

Economic Insights

# January 2012 University of Michigan Consumer Sentiment Index

By: SEI Investment Management Unit

The final read of consumer confidence as represented by the Thomson Reuters/University of Michigan Index rose to 75.0 in January. The expectation was for a modest increase to 74.0 from December's reading of 69.9.

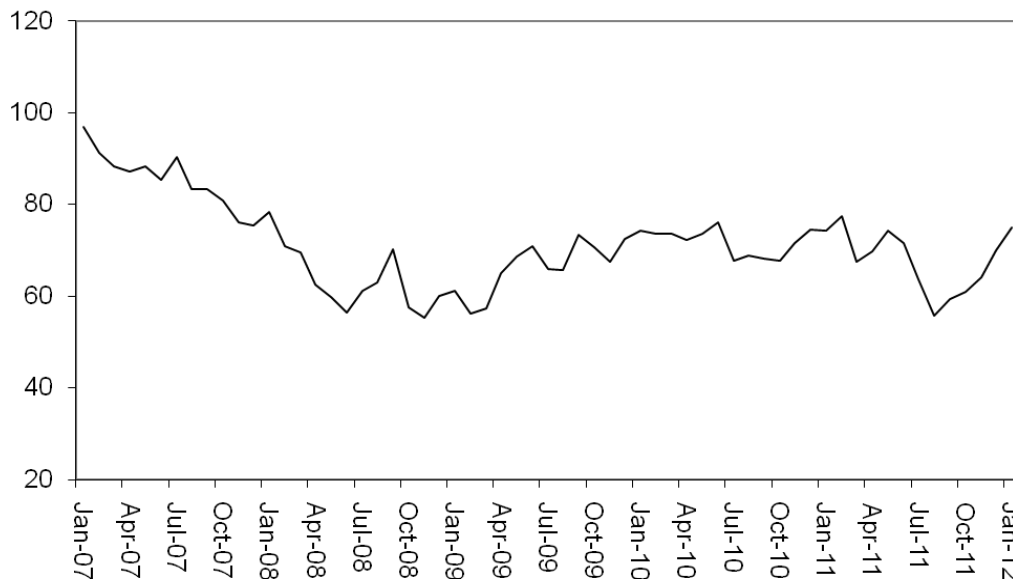
Other components of the Index also showed improvement. The gauge of current economic conditions increased to 84.2 in January from 79.6 in December, while the consumer economic outlook jumped from 63.6 to 69.1—its highest level since May 2011.

### Our View

Consumer sentiment has seen a steady increase from the August 2011 low of 55.7. SEI believes that the driving force behind the uptick can be pegged to improved sentiment in the labor market. U.S. economic data has also shown signs of stabilizing, helping to reduce fears of another economic pullback.

Based on current data, SEI continues to project slow economic growth for the foreseeable future.

Consumer Confidence



Source: Bloomberg, SEI

**Release Frequency: Monthly**

### Data Breakdown

**Consensus 74.0**

**Final 75.0**

**Economic Conditions 84.2**

**Economic Outlook 69.1**

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