

## State of the US consumer: April 2024

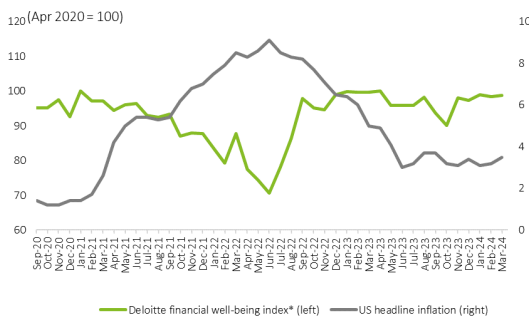
Financial well-being holds steady, but sticky inflation likely weighs on spending sentiment.

### Key insights about US consumers from Deloitte's ConsumerSignals

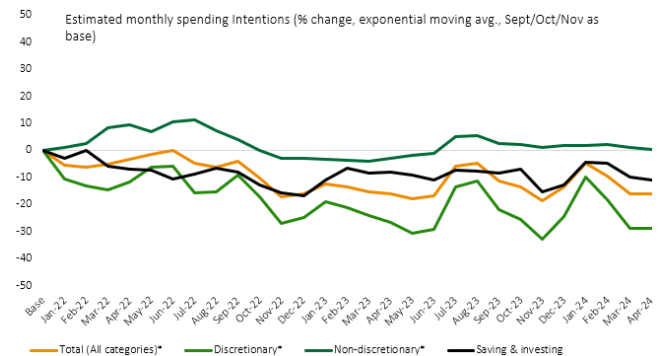
Rising costs in major categories like housing could drive consumers to seek more cost-saving opportunities.

- Deloitte's US financial well-being index held steady at 98.7 in March, unchanged from the previous month and down slightly from 99.7 a year ago (figure 1).
- Inflation rose to 3.5% in March due to increased monthly energy prices and elevated shelter-related inflation (figure 10).
- Consumers' forward-looking monthly spending intentions for housing and utilities have gradually climbed over the past year (figure 3).
- Rising cost pressures—particularly in major categories like housing and energy—likely continue to weigh on consumer spending sentiment. Consumer monthly spending intentions remain weak across discretionary categories relative to 2021 (figure 2).
- Decreased monthly spending intentions have been particularly pronounced in discretionary categories such as clothing (figure 3). While more moderate, decreases occur in non-discretionary categories like groceries (figure 3).
- In contrast, leisure travel sentiment remains exceptionally strong. Leisure travel spending intentions and hotel and flight-booking intentions are even year on year, suggesting a solid summer 2024 travel season similar to 2023 (figures 3 and 4).

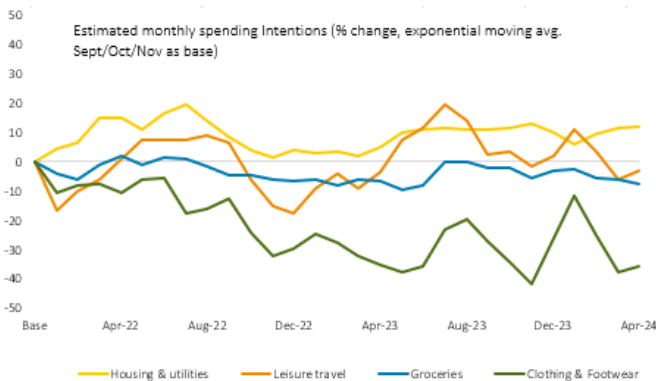
**Figure 1. Deloitte's US financial well-being index held steady at 98.7 in March, unchanged from a year ago**



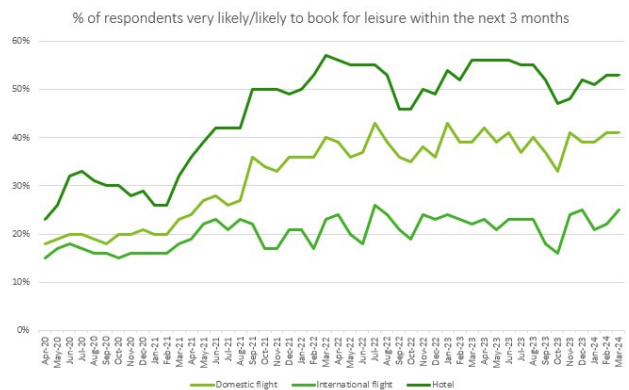
**Figure 2. Total monthly spending intentions continue moving sideways, with discretionary spending still traveling below the 2021 baseline**



**Figure 3. Spending intentions for housing continue to climb, potentially driving consumers to other categories for cost-saving opportunities**



**Figure 4. Forward-looking leisure travel booking intentions remain healthy ahead of the 2024 summer season**



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 the level of savings; (3) income relative to spending; (4) delays in making large purchases; (5) assessment of current personal financial situation compared to prior year; and (6) expectations of personal financial situation for the year ahead. Higher index values represent stronger financial well-being. In Figure 2, total spending intentions include housing (including utilities and maintenance), transportation, groceries, health care, clothing, household goods, personal care, education, internet and data, recreation and entertainment, leisure travel, restaurants, electronics, and home furnishings. Non-discretionary categories include housing, transportation, groceries, and health care. Discretionary categories include clothing, household goods, personal care, education, internet and data, recreation and entertainment, leisure travel, restaurants, electronics, and home furnishings.

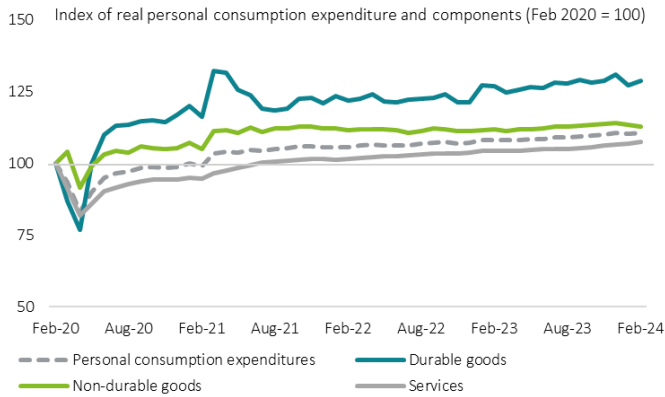
Sources: Deloitte ConsumerSignals; US Bureau of Labor Statistics.

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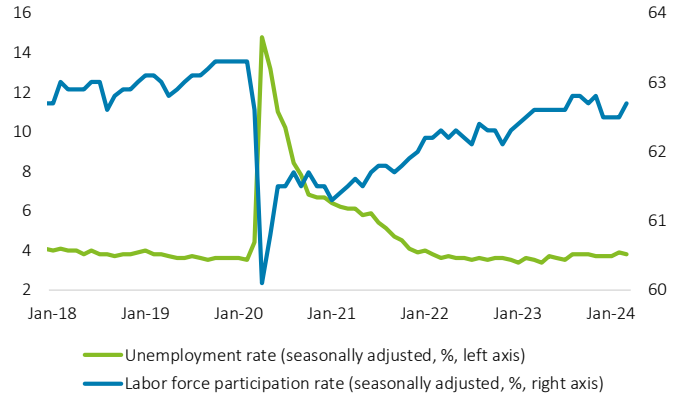
Shelters and energy inflation pushes up headline inflation to 3.5% in March.

## A roundup of key consumer-related economic data

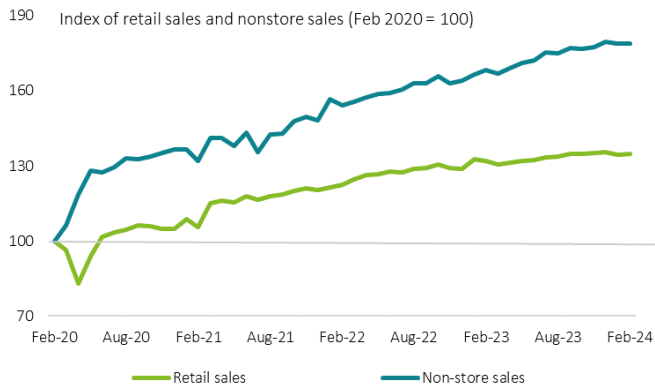
**Figure 5. Consumer spending on services grew 0.6% month on month in February, the fastest pace of increase since July 2021**



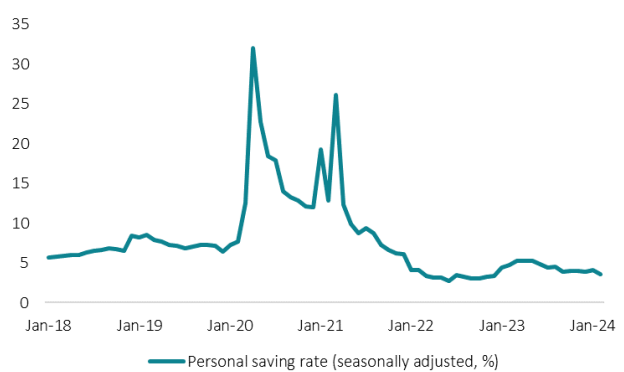
**Figure 6. The labor market remains strong, with non-farm payrolls rising by 829,000 in the first quarter of 2024**



**Figure 7. Non-store retail sales fell for the second straight month in February; sales, however, were up 6.4% compared to a year back**

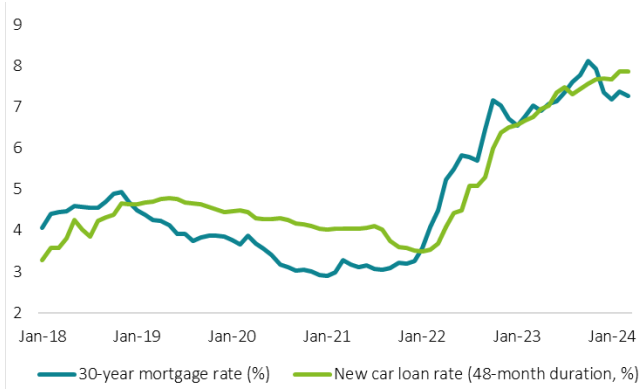


**Figure 8. The personal savings rate fell to 3.6% in February from 4.1% in January; low savings has aided consumer spending**

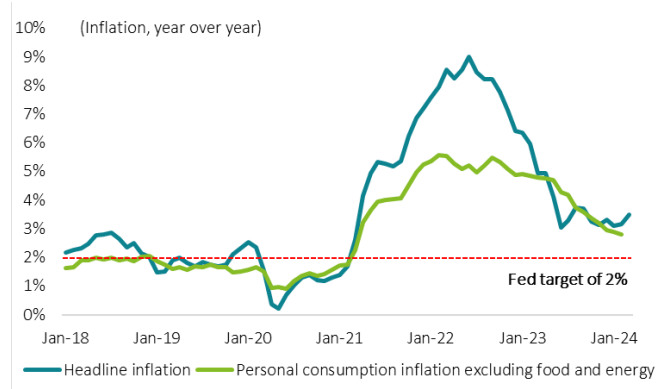


Sources: US Department of Commerce; US Bureau of Labor Statistics; *The Wall Street Journal* (all sourced through Haver Analytics); Deloitte analysis.

**Figure 9. Mortgage rates remain elevated despite a slight decline in March—high rates will continue to weigh on housing demand**



**Figure 10. Inflation rose to 3.5% in March due to an uptick in energy prices during the month and elevated shelters-related inflation**



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

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

To know more about the state of the US consumer, reach out to:

**Stephen Rogers** (Consumer Industry) at [stephenrogers@deloitte.com](mailto:stephenrogers@deloitte.com)

**Akrur Barua** (Economics) at [abarua@deloitte.com](mailto:abarua@deloitte.com)

**David Levin** (Data Science) at [davlevin@deloitte.com](mailto:davlevin@deloitte.com)

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