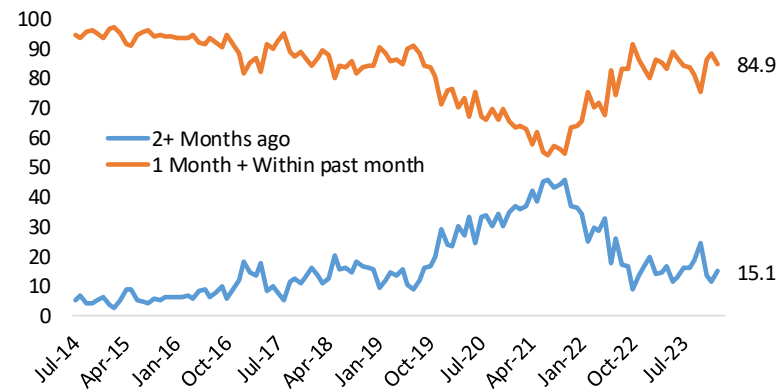
Prior to the pandemic, only a very small net majority of our respondents reported growth in credit card debt relative to a year ago. Since 2020, that number has been notably higher. Reported credit growth has been much stronger than any prior point over the last six years. Those numbers have remained high. While quantitative estimates of credit card debt have certainly risen (though not relative to incomes), this is still a surprisingly strong borrowing binge from our respondents.

Another feature of the pandemic period was the surge in late mortgage payments. But since mid-2022, recent mortgage payment rates are similar to those that our survey tracked during the second half of the 2010s. That performance has broadly continued despite some wobbles in recent months.

Credit Card Debt vs Year Ago (Tracker)



Last Mortgage Payment (% Homeowners)





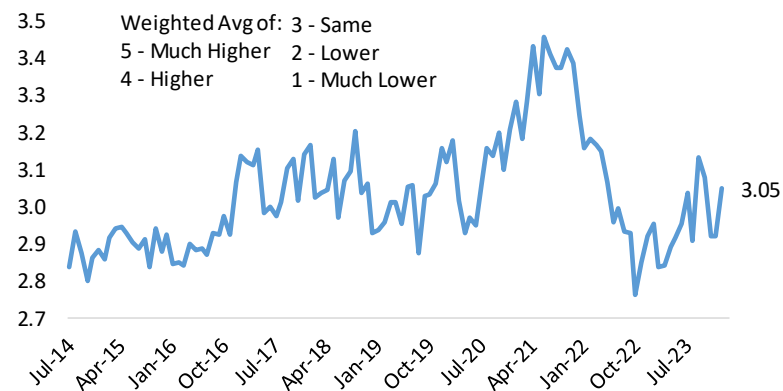
Key Takeaways

- General risk tolerance reported by our respondents is correlated to economic confidence.
- Views of the stock market are more independent and have risen more sharply in recent months.

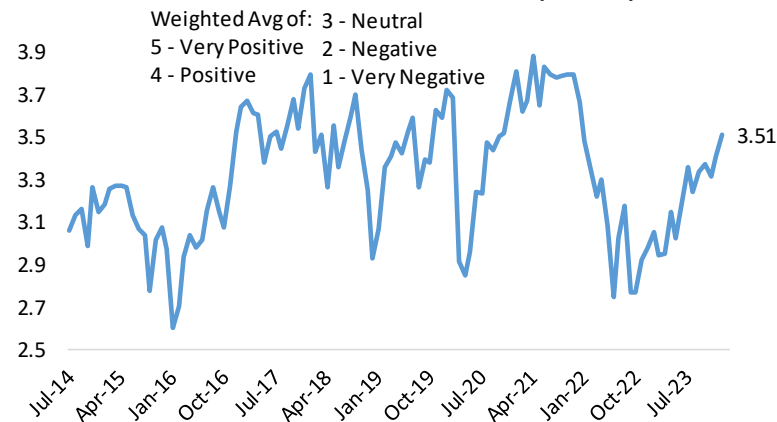
In the chart at right we show the reported risk tolerance a subset of our respondents who report holding financial assets say they hold. It hit record lows in the fall of 2022 but has since moved higher (albeit in a volatile range). That is consistent with respondents' economic confidence and doesn't fit as well with the stock market specifically.

As for stock market confidence, the current view of the market has risen sharply over the last 18 months. While not at extreme levels, it's still been an impressive recovery. In order to get to levels that would be a strong contrarian indicator, a significant move further to the upside would be required. At its current level, sentiment is at its 60th percentile. A move to the top quintile would be necessary for a contrarian indicator to be relevant.

General Risk Tolerance Versus One Year Ago (Tracker)

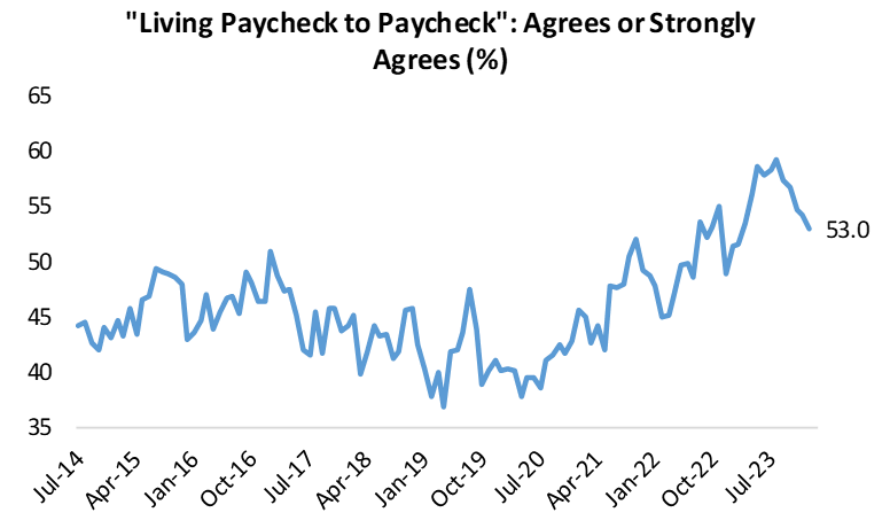
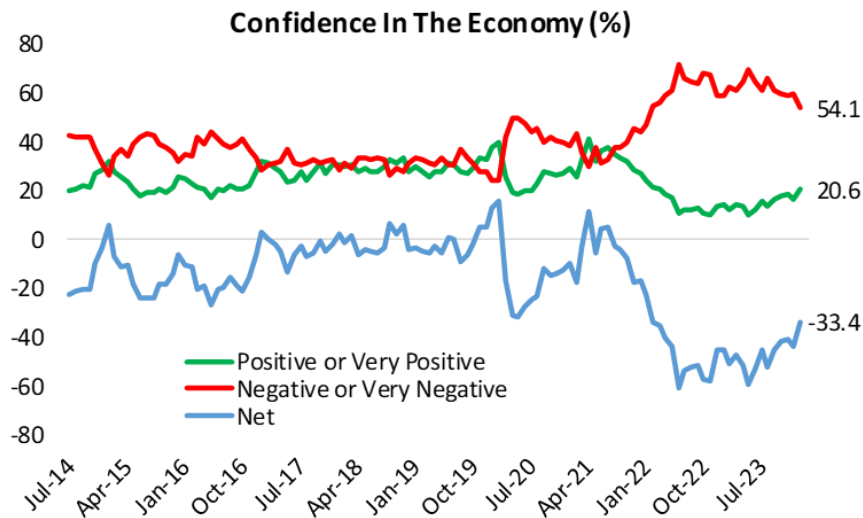
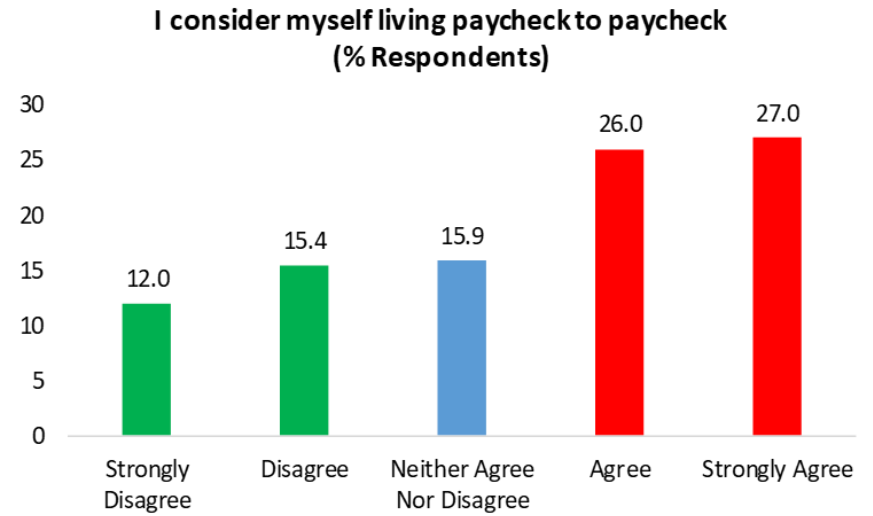
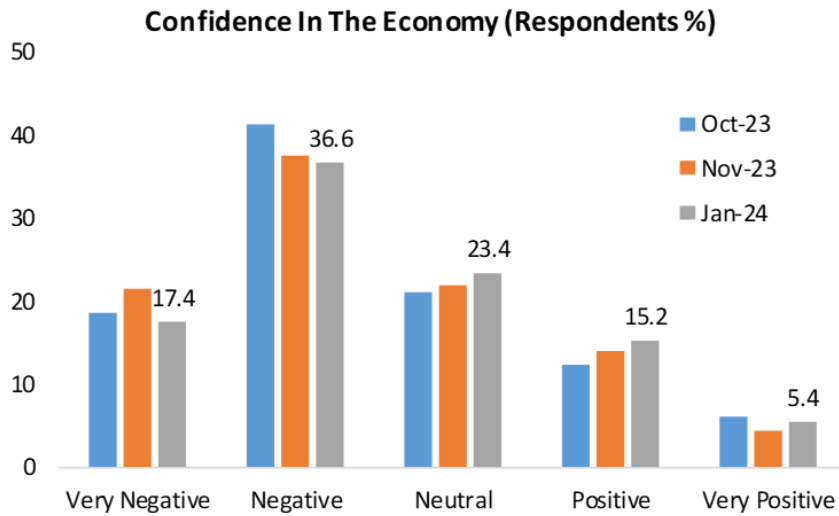


Current View of the Stock Market (Tracker)



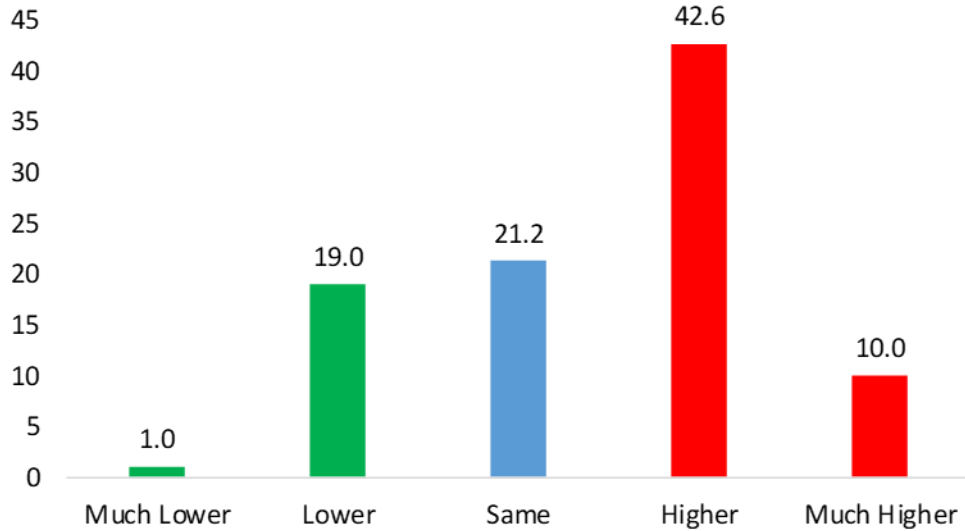
Charts

Confidence in the economy

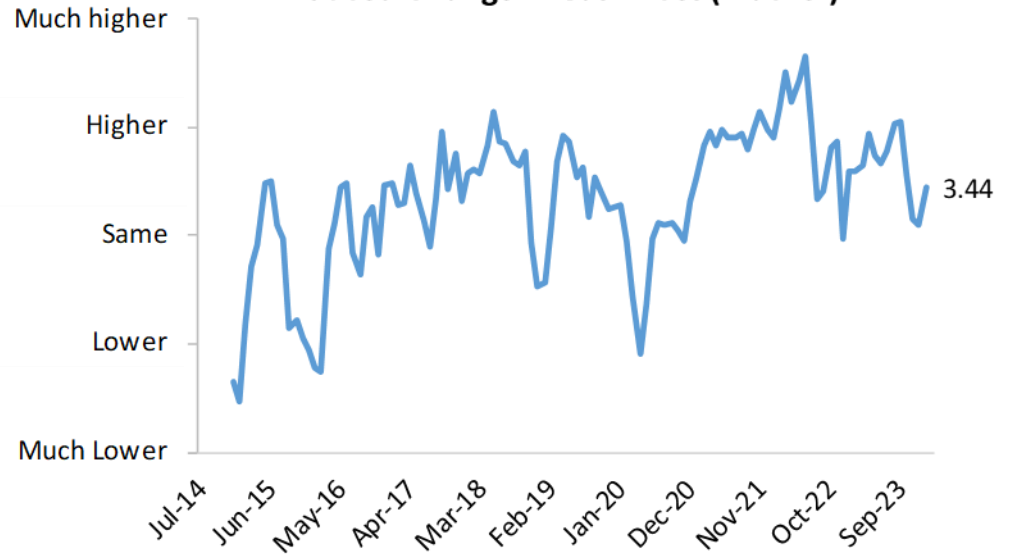


Gas and Broad Prices

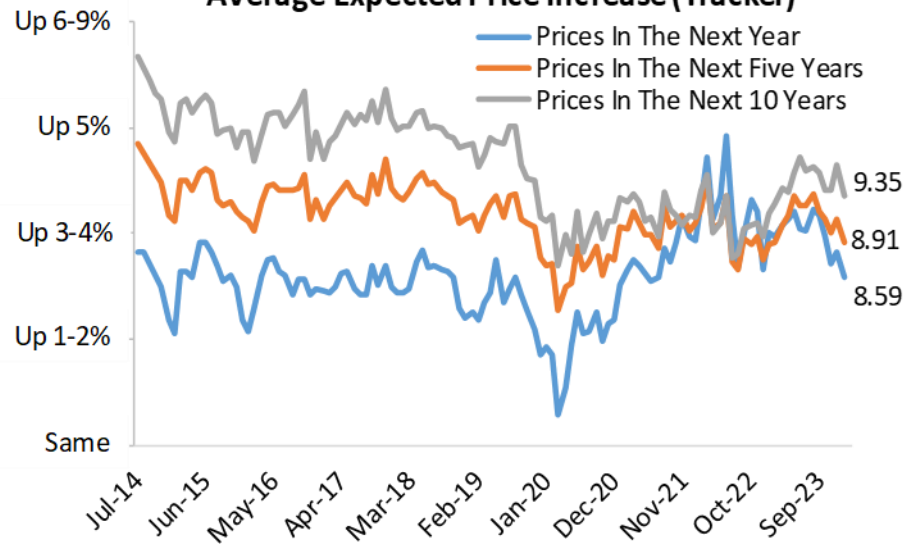
Noticed Change In Gas Prices (% Respondents)



Noticed Change In Gas Prices (Tracker)

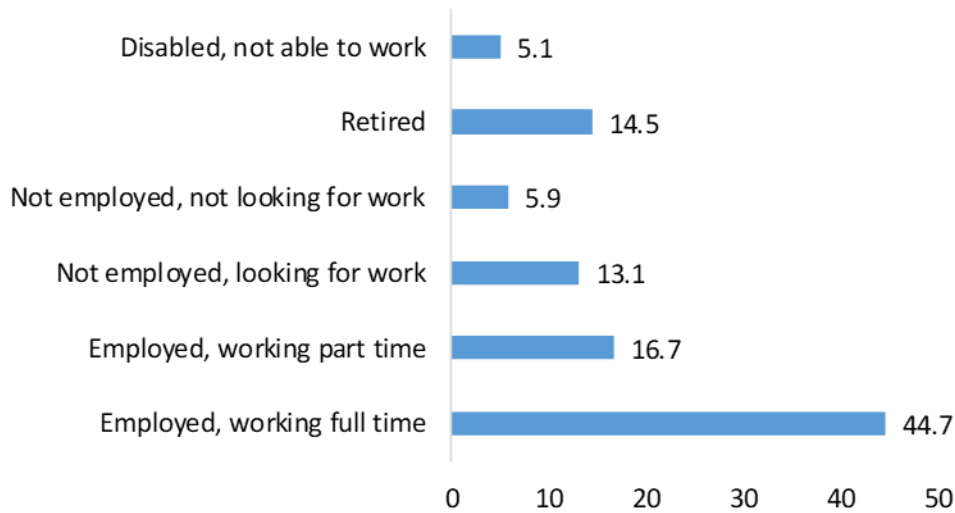


Average Expected Price Increase (Tracker)

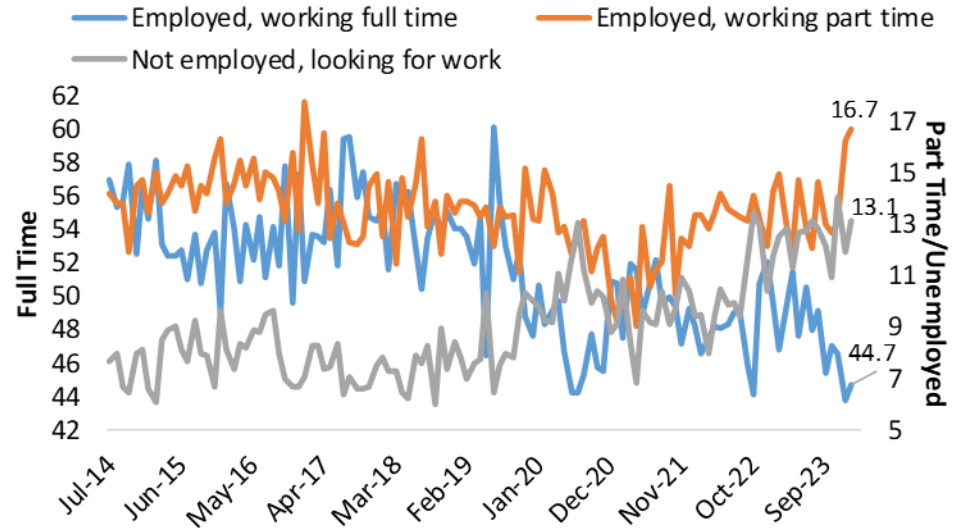


Employment

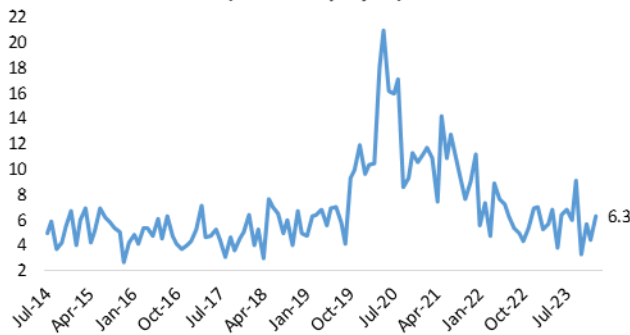
Employment Status (% Respondents)



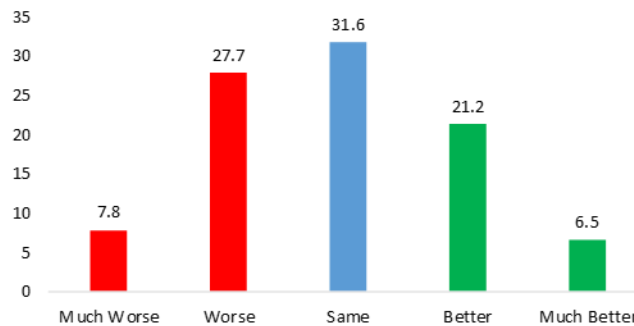
Employment Status (% Respondents)



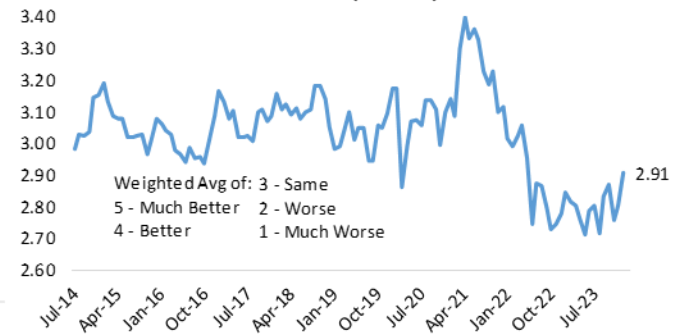
Filed For Unemployment Assistance In Past Month (% Not Employed)



Expectations For US Unemployment Level One Year From Now (% Respondents)

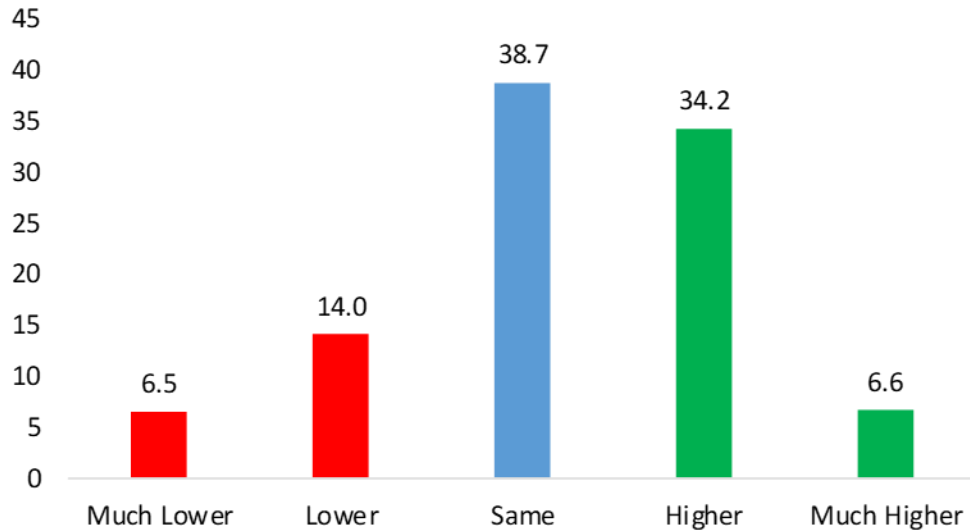


Expectations For US Unemployment Level One Year From Now (Tracker)

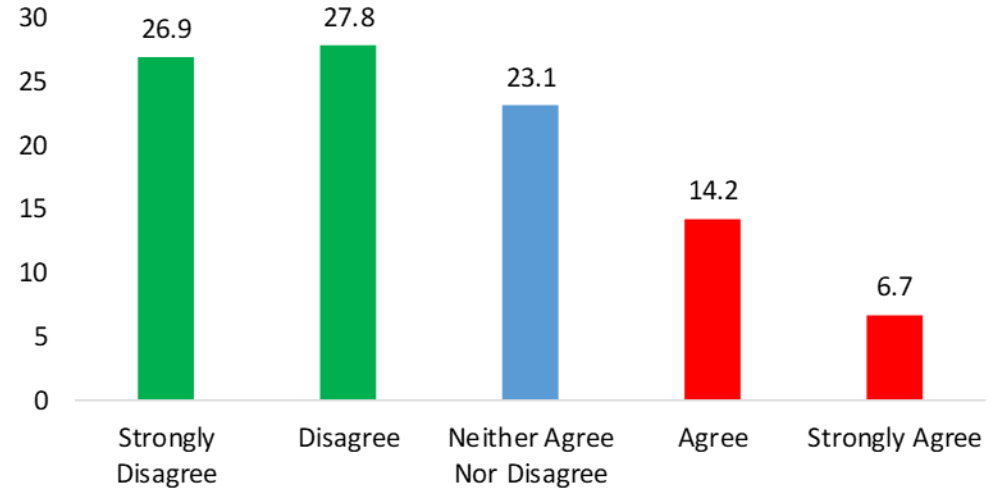


Income and Job Security

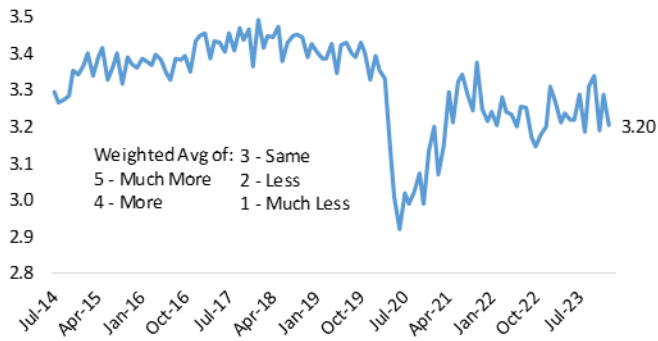
Current Income vs 1 Year Ago (% Respondents)



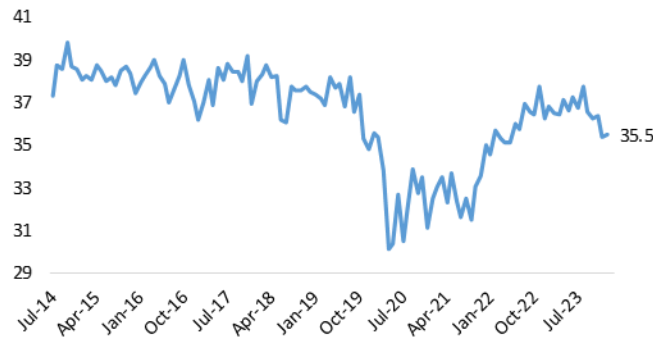
"I am concerned that I will lose my job" (% Respondents)



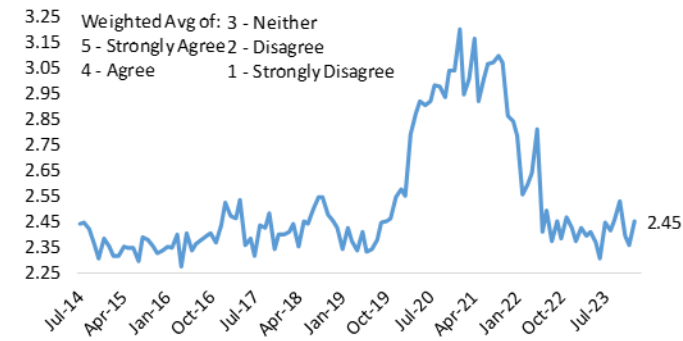
Current Income vs Year Ago (Tracker)



Hours Worked (Average)



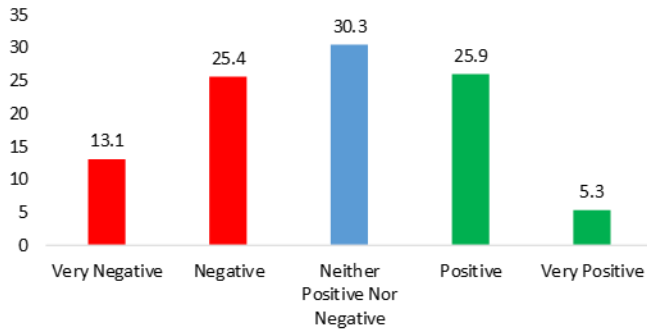
"I am concerned that I will lose my job" (Tracker)



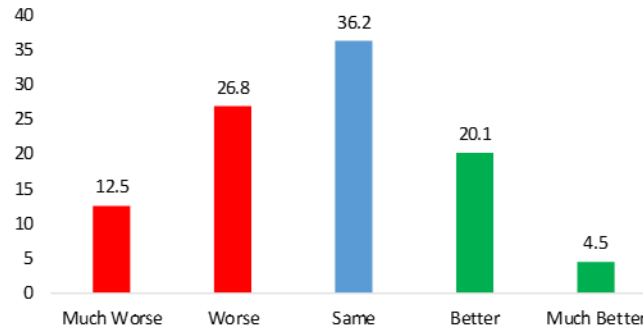
Note: Latest Datapoint is January 2024

Personal Finances

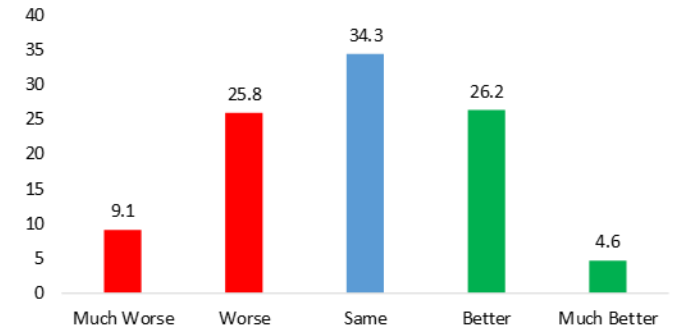
Current Feelings Towards Personal Finances (% Respondents)



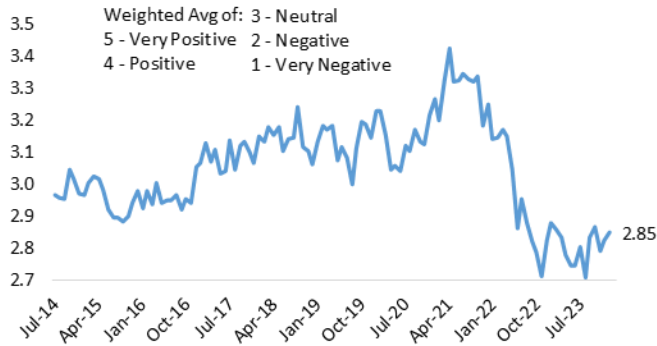
Feelings Towards Personal Finances vs Year Ago (% Respondents)



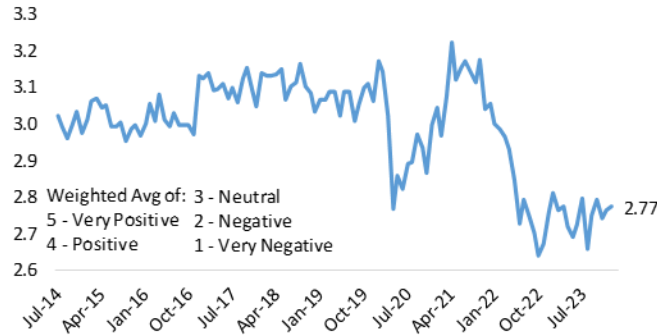
Financial Condition Compared to the Average Person (% Respondents)



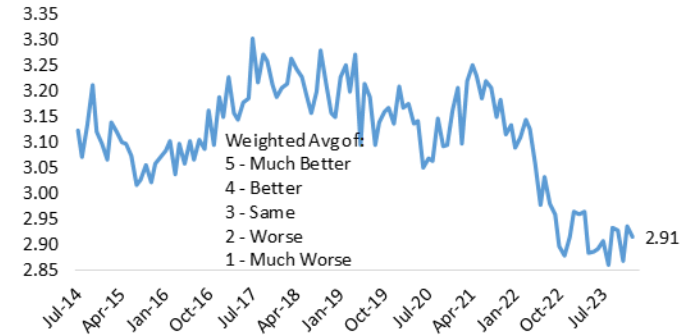
Current Feelings Towards Personal Finances (Tracker)



Feelings Towards Personal Finances vs Year Ago (Tracker)



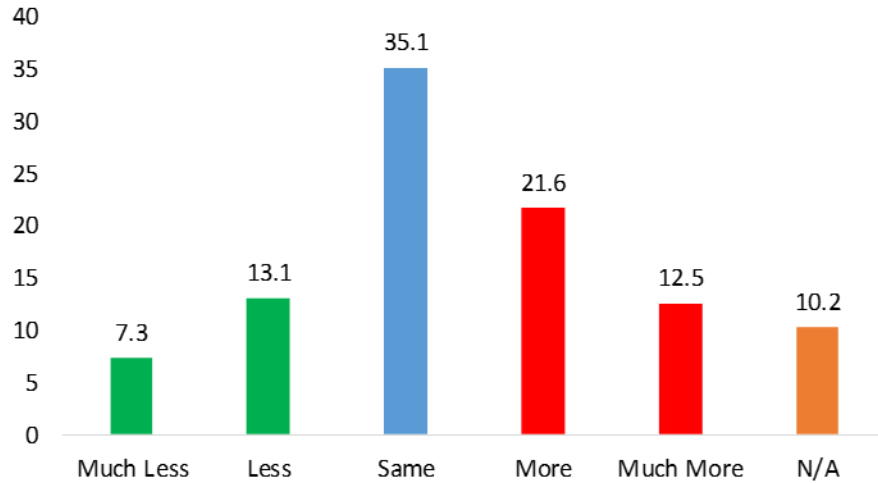
Financial Condition Compared to the Average Person (Tracker)



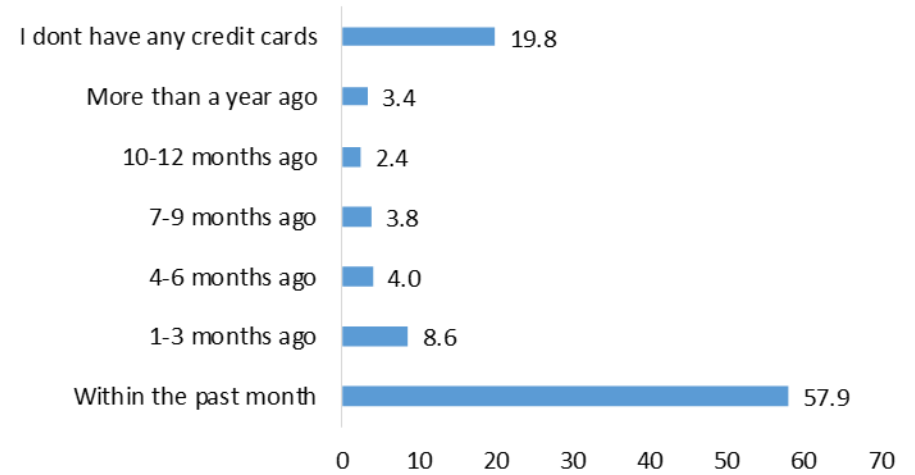
Note: Latest Datapoint is January 2024

Current credit card debt

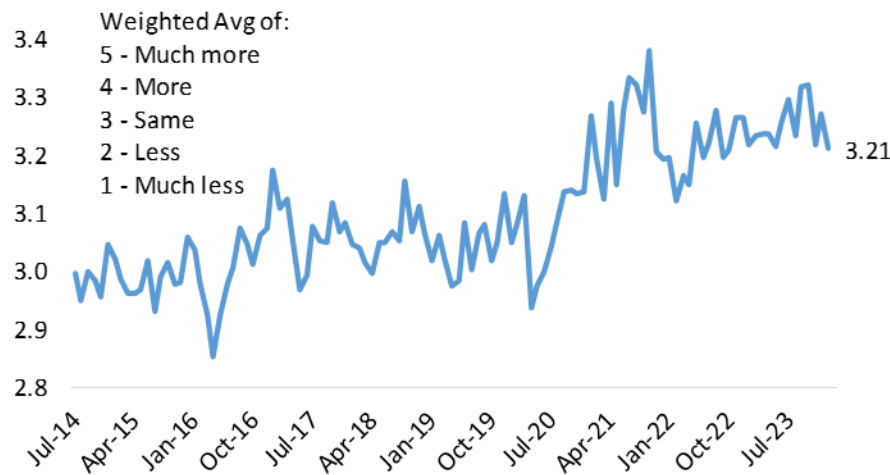
Credit Card Debt vs Year Ago (% Respondents)



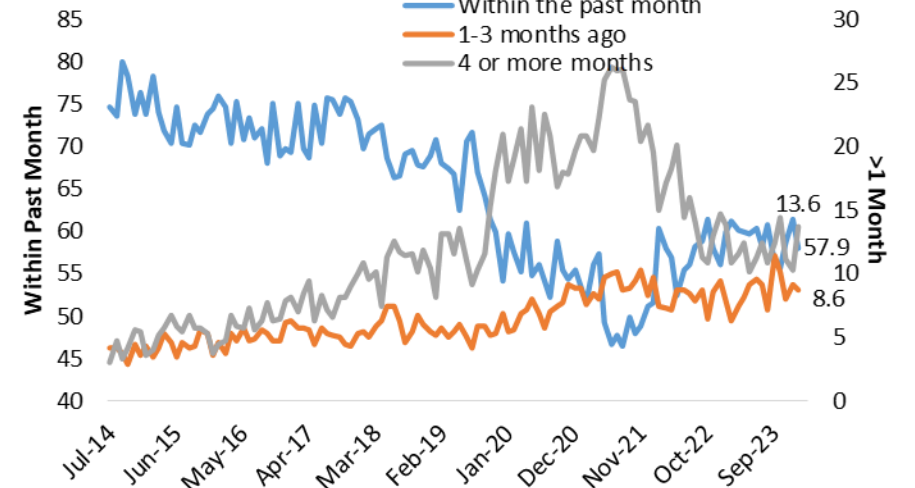
Date of Last Credit Card Payment (% Respondents)



Credit Card Debt vs Year Ago (Tracker)



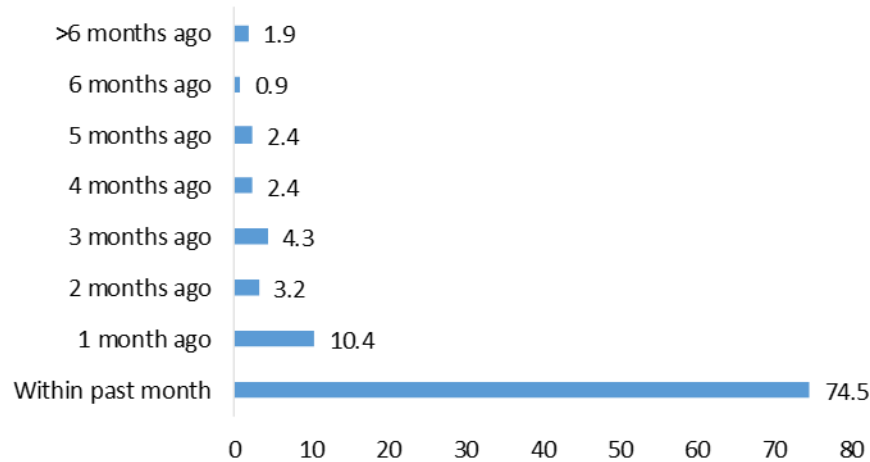
Date of Last Credit Card Payment (% Respondents)



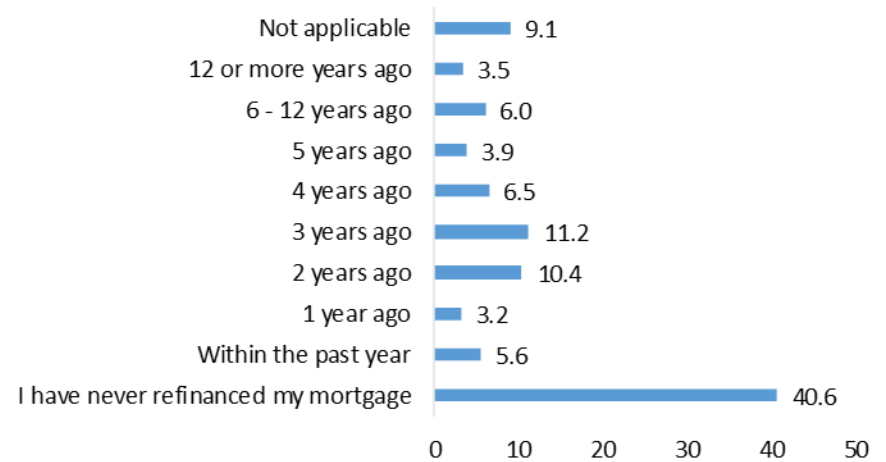
Note: Latest Datapoint is January 2024

Mortgage Payments

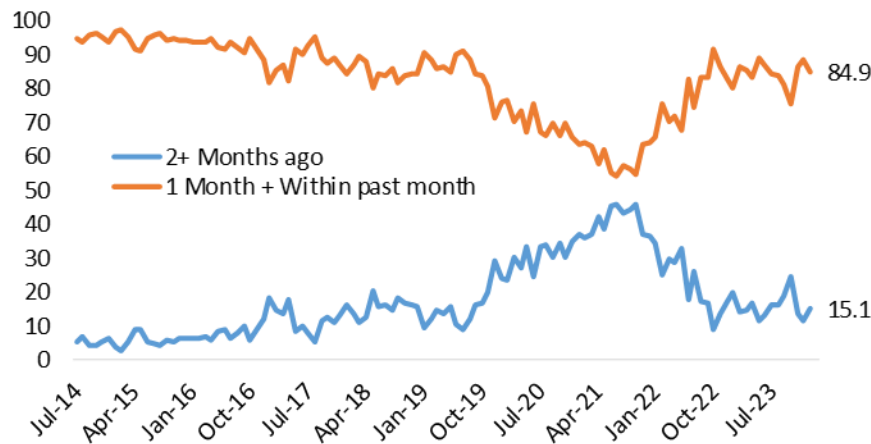
Last Mortgage Payment (% Homeowners)



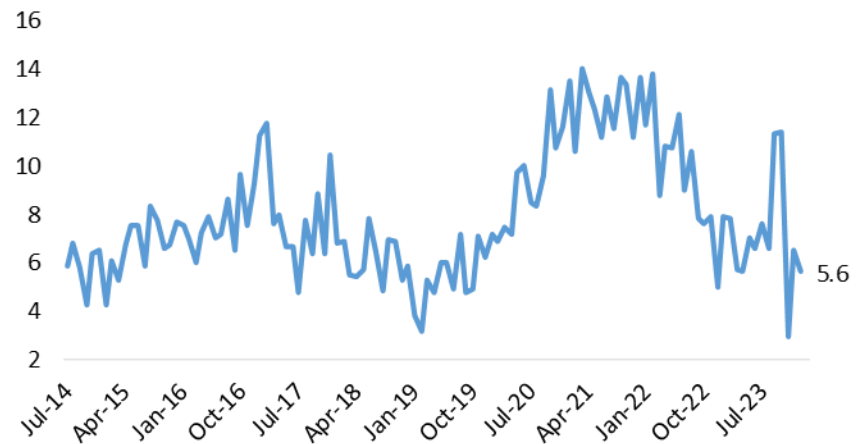
Last Time Refinanced Mortgage (% Homeowners)



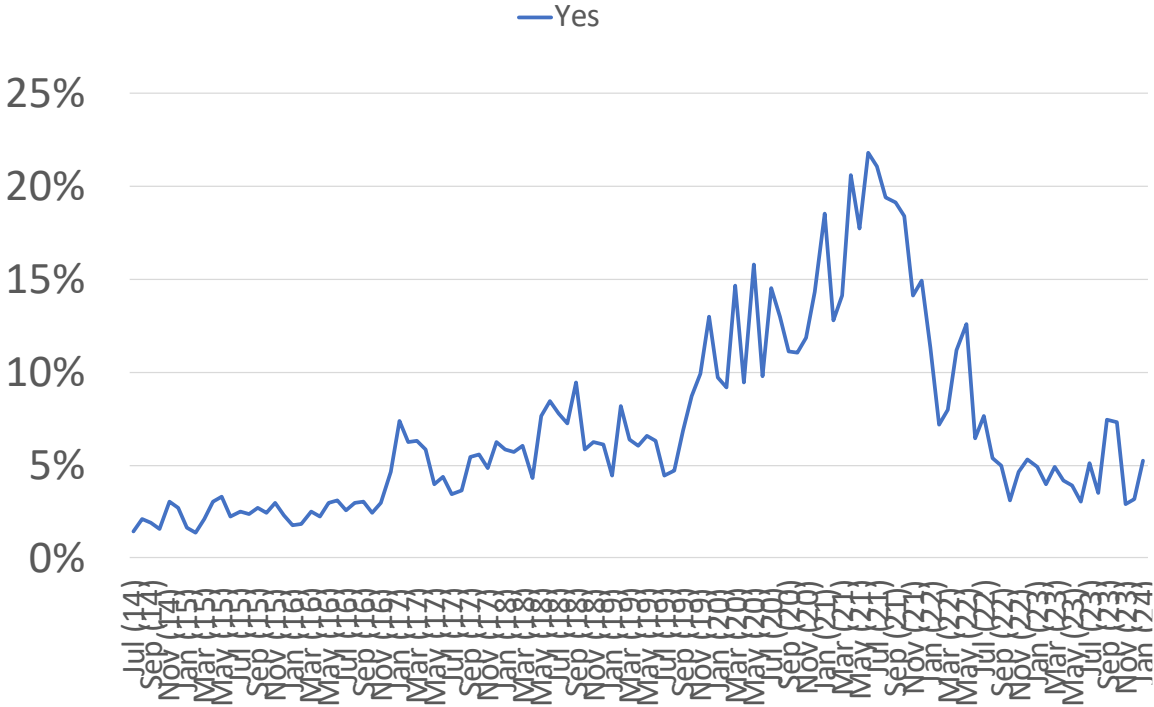
Last Mortgage Payment (% Homeowners)



Last Time Refinanced Mortgage: Within past year (% Homeowners)

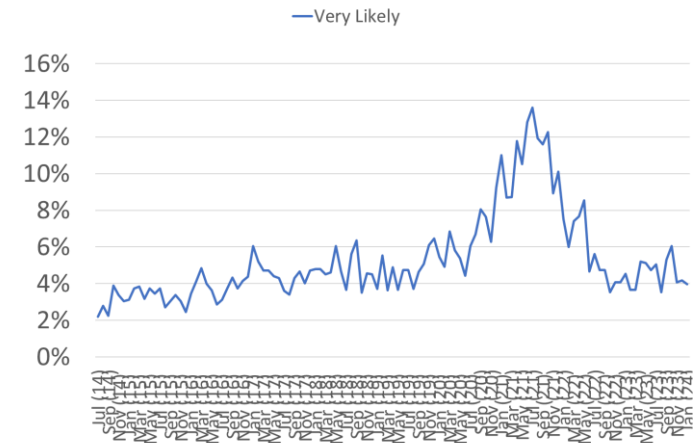
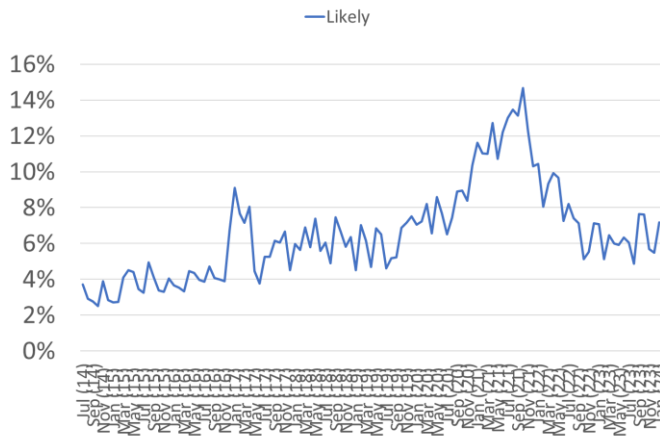
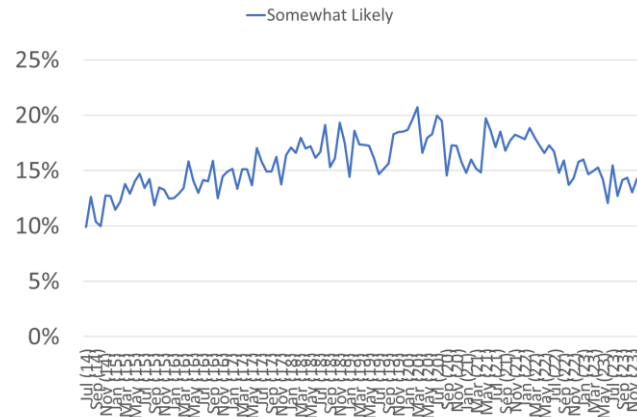
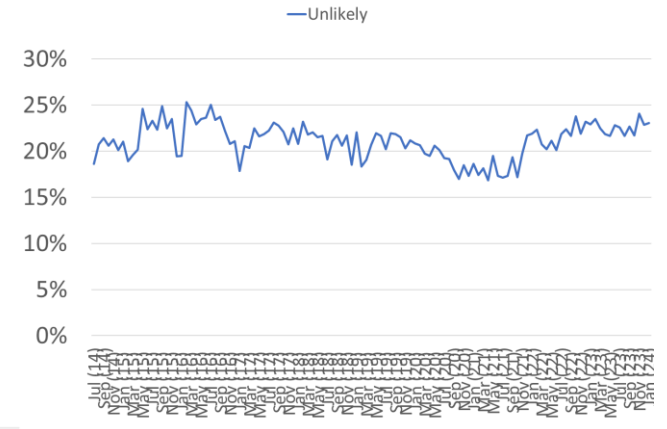
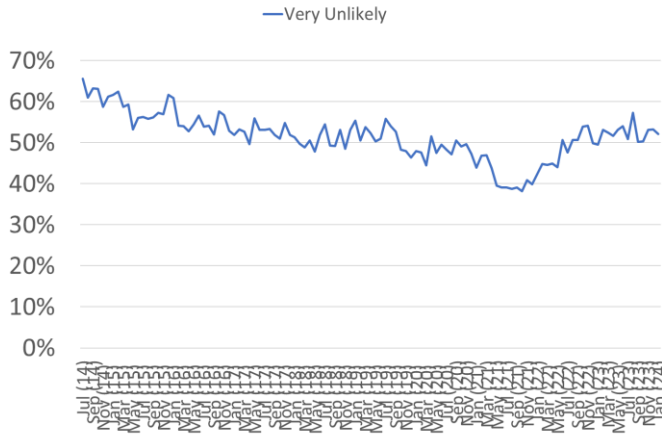


Have you applied for a building permit in the past month?



Note: Latest Datapoint is January 2024

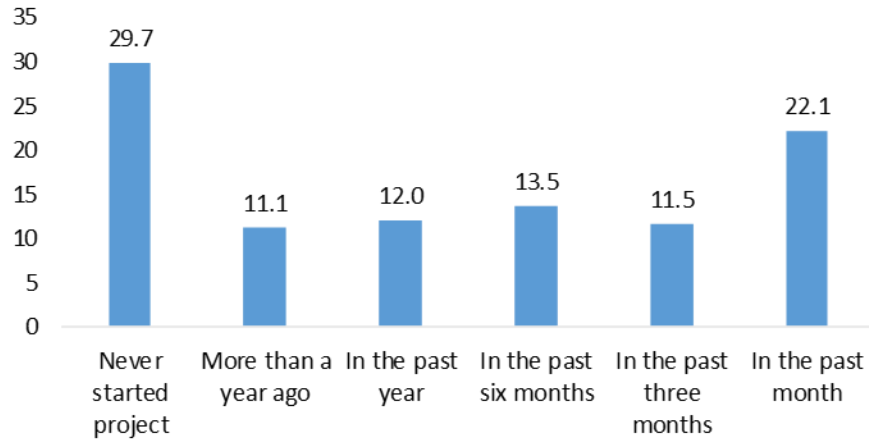
Likelihood of purchasing a house in the next year



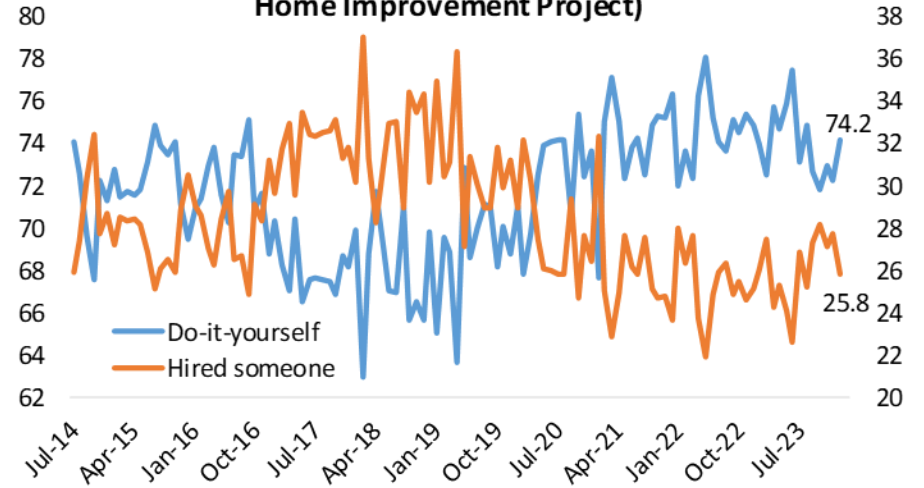
Note: Latest Datapoint is January 2024

Home Improvement

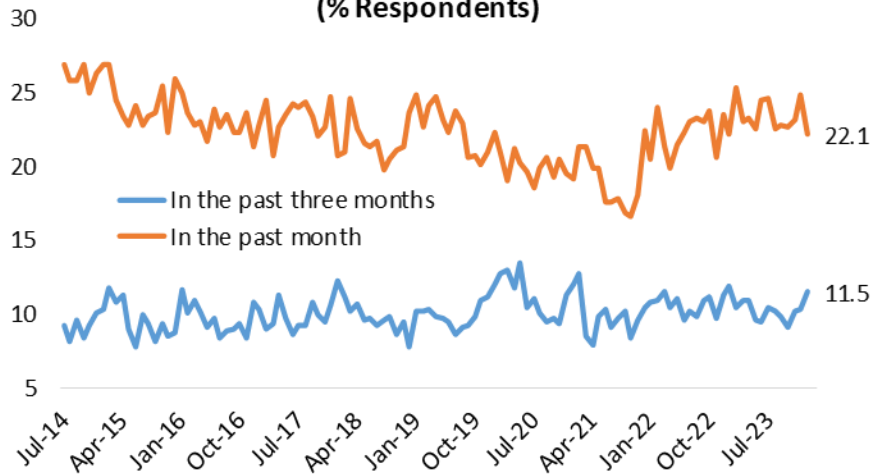
Last Time Starting A Home Improvement Project (% Respondents)



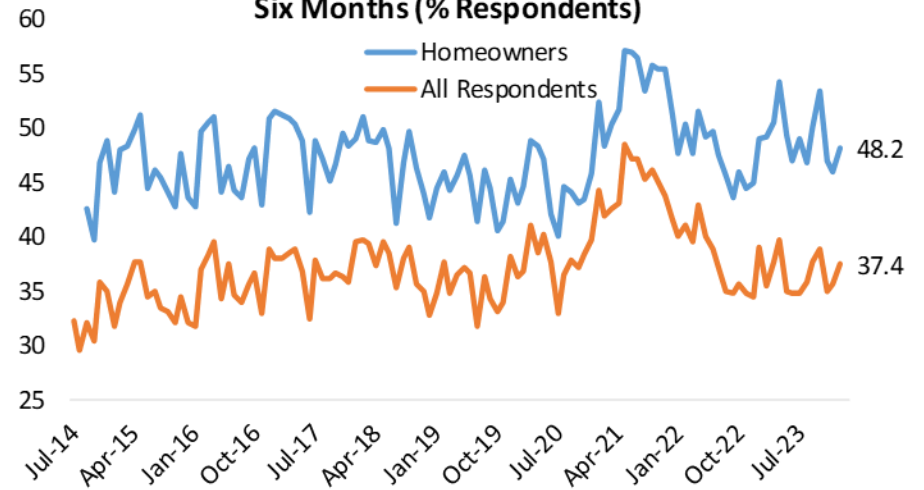
DIY vs Hired Help (% of Respondents Who Have Done Home Improvement Project)



Last Time Starting A Home Improvement Project (% Respondents)



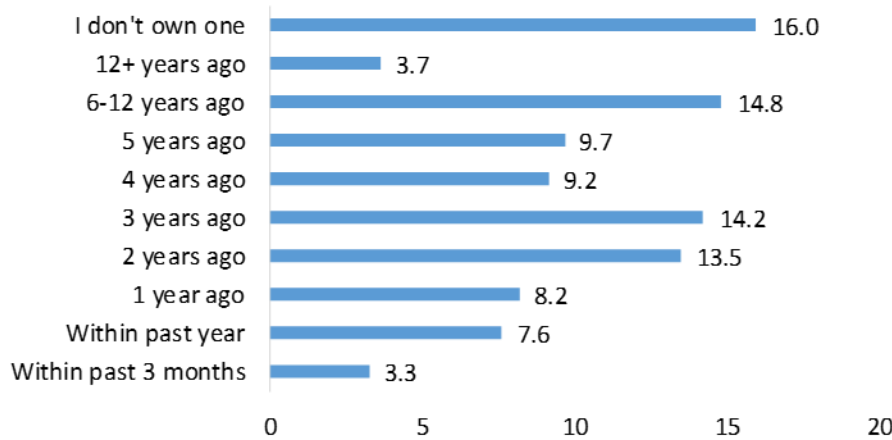
Plans To Start A Home Improvement Project In Next Six Months (% Respondents)



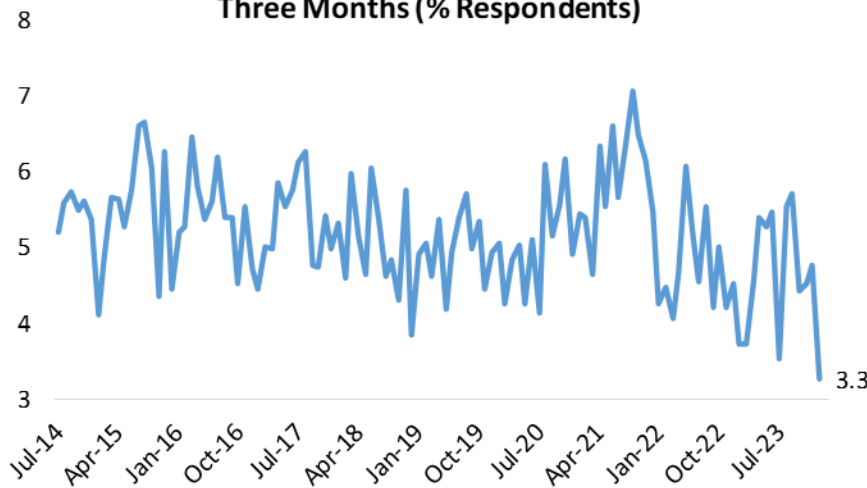
Note: Latest Datapoint is January 2024

Auto Purchases

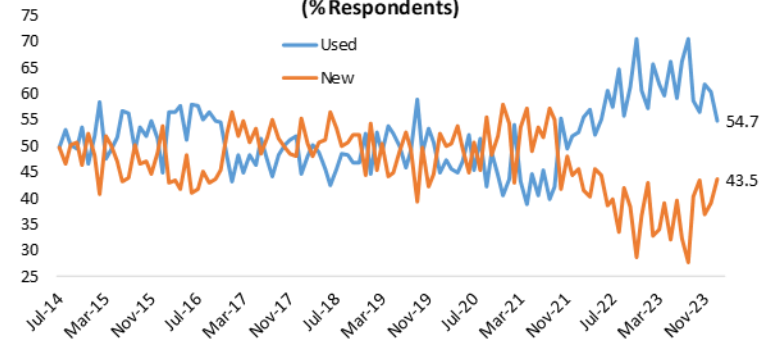
When Did You Purchase Your Primary Automobile (% Respondents)



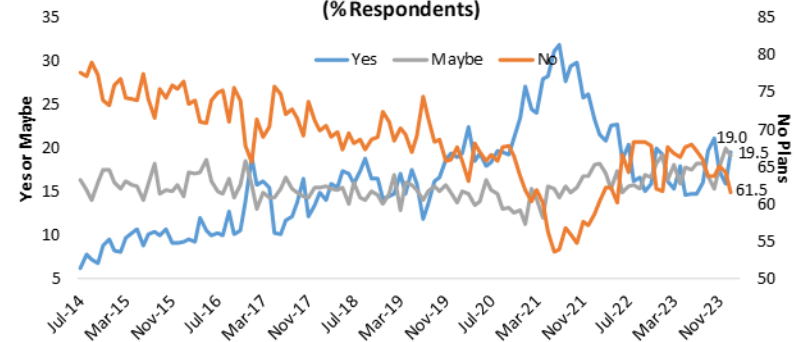
Purchased or Leased Primary Automobile In Past Three Months (% Respondents)



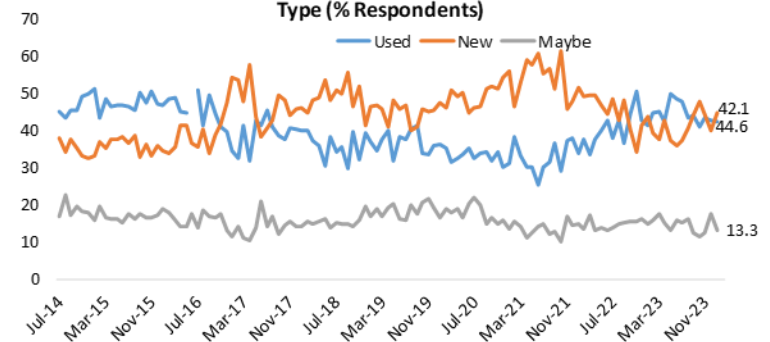
Purchased Car During Past Three Months: Used vs New (% Respondents)



Plans to Purchase/Lease Vehicle In The Next Six Months (% Respondents)

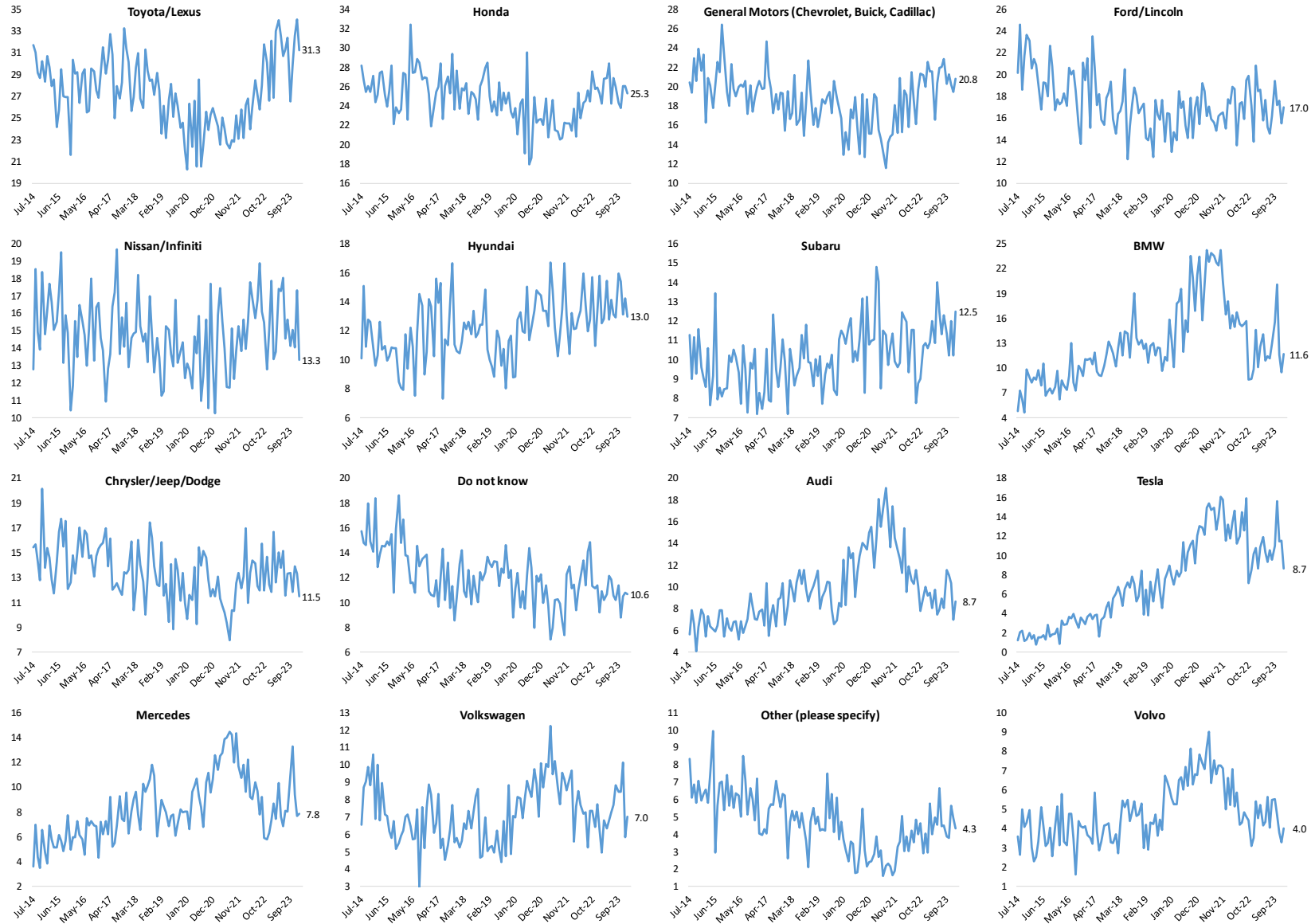


Plans To Purchase/Lease Vehicle In The Next Six Months By Sales Type (% Respondents)



Note: Latest Datapoint is January 2024

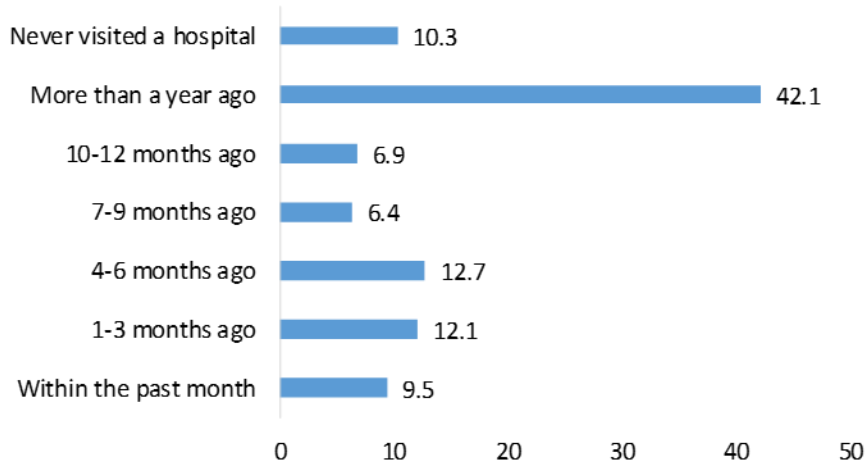
Expected Auto Purchases (Most Likely to Choose)



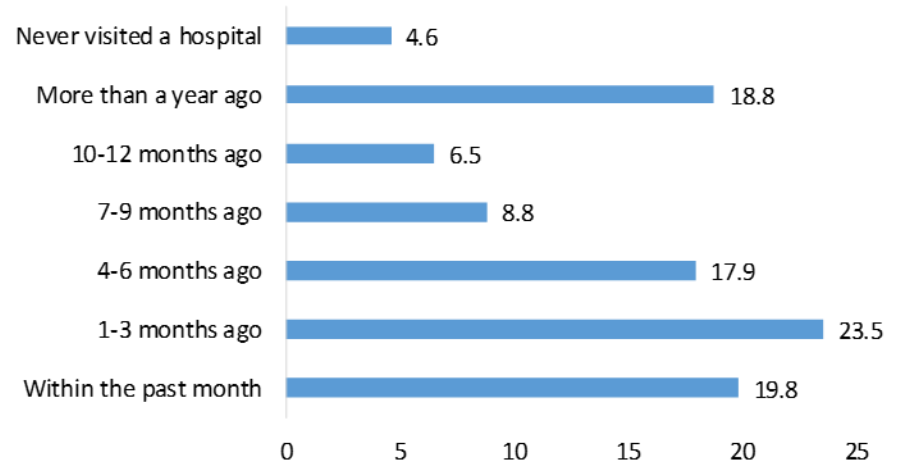
Note: Latest Datapoint is January 2024 (respondents said yes or maybe to buying a new car in the next 6 months)

Healthcare Utilization

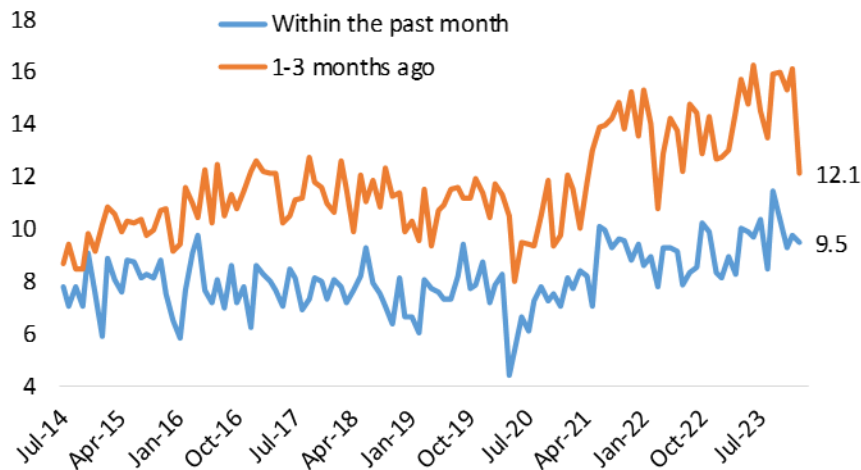
Last Hospital Visit (% Respondents)



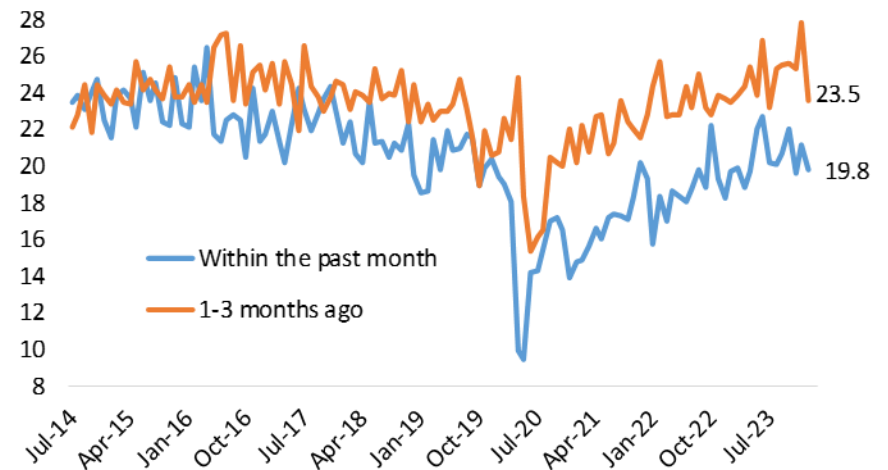
Last Doctor's Visit (% Respondents)



Last Hospital Visit (% Respondents)



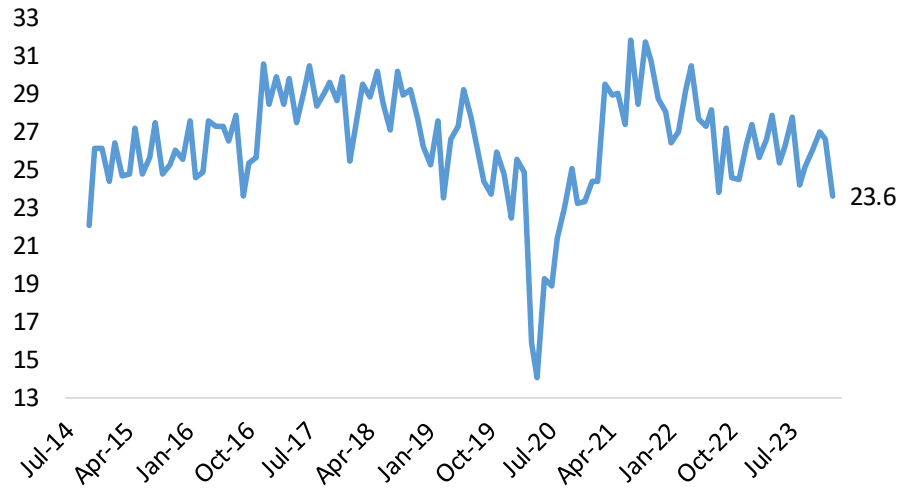
Last Doctor's Visit (% Respondents)



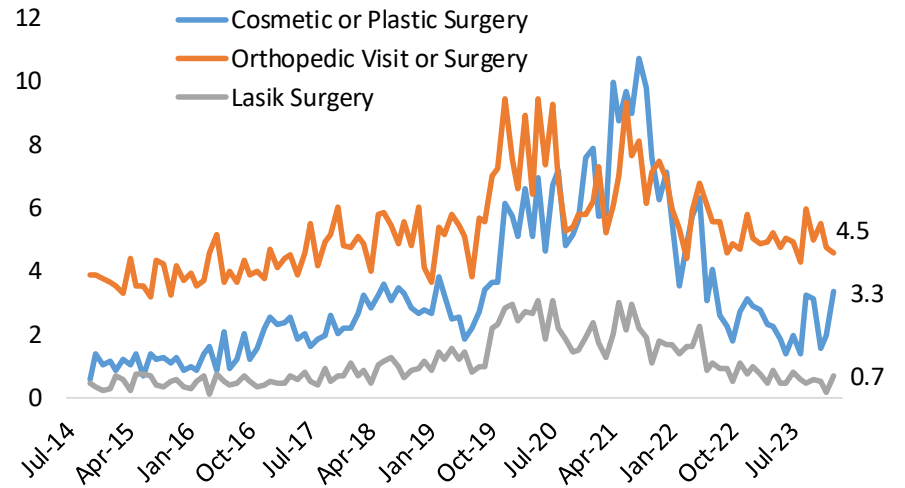
Note: Latest Datapoint is January 2024

Healthcare Procedures

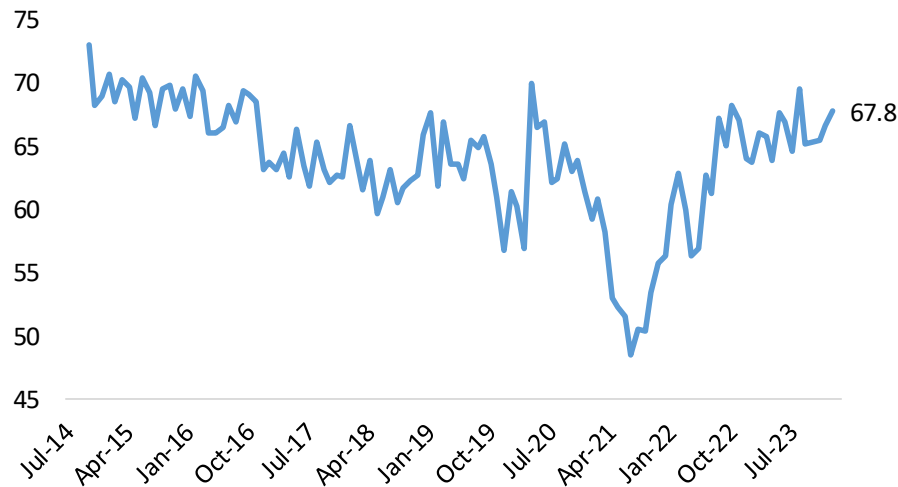
Dental Visit: Past Month (% Respondents)



Elective Surgery: Past Month (% Respondents)

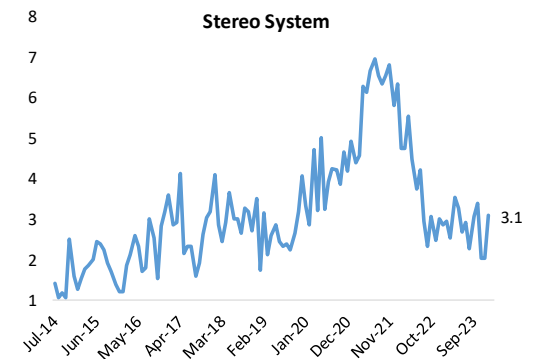
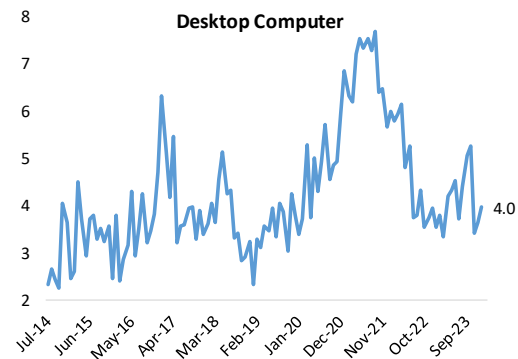
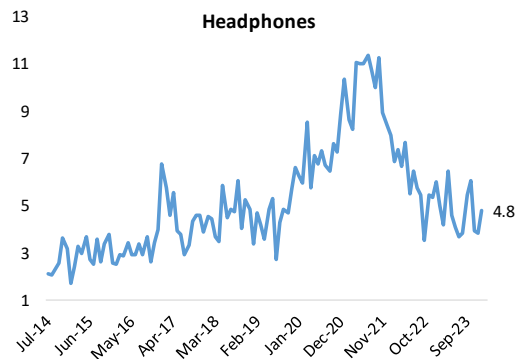
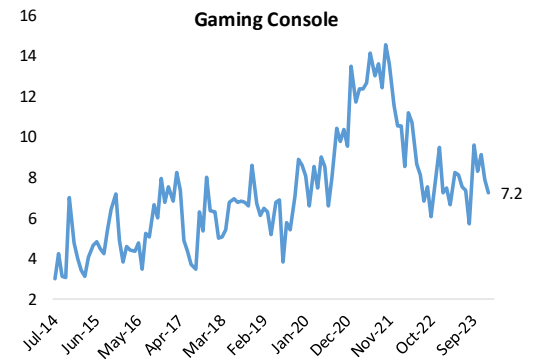
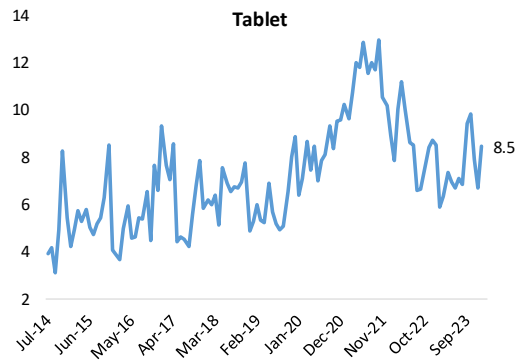
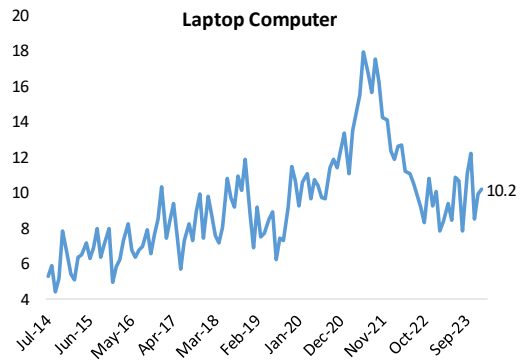
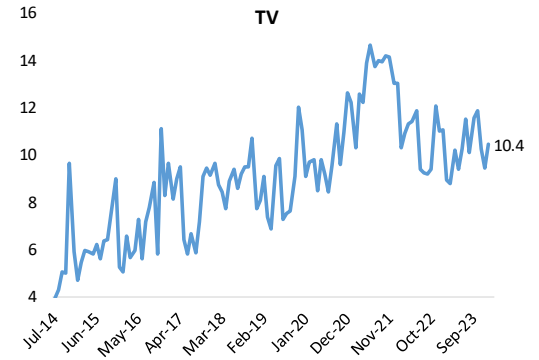
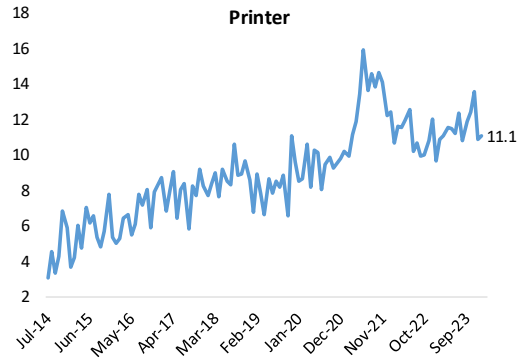
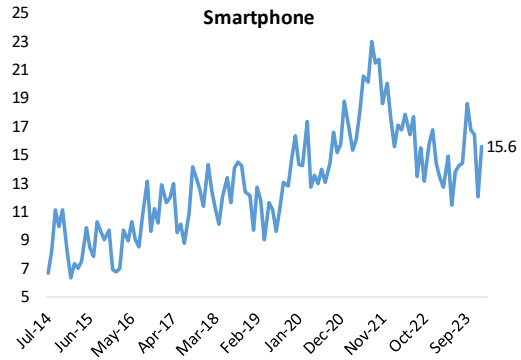


None Of The Above: Past Month (% Respondents)



Note: Latest Datapoint is January 2024

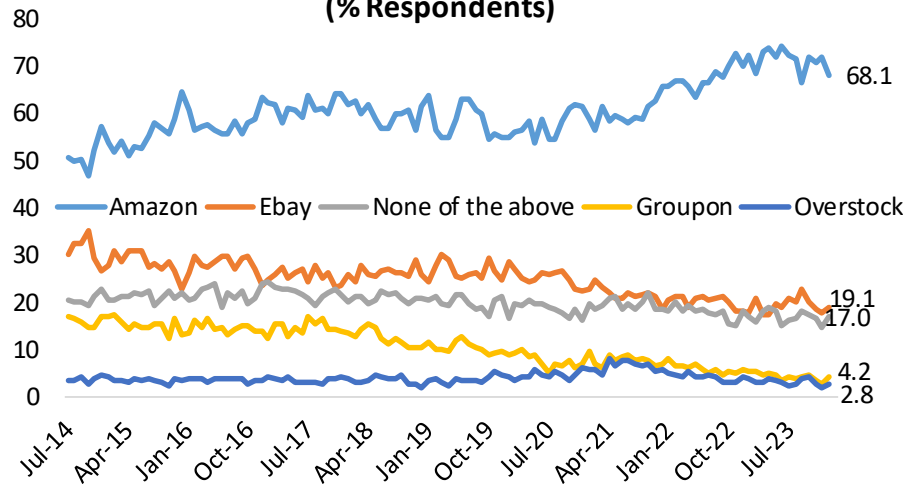
Electronics – Plans to Purchase



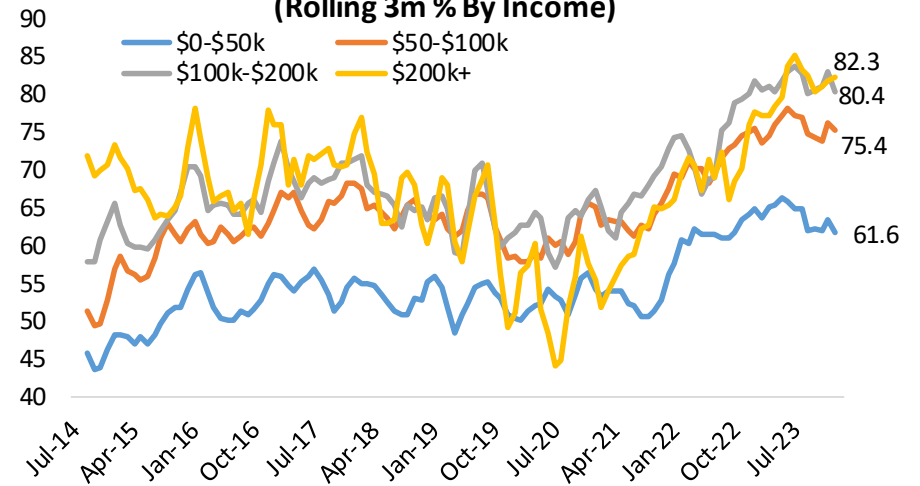
Note: Latest Datapoint is January 2024

eCommerce

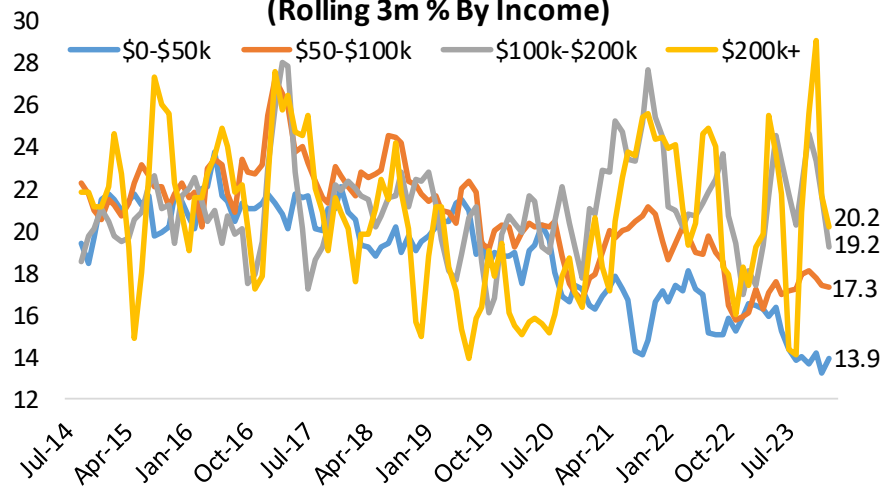
Have Purchased Items During Past Month
(% Respondents)



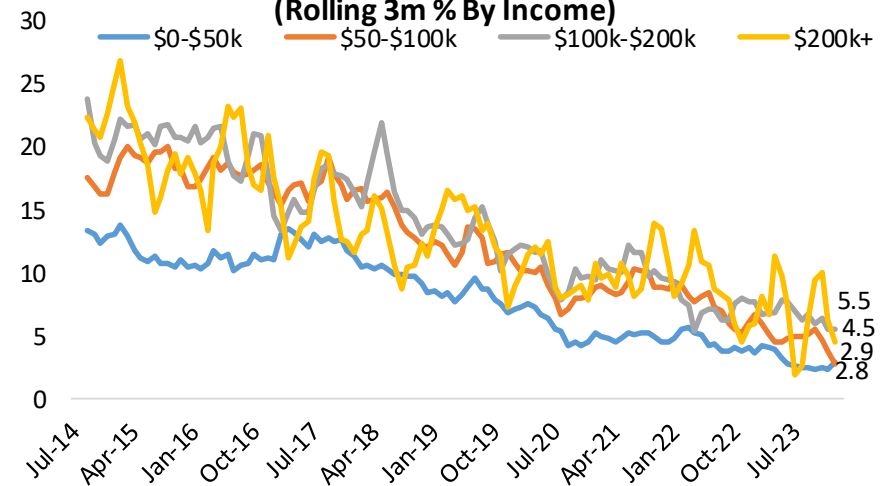
Purchased From Amazon In Past Month
(Rolling 3m % By Income)



Purchased From Ebay In Past Month
(Rolling 3m % By Income)



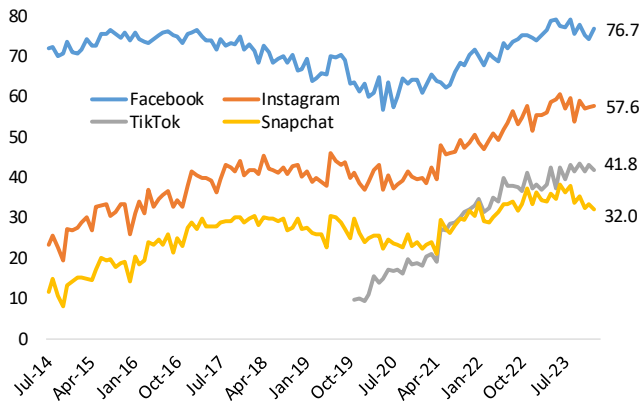
Purchased From Groupon In Past Month
(Rolling 3m % By Income)



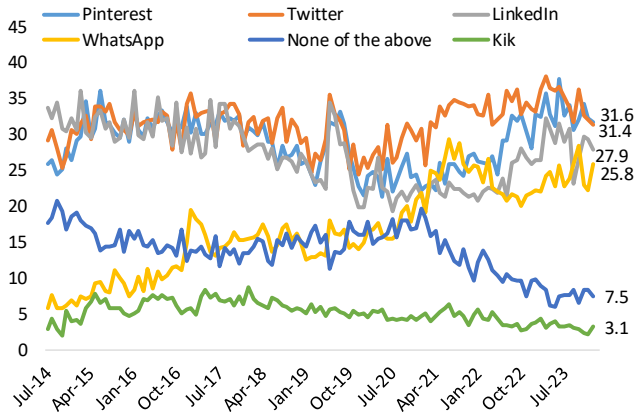
Note: Latest Datapoint is January 2024

Social Media

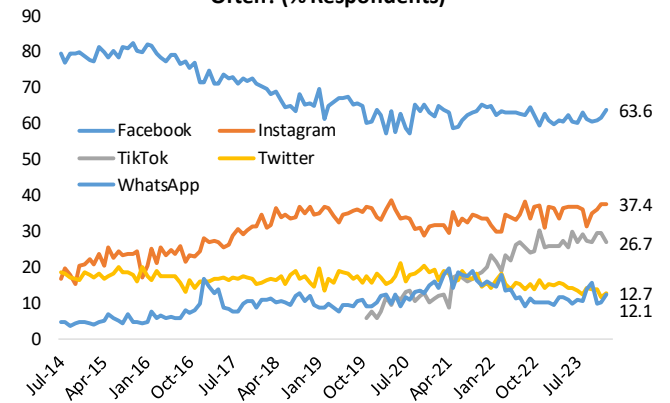
Social Media: Has Account, Majors (% Respondents)



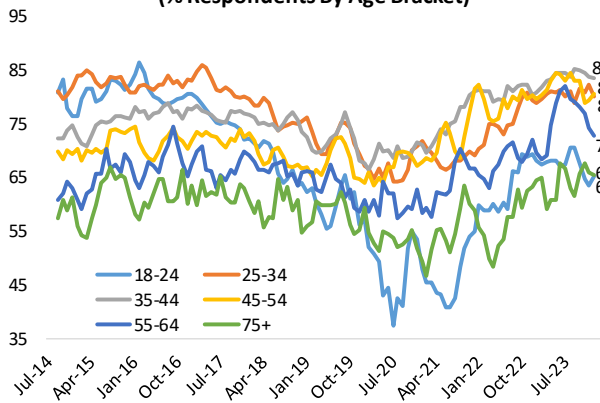
Social Media: Has Account, Minors (% Respondents)



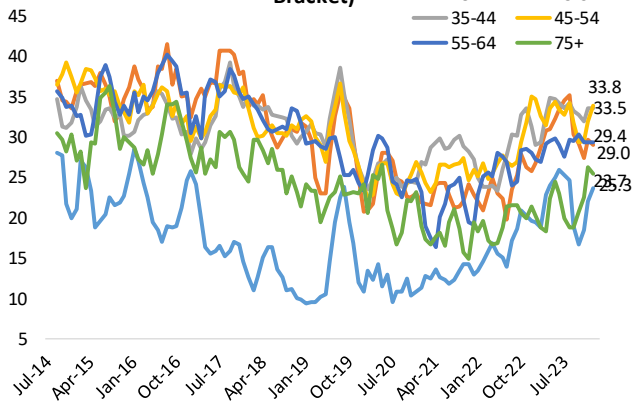
Social Media Websites: Which Two Do You Use Most Often? (% Respondents)



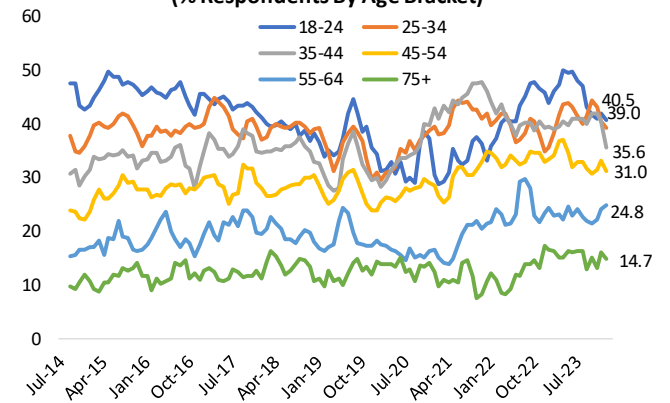
Has Facebook Account (% Respondents By Age Bracket)



Has LinkedIn Account (% Respondents By Age Bracket)



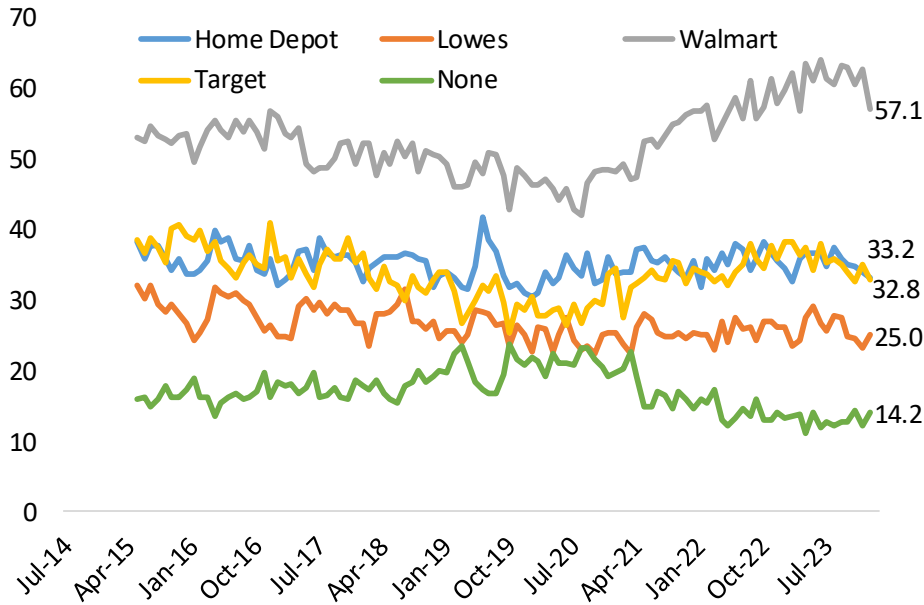
Has Twitter Account (% Respondents By Age Bracket)



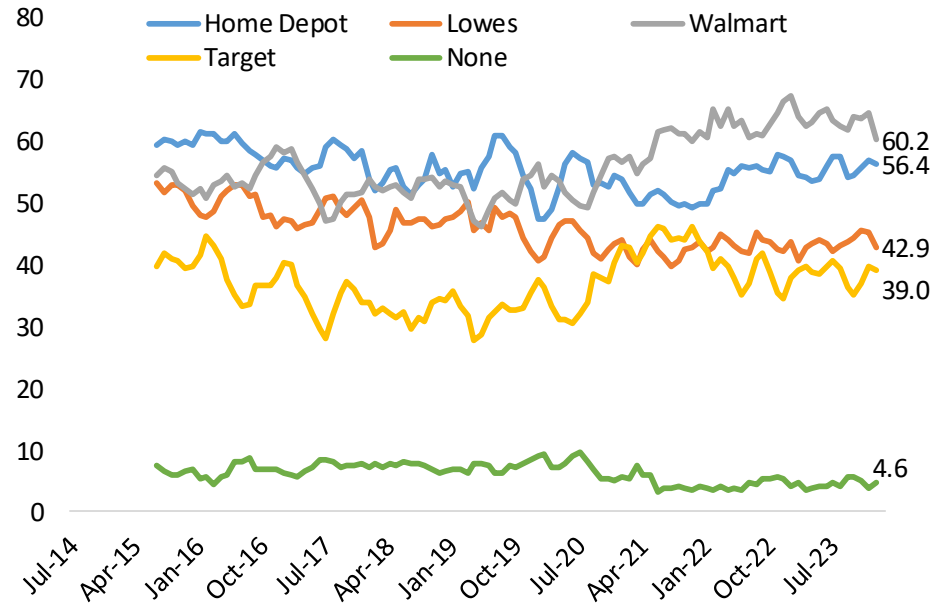
Note: Latest Datapoint is January 2024

Home Improvement Retail

Have Purchased Items During Past Month
(% Respondents)



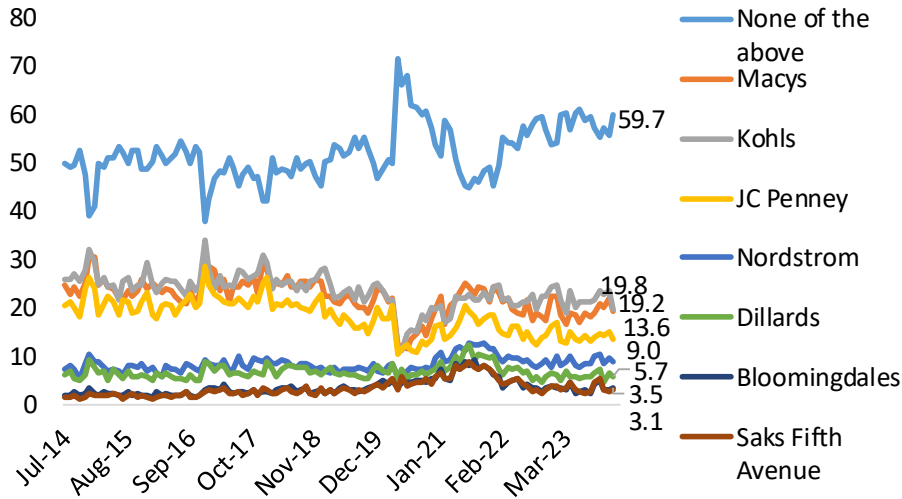
Have Purchased Items During Past Month (Rolling 3 Month % of Home Improvement Project Doers)



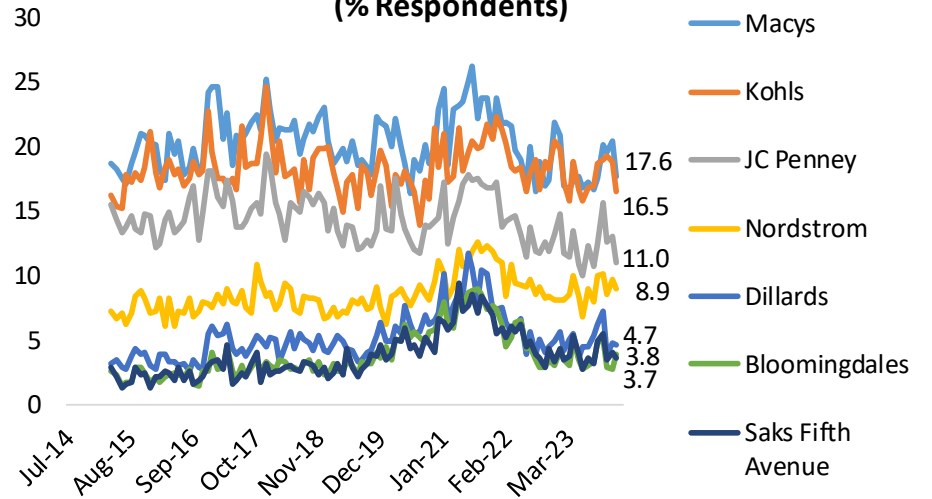
Note: Latest Datapoint is January 2024

Department Stores

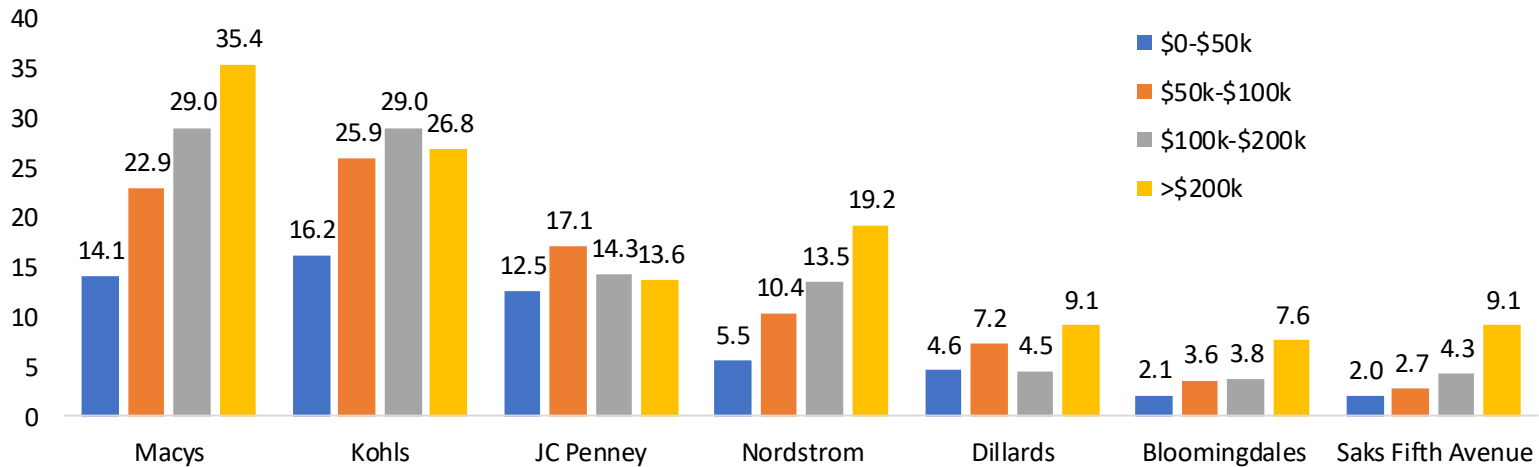
Department Store Visits: Past Month (% Respondents)



Department Store Website Visits: Past Month (% Respondents)

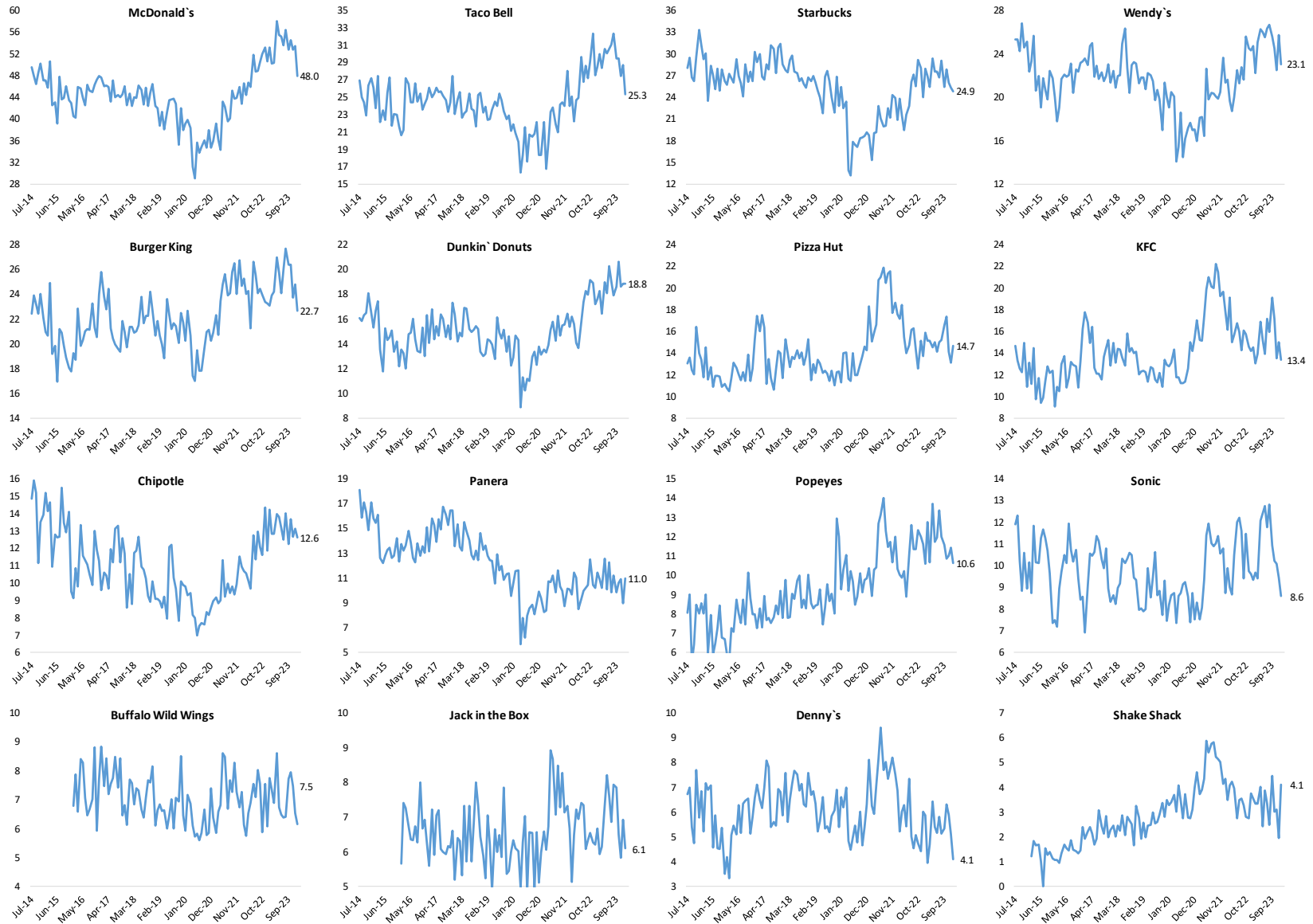


Department Store Visits This Month (3 Month Rolling % Respondents By Income)



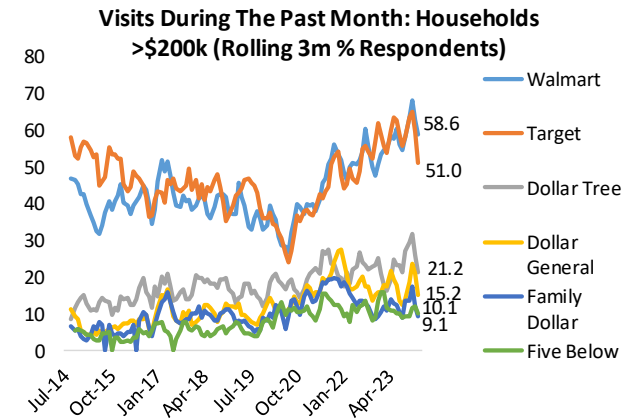
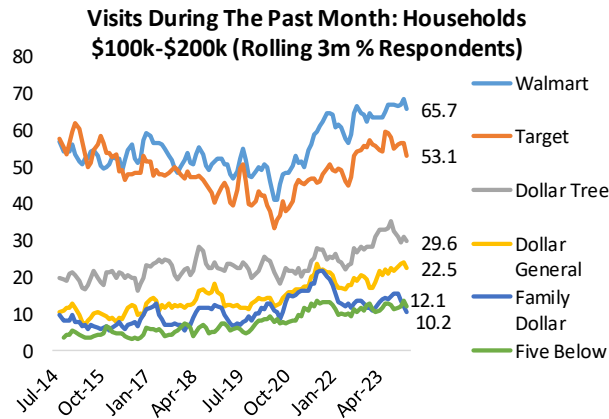
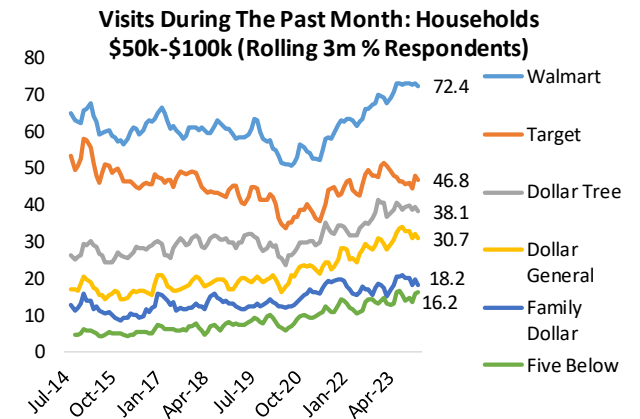
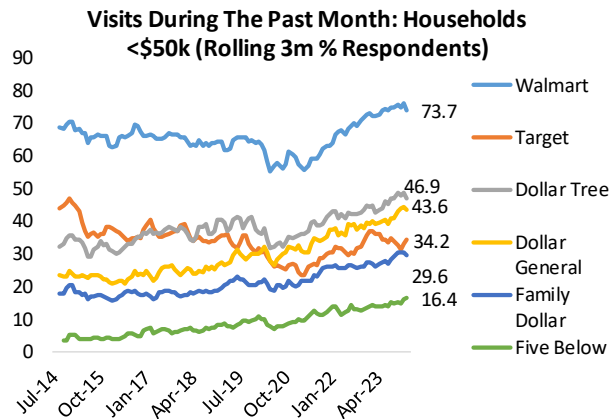
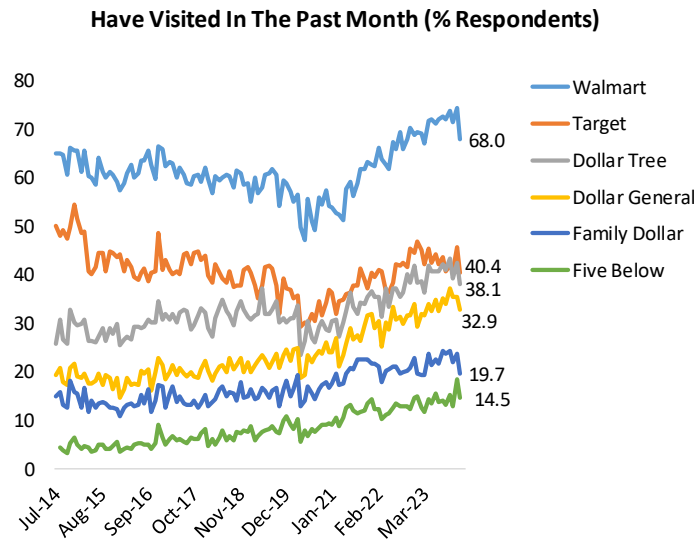
Note: Latest Datapoint is January 2024

Restaurants – Visited in Past Month



Note: Latest Datapoint is January 2024

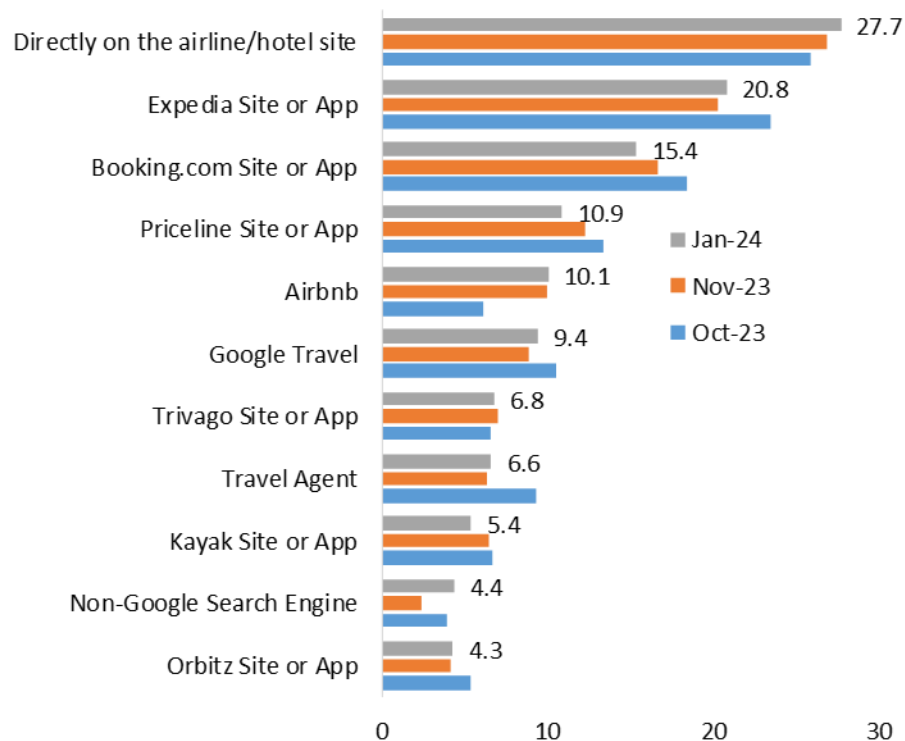
Big Box Retail



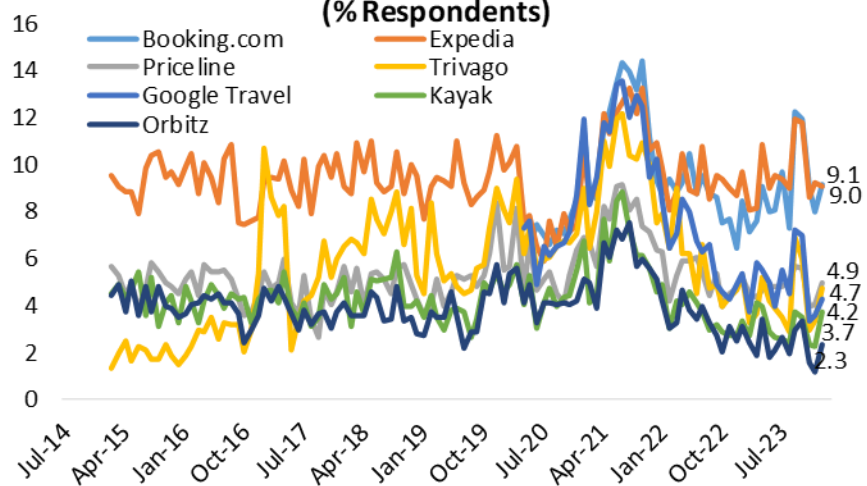
Note: Latest Datapoint is January 2024

OTAs

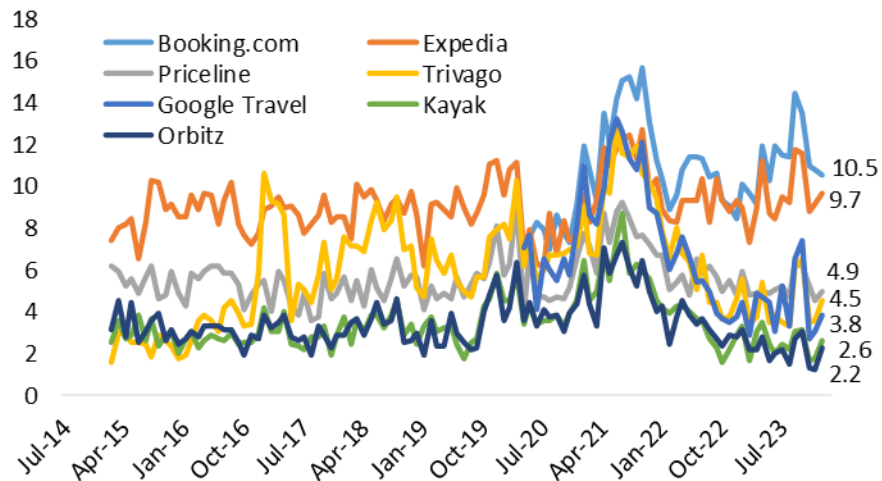
If You Were Looking To Book Travel Today, Where Would You Start Your Search? (% Respondents)



Booked A Flight In Past Three Months (% Respondents)

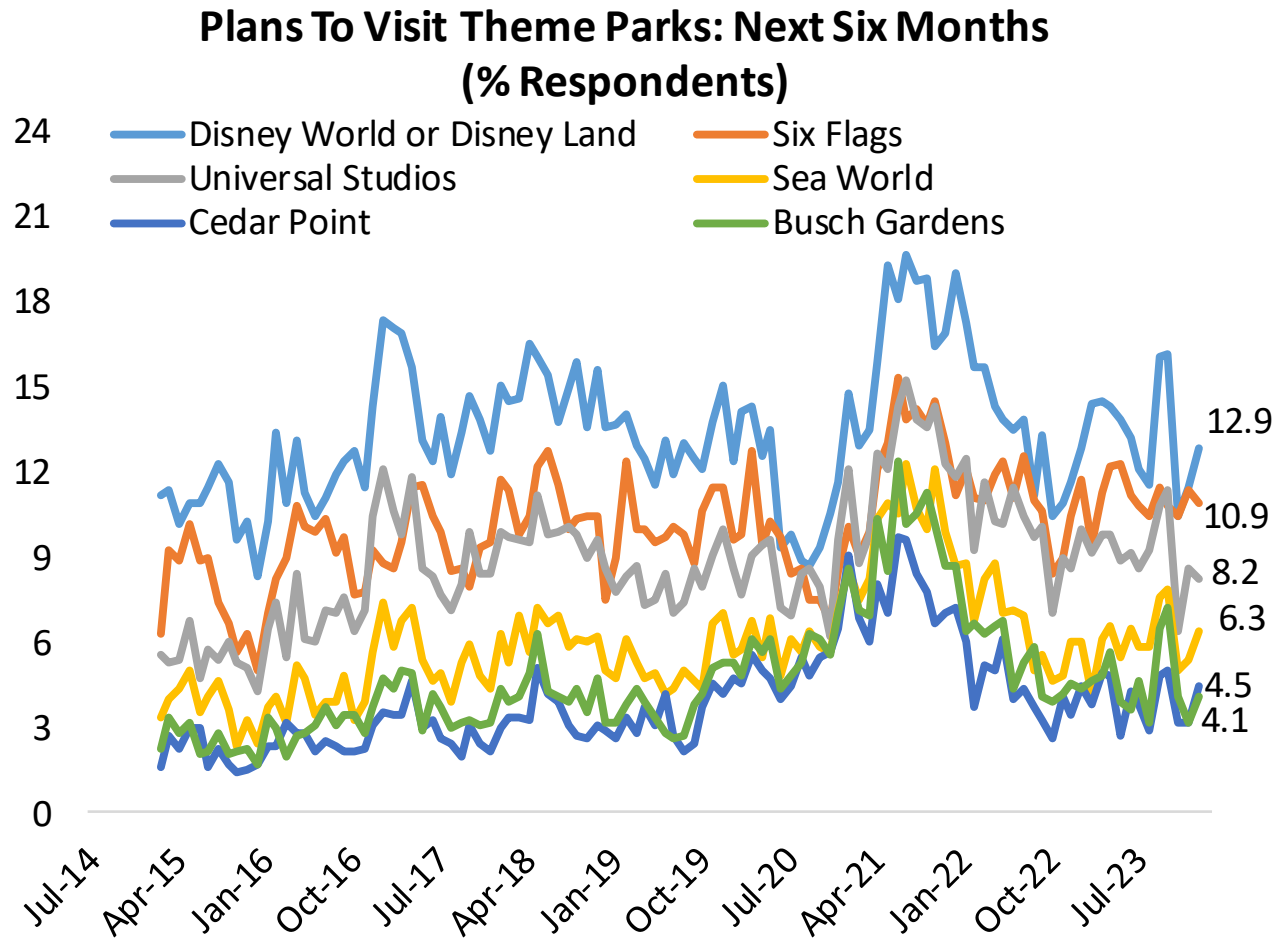


Booked Hotel In Past Three Months (% Respondents)



Note: Latest Datapoint is January 2024

Theme Parks

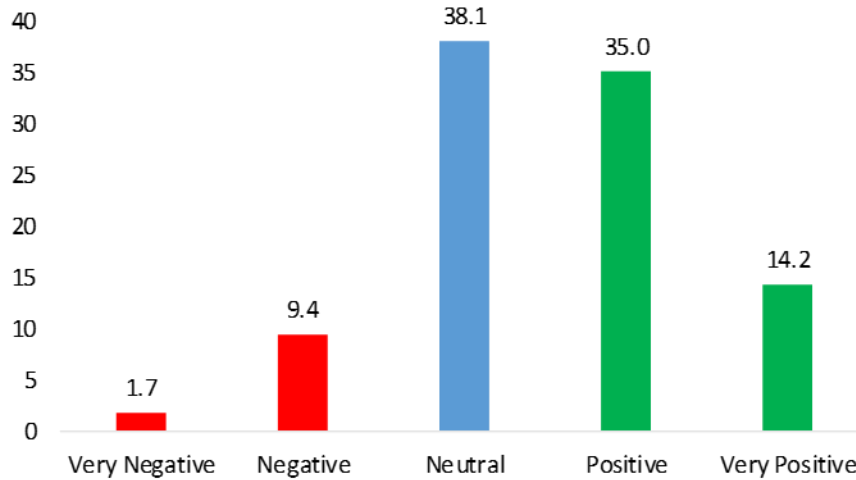


Note: Latest Datapoint is January 2024

Investors

Investor Stock Market View

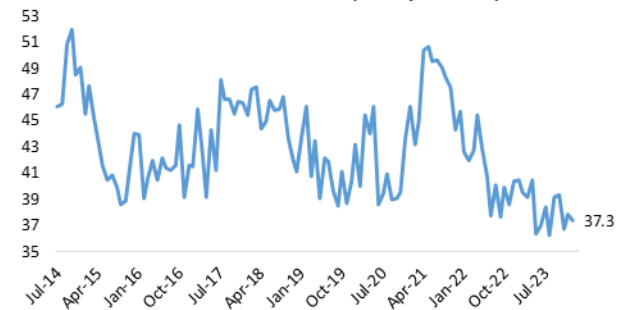
Current View of Stock Market (%)



Do You Follow The Stock Market On A Regular Basis? (% Respondents)

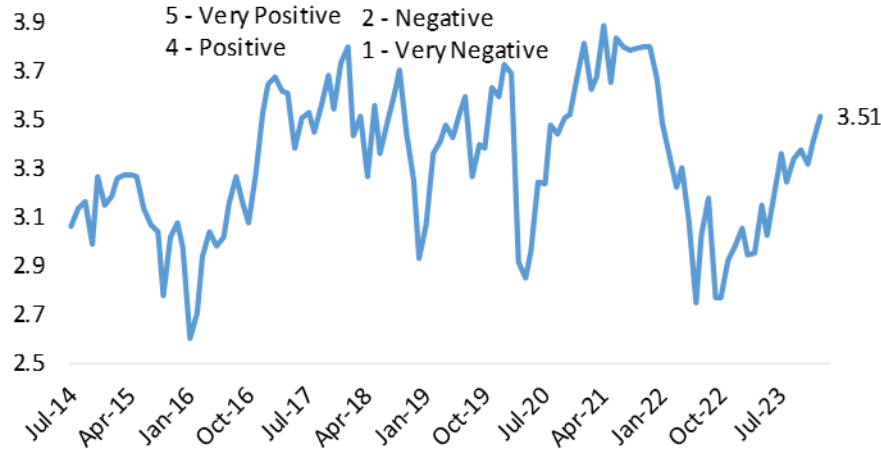


Invest In Stocks, Bonds, Commodities, Real Estate, or Other Financial Product? (% Respondents)

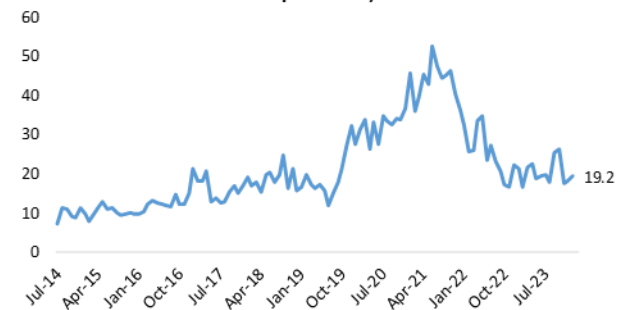


Current View of the Stock Market (Tracker)

Weighted Avg of: 3 - Neutral
 5 - Very Positive 2 - Negative
 4 - Positive 1 - Very Negative



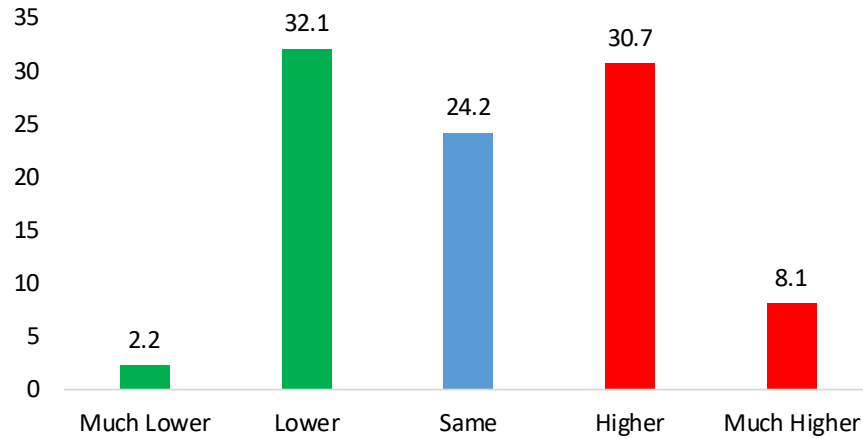
Do You Currently Have Any Investments In Gold (% Respondents)



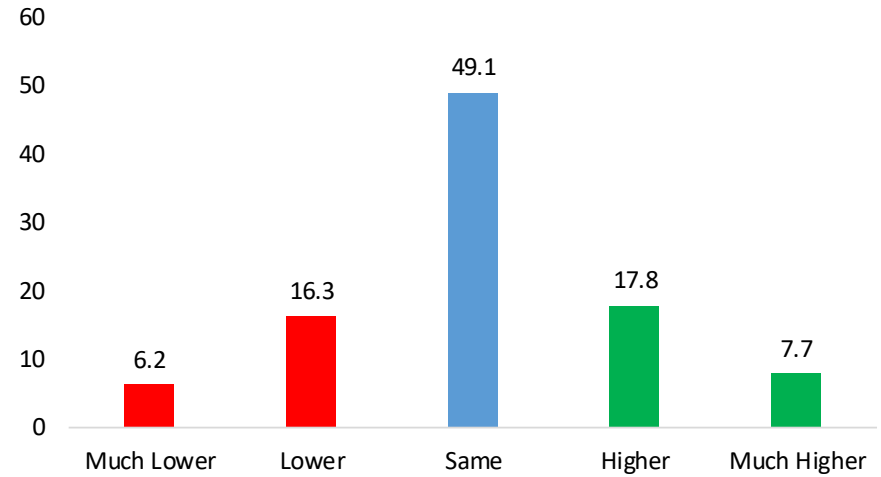
Note: Latest Datapoint is January 2024

Investors: Interest Rates and Risk

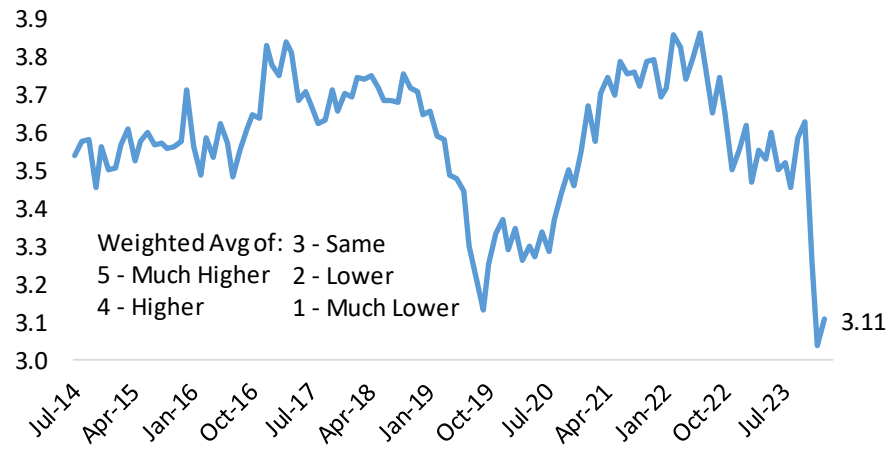
Expectations For Interest Rates One Year From Now (%)



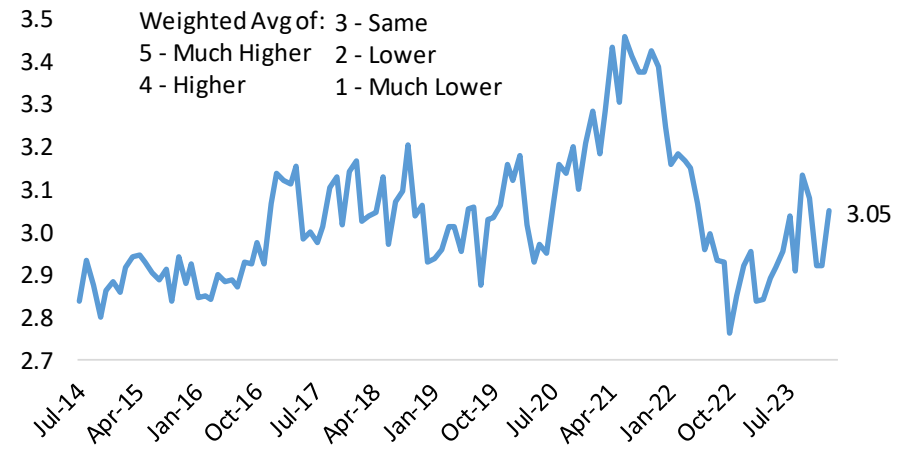
General Risk Tolerance Versus One Year Ago (%)



Expectations for Interest Rates One Year From Now (Tracker)

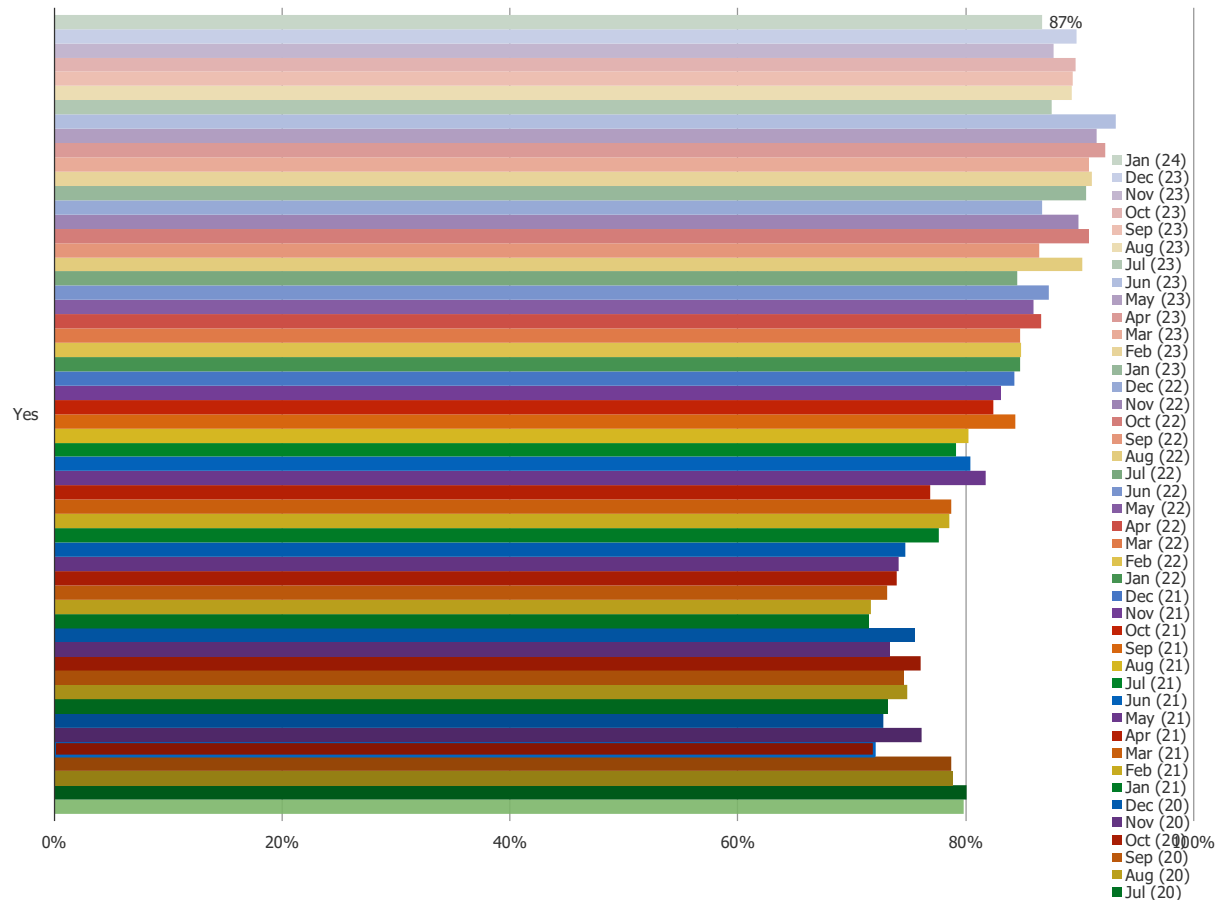


General Risk Tolerance Versus One Year Ago (Tracker)



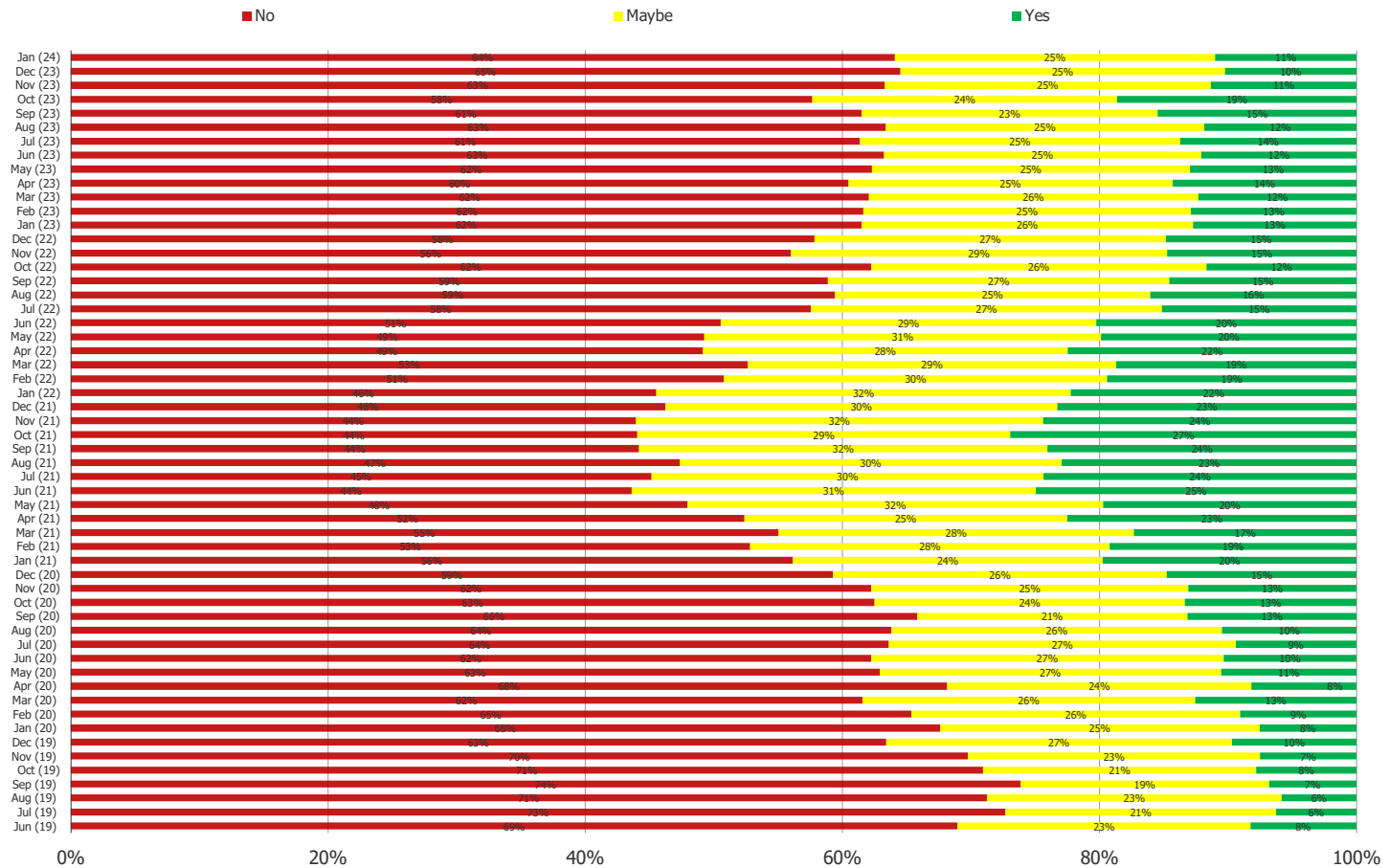
Bitcoin

Percentage of Consumers Aware of Bitcoin

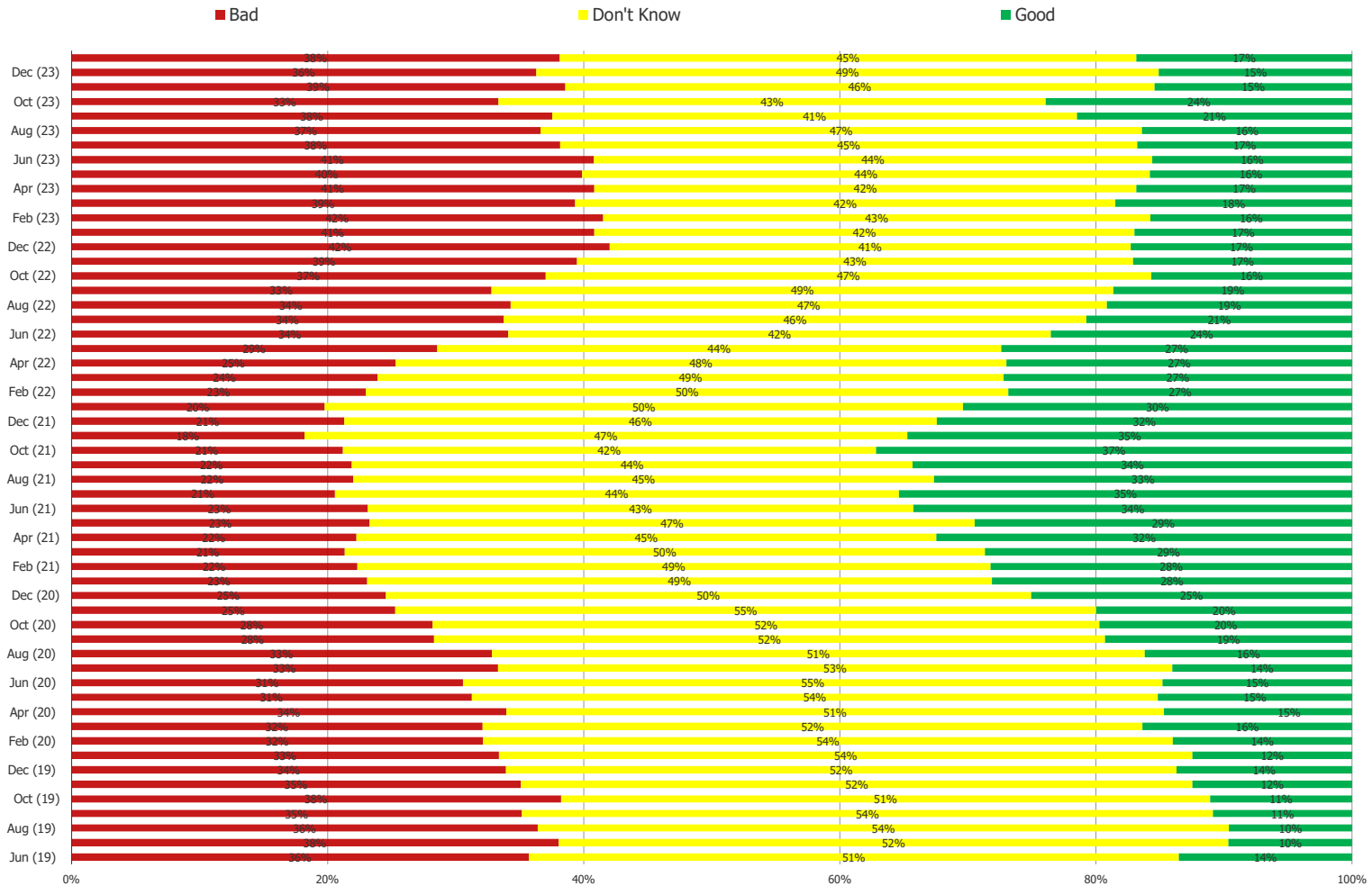


Note: Latest Datapoint is January 2024

Among those aware of Bitcoin: Do you have interest in buying Bitcoin?



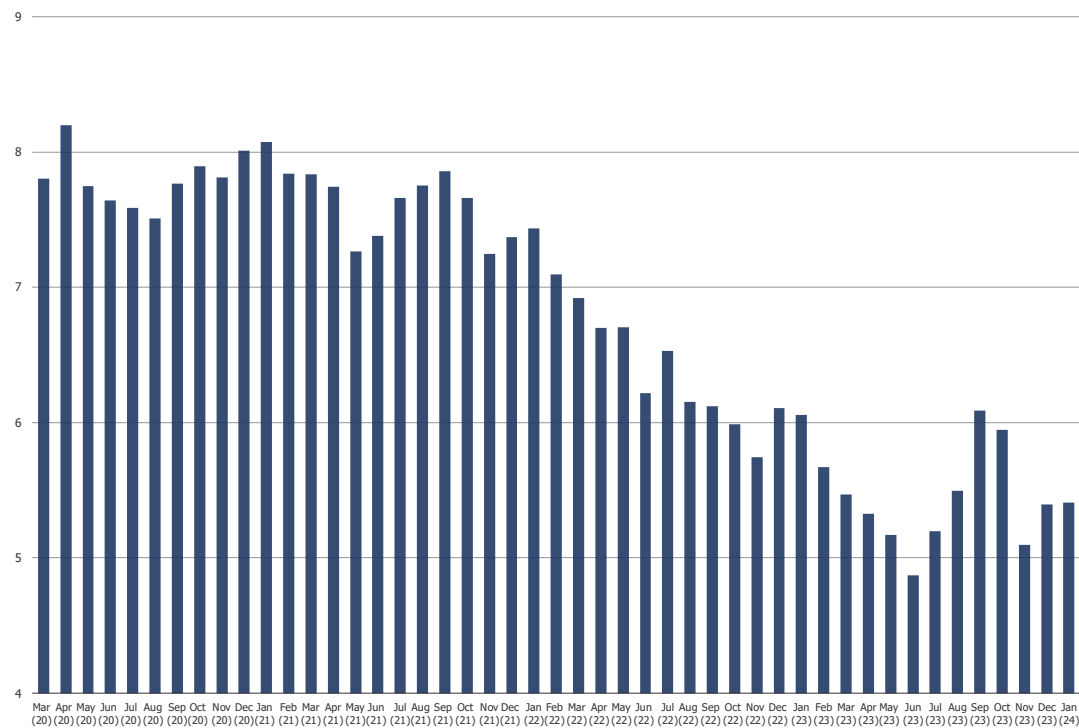
Among those aware of Bitcoin: Do you think Bitcoin would be a good or bad investment right now?



Covid

Please rate your level of concern with the Coronavirus (also being referred to as Covid-19 or the Novel Coronavirus).

POSED TO ALL RESPONDENTS



Note: Latest Datapoint is January 2024