

BESPOKE INTEL

Monthly Macro

February 2024



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Key Takeaways – Data Map

February 2024

February 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.

Consumers outlook was mixed in the month of February. While the share of consumers reporting improved confidence in their finances, higher discretionary spending intentions, and stronger perceived financial conditions relative to the average person (as well as a decline in the share reporting they live paycheck to paycheck) respondents’ economic outlook declined sequentially. Overall, sentiment is improving, but remains at very weak levels compared to where it sat before post-COVID inflation ramped up.

Respondents reported improvements in both credit card delinquencies and personal income, but both deteriorated versus last year.

As for labor markets, our respondents continue to report mixed results, with declines in the outlook for unemployment and more concerns about job security, but more hours, less unemployment, and fewer filings for unemployment benefits.

Housing saw broad drops in building permits, recent purchases, and planned purchases. All of that is consistent with the seasonal trend at this time of year, and two of those three categories are up from a year ago. The housing market has very clearly bottomed in our respondents’ eyes.

Activity levels varied depending on the category. While big box and dollar stores continued to advance, department stores suffered. Restaurants also saw increases in traffic against declines in other purchase categories. Health care services utilization also rose.

While our respondents are not yet in contrarian bullish territory, sentiment towards stocks has continued to rise rapidly.

Bespoke Consumer Pulse Data Map					
	Current	Current Conditions vs. Jan 2024 (MoM)	Last Month	Current Conditions vs. Feb 2023 (YoY)	Last Year
Sentiment					
Consumer Confidence (Economy)	2.53	↓	2.60	↑	2.37
Consumer Confidence (Finances)	2.90	↑	2.85	↑	2.86
Discretionary Spending	2.86	↑	2.80	↑	2.73
Living Paycheck to Paycheck (%)	52.5	Better	53.0	Worse	51.5
Financial Condition vs. Average Person	2.96	↑	2.91	↓	2.96
Labor					
Weekly Hours Worked (Across Industries)	36.7	↑	35.5	↑	36.5
Unemployed and Looking for Work (%)	11.9	Better	13.1	Better	12.5
US Unemployment Outlook	2.89	↓	2.91	↑	2.81
Filed for Unemp. Assistance (% Unemp.)	5.4	Better	6.3	Worse	5.2
Concerns About Job Security	2.52	↑	2.45	↑	2.42
Finances					
Credit Card Delinquencies	12.2	Better	13.6	Worse	10.7
Personal Income	3.24	↑	3.20	↓	3.26
Housing					
Building Permits (%)	4.6	↓	5.3	↑	4.0
Recent Purchases (past three months, %)	1.2	↓	1.6	↓	2.1
Planned Purchases (in next year, %)	10.8	↓	11.1	↑	8.8
Mortgage Delinquencies (2+ months, %)	16.2	Better	15.1	Better	13.8
Refinanced Mortgage in Past Year (%)	4.6	↓	5.6	↓	7.8
Activity					
<i>Retail Traffic (Visits Per Respondent)</i>					
Big Box / Dollar	5.92	↑	5.72	↑	5.48
Department Stores	1.94	↓	1.98	↑	1.85
<i>Purchase Activity (Purchases Per Respondent)</i>					
E-Commerce	2.98	↓	3.10	↓	3.03
Consumer Electronics	2.05	↓	2.13	↑	1.83
Airlines	0.85	↓	0.96	↑	0.81
Restaurants	6.82	↑	6.80	↑	6.75
<i>Healthcare</i>					
Hospital Utilization (past month, %)	10.5	↑	9.5	↑	8.9
Physician Utilization (past month, %)	23.4	↑	19.8	↑	19.9
Insured	88.7	↑	88.0	↑	86.7
<i>Autos</i>					
Purchases (past three months)	4.0	↑	3.3	↑	3.7
Expected Purchases (next six months)	16.7	↓	19.5	↑	16.1
Investors					
Risk Tolerance	3.03	↓	3.05	↑	2.84
View of Stock Market	3.46	↓	3.51	↑	2.94
Bullish Sentiment (%)	49.8	↑	49.2	↑	26.4
Bearish Sentiment (%)	13.4	↑	11.1	↓	32.6



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Key Takeaways – Heat Map

February 2024

Consumer Pulse 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.

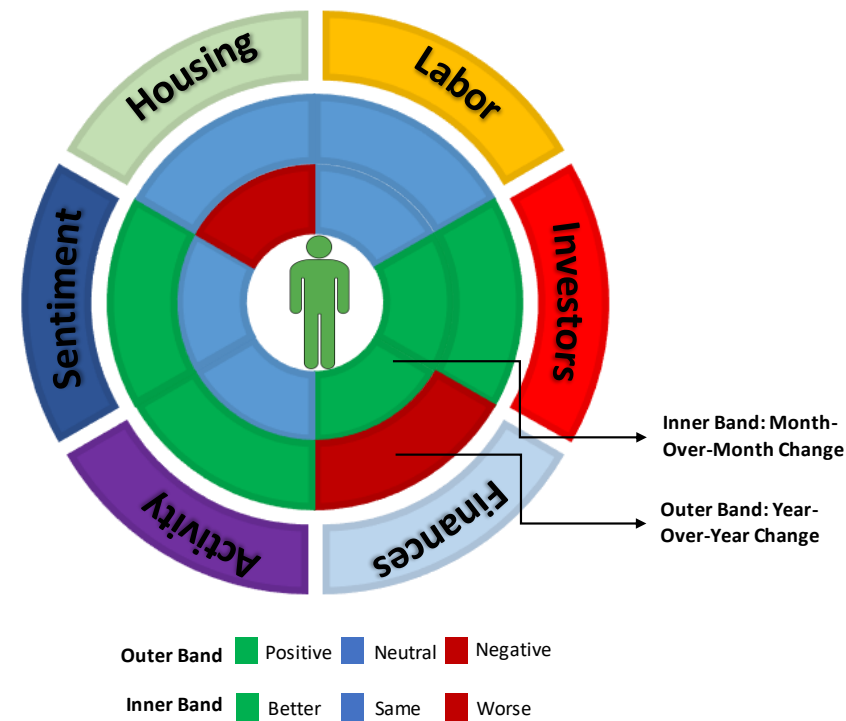
The next seven pages break down key trends we saw for each of the major categories covered in our monthly survey. Following our category summaries, we delve into a detailed analysis of individual questions, broken up by section.

Data was somewhat mixed this month with Activity indices declining sequentially on balance and Finances data also deteriorating. Sentiment, Housing, and Investors all improved.

Changes in Heat Map Versus Last Month

- **Labor Market:** Sentiment and specific labor market indicators were mixed this month, as they were on a year-over-year basis.
- **Housing:** As we enter the busy spring selling season, housing activity is clearly ramping up though it is mixed versus last year.
- **Consumer Sentiment:** Sentiment towards the economy was the only major indicator of consumer sentiment that was not improved MoM.
- **Consumer Activity:** While consumers accelerated foot traffic at big box/dollar stores and went to more restaurants, many activity categories declined.
- **Personal Finances:** Personal finances have been mixed of late but were improved MoM for February.
- **Investor Sentiment:** Investors are increasingly bullish towards the stock market but thus far we don't think they have reached contrarian bullish levels of froth.

Bespoke Consumer Heat Map





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Key Takeaways: Sentiment

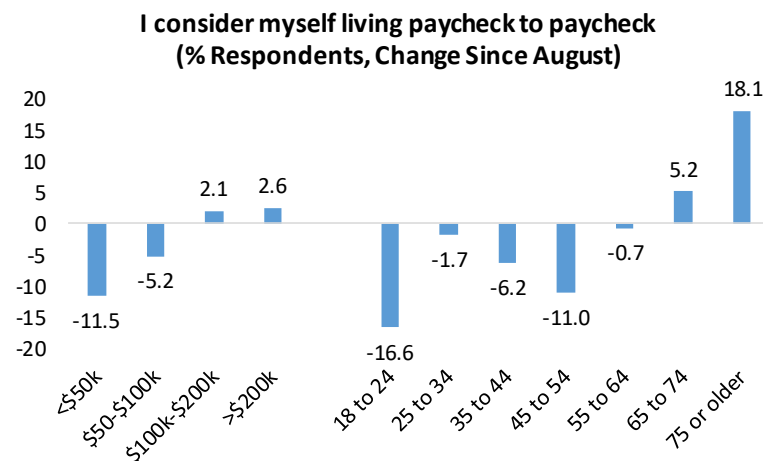
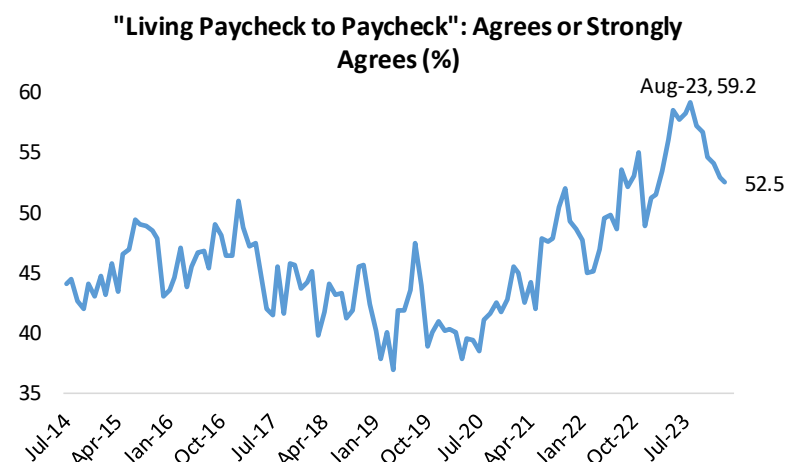
February 2024

Key Takeaways

- The share of respondents reporting they live paycheck to paycheck has dropped sharply.
- Lower-income and younger Americans have driven the drop over the past 6 months.

In August of last year, a record 59.2% of our respondents reported that they are “living paycheck to paycheck”. That share is still historically elevated but has fallen almost 7 percentage points since the peak. The rapid decline in the share of respondents that report that they live paycheck to paycheck is indicative of a significant shift in consumer sentiment more generally. While not sufficient to explain a massive improvement in net economic confidence, it’s a contributor to the steady gains we’ve seen over the last year or so in that metric.

Declining shares of respondents reporting they live paycheck to paycheck have been driven by lower-income Americans and those who are not elderly. As shown at right, those with incomes under \$100k have seen declines in reported shares living paycheck to paycheck with respondents under \$50k of annual income seeing the largest shift. Those over \$100k income have seen their response to the question rise despite the broader declines. Meanwhile, all age brackets of respondents under the age of 55 have seen their affirmative responses to the question fall sharply. 65+ Americans are the only group that have seen their response rates rise.





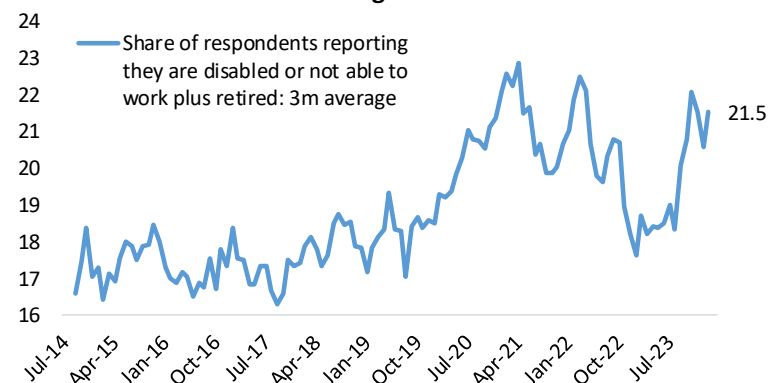
Key Takeaways

- Over the last six months our survey reflects a sudden significant uptick in workers leaving the labor force.
- More than three quarters of respondents are not concerned over job loss..

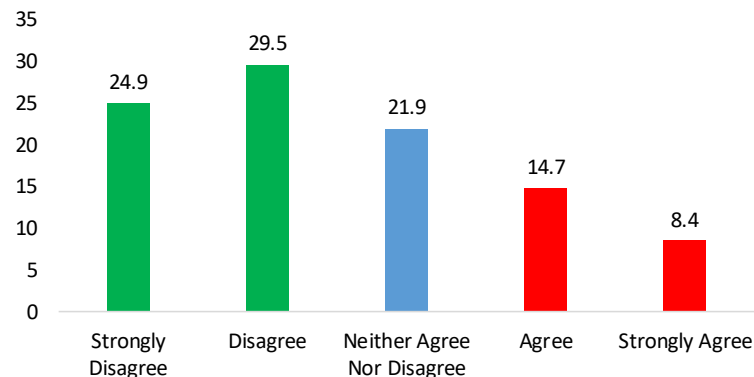
Prior to COVID, less than one in five of our respondents reported being either being retired or being disabled/not able to work. That share surged during COVID as workers reported being inactive (either by choice or circumstance) at elevated rates. That share of respondents fell steadily during the subsequent two years but bottomed in 2022. That started to surge over the last six months and is back over 21%. That’s a surprising result given the improvement in sentiment over the same period.

The share of our respondents who report that they are concerned they will lose their job looks very normal. As shown in the chart at right, less than one in four respondents report that they are concerned they will lose their job. That’s a typical state of affairs and illustrates the distribution of

Share of respondents outside of labor force rising again



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





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Key Takeaways: Finances

February 2024

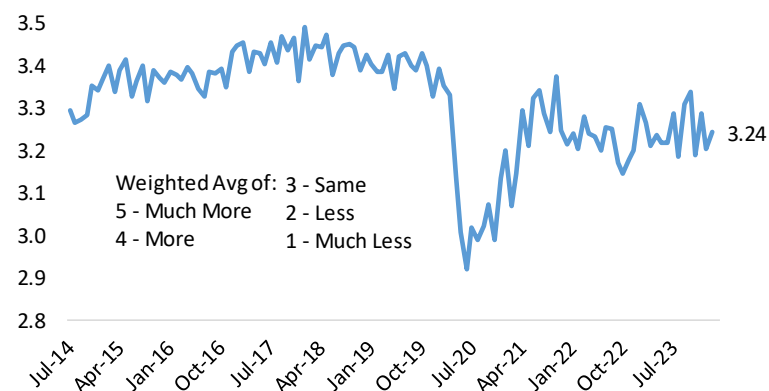
Key Takeaways

- Income growth remains unimpressive compared to pre-COVID levels.
- Inflation concerns has retreated rapidly and appears to have returned to pre-COVID norms.

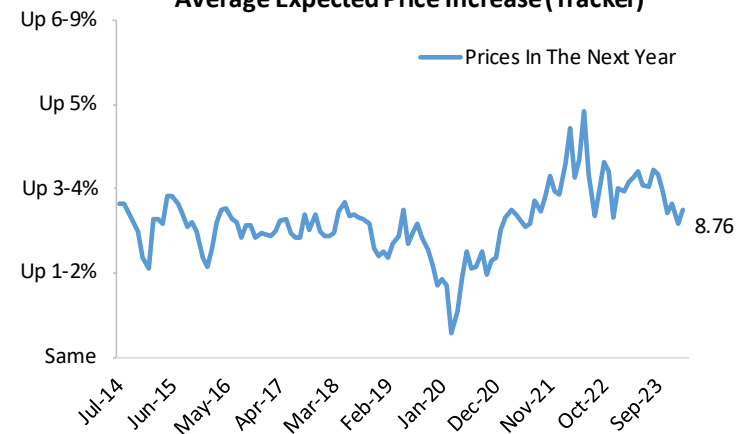
During the pandemic, our respondents reported a rapid and sustained drop in income growth. That drop eventually wore off but income growth was never consistent with the pre-COVID level. One possible explanation for this is that respondents think of their income in terms of purchasing power, with high post-pandemic inflation driving down the perceived pace of growth. Despite inflation expectations returning to normal (more on that below), income growth is still reported by our respondents as soggy relative to pre-pandemic norms.

As for inflation, expected price increases over the next year have returned to the ~3% level that respondents broadly tracked prior to COVID as their typical level of inflation expectation. That's a good sign that the post-pandemic inflation surge is not here to stay for the long term.

Current Income vs Year Ago (Tracker)



Average Expected Price Increase (Tracker)



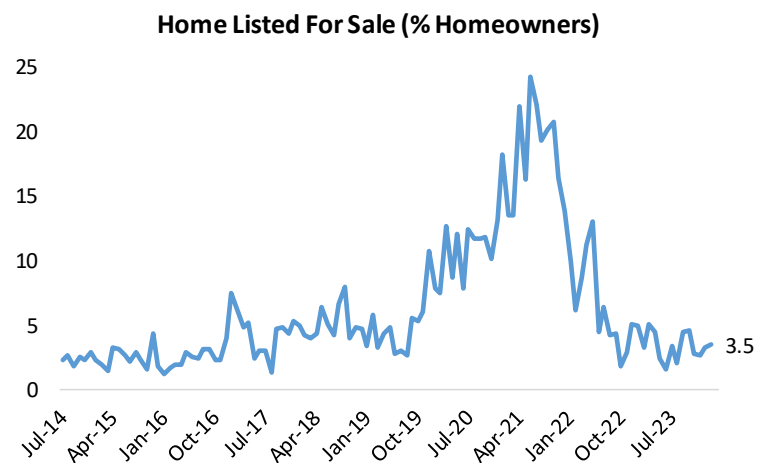
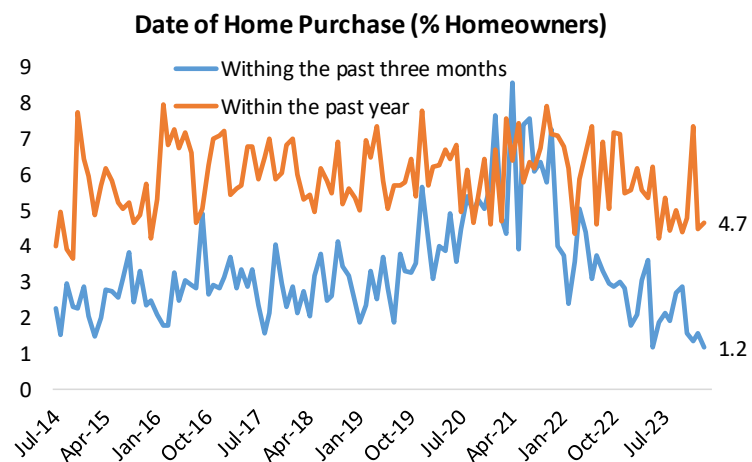


Key Takeaways

- Only 1% of homeowners report purchasing a home in the past three months.
- Very few respondents report their home listed for sale, a sign that the housing market remains constrained.

Only 1% of respondents who report owning a home say they bought the home in the past three months. That illustrates how fast activity in the housing market has slowed over the past couple of years. The share of respondents who report buying over the past year is also at the low end of the historical range. Either way, this data backs up the idea that housing market transaction activity is extremely weak.

There's little sign of a rebound in activity in the share of homeowners that report their home is listed for sale. That number soared to nearly one in four at the peak of the post-pandemic housing boom. But over the past few years it's been stuck at much lower levels amidst a raft of incentives to not sell homes..





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Key Takeaways: Investors

February 2024

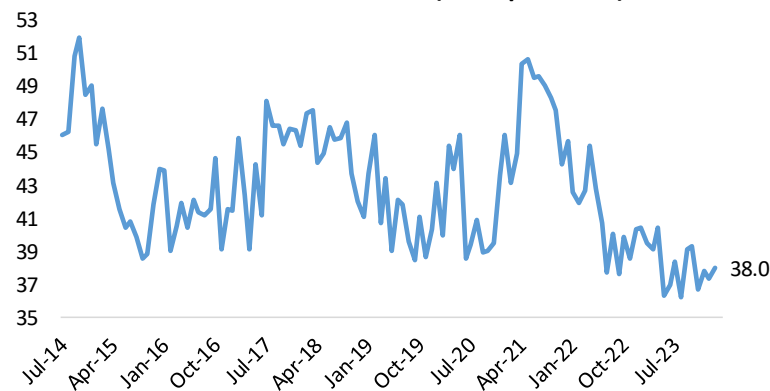
Key Takeaways

- Less than 40% of our respondents report investing in financial products.
- Crypto's most recent surge has not driven a significant uptick in sentiment towards crypto.

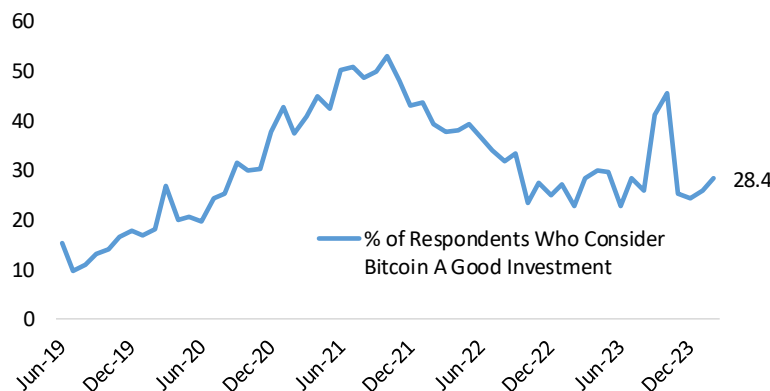
During the post-pandemic surge in interest in the stock market, our respondents reported a sharp uptick in interest towards owning financial assets. The share rose roughly 10 percentage points but that uptick did not last. The last year have been the weakest in our survey history for financial market participation.

The share of respondents who report that they consider crypto a "good investment" spiked at the end of last year but in the last few months has been similar to the past year, which is a significant decline relative to the peak of the crypto bubble in 2021. That suggests that the latest ramp up in crypto assets has not come from a wave of individual investor enthusiasm.

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

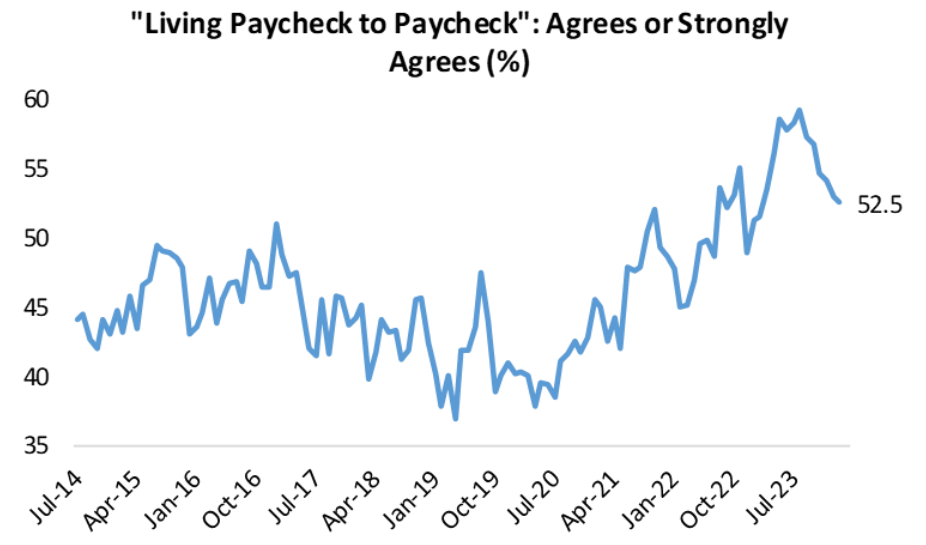
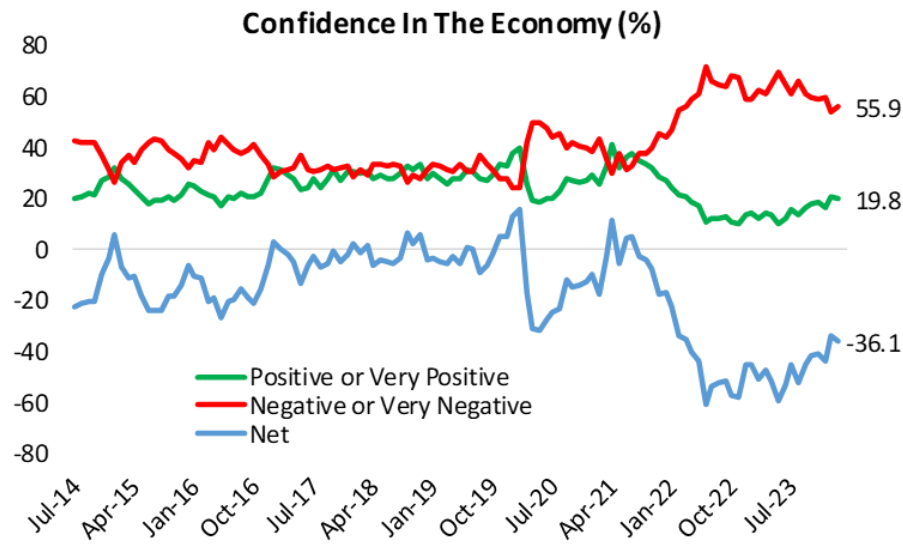
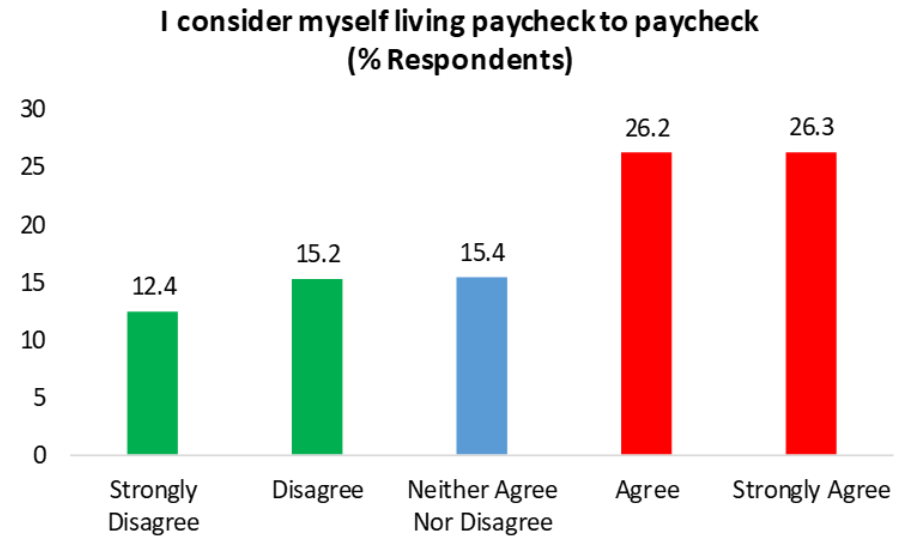
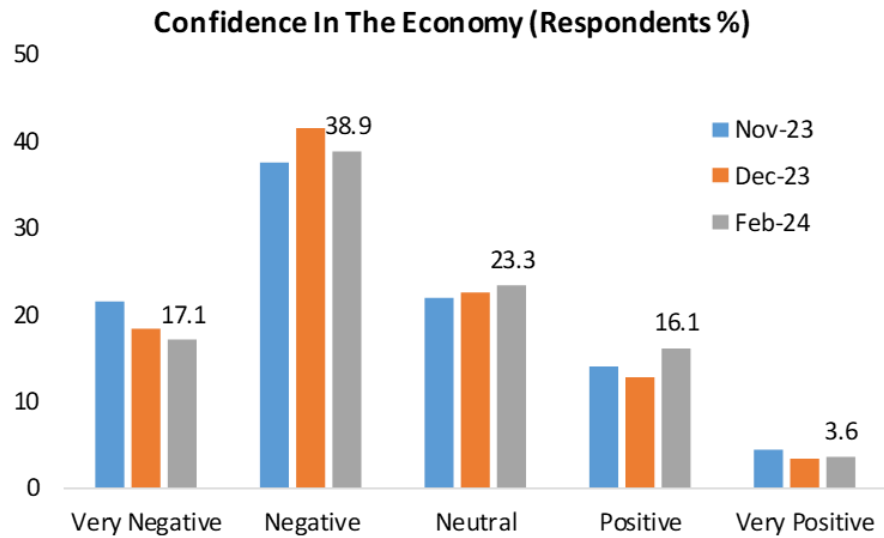


Bitcoin's Recent Rally Has Not Driven Investor Interest



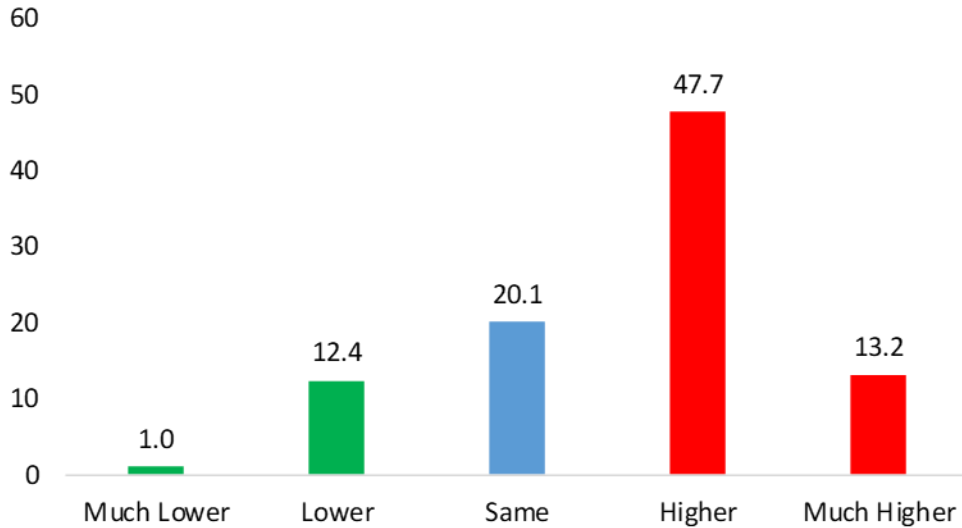
Charts

Confidence in the economy

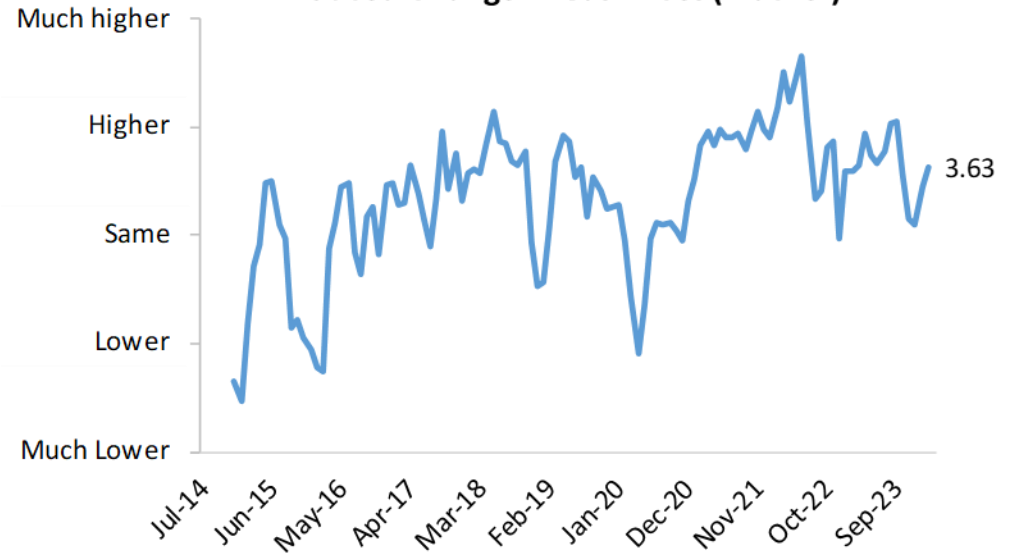


Gas and Broad Prices

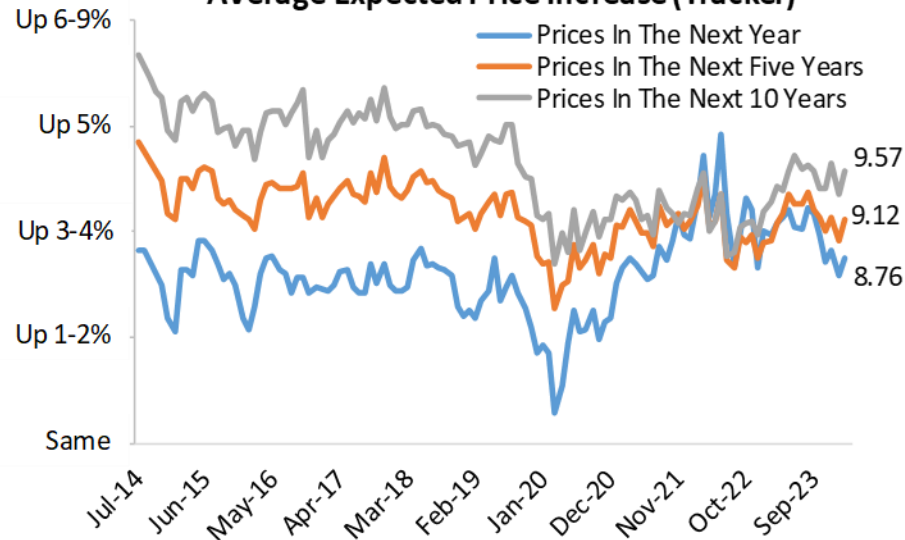
Noticed Change In Gas Prices (% Respondents)



Noticed Change In Gas Prices (Tracker)

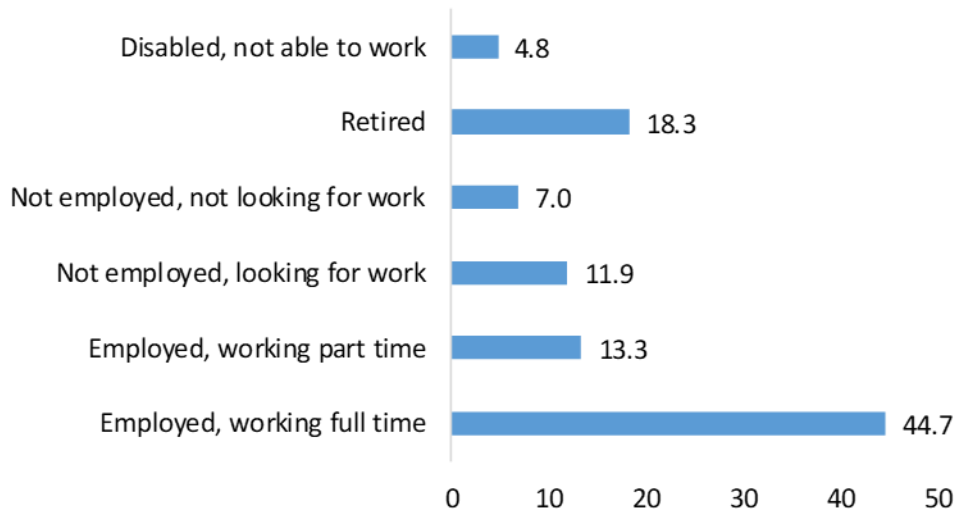


Average Expected Price Increase (Tracker)

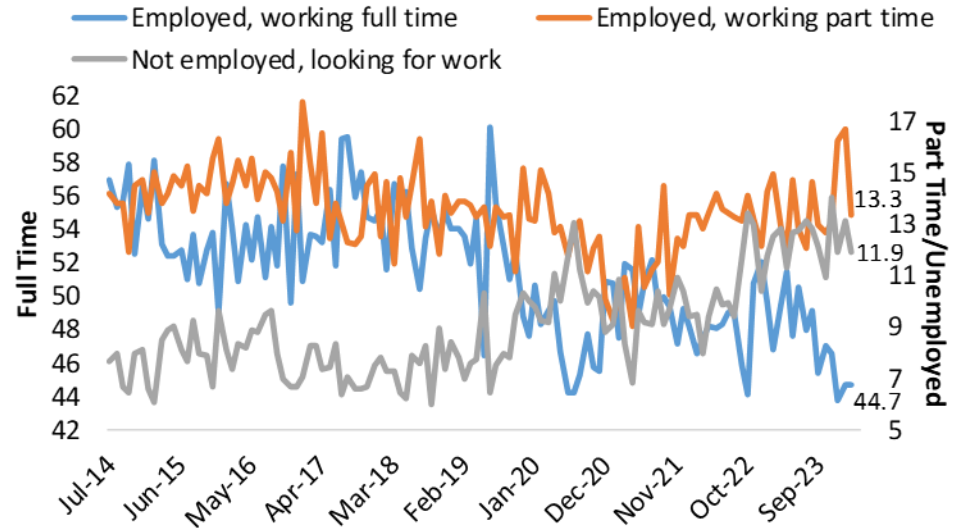


Employment

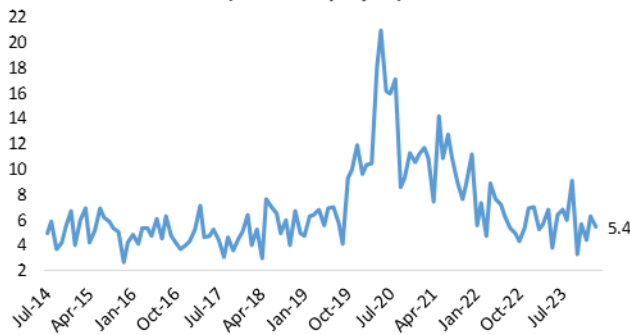
Employment Status (% Respondents)



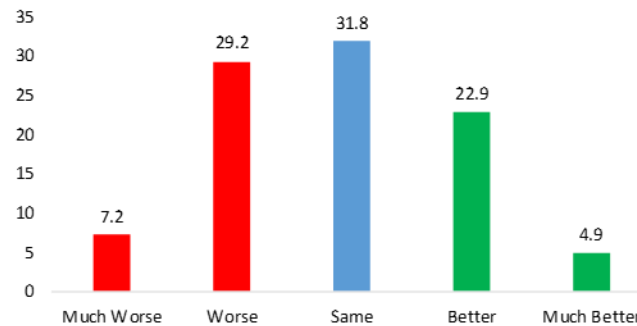
Employment Status (% Respondents)



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



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

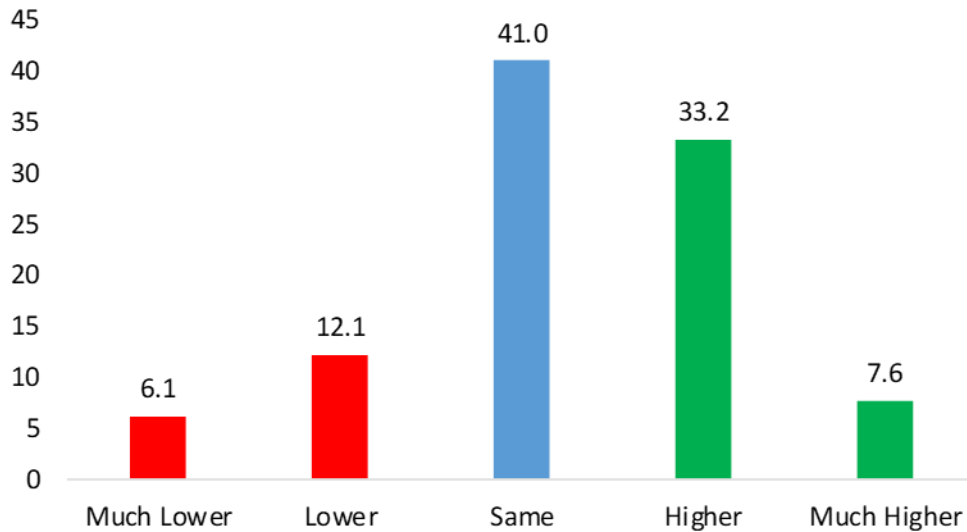


Expectations For US Unemployment Level One Year From Now (Tracker)

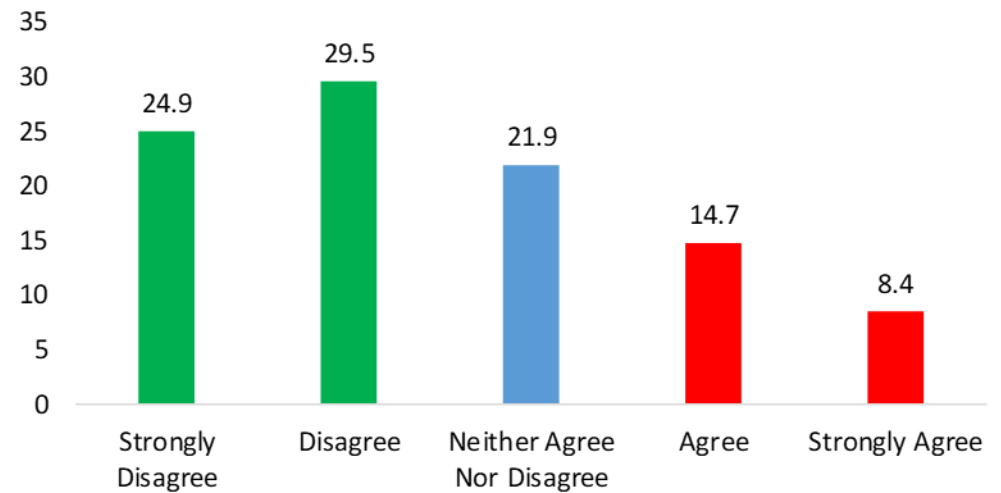


Income and Job Security

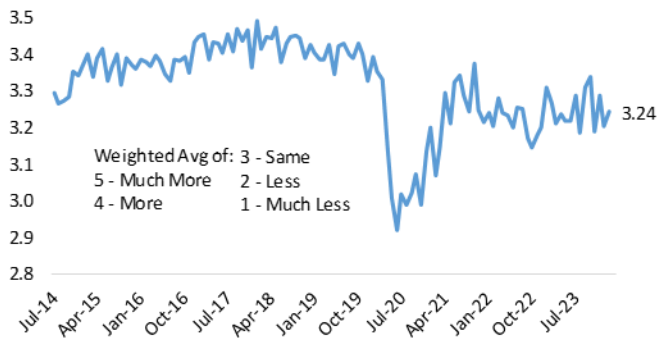
Current Income vs 1 Year Ago (% Respondents)



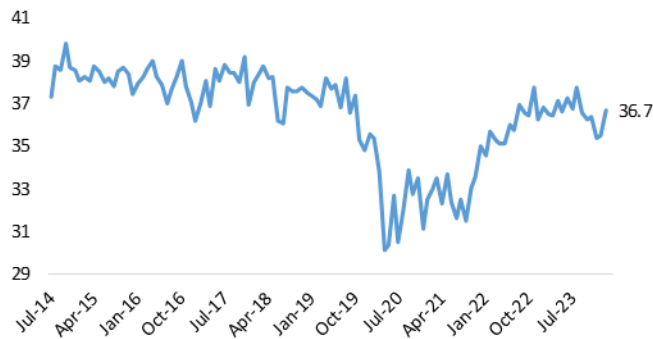
"I am concerned that I will lose my job" (% Respondents)



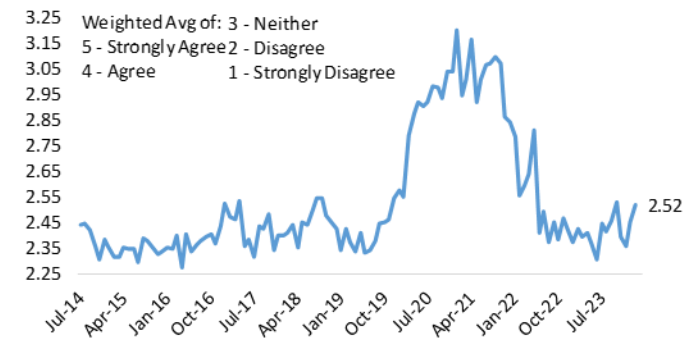
Current Income vs Year Ago (Tracker)



Hours Worked (Average)



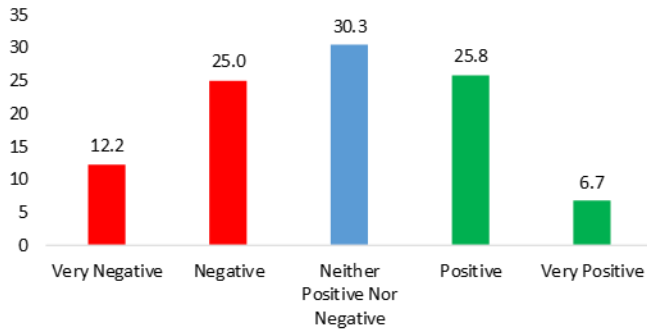
"I am concerned that I will lose my job" (Tracker)



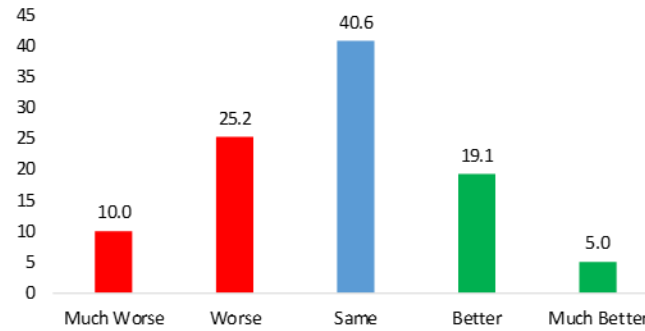
Note: Latest Datapoint is February 2024

Personal Finances

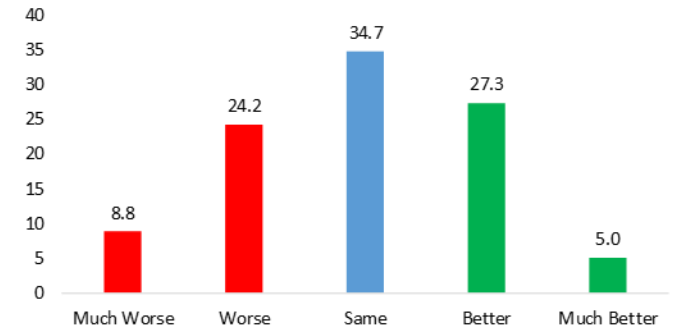
Current Feelings Towards Personal Finances (% Respondents)



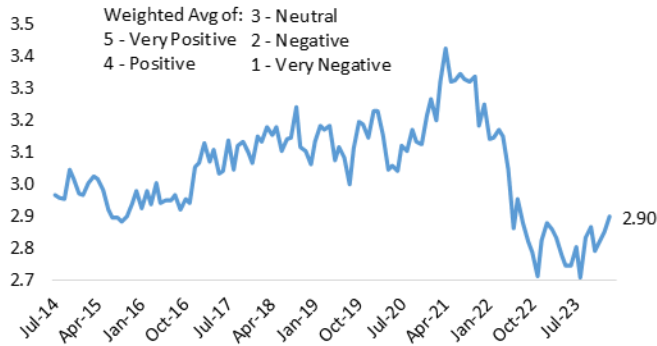
Feelings Towards Personal Finances vs Year Ago (% Respondents)



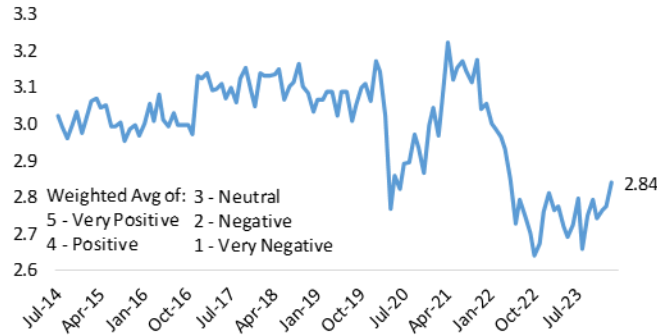
Financial Condition Compared to the Average Person (% Respondents)



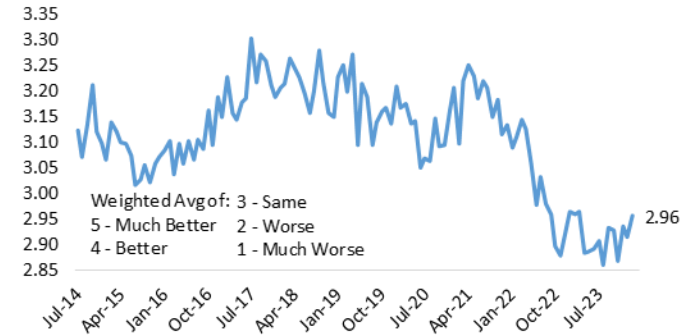
Current Feelings Towards Personal Finances (Tracker)



Feelings Towards Personal Finances vs Year Ago (Tracker)



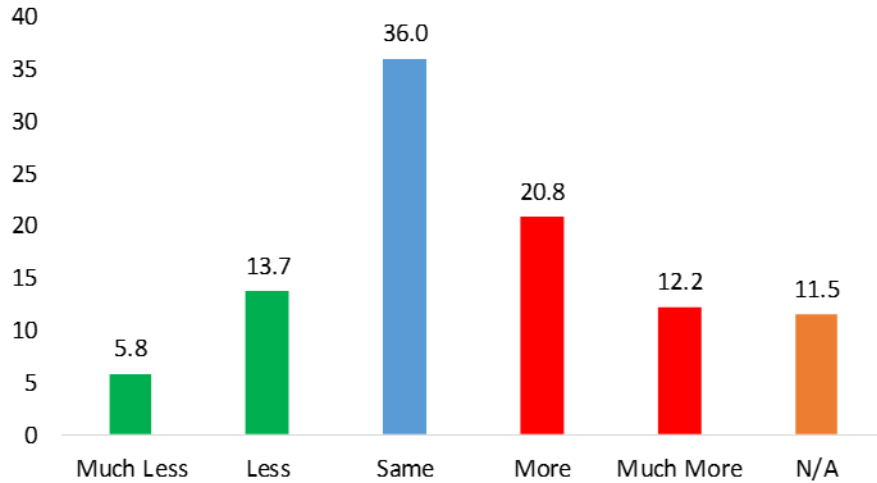
Financial Condition Compared to the Average Person (Tracker)



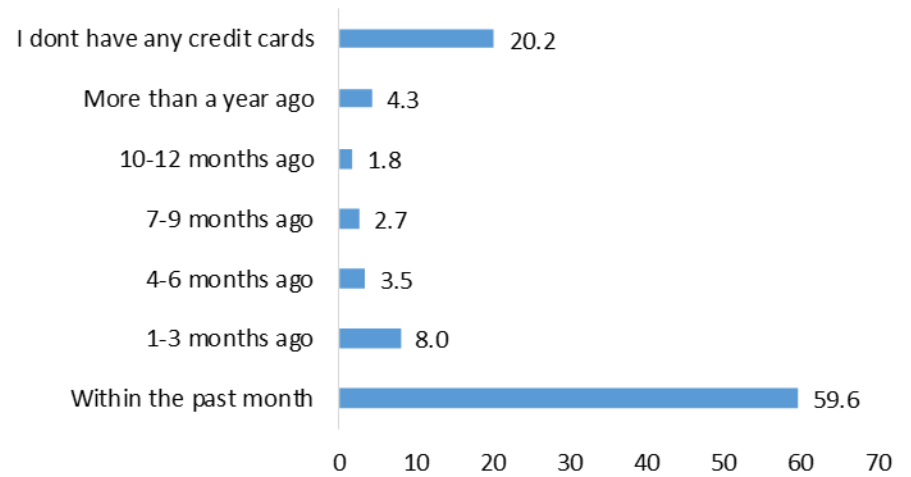
Note: Latest Datapoint is February 2024

Current credit card debt

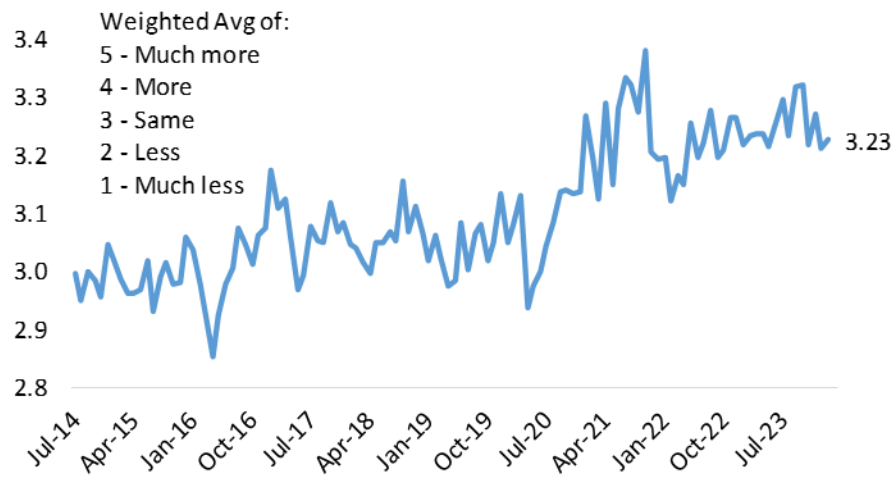
Credit Card Debt vs Year Ago (% Respondents)



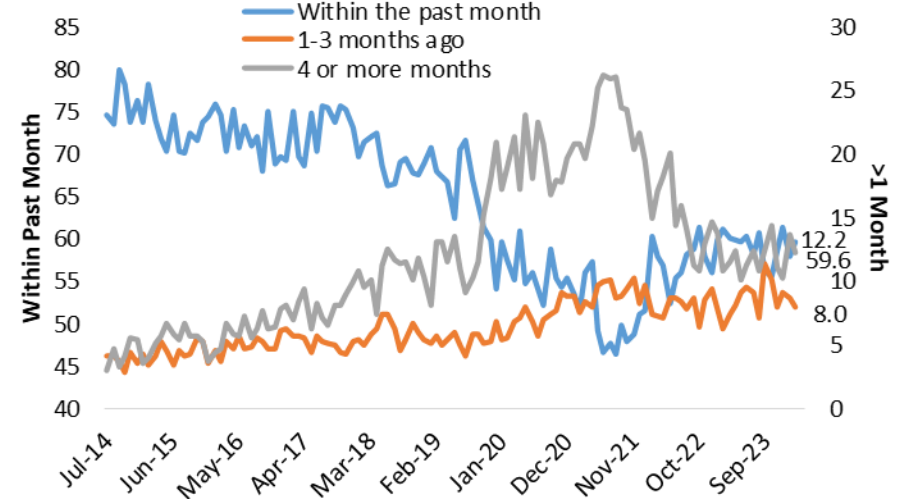
Date of Last Credit Card Payment (% Respondents)



Credit Card Debt vs Year Ago (Tracker)



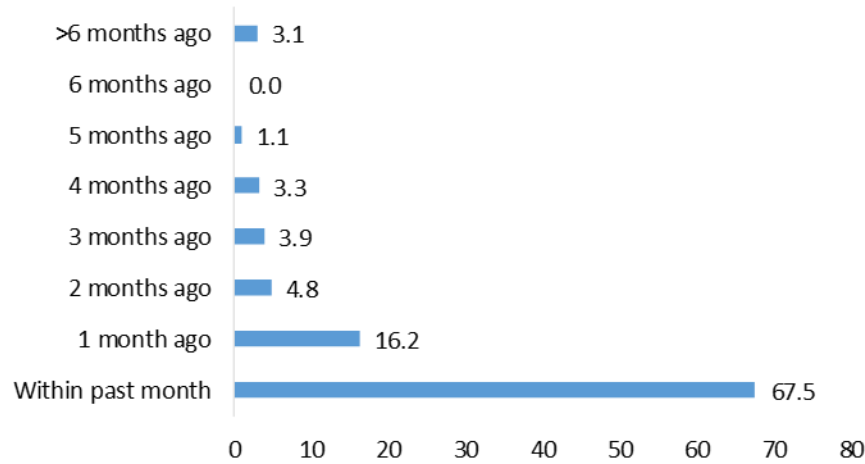
Date of Last Credit Card Payment (% Respondents)



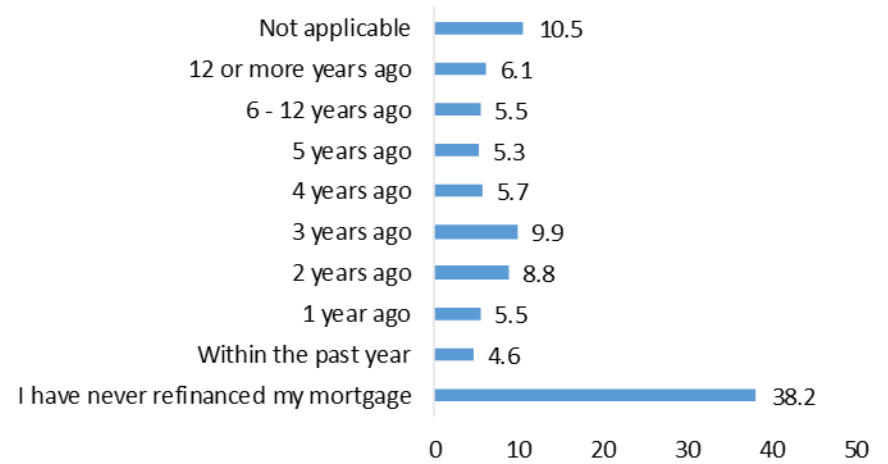
Note: Latest Datapoint is February 2024

Mortgage Payments

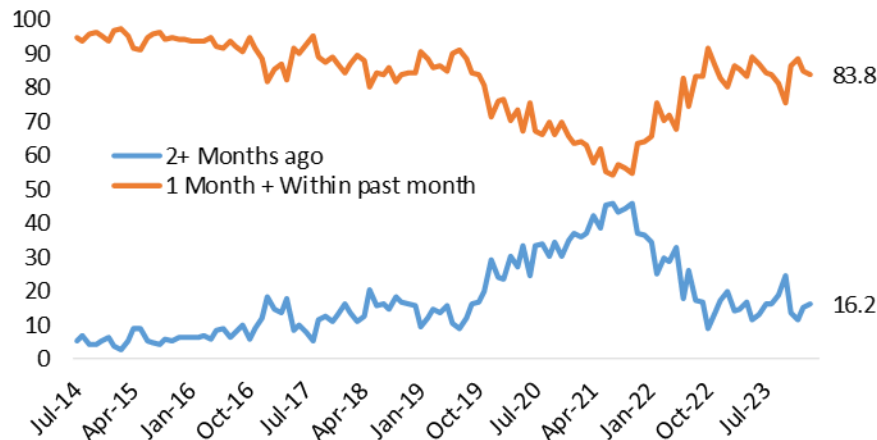
Last Mortgage Payment (% Homeowners)



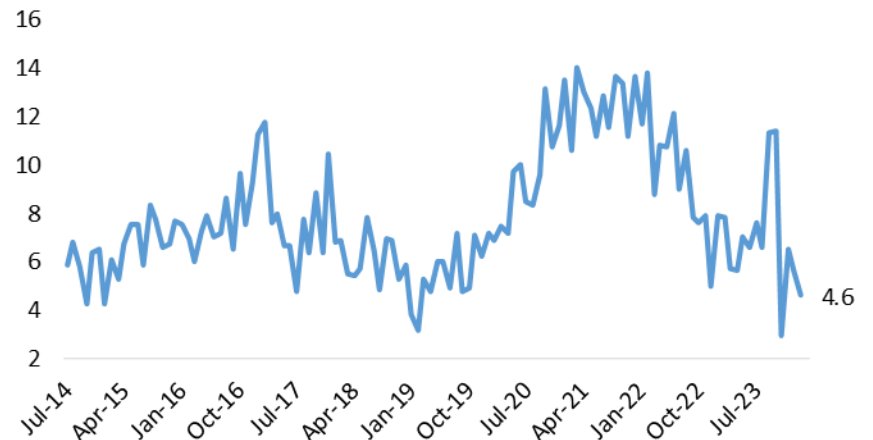
Last Time Refinanced Mortgage (% Homeowners)



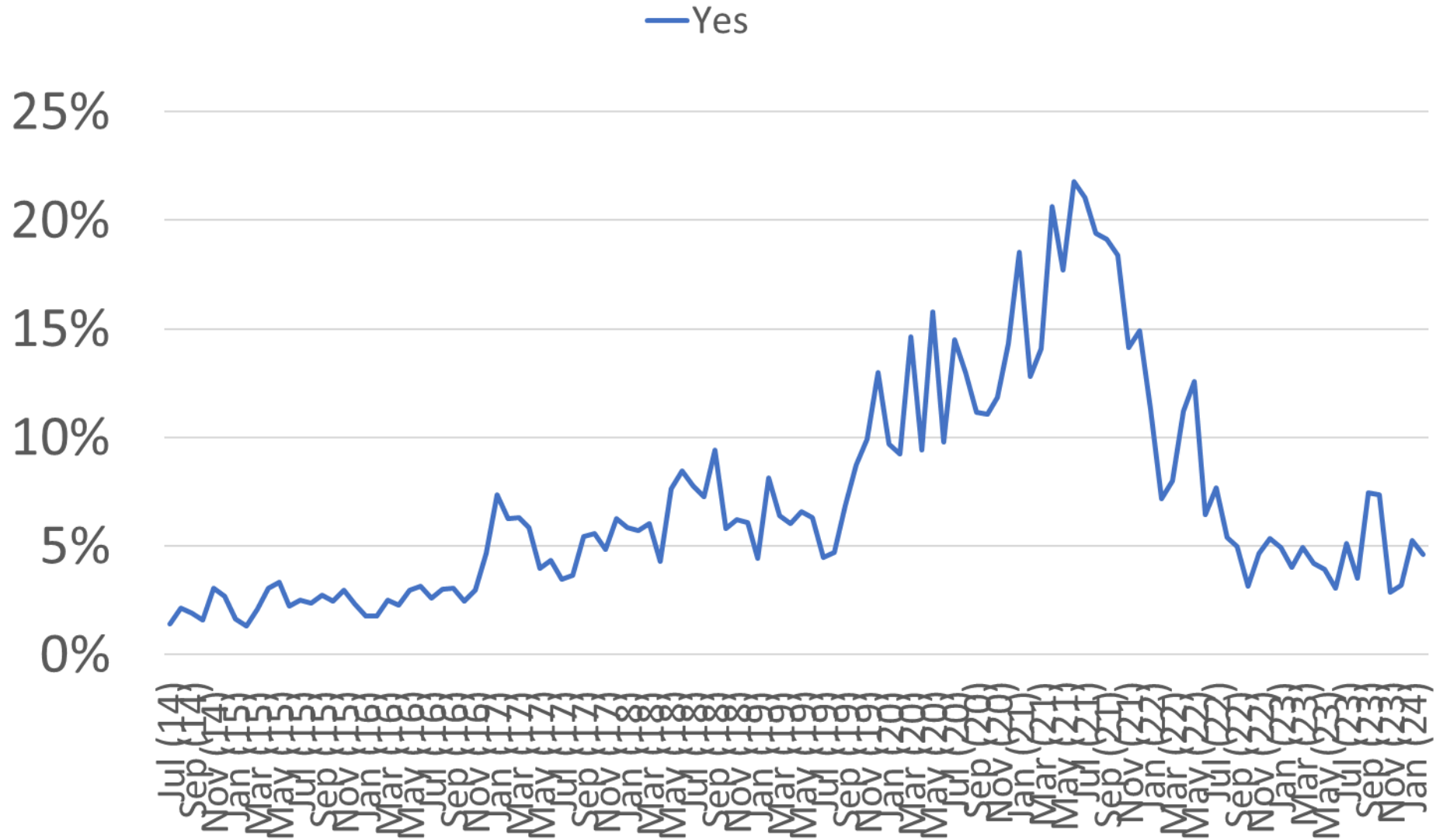
Last Mortgage Payment (% Homeowners)



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

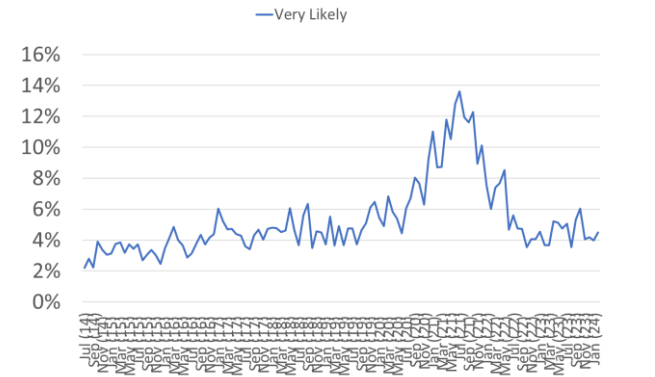
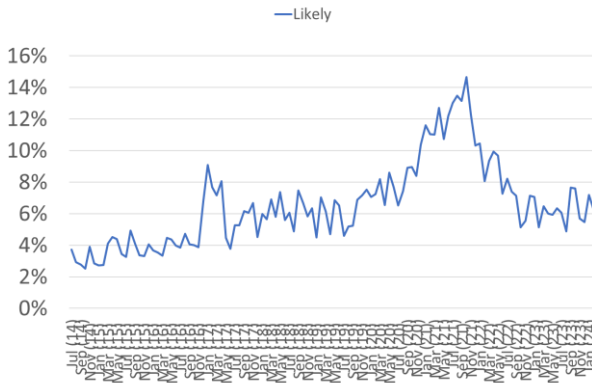
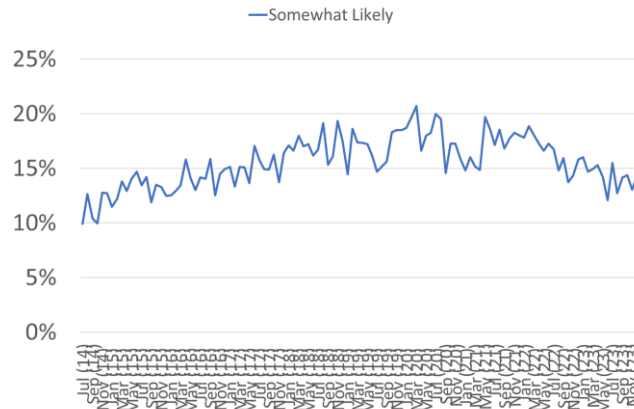
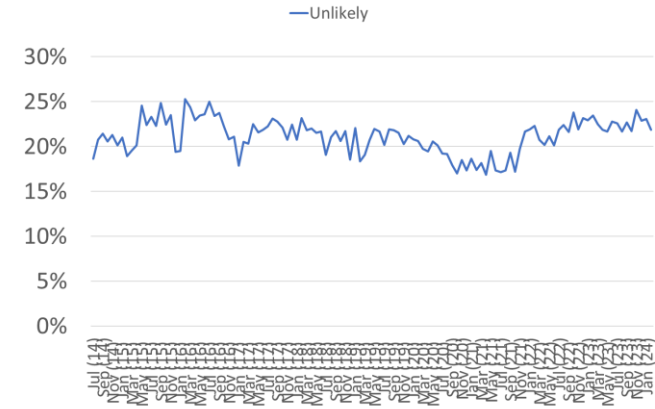
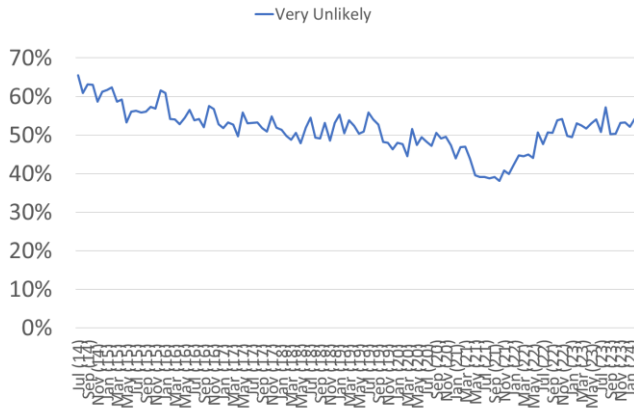


Have you applied for a building permit in the past month?



Note: Latest Datapoint is February 2024

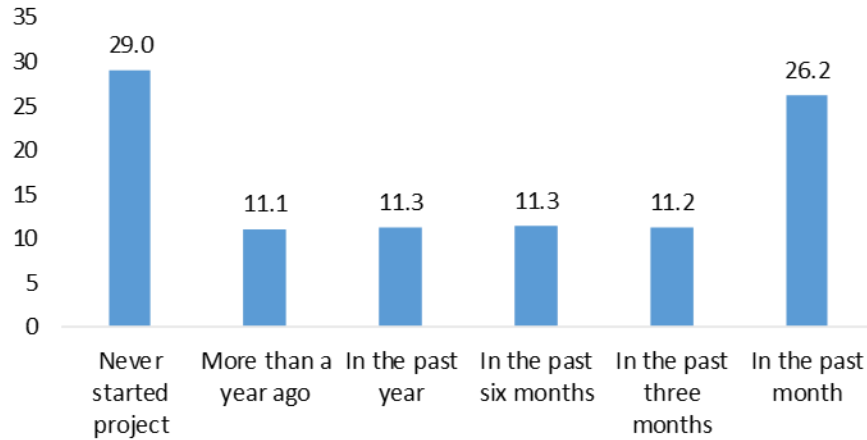
Likelihood of purchasing a house in the next year



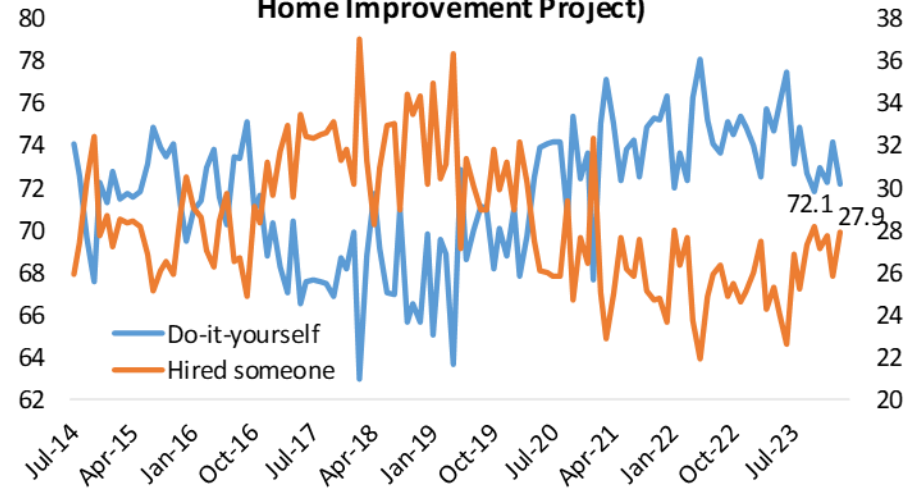
Note: Latest Datapoint is February 2024

Home Improvement

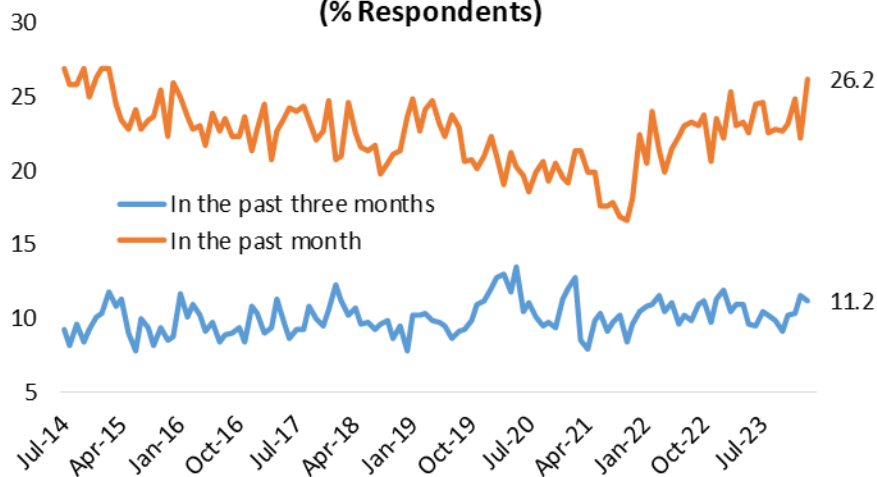
Last Time Starting A Home Improvement Project (% Respondents)



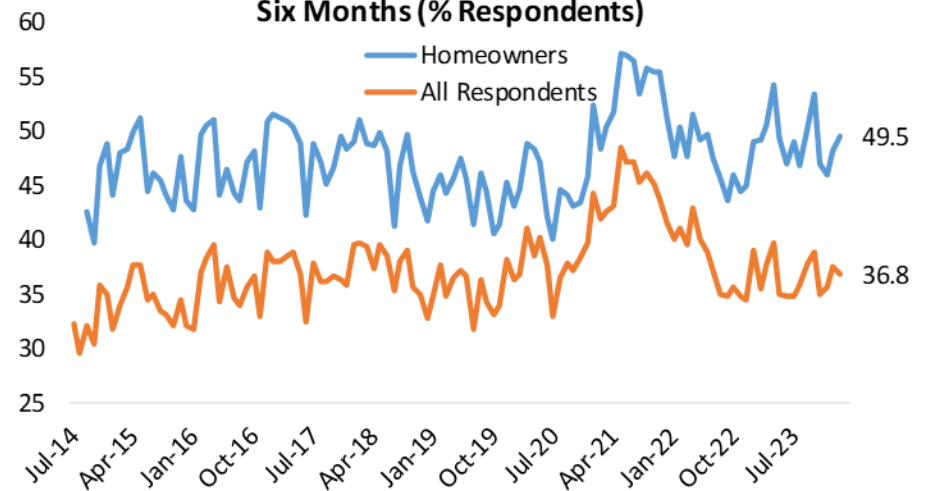
DIY vs Hired Help (% of Respondents Who Have Done Home Improvement Project)



Last Time Starting A Home Improvement Project (% Respondents)



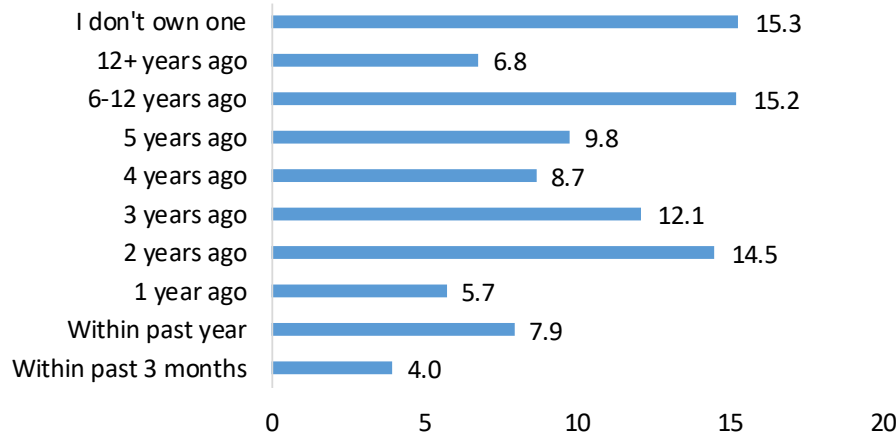
Plans To Start A Home Improvement Project In Next Six Months (% Respondents)



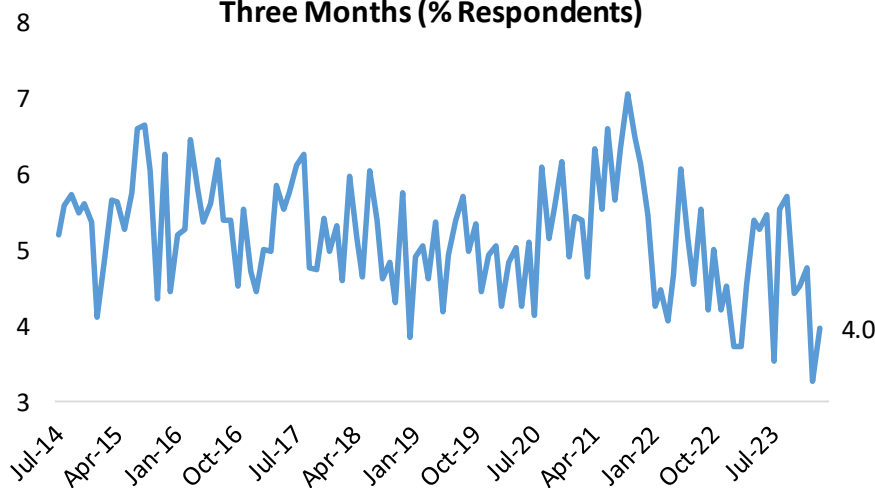
Note: Latest Datapoint is February 2024

Auto Purchases

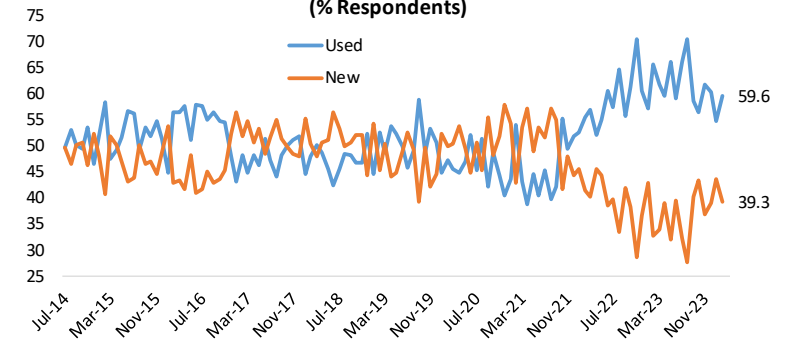
When Did You Purchase Your Primary Automobile (% Respondents)



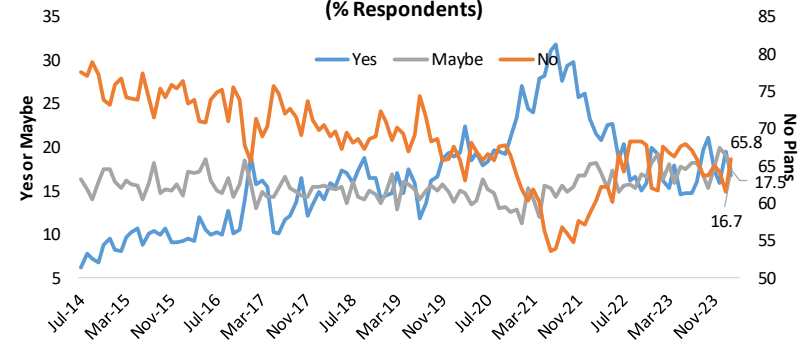
Purchased or Leased Primary Automobile In Past Three Months (% Respondents)



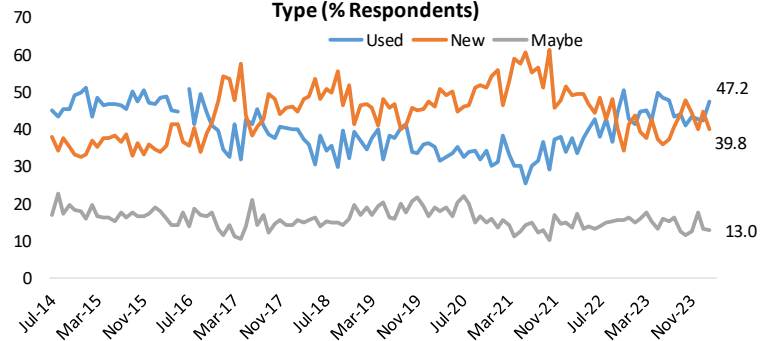
Purchased Car During Past Three Months: Used vs New (% Respondents)



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

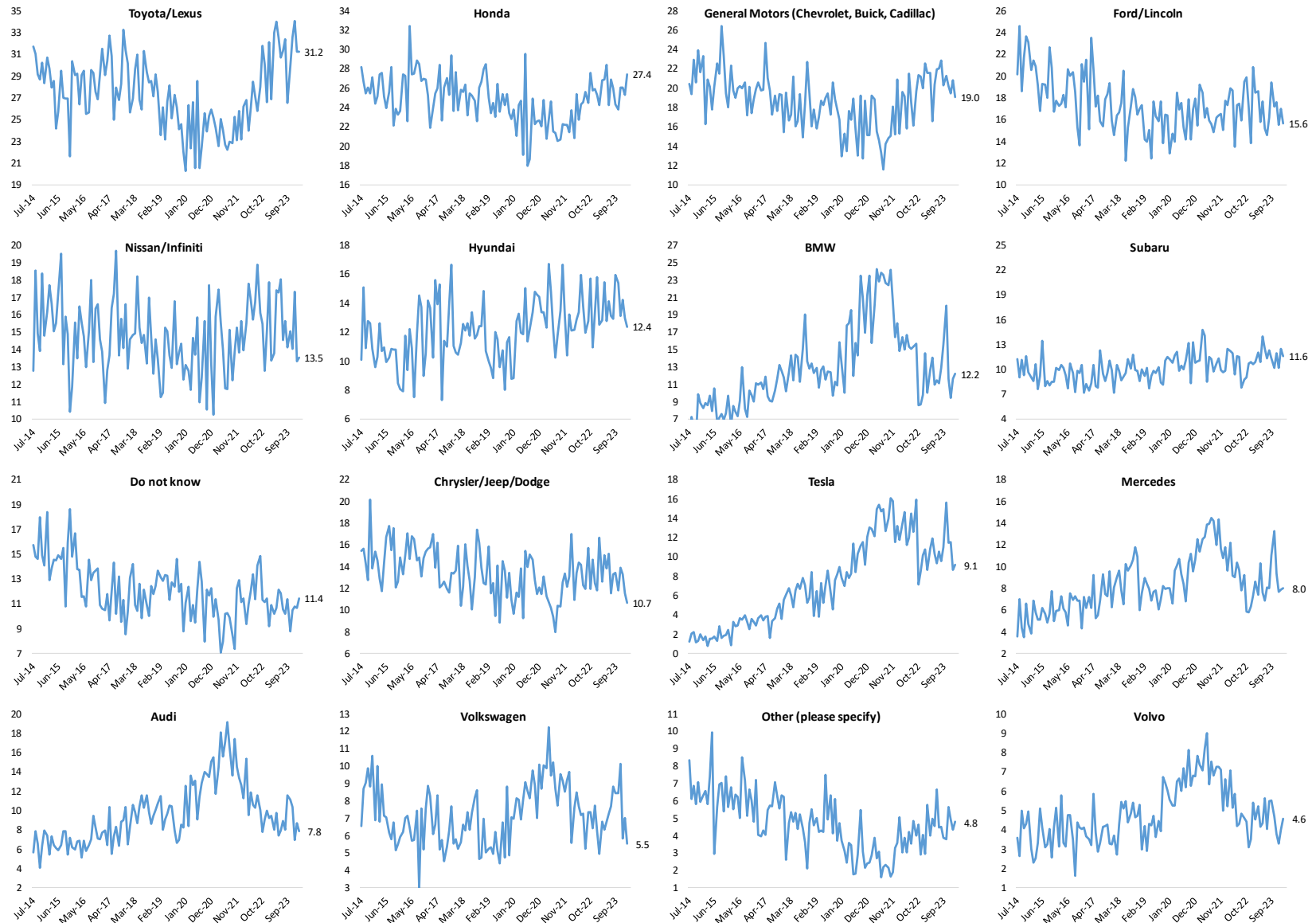


Plans To Purchase/Lease Vehicle In The Next Six Months By Sales Type (% Respondents)



Note: Latest Datapoint is February 2024

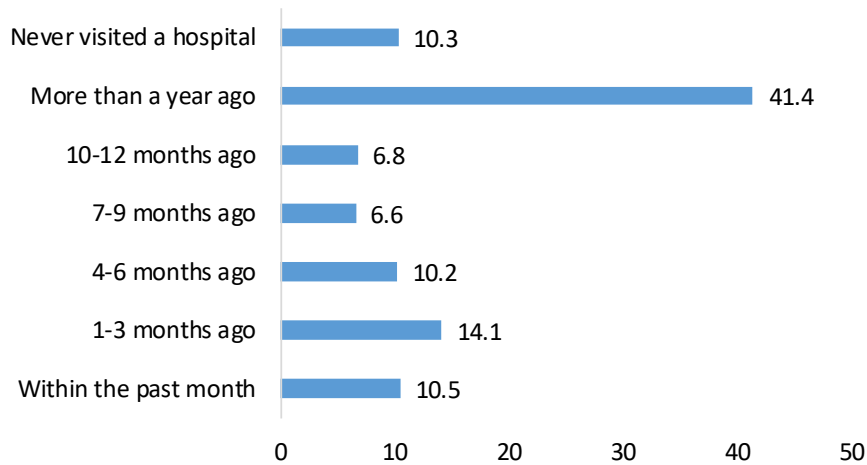
Expected Auto Purchases (Most Likely to Choose)



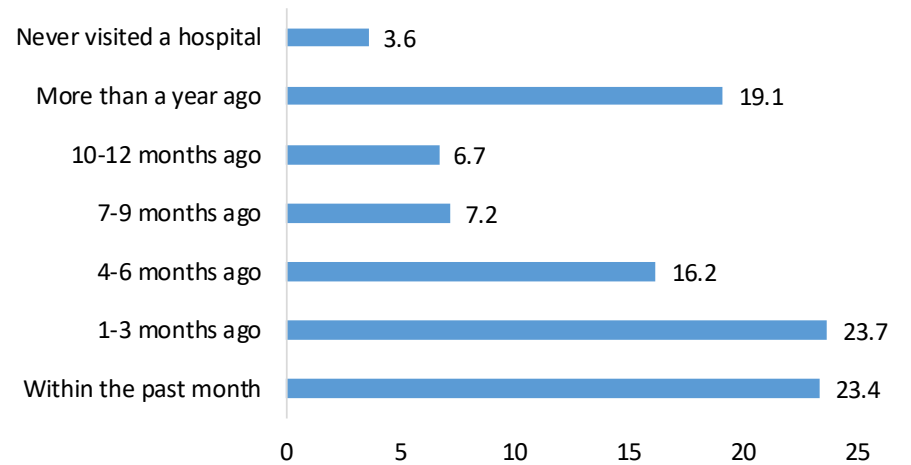
Note: Latest Datapoint is February 2024 (respondents said yes or maybe to buying a new car in the next 6 months)

Healthcare Utilization

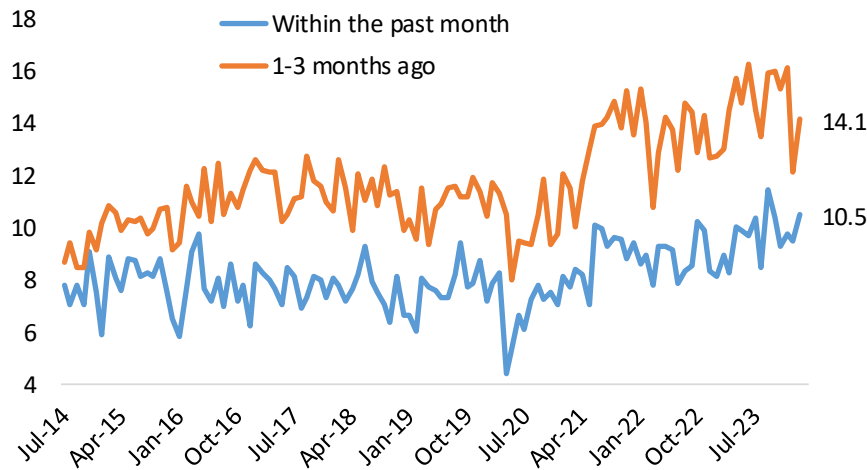
Last Hospital Visit (% Respondents)



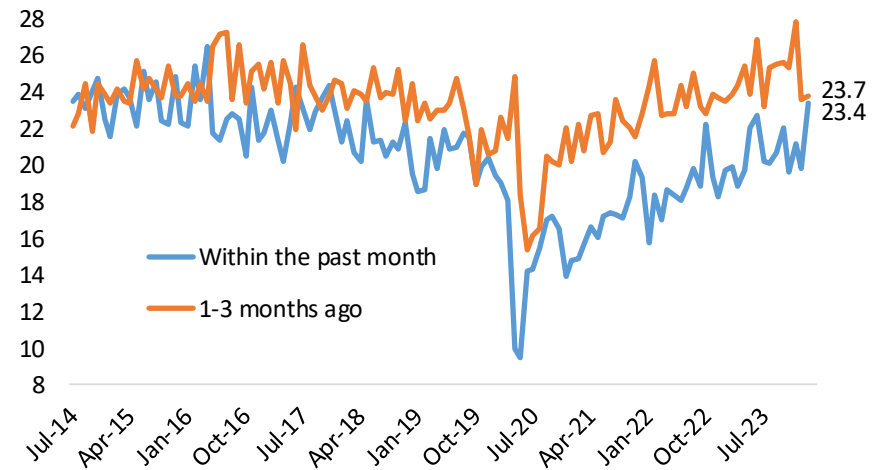
Last Doctor's Visit (% Respondents)



Last Hospital Visit (% Respondents)



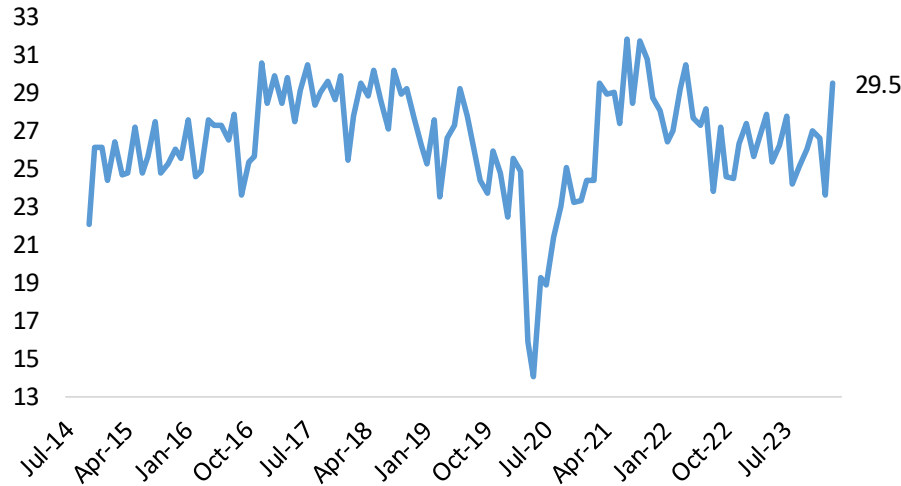
Last Doctor's Visit (% Respondents)



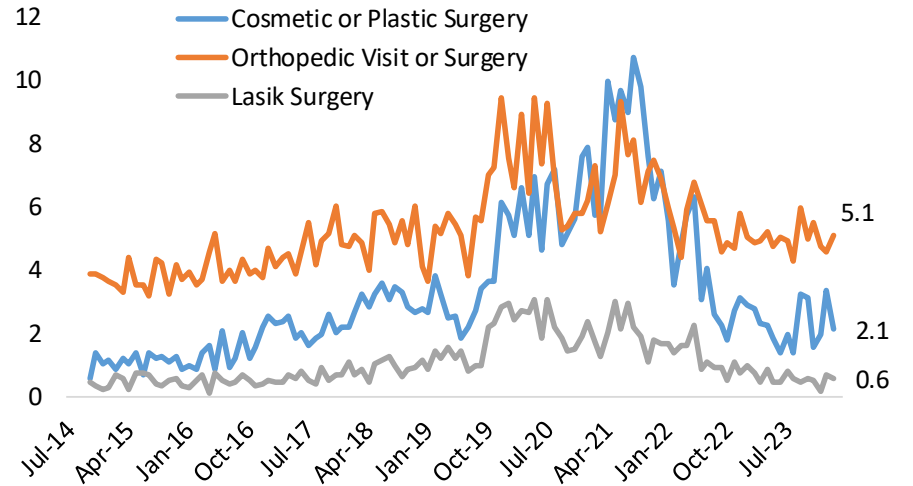
Note: Latest Datapoint is February 2024

Healthcare Procedures

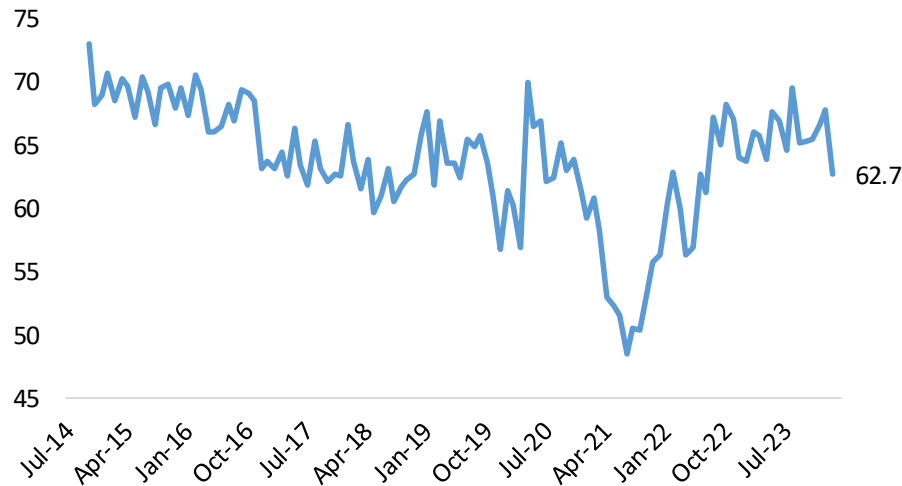
Dental Visit: Past Month (% Respondents)



Elective Surgery: Past Month (% Respondents)

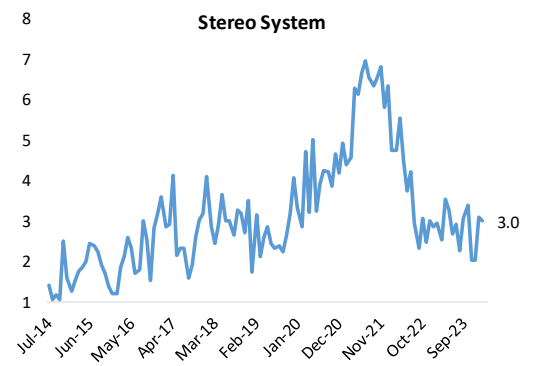
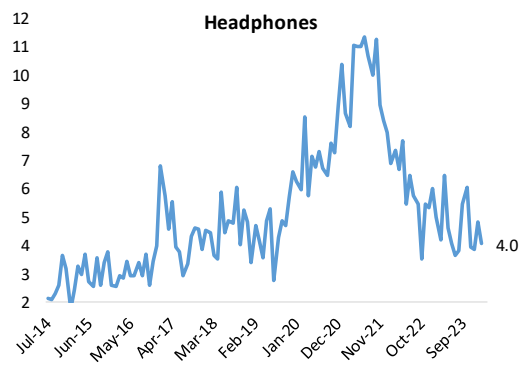
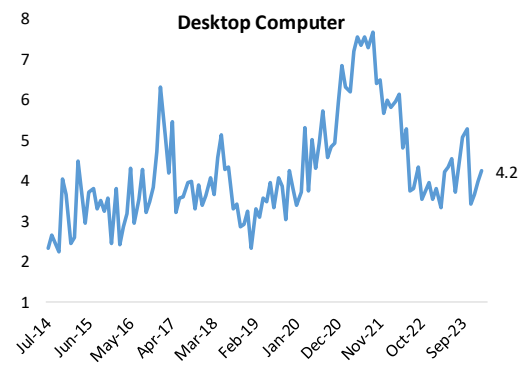
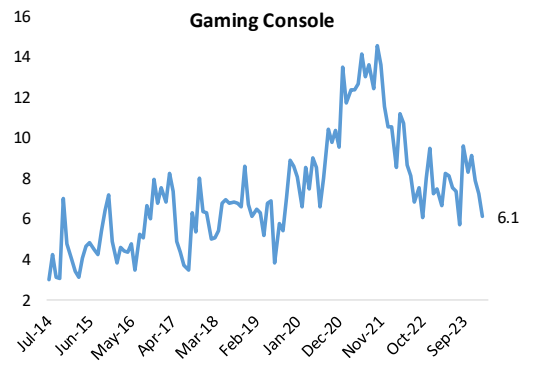
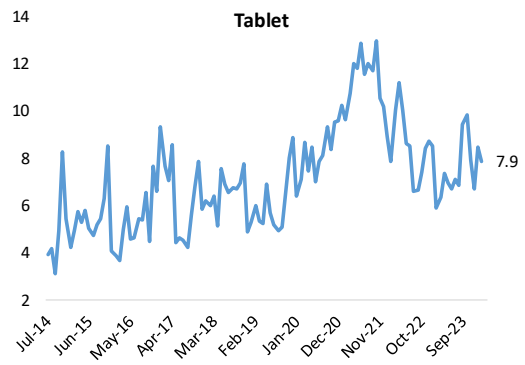
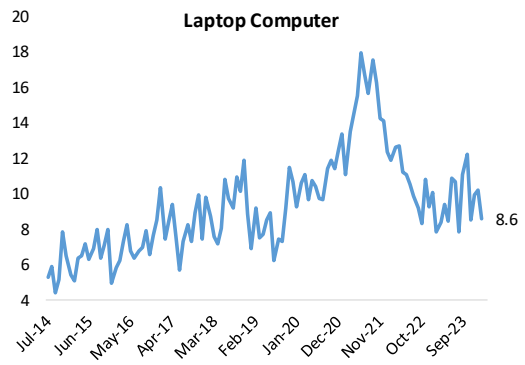
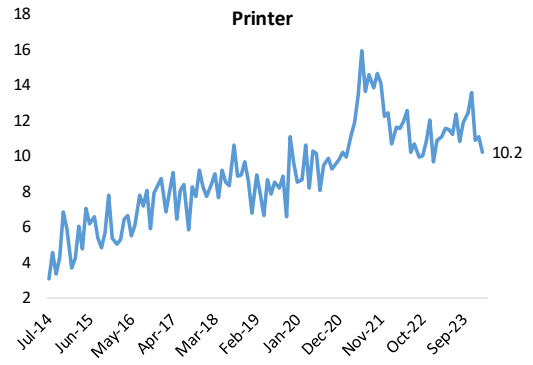
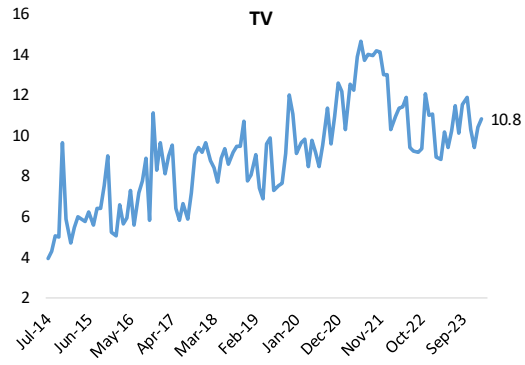
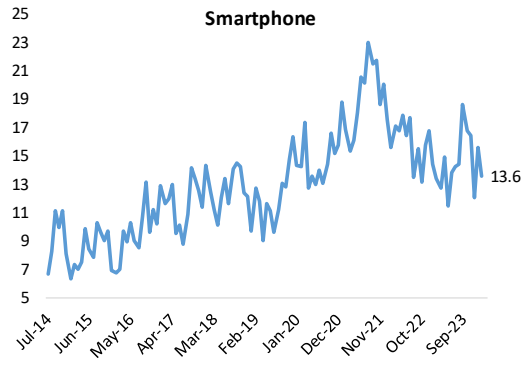


None Of The Above: Past Month (% Respondents)



Note: Latest Datapoint is February 2024

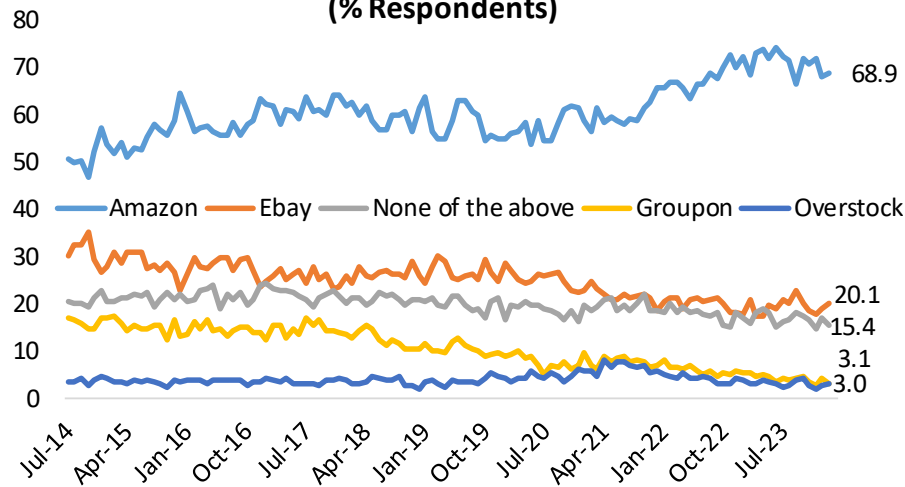
Electronics – Plans to Purchase



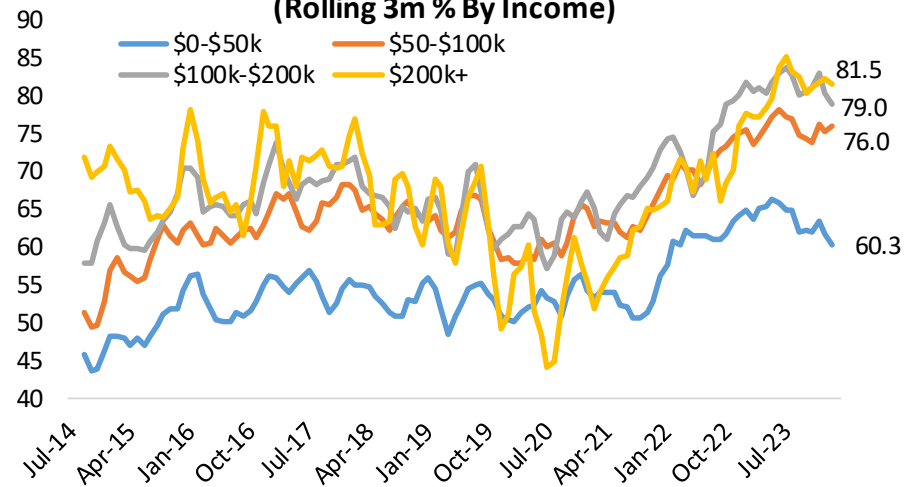
Note: Latest Datapoint is February 2024

eCommerce

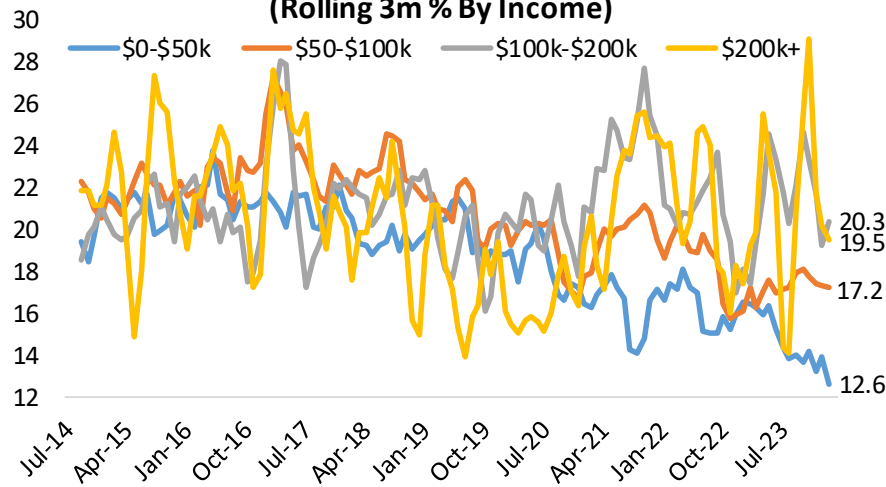
Have Purchased Items During Past Month
(% Respondents)



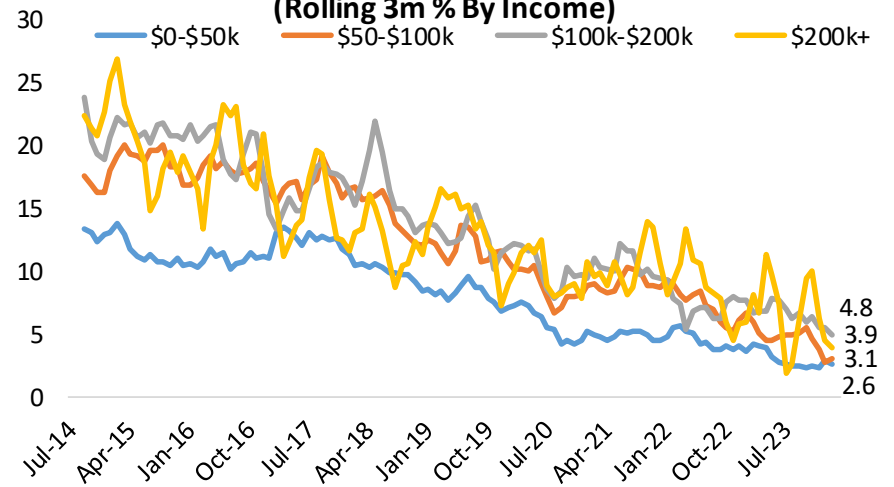
Purchased From Amazon In Past Month
(Rolling 3m % By Income)



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



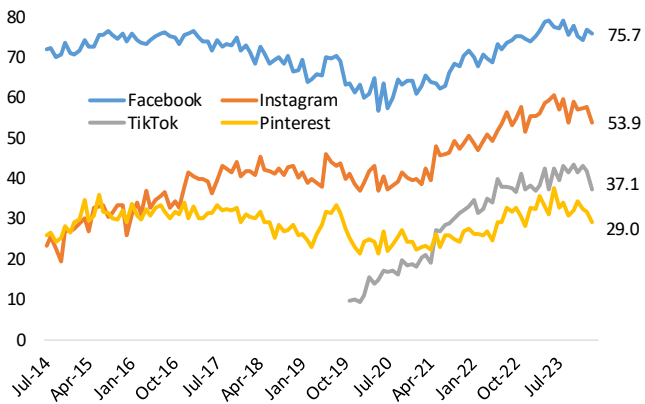
Purchased From Groupon In Past Month
(Rolling 3m % By Income)



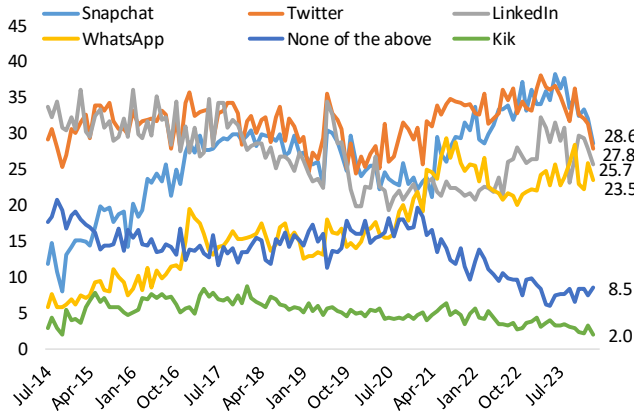
Note: Latest Datapoint is February 2024

Social Media

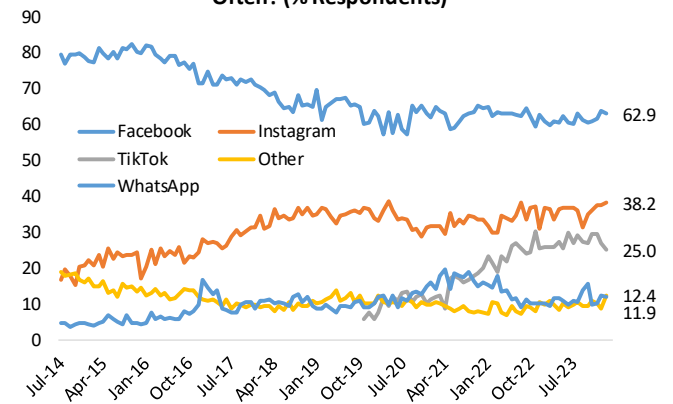
Social Media: Has Account, Majors (% Respondents)



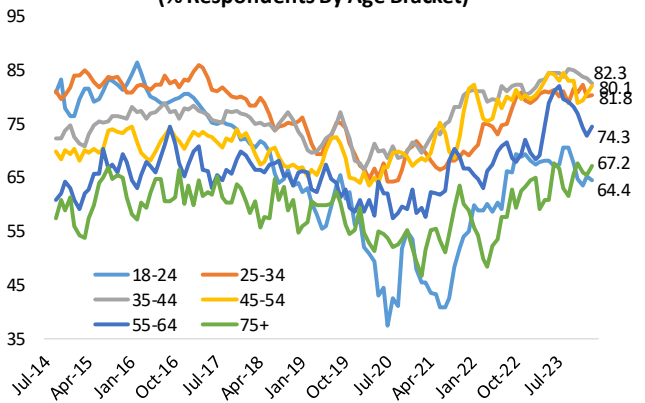
Social Media: Has Account, Minors (% Respondents)



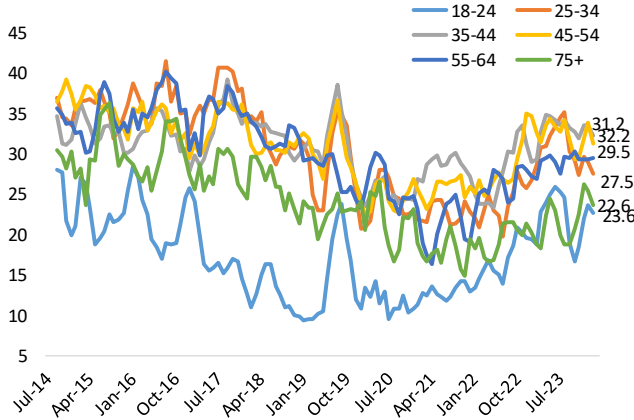
Social Media Websites: Which Two Do You Use Most Often? (% Respondents)



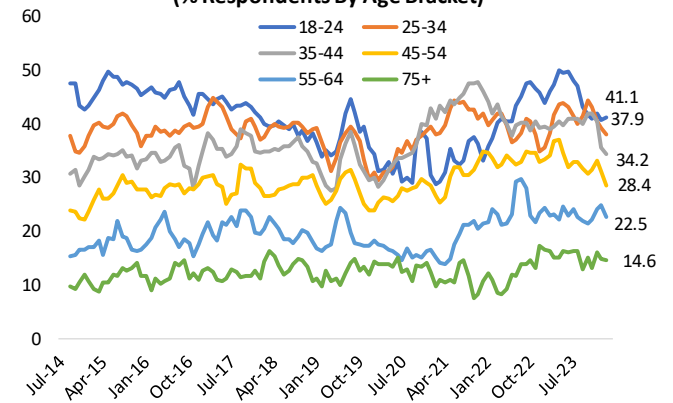
Has Facebook Account (% Respondents By Age Bracket)



Has LinkedIn Account (% Respondents By Age Bracket)



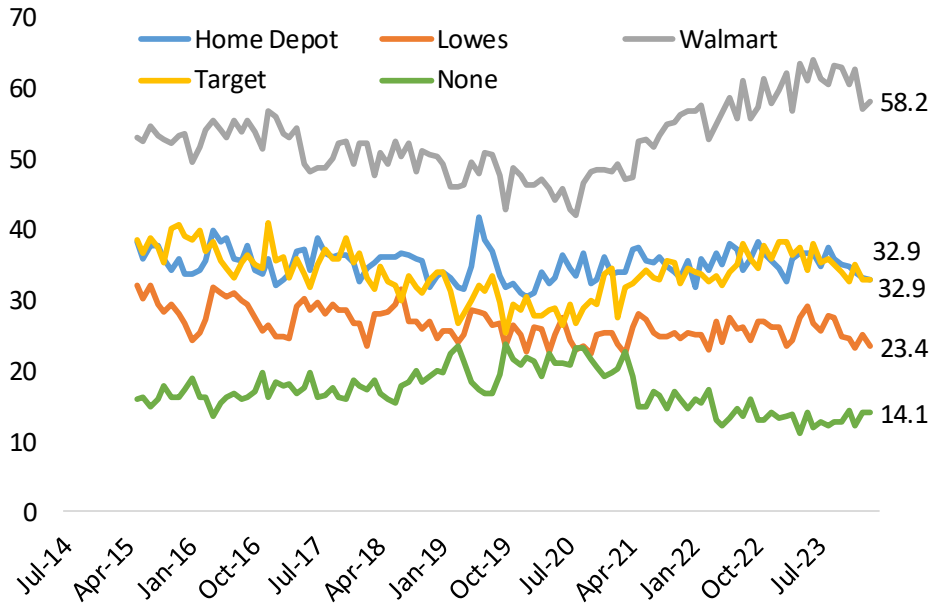
Has Twitter Account (% Respondents By Age Bracket)



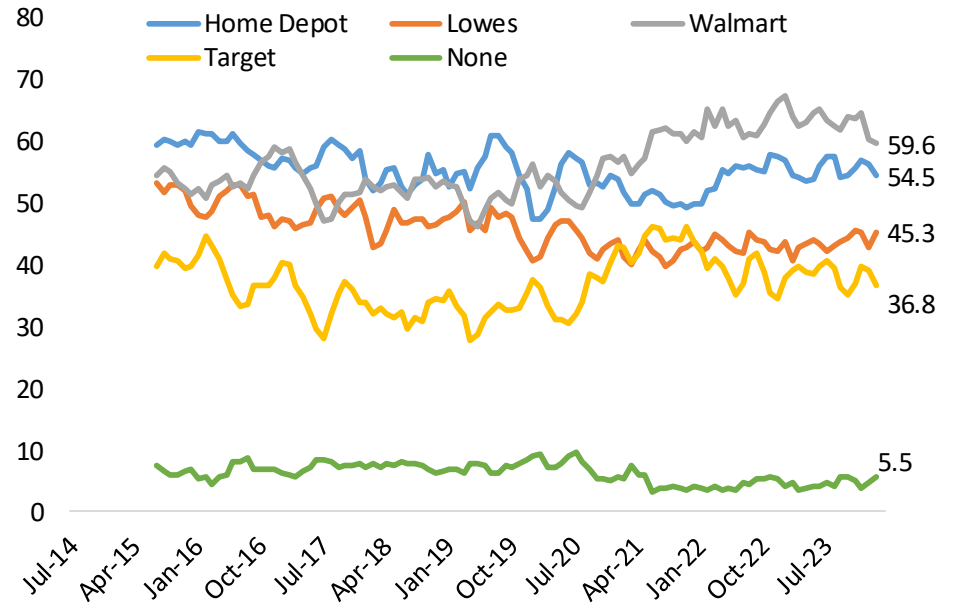
Note: Latest Datapoint is February 2024

Home Improvement Retail

Have Purchased Items During Past Month
(% Respondents)



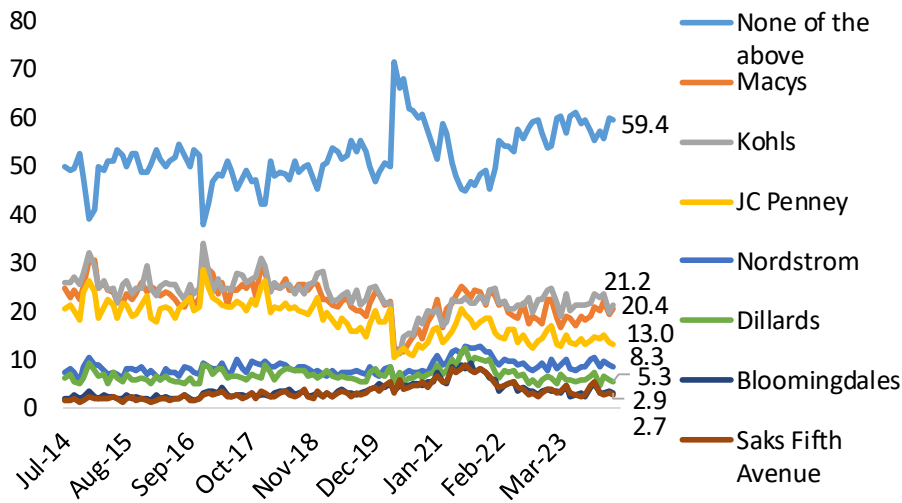
Have Purchased Items During Past Month (Rolling 3 Month % of Home Improvement Project Doers)



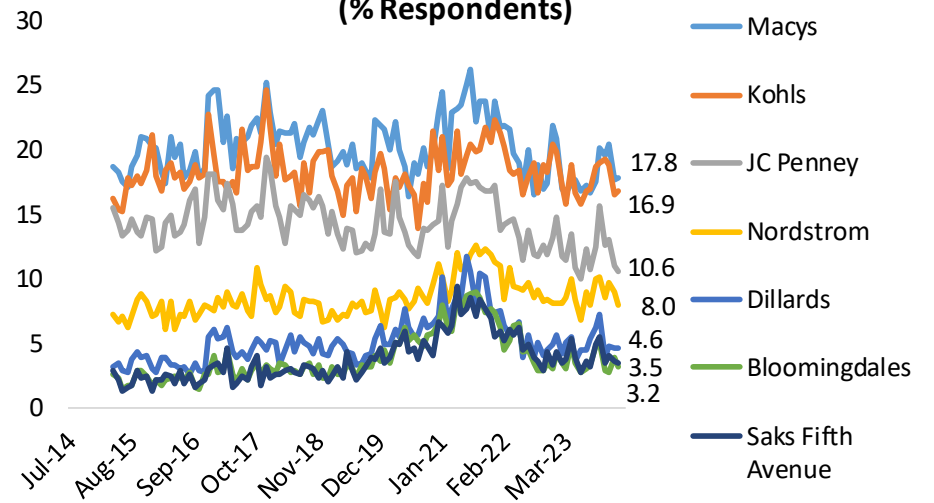
Note: Latest Datapoint is February 2024

Department Stores

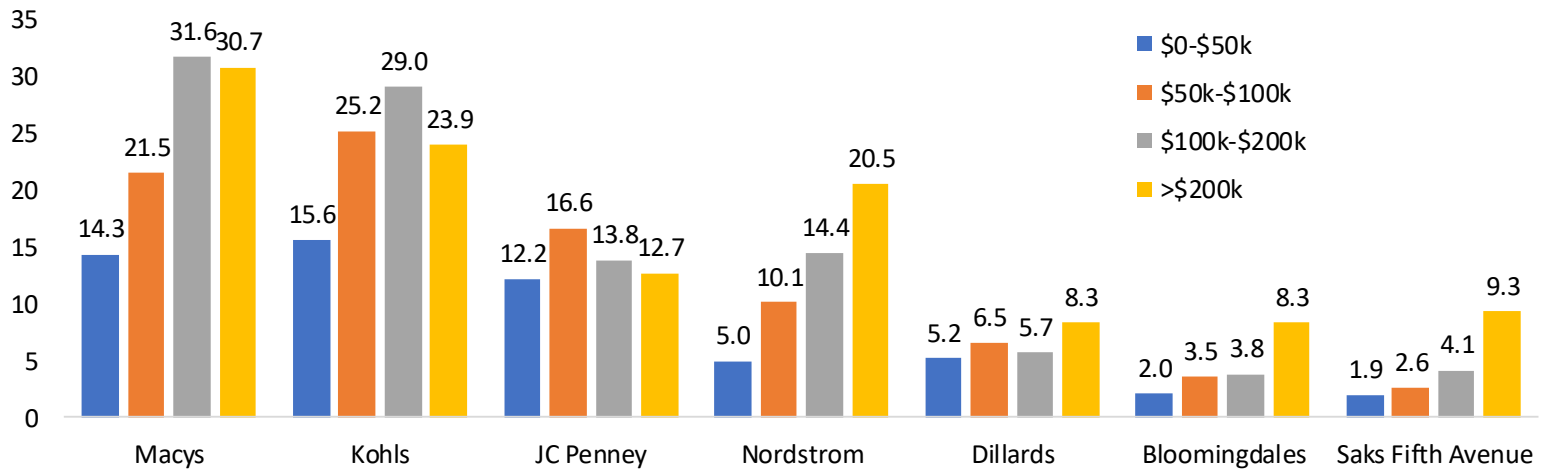
Department Store Visits: Past Month (% Respondents)



Department Store Website Visits: Past Month (% Respondents)

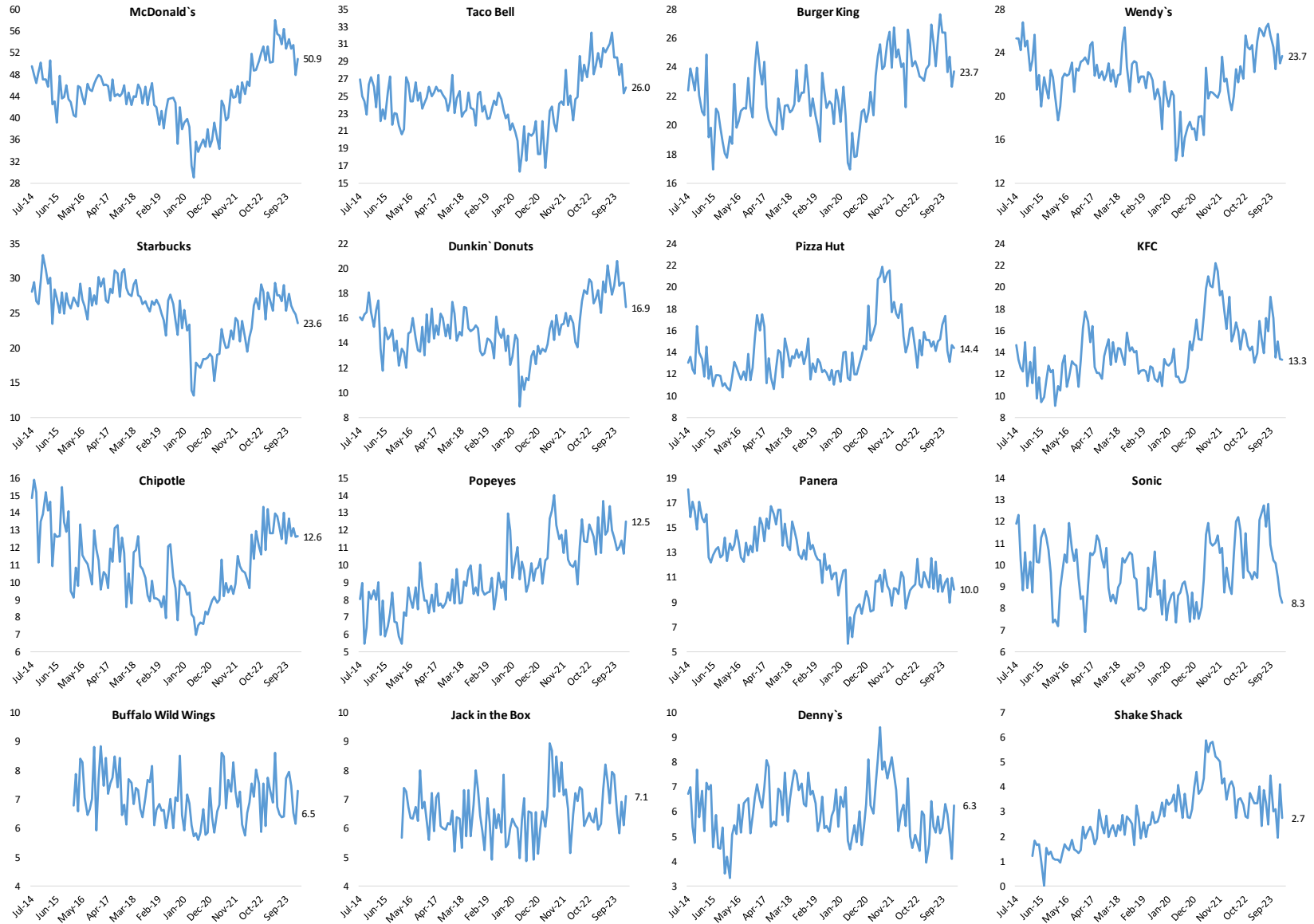


Department Store Visits This Month (3 Month Rolling % Respondents By Income)



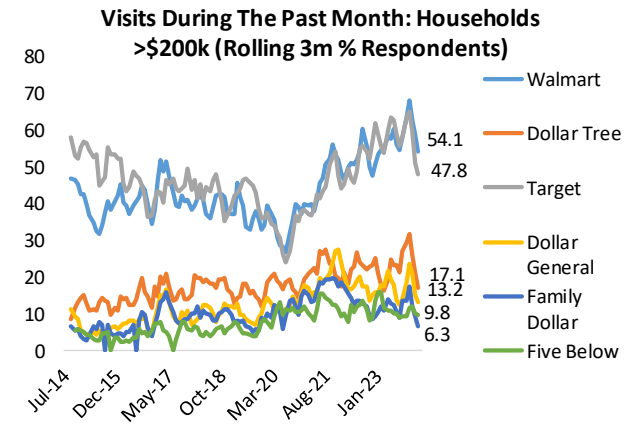
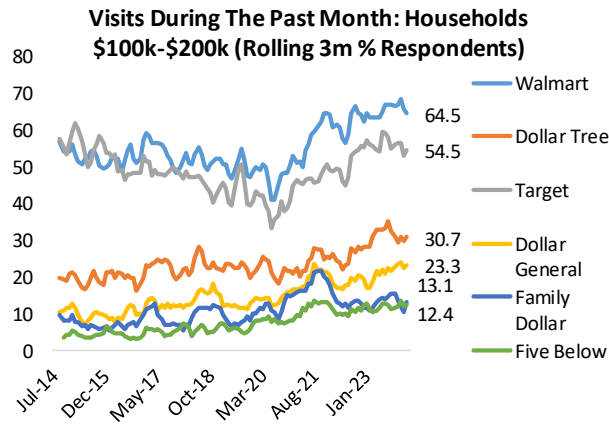
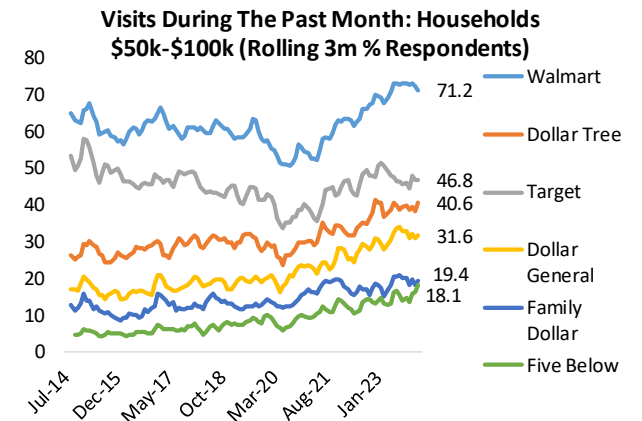
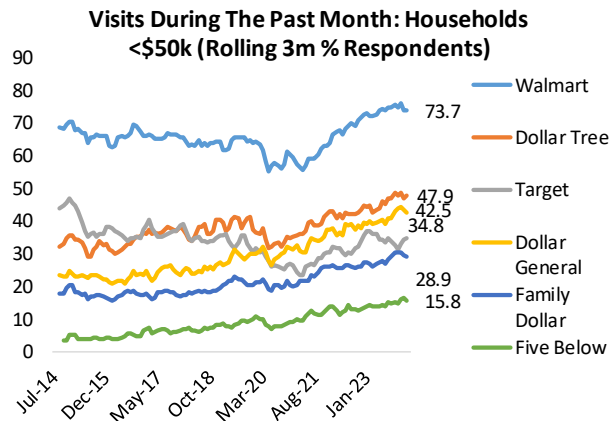
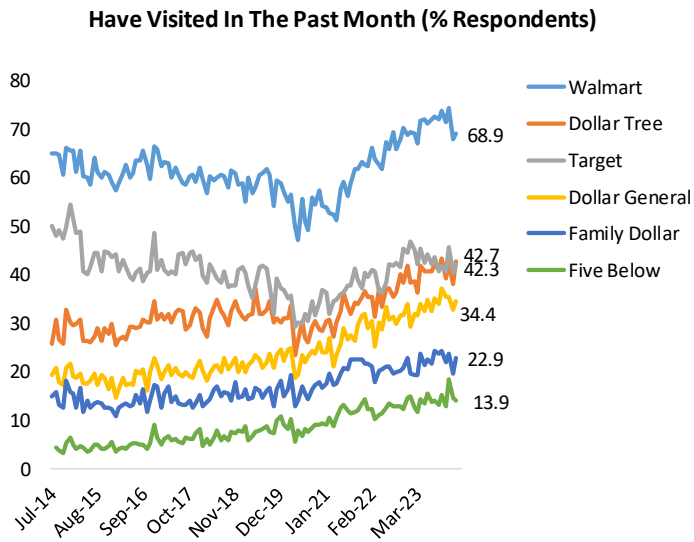
Note: Latest Datapoint is February 2024

Restaurants – Visited in Past Month



Note: Latest Datapoint is February 2024

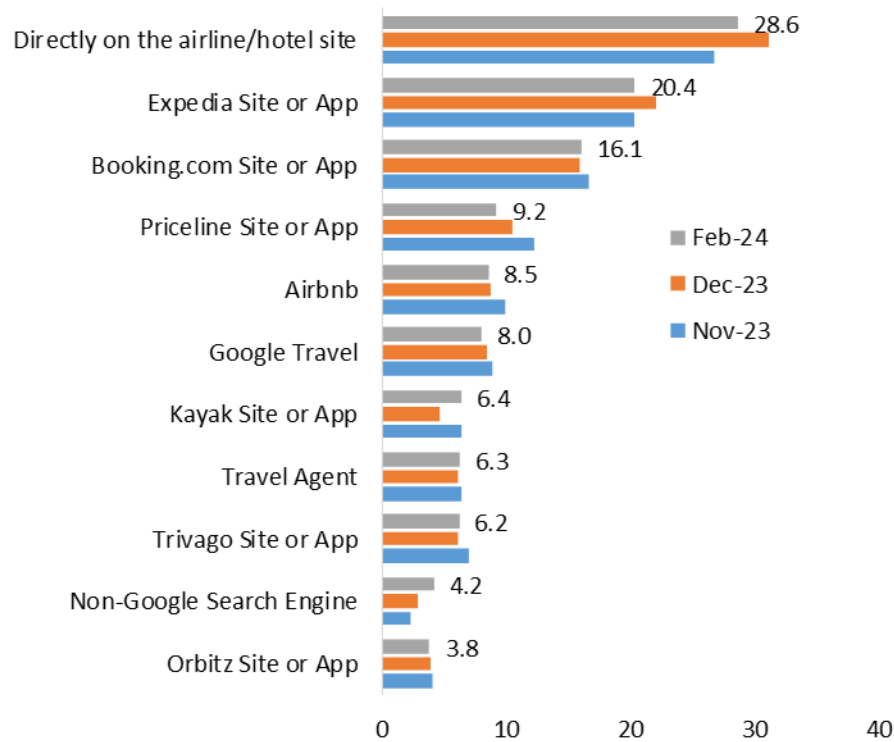
Big Box Retail



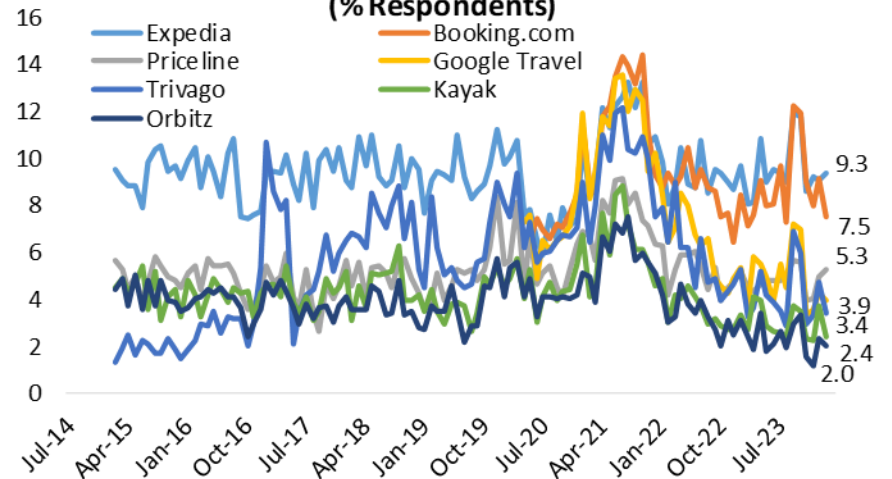
Note: Latest Datapoint is February 2024

OTAs

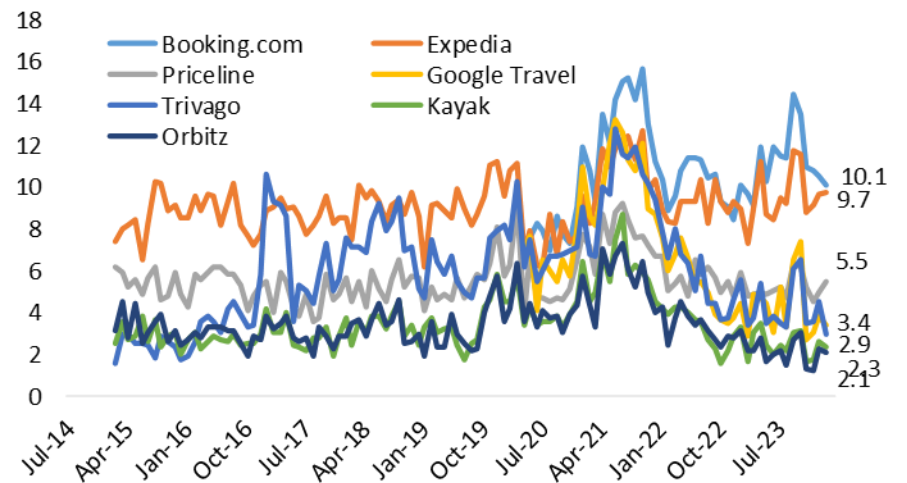
If You Were Looking To Book Travel Today, Where Would You Start Your Search? (% Respondents)



Booked A Flight In Past Three Months (% Respondents)



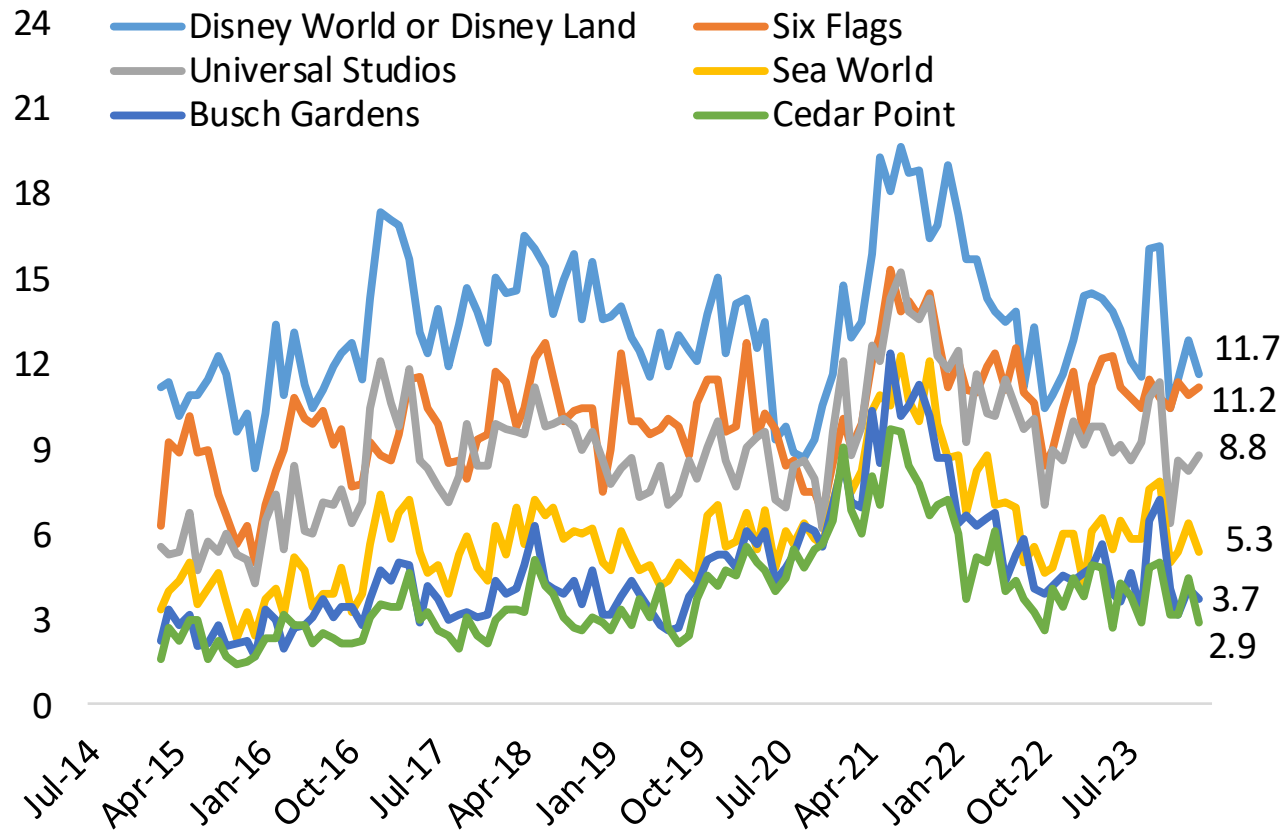
Booked Hotel In Past Three Months (% Respondents)



Note: Latest Datapoint is February 2024

Theme Parks

**Plans To Visit Theme Parks: Next Six Months
(% Respondents)**

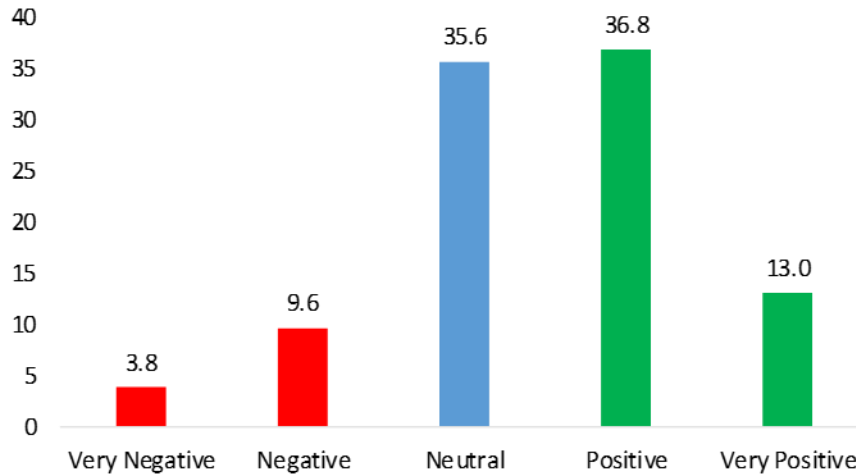


Note: Latest Datapoint is February 2024

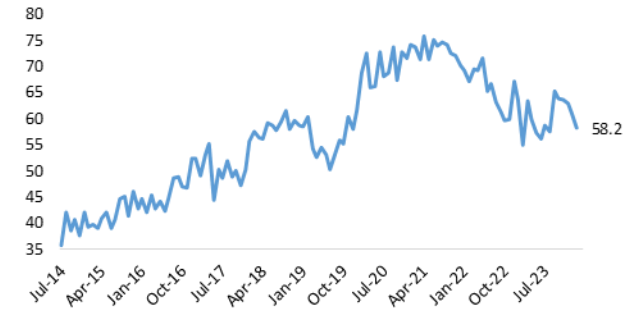
Investors

Investor Stock Market View

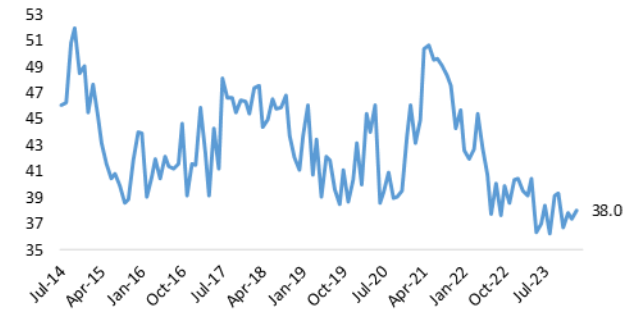
Current View of Stock Market (%)



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

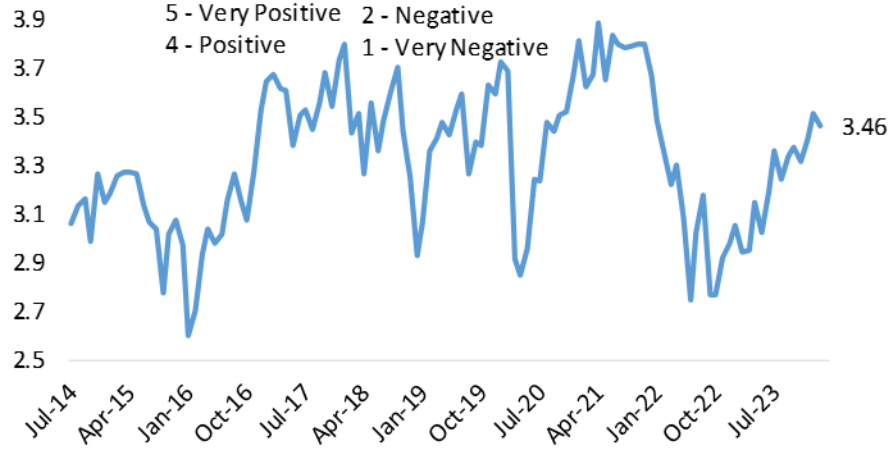


Invest In Stocks, Bonds, Commodities, Real Estate, or Other Financial Product? (% Respondents)

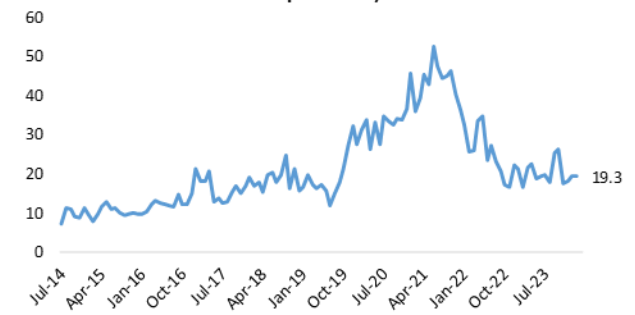


Current View of the Stock Market (Tracker)

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



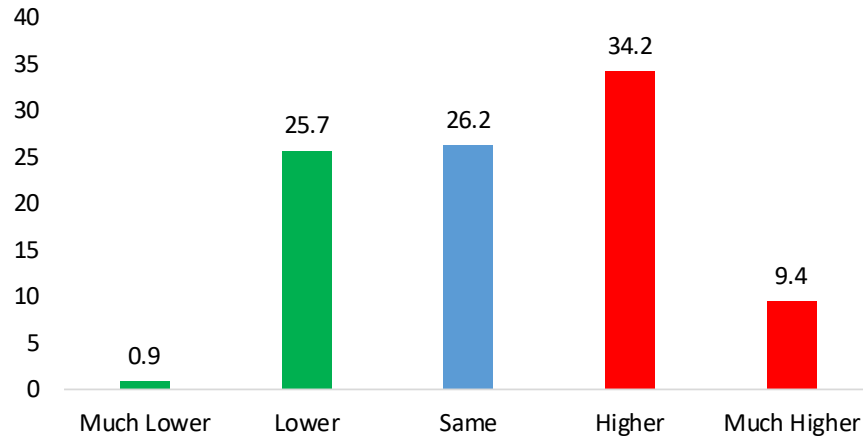
Do You Currently Have Any Investments In Gold (% Respondents)



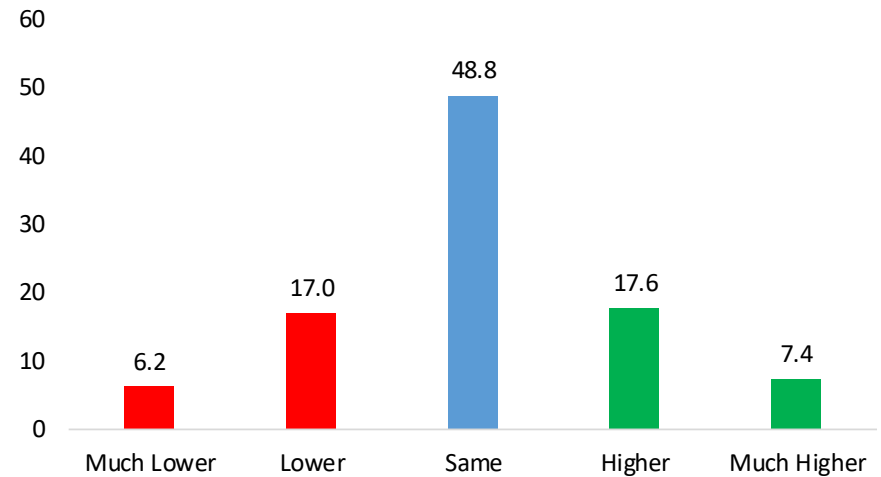
Note: Latest Datapoint is February 2024

Investors: Interest Rates and Risk

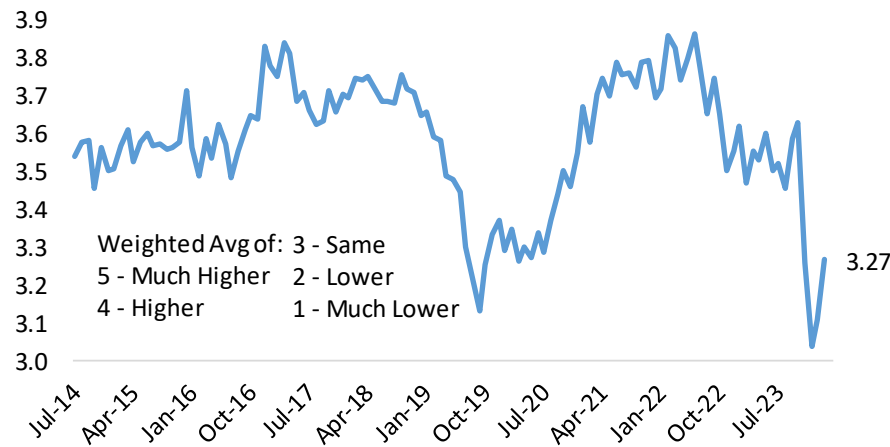
Expectations For Interest Rates One Year From Now (%)



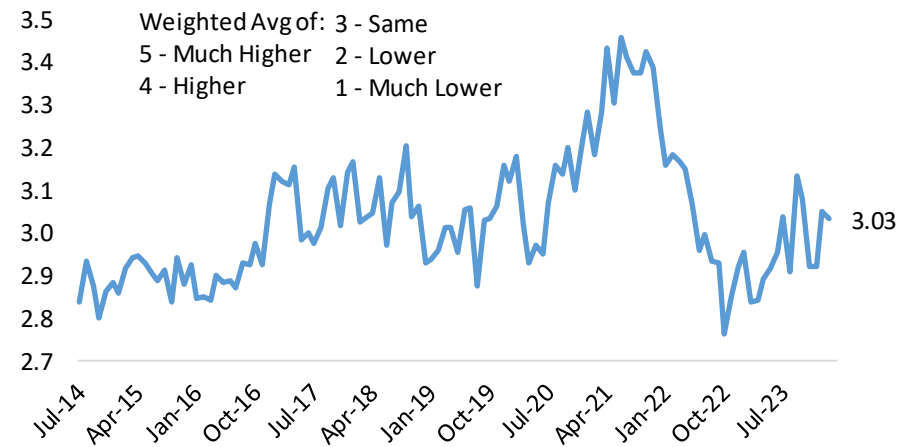
General Risk Tolerance Versus One Year Ago (%)



Expectations for Interest Rates One Year From Now (Tracker)

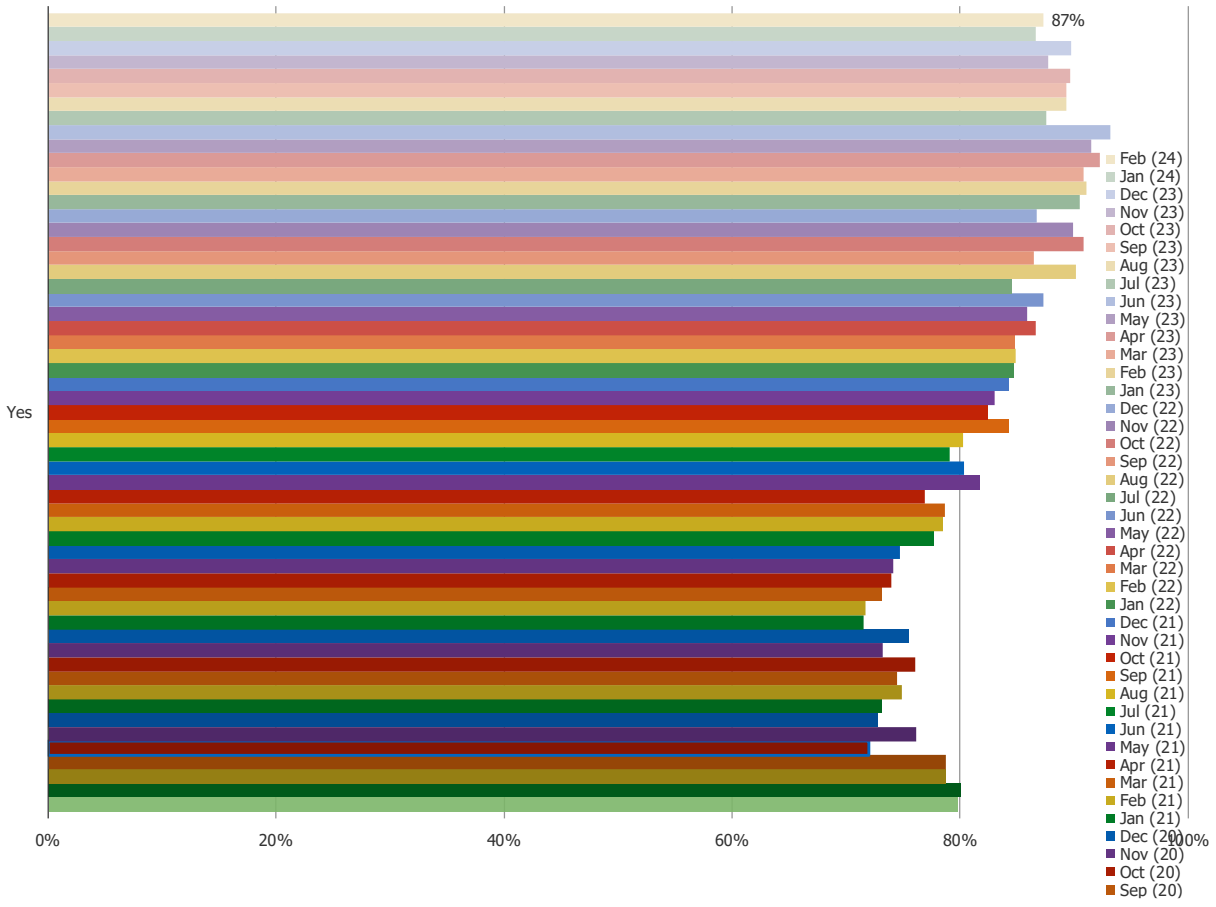


General Risk Tolerance Versus One Year Ago (Tracker)



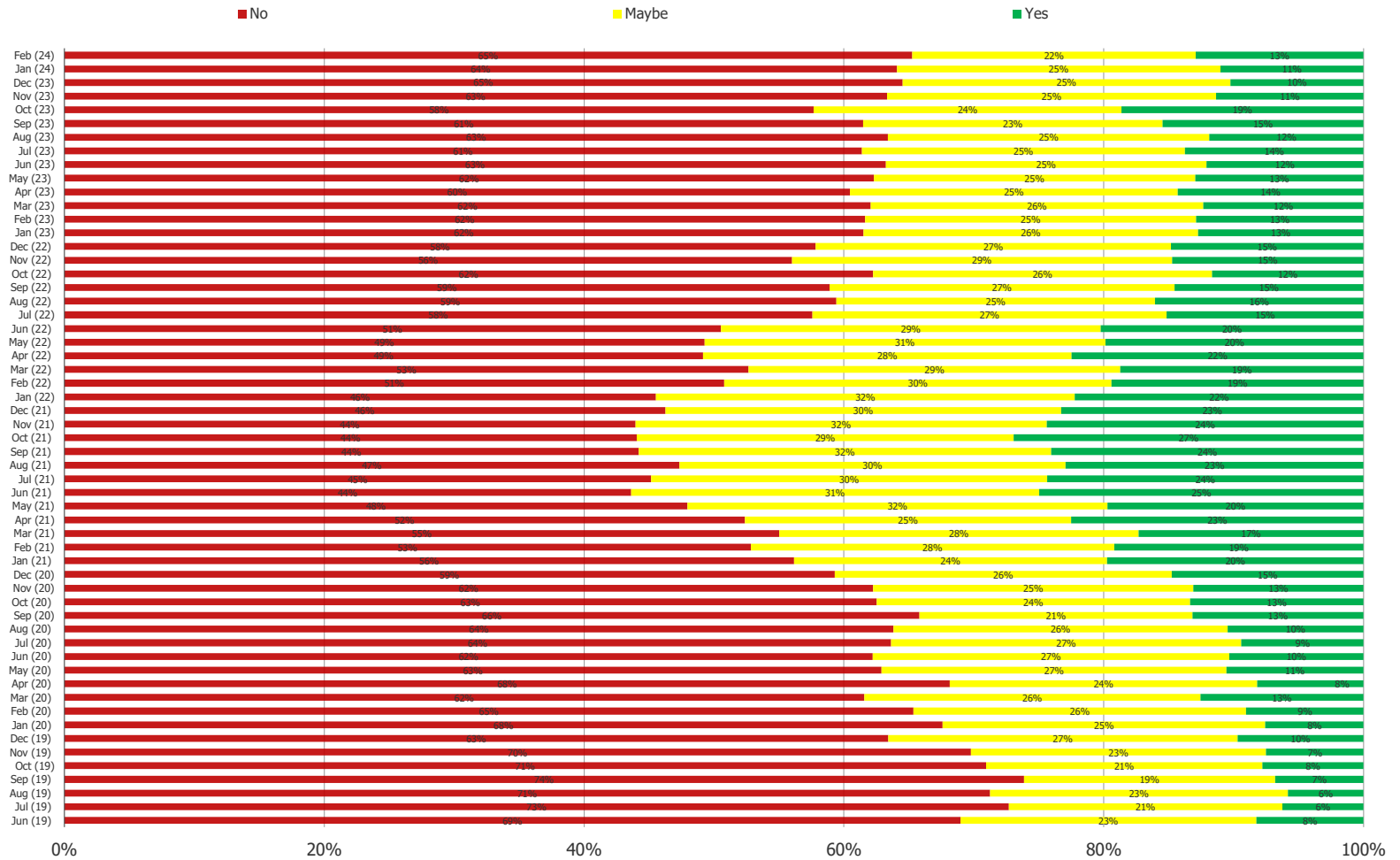
Bitcoin

Percentage of Consumers Aware of Bitcoin

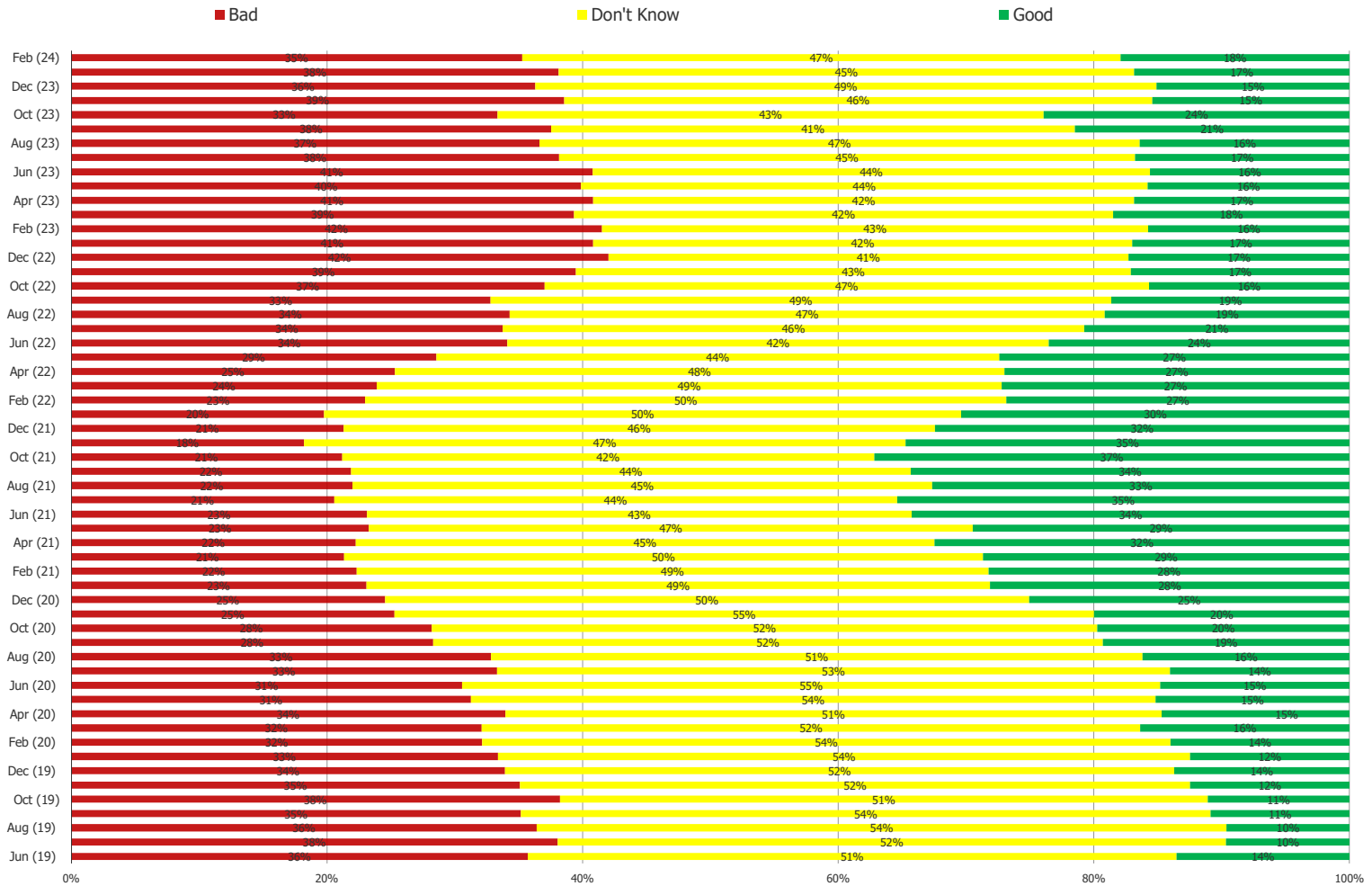


Note: Latest Datapoint is February 2024

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



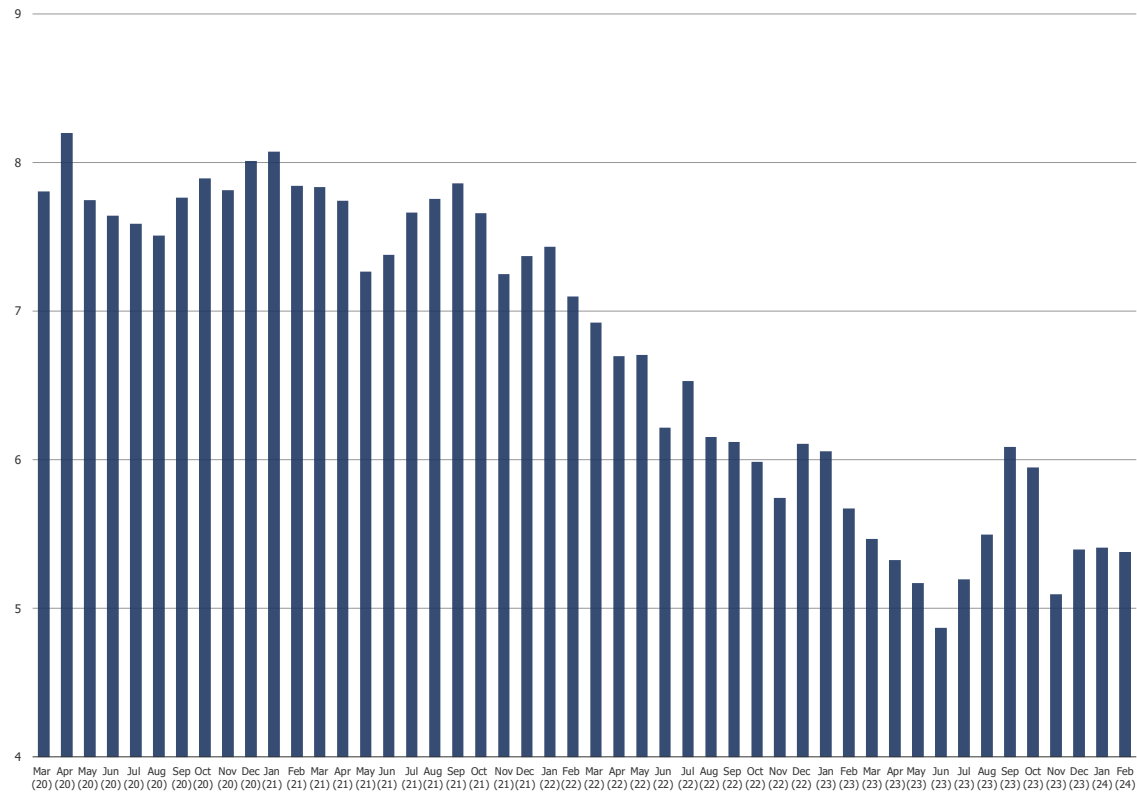
Among those aware of Bitcoin: Do you think Bitcoin would be a good or bad investment right now?



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 February 2024