

Economics Group

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Consumer Confidence Slips in October

Consumer confidence fell less than half a point to 100.9 in October from a downwardly revised level of 101.3 the month prior. Rising case counts and lost momentum in the labor market could be headwinds in months ahead.

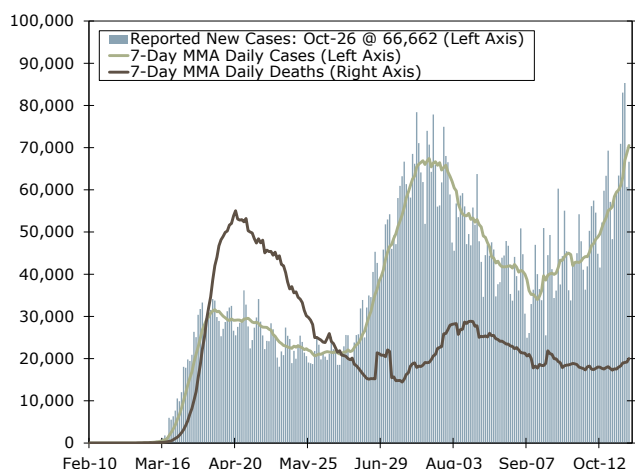
Learning to Live With COVID?

- While COVID was the catalyst for the collapse in confidence earlier this year, it is not clear that it remains the key driver in shaping consumer confidence now. Despite a new wave of infections that lifted case counts to a record high in October, consumer confidence was largely unfazed falling less than half a point to 100.9. Although, the survey window closed on October 16, and the spike in cases occurred in the 2nd half of the month.

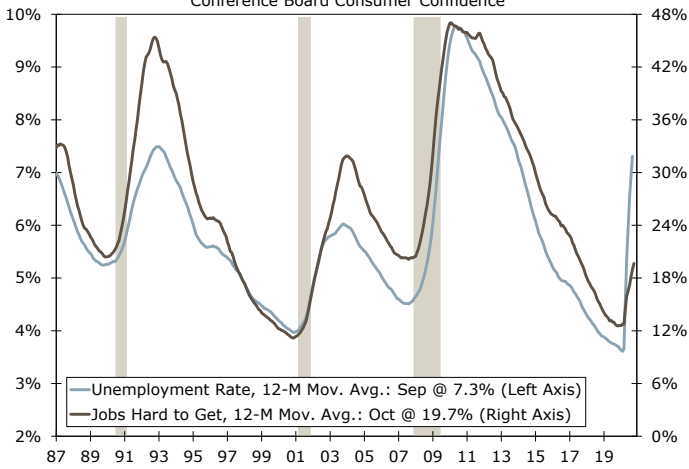
Jobs May Be a Bigger Factor

- The share of those describing jobs as “hard to get” edged slightly lower to 19.9 from 20.3, though the jobless rate remains high. After a sharp rebound initially, the recent loss of momentum in the labor market prevents a more robust confidence surge.
- Signs of life were evident in those who saw jobs as “plentiful” rising to 26.5 from 23.6 the month prior. The series is now at a post-COVID high after the largest monthly jump in four months.

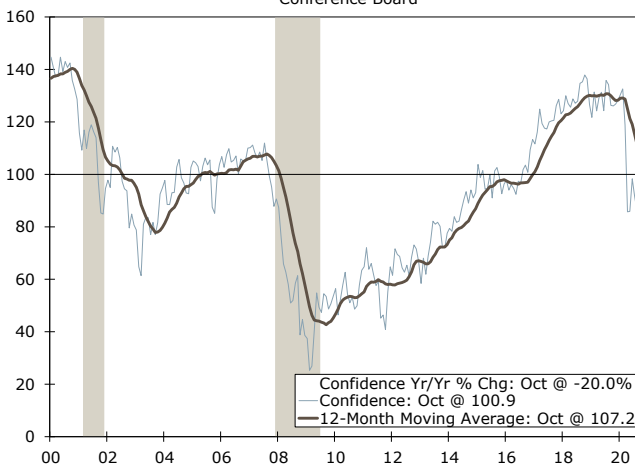
United States COVID-19 Cases & Deaths



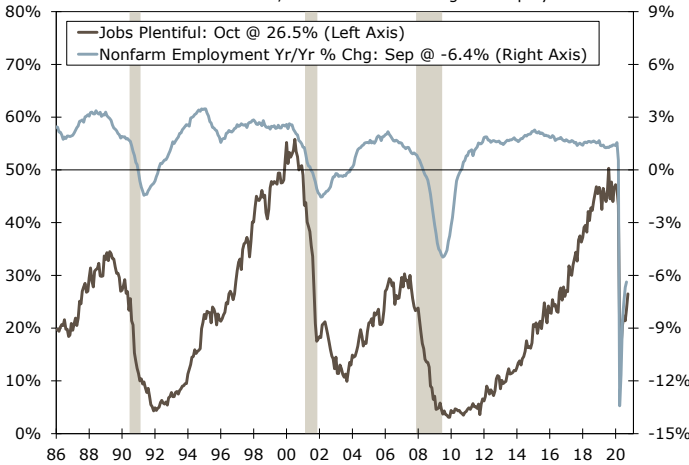
"Jobs Hard to Get" vs. Unemployment Rate
 Conference Board Consumer Confidence



Consumer Confidence Index
 Conference Board



Jobs Plentiful vs. Nonfarm Employment
 Percent of Consumers, Year-over-Year Change in Employment



Source: The Conference Board, U.S. Department of Labor, Bloomberg LP and Wells Fargo Securities

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