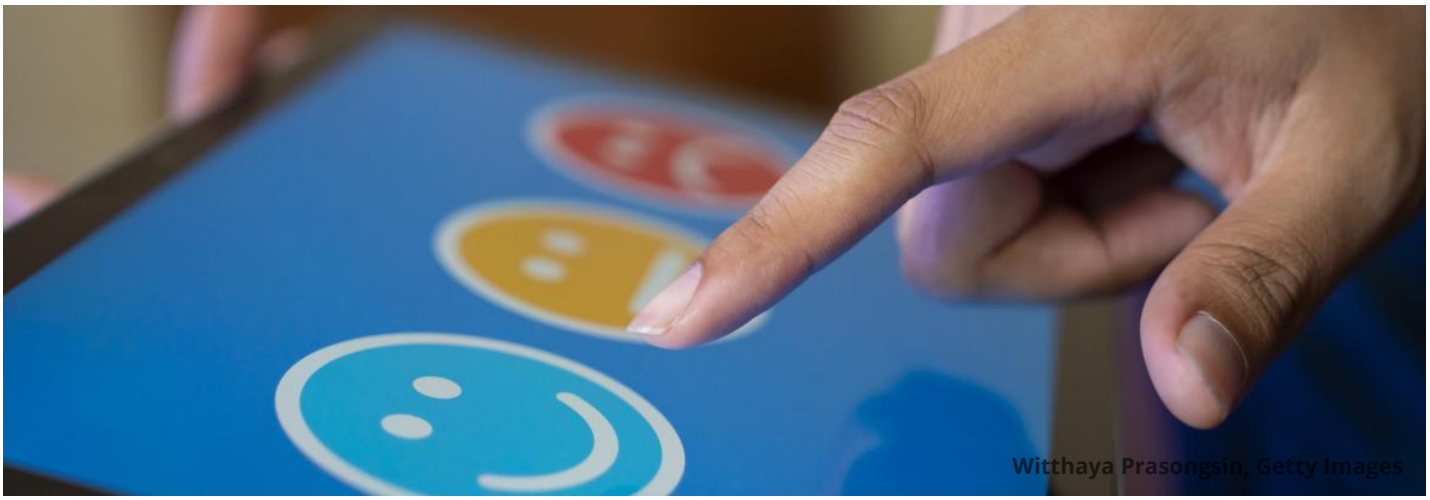
NEWS & MEDIA



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American Consumers Feeling More Confident

By Matt Ott

Consumer confidence came in better than expected in January and anxiety over a possible recession continues to fade.

WASHINGTON – American consumers, fresh off strong holiday spending, are feeling more confident than they have in two years.

The Conference Board, a business research group, said Tuesday that its consumer confidence index rose for the third straight month, to 114.8 in January from 108 in December. January's reading came in just slightly higher than the 114 that analysts were expecting.

The index, which measures both Americans' assessment of current economic conditions and their outlook for the next six months, is at its highest level since December of 2021.

Anxiety over the possibility of an economic recession in the next 12 months continued to fade for most Americans.

Consumer spending accounts for about 70% of U.S. economic activity, so economists pay close attention to consumer behavior as they take measure of the broader economy.

The index measuring Americans short-term expectations for income, business and the job market rose to 83.8 from 81.9 in December.

Consumers' view of current conditions jumped to 161.3 from 147.2 the previous month.

Despite the uptick in confidence, consumers' intent to purchase homes, autos and big-ticket items declined modestly.

Last week, a government report showed that the economy expanded at a surprisingly strong 3.3% annual pace in the final three months of last year. Solid consumer spending propelled the growth, capping a year that had begun with widespread expectations of a recession but instead produced a healthy expansion.

Americans stepped up their spending at retailers in December, closing out the holiday shopping season and the year on an upbeat tone and signaling that people remain confident enough to keep spending freely.

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