

Local Sentiment Holds Steady while National Outlook Improves

Locally, consumer sentiment showed little movement this month with a score of 66.2, while the national score rose six points to 65.7. Despite national and local consumer sentiment continuing to be at recession lows, April's read offers some hope that consumer attitudes may be beginning to recover.

Lancaster County's consumer sentiment score this month was 66.2. While April's score was essentially unchanged from last month, the poll revealed shifting attitudes. The poll provides a measure of current conditions and future expectations. Current conditions nudged up as County respondents shared slightly more favorable attitudes about making major household purchases this month.

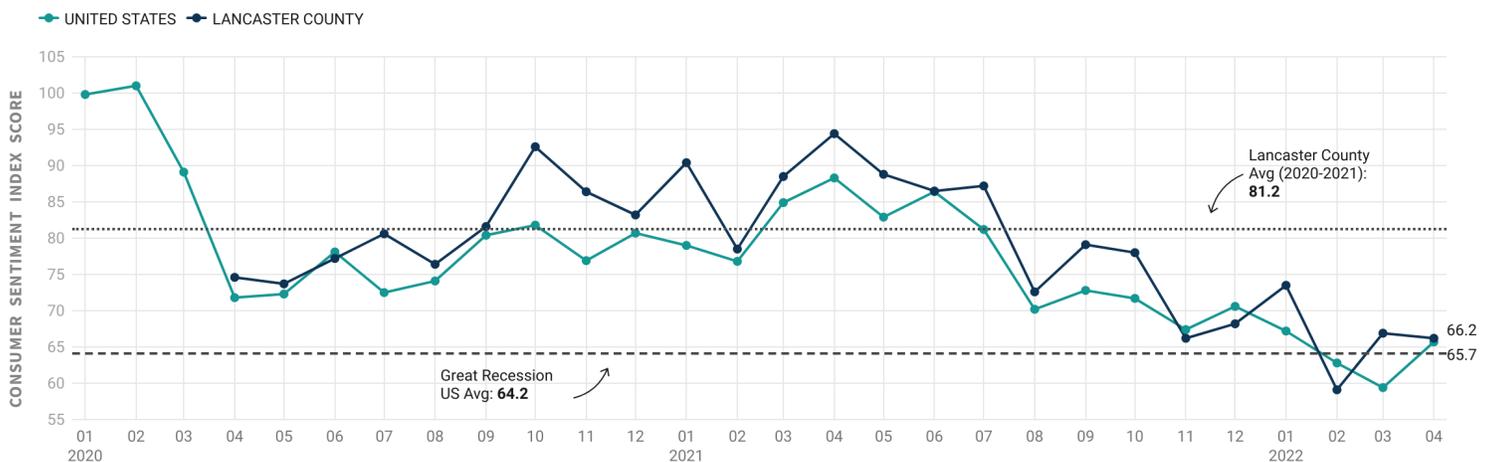
The view, however, was not reflective of optimism. Households anticipate prices continuing to rise and suggested that making a major purchase now would help avoid higher prices fueled by ongoing inflation. Consistent with inflationary expectations, the County poll also captured a gloomier outlook. Lancastrians had dimmer expectations of local economic conditions improving in the short term. Economic policy and ongoing price pressure from inflation continue to be important influences on local consumer sentiment.

Although the local and national scores were similar, the County poll results were a departure from the nation. The national measure of consumer sentiment rose six points this month (to 65.7) as expectations for the economy and personal finances improved. Researchers at the University of Michigan, responsible for the national poll, attributed the gains to wage expectations and a strong labor market, both of which did not feature as heavily in the local poll.

The combination of consumer sentiment improving nationally while locally holding steady highlights the uncertainty in economic conditions. This month's movements cautiously hint at consumer spending remaining resilient to inflation, the threat of Covid variants and geopolitical factors.

CONSUMER SENTIMENT: *NATIONAL & LANCASTER COUNTY

*Results from a national survey on consumer sentiment conducted by the University of Michigan are preliminary and subject to revision.



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.