

# Breaking Economy News

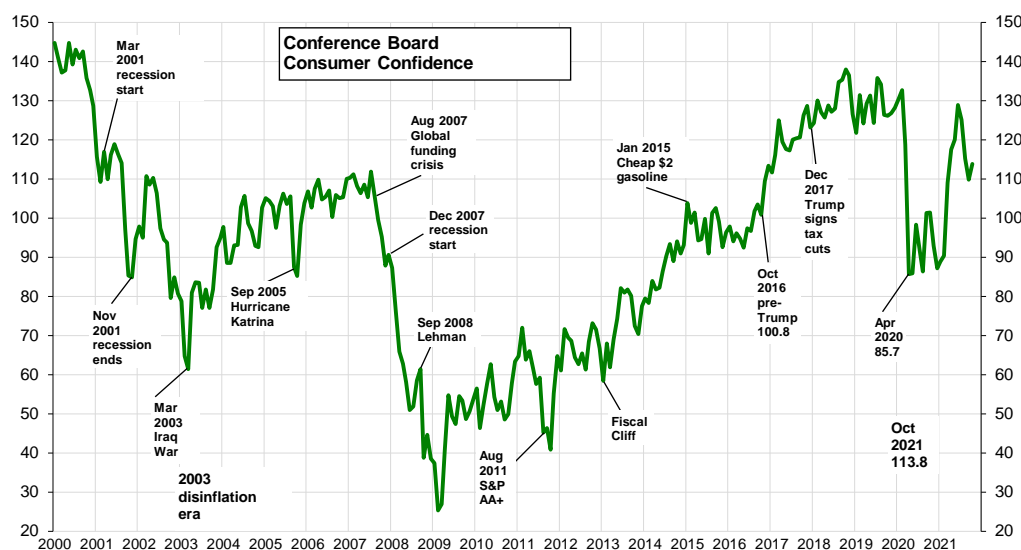
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## CONSUMERS ARE MORE UPBEAT AFTER A ROCKY THIRD QUARTER

Breaking economy news. The consumer confidence index rebounded to 113.8 in October from 109.8 in September. Diminished consumer confidence is likely to mirror the growth of the economy in the third quarter as consumer spirits fell and real GDP growth probably came to a near standstill. The stock market was rocky in September and millions lost their unemployment checks as the special legislation expired, but in October the consumer is not as pessimistic about the future even if there is still uncertainty about the road ahead. Consumers are more upbeat after a rocky third quarter and this argues for a strong finish for the economy in 2021. Today's data are another sign that the Fed's emergency stimulus is no longer needed and we expect policymakers to announce a tapering of their asset purchases at next week's meeting.

Net, net, consumers are still relatively cautious on the outlook for the economy after the surge of optimism they had at the start of the summer. The bad news is consumers still are somewhat worried about their futures, but the good news is that they continue to spend their paychecks freely on goods and services as they have a tight labor market to rely on to give them new opportunities for work if they need it. Knowing there are millions of job openings posted nationwide is the key to the consumer's confidence. Consumers know the tight labor market has their backs. Those forecasting a recession from the drop in the confidence late in the summer will have to back off that call. Consumer spending slowed in the third quarter, but a new recession appears to be out of the question especially with the stock market record highs sounding the all-clear siren. Stay tuned. Watch here where the world goes next.



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