

State of the US consumer: October 2024

Key insights about US consumers from Deloitte's ConsumerSignals

Discretionary spending intentions sustain fourth consecutive month of increases

- Up 5.3 points compared to last year, Deloitte's financial well-being index held steady month to month at 99.0 in September 2024 (figure 1).
- Recent improvements in financial well-being sentiment are predominately being driven by higher-income households (figure 2).
- While still below the 2021 baseline, discretionary spending intentions recorded a fourth consecutive month of growth in September, suggesting recovering spending confidence (figure 3).
- Spending intentions remain mixed across categories, with housing and leisure travel seeing the strongest increases compared to the 2021 baseline (figure 4).

Figure 1. Deloitte's financial well-being index held steady at 99.0 in September, but is up by 5.3 points compared to a year ago

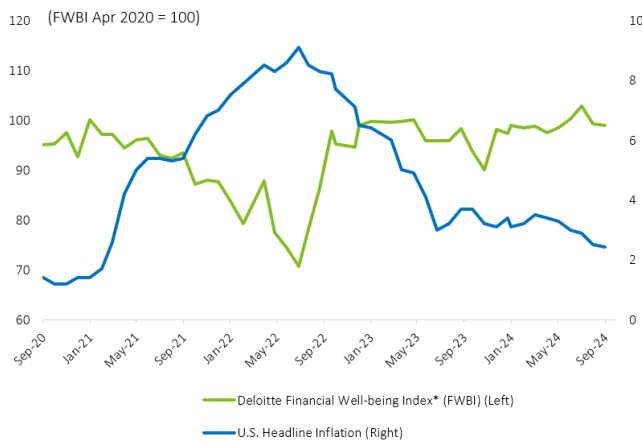


Figure 2. While steadily improving among higher-income households, financial sentiment has remained relatively flat among middle- and lower-income households since 2022

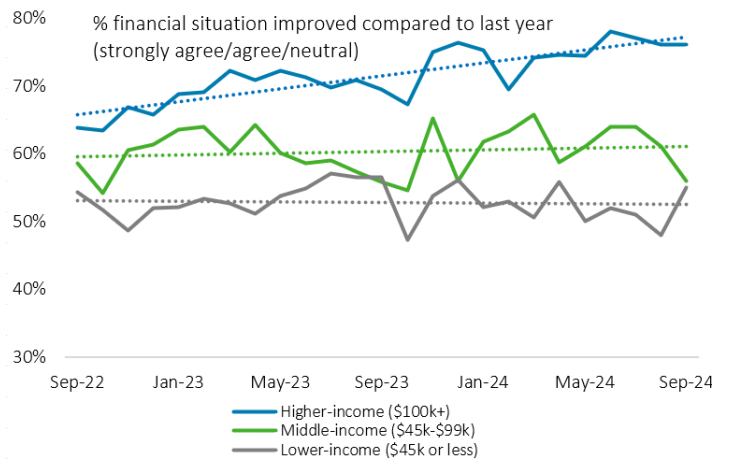


Figure 3. Discretionary spending intentions have increased for four consecutive months, suggesting improving spending confidence

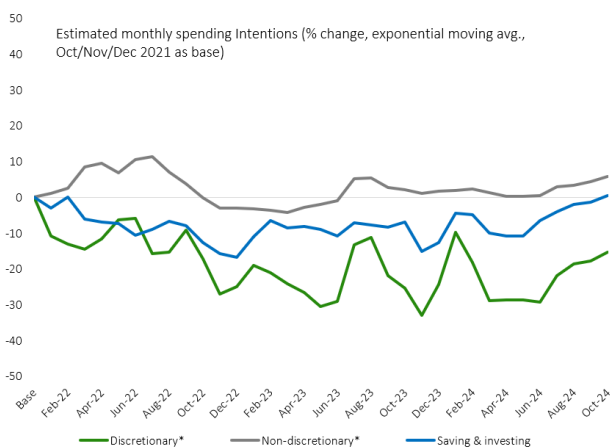
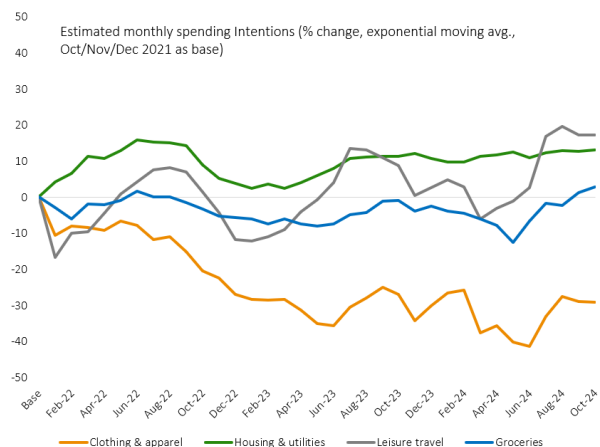


Figure 4. Category spending intentions remain mixed, with housing and leisure travel seeing gradual long-term increases while others remain subdued



Notes: In figure 1, Deloitte's financial well-being index is measured across six dimensions of financial health: (1) confidence in the ability to meet current financial obligations; (2) comfort with level of savings; (3) income relative to spending; (4) delays in making large purchases; (5) assessment of current personal financial situation compared to the last year and (6) expectations regarding personal financial situation for the year ahead. Higher index values represent stronger financial well-being. Spending intentions represent respondent's estimated spending for the next four weeks. In figure 3, discretionary categories include leisure travel, restaurants, recreation and entertainment, electronics, clothing, personal care, household goods, education, child care, and home furnishing. Nondiscretionary categories include housing and utilities, transportation, groceries, and health care. Spending intention-related index values are represented by a three-month exponential moving average.

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The labor market remains healthy, with strong jobs growth in September

A roundup of some key consumer-related economic data

Figure 5. Real consumer spending on services has been growing steadily and is up by 1.7% so far this year

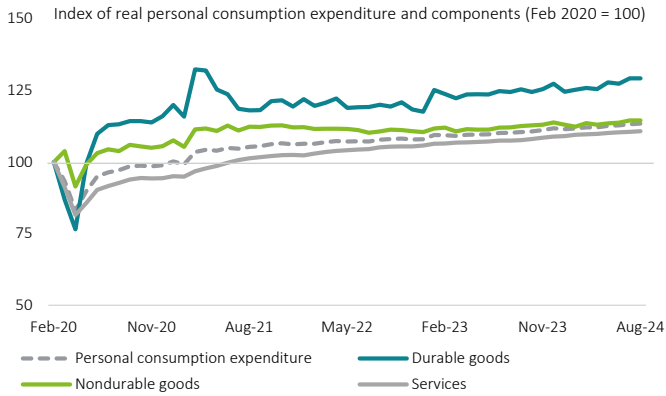


Figure 6. The labor market remains healthy, with growth in nonfarm payrolls picking up in September, and unemployment declining to 4.1%

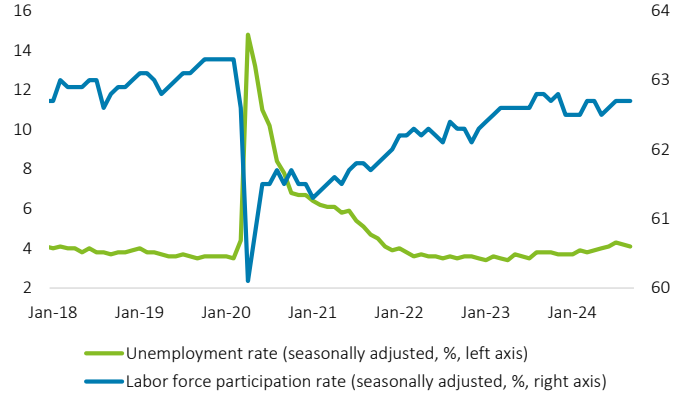


Figure 7. Retail sales grew 0.2% in August, slower than the 0.4% rise in July; sales are up by 1.6% so far this year

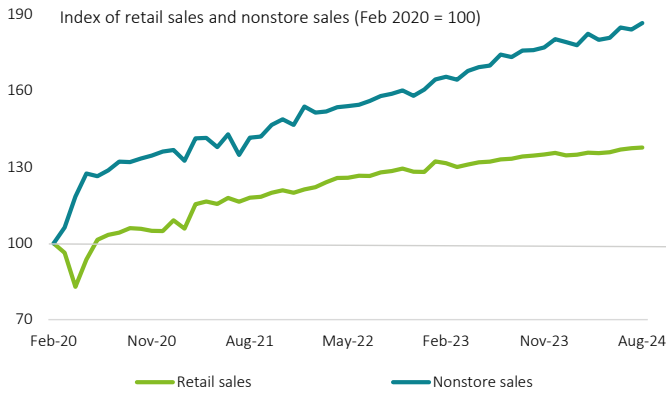
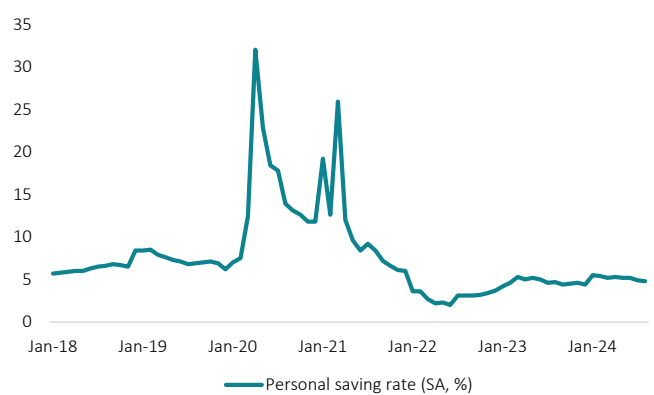


Figure 8. At 4.8% in September, the personal savings rate is low compared to pre-pandemic times



Sources: Federal Reserve Bank of San Francisco (for pandemic-era savings estimate); US Department of Commerce; US Bureau of Labor Statistics (all sourced through Haver Analytics); Deloitte analysis.

Figure 9. Borrowing rates for consumers fell in September and will likely decline more in 2025 as the Fed eases monetary policy

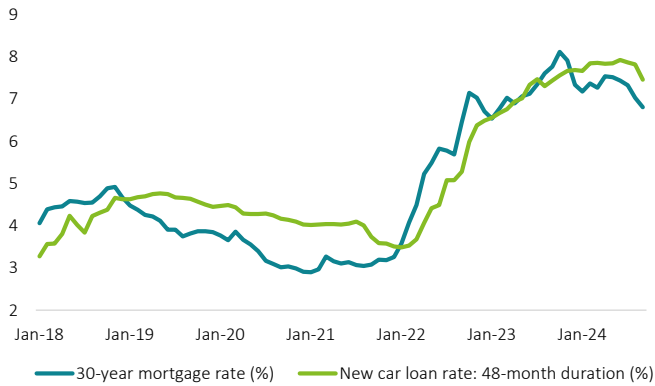
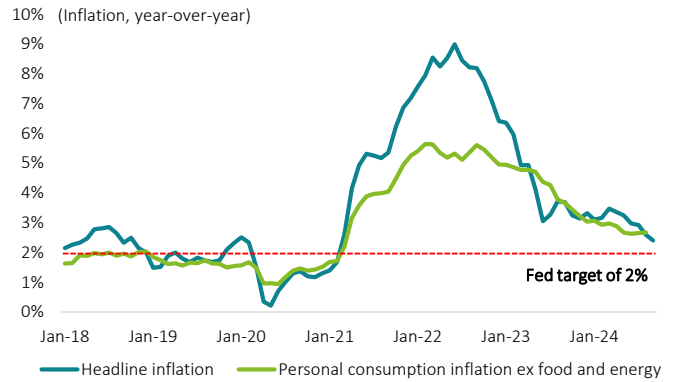


Figure 10. Price pressures continue to ease, with headline inflation declining to 2.4% in September



Sources: US Department of Commerce; US Bureau of Labor Statistics; *The Wall Street Journal* (all sourced through Haver Analytics); Deloitte analysis.

For more on Deloitte’s ConsumerSignals this [link](#).

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