

Attitudes about the Economy Stay Positive

Consumer sentiment rose again in April. Building on last month's rebound, households across the US reported their current conditions improving and future expectations remaining optimistic. In Lancaster County, the gains were even stronger. Consumer sentiment increased by nearly 7% over last month reflecting upgraded near-term expectations.

Consumer sentiment gained more ground in April, registering the highest score in 12 months. The national consumer sentiment score was 86.5, just slightly higher than last month. In Lancaster County, the score rose more significantly to 94.4. It was up nearly 6 points over last month.

April was the second month of improving consumer sentiment. Comprised of two components, the consumer sentiment score blends a measure of current conditions for households and a measure of future expectations for household finances and the economy. The national read on consumer sentiment improved due to stronger household conditions, while future expectations remained positive, but relatively unchanged. Researchers at the University of Michigan (responsible for the national measure) attributed April's score to gains in employment and vaccinations.

Locally, favorable consumer sentiment intensified. 90% of respondents reported being better off or about the same compared to a year ago. Less than 10% of respondents reported

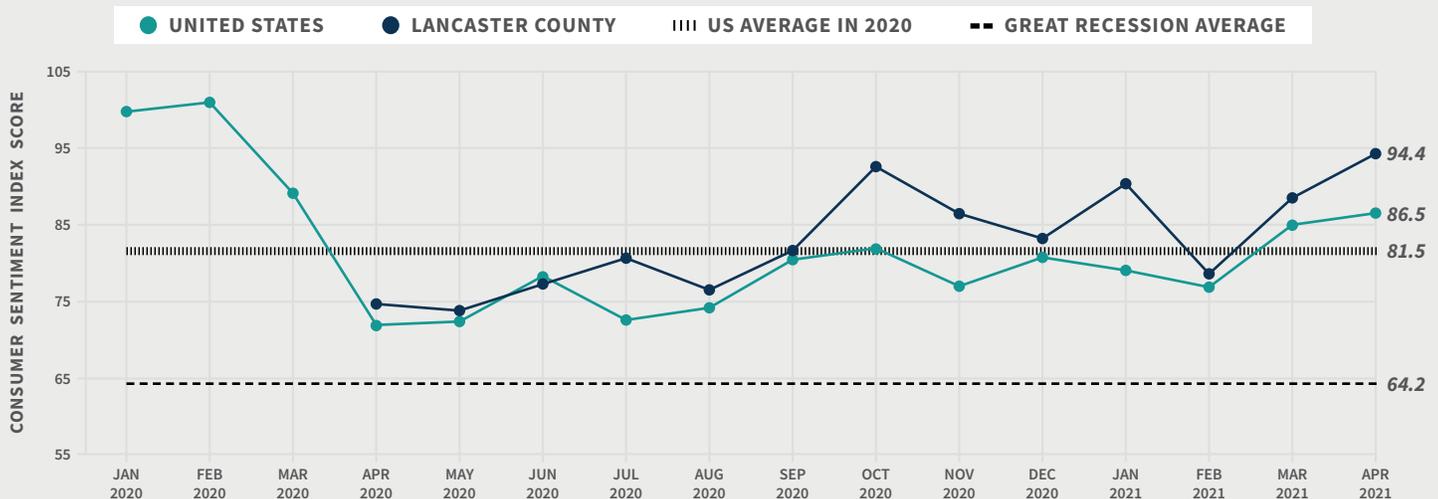
being worse off, which was the lowest share since the start of the Lancaster poll. County residents also bolstered their optimistic outlook. Notably, they upgraded their expectations of the economy improving over the next 12 months.

The April poll of Lancaster County residents took place in the first week of April. It occurred as the COVID-19 vaccination efforts improved and Governor Wolf lifted some restrictions on restaurants and other businesses such as gyms, theaters and outdoor venues.

County residents holding to their resurgence of optimism is a good sign for the local economy. It points to the importance of achieving high vaccination rates locally to emerge from the pandemic. Consumer sentiment is being driven both by financial conditions (current and prospective), and by emotions. A steady and broad economic recovery will need to see this metric stay on its positive course.

CONSUMER SENTIMENT: NATIONAL* AND LANCASTER COUNTY

* Results from a national survey on consumer sentiment conducted by the University of Michigan.



The LNP Media Group in partnership with EDC's Center for Regional Analysis began measuring consumer confidence in April 2020. The poll is conducted the first week of every month and reflects only Lancaster County residents. It is modeled after a survey conducted by the University of Michigan to allow for comparison to national results. For questions, contact CRA@edclancaster.com.