

Consumer sentiment hits 99.9 in February vs. 95.5 estimate

- U.S. consumer sentiment rose to 99.9 in February, exceeding economists' expectations.
- Consumers were not phased by the violent stock market movement of recent weeks.
- "Favorable references to government policies...[reached] the highest level recorded in more than a half century," says the survey's chief economist Richard Curtin.

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Customers shop at a Target store in Chicago, Illinois.

U.S. consumer sentiment rose by much more than expected in February, exceeding the record-high average in 2017.

The University of Michigan's mid-month report on consumer attitudes rose to 99.9 in February, its second-highest level since 2004. Reuters economists expected the reading to only reach 95.5.

The February number marks a 4.4 percent increase from the month-ago figure of 95.7. Consumers' expectations leaped even farther ahead, increasing 4.5 percent month-over-month in the most recent report.

Consumers appeared to be focused on positive economic news — rising incomes, growing employment and others. Their attitudes were barely affected by the stock market's violent seesawing in recent weeks. Only 6 percent of respondents identified negative stock news when prompted, according to the survey's chief economist, Richard Curtin.

"In contrast, favorable references to government policies were cited by 35% in February, unchanged from January, and the highest level recorded in more than a half century," Curtin said.

The February reading trounces the 96.8 average level of 2017 — the first reading of 2018 to do so. The 2017 figure is the highest yearly average since 2000, Curtin said.

The index measures 500 consumers' attitudes on future economic prospects, in areas such as personal finances, inflation, unemployment, government policies and interest rates.



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