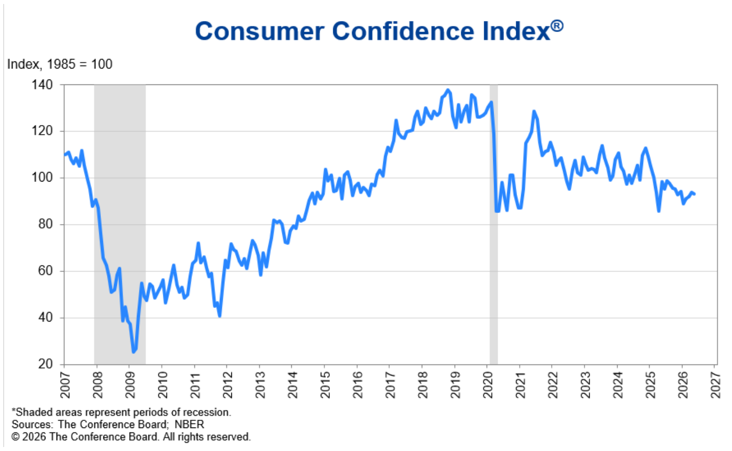
US Consumer Confidence Edged Downward in May

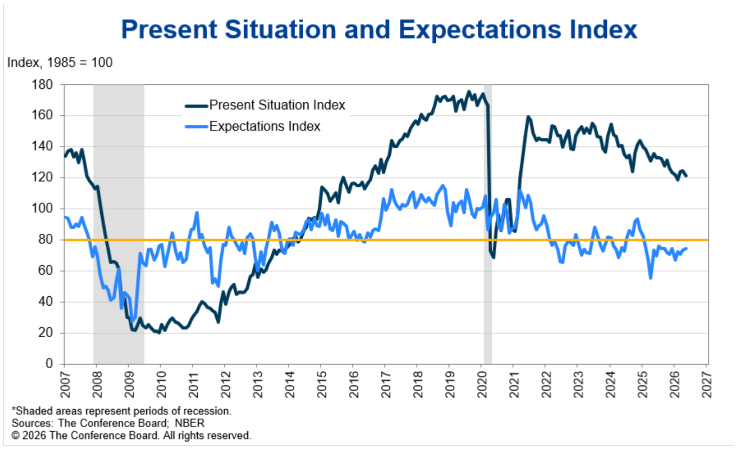
Updated 26 May 2026

Confidence Dipped Slightly as Price Shocks from Middle East Conflict Persist

The Conference Board **Consumer Confidence Index®** dipped 0.7 points to 93.1 (1985=100) in May, down from an upwardly revised 93.8 in April. The **Present Situation Index**—based on consumers' assessment of current business and labor market conditions—retreated by 3.2 points to 121.2. The **Expectations Index**—based on consumers' short-term outlook for income, business, and labor market conditions—rose by 1.0 points to 74.4. The survey period for this month's preliminary results was May 1–19, encompassing the ongoing war in the Middle East that is placing upward pressure on prices globally.

"Consumer confidence edged downward in May as the inflationary impacts of the war in the Middle East intensified," said **Dana M Peterson, Chief Economist, The Conference Board**. "Consumer appraisals of current business conditions and the current labor market were moderately less positive compared to last month. This was somewhat offset by modest improvements in consumers' expectations for business conditions and the labor market six months from now. Meanwhile, income expectations eased in May, as those anticipating less income rose."



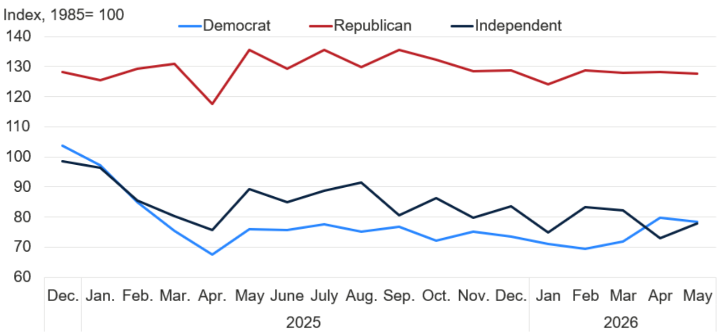


The *Present Situation Index* cooled again in May, as net views of current **business conditions**—the share saying conditions are "good" versus "bad"—fell by 2.8 ppts to +1.4%. Perceptions of **employment conditions** declined slightly, with the labor market differential—the share of consumers saying jobs are "plentiful" minus the share saying jobs are "hard to get"—ticking down by 0.6 ppts to +6.9%.

The *Expectations Index* increased by 1.0 point in May, with two of its three components—net expectations for **business** and **labor market** conditions six months from now—inched up. Expected **household income** was slightly less positive.

Among **age groups**, confidence ticked up for consumers aged 35-54, but trended downward for older and younger consumers, both month-over-month and on a six-month moving average basis. By **income**, confidence among higher income groups trended upward on a six-month moving average basis. By **generation**, confidence improved for the Silent Generation (the oldest group) but was little changed or lower among other generations. By **political affiliation,** Republicans remained the most optimistic, while Independents were the only group that saw confidence tick up on a month-over-month basis.

Consumer Confidence Index® by Political Affiliation

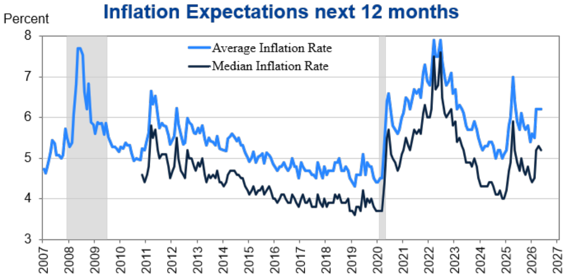


Source: The Conference Board Consumer Confidence Survey℠

Consumers' **write-in responses** on factors affecting the economy continued to skew towards pessimism in May. References to prices and oil and gas increased in frequency for a second consecutive month, while mentions of war, geopolitics, and conflict remained elevated—likely signaling consumers' underlying concerns about the inflationary impacts of the war in the Middle East on their wallets.

Consumers' average and median **12-month inflation expectations** ticked downward but remained elevated. The percentage of consumers saying **interest rates** over the next 12 months will be higher on net stood at nearly 50% in May. The ongoing stock market rally—largely fueled by the tech sector and rising hopes for an end to the Middle East conflict--likely influenced consumer expectations of higher **stock prices** a year from now.

Inflation Expectations next 12 months



*Shaded areas represent periods of recession.
Sources: The Conference Board;NBER

Consumers' net views of their **Family's Current Financial Situation** and **Family's Future Financial Situation** were both somewhat less positive in May. Meanwhile, the share of consumers who said a **US recession over the next 12 months** is "very likely" and "somewhat likely" rose. Those saying recession is "not likely" declined. (These measures are not included in calculating the Consumer Confidence Index®).

Consumers' **plans to buy big-ticket items over the next six months** continued to shift from "yes" to "no" in May. Nonetheless, the proportion saying "yes" remained well above the other responses. Buying plans for **autos** continued rising on a six-month moving average basis in May, with used cars remaining the clear preference over new cars. **Homebuying** expectations inched higher on a six-month rolling basis overall, as plans to buy existing homes rose, offsetting a small dip in newly built units. Spending plans for *white goods, home furnishings,* and *electronics* eased a tad or were unchanged on a six-month moving average basis.

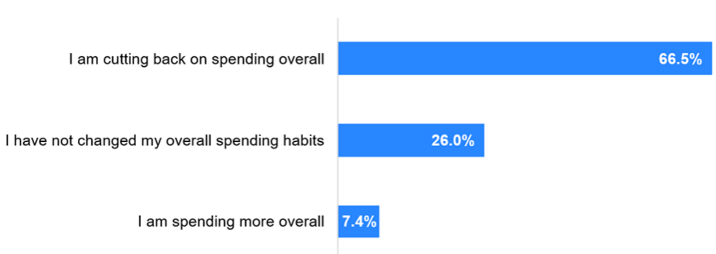
Consumers **planning more spending on services over the next six months** shifted from "yes" and "maybe" to "no" in May. Future spending plans on services were mixed. Consumer spending trends in 2026 remained focused on "cheap thrills" and necessary services, but there was some increase in demand for discretionary services like personal travel, fitness, amusement parks, and gambling. Among all service categories, *restaurants/bars/take-out, streaming/internet/mobile services,* and *beauty and personal care,* remained among the top three spending targets.

Travel intentions for six months ahead ticked up in May, and consumers continued to favor domestic destinations over international travel. Overall expected spending on *hotel/motel* and *airfare/trains for personal travel* increased in May, correlating with an uptick in vacation plans.

These findings are supplemented by a set of special questions ran in May 2026:

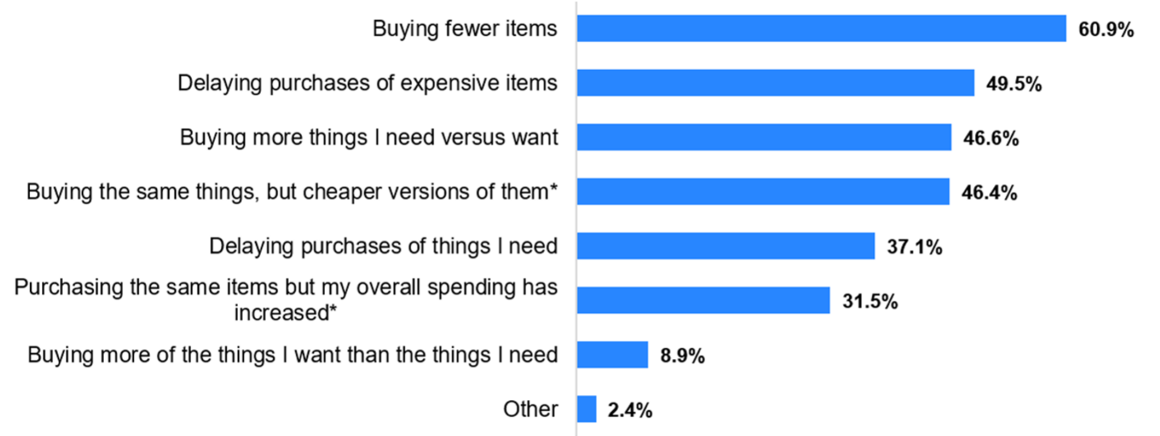
- Two-thirds of consumers cited **cutting back on spending** overall due to rising prices, as of May
- Most who are cutting back **bought fewer items** and **delayed expensive purchases**
- Many who said they are **delaying purchases of items they want rather than need,** plan to buy them in the next six months
- Consumers **planned to economize** on clothing and footwear, hobby items, and games/toys

How have you changed your overall spending habits due to rising prices?



Source: The Conference Board *Consumer Confidence Survey*®, May 2026 Preliminary Results of 1747 Respondents

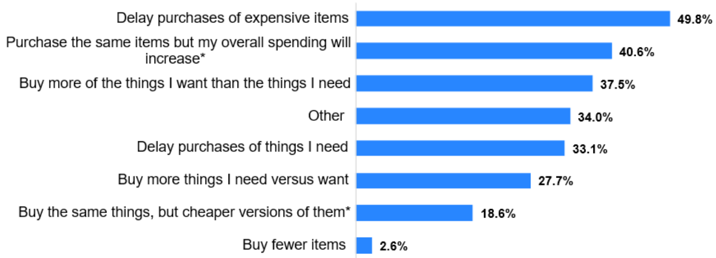
How have you changed your *current* spending habits due to rising prices? ("I am doing this now")



Source: The Conference Board Consumer Confidence Survey®, May 2026 Preliminary Results of 1747 Respondents

* If "I am cutting back on spending overall" was selected in the previous question, respondent cannot select ""Purchasing the same items but my overall spending has increased."
* If "I am spending more overall" is selected, respondent cannot select ""Buying the same things, but cheaper versions of them."

In the next six months, how do you plan to change your spending habits due to rising prices? ("I expect to do this over the next six months")



Source: The Conference Board *Consumer Confidence Survey®*, May 2026 Preliminary Results of 1747 Respondents

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* If "I am spending more overall" is selected, respondent cannot select ""Buy the same things, but cheaper versions of them."

"Given higher costs for basic things, are you planning to buy more, less, the same, or none of the following items over the next six months?"

	More	Same	Less	None
Groceries	18.7%	60.8%	19.5%	1.0%
Gasoline, diesel and other fuels	15.7%	53.6%	24.5%	6.2%
Personal care products	12.7%	61.2%	23.3%	2.7%
Clothing and footwear	12.0%	35.7%	44.4%	8.0%
Household supplies	10.9%	61.0%	25.3%	2.9%
Pharmaceuticals and other medical products	9.7%	64.3%	17.6%	8.5%
Pets and pet products	9.0%	51.7%	12.3%	27.0%
Hobby items	8.1%	30.1%	34.0%	27.8%
Sporting goods	7.6%	24.9%	24.4%	43.0%
Games, toys	7.2%	26.1%	30.3%	36.4%
Tobacco and other smoking products	7.0%	24.0%	16.3%	52.7%
Magazines, newspapers, stationary	5.6%	25.2%	24.0%	45.1%

Source: The Conference Board ***Consumer Confidence Survey®***, May 2026 Preliminary Results of 1747 Respondents

Present Situation

Consumers' views of **current business conditions** eroded in May.

- 18.5% of consumers said business conditions were "good," down from 22.3% in April.
- However, 17.1% said business conditions were "bad," down from 18.1%.

On net, consumers' views of the **labor market** worsened slightly in May.

- 25.5% of consumers said jobs were "plentiful," down from 26.9% in April.
- Conversely, 18.6% of consumers said jobs were "hard to get," down from 19.4%.

Expectations Six Months Hence

Overall, consumers were moderately more optimistic about future **business conditions** in May.

- 19.0% of consumers expected business conditions to improve, down from 19.4% in April.

- Conversely, 22.5% expected business conditions to worsen, down from 23.8%.

Consumers were also more positive about the **labor market** outlook in May.

- 17.5% of consumers expected more jobs to be available, up from 16.7% in April.
- 26.0% anticipated fewer jobs, down from 26.8%.

On net, consumers' outlook for their **income prospects** was slightly more pessimistic in May.

- 20.0% of consumers expected their incomes to increase, up from 19.4% in April.
- However, 13.7% expected their incomes to decline, up from 12.4%.

The monthly Consumer Confidence Survey®, based on an online sample, is conducted for The Conference Board by Toluna, a technology company that delivers real-time consumer insights and market research through its innovative technology, expertise, and panel of over 36 million consumers. **The cutoff date for the preliminary results was May 19.**

Source: May 2026 ***Consumer Confidence Survey®***

The Conference Board

The Conference Board publishes the Consumer Confidence Index® at 10 a.m. ET on the last Tuesday of every month. Subscription information and the technical notes to this series are available on The Conference Board website: https://www.conference-board.org/data/consumerdata.cfm.

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The next release is Tuesday, June 30 at 10 AM ET.

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