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Jun. 12, 2017

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Consumer sentiment has continued to move along the high plateau established following Donald Trump's election.

The May 2017 figure was virtually unchanged from the April reading, and nearly identical with the December-to-May average of 97.3, according to the University of Michigan Surveys of Consumers.

The partisan divide between Democrats and Republicans also remained largely unchanged, with the first expecting a recession and the other more robust economic growth, according to U-M economist Richard Curtin, who directs the surveys.

Despite the expected bounce back in spending in the current quarter, personal consumption is expected to advance by 2.3 percent in 2017, although this is based on

averages across the political divide, which has never been as extreme as it is

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example, partisanship is reflected in economic policy preferences,” Curtin said.

“Since no major policies, such as health care, taxes or infrastructure spending have yet been adopted, the partisan divide may reflect differences in policy preferences expressed as expected economic outcomes. Thus, the extreme partisan divide may persist until passage is deemed either inevitable or impossible. While extremes may well narrow, it is unlikely that the impact of partisanship on economic expectations will disappear.”

Partisan impact on personal finances

More consumers reported an improved financial situation in May than at any time in the past dozen years. The financial strength was due to gains in incomes as well as gains in household wealth driven by rising stock prices and home values. Few consumers complained about inflation eroding their living standards, and the highest proportion in a decade expected inflation-adjusted income gains during the year ahead.

Partisan economic outlook

Selective perception of economic news still dominates. Favorable news about recent economic developments was reported by 84 percent of Republicans but just 37 percent of Democrats; unfavorable developments were reported by just 19 percent of Republicans but by 73 percent of Democrats. The difference involved references to jobs and economic policies, with Republicans holding more favorable views on jobs and policies than Democrats. The impact of this divide led most Republicans to expect a robust expansion and most Democrats to anticipate a recession.

Consumer Sentiment Index

The Consumer Sentiment Index was 97.1 in May 2017, just above the 97.0 in April, and above last May's 94.7. The Current Conditions Index was 111.7 in May, between April's 112.7 and above last May's 109.9. The Expectations Index was 87.7 in May, just

ahead of April's 87.0 and last May's 84.9. All three Indices have remained quite

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