

US consumer confidence reaches a record high since pre-pandemic months

The Conference Board's consumer confidence index increased to a 14-month high in April with a reading of 121.7. This increase has been the highest level since the COVID-19 pandemic hit the US. It is also the fourth month in which a straight rise in the index has been noted.

Experts attribute this jump in US consumer confidence to the widespread availability of vaccines and the distribution of fiscal stimulus checks.

The financial assistance also paved the way for the reopening of businesses which in turn increased employment opportunities.

The US economy grows stronger in the first three months of the year. Economists even project this year's growth to be the best in almost four decades. It is also projected to be the second-fastest growth rate since the third quarter of 2003.

From January to March of 2021, the US economic growth is expected to have reached a 6.1% annualized pace, as noted by Reuters' survey of economists.

Back to the previous normal

In the survey conducted by Conference Board, consumers are keener to drawing vacation plans, eating out, doing leisure activities, travelling, and going to stores.

Senior economist at Nationwide in Columbus, Ohio, Ben Ayers, projects that if the spending rate of US households remains strong, the economy will continue to grow by the second quarter and will continue to increase by the year 2022.

According to Conference Board, Americans are set to go to vacation tips, mainly within the US, over the next six months as an increase in income is expected within the same time frame.

The return of tourism and travel can augment the negative impact of the pandemic in the industry since its onset.

Vaccines and stimulus checks do the trick.

The jump in US consumer confidence can be tied to the increasing availability of vaccines in the country. The government has expanded the eligibility for vaccination to American adults.

More than half of the adult population has received at least one dose of the COVID-19 vaccine, as reported by the Center for Disease Control and Prevention (CDC).

Economic revitalization was also fueled by the government's \$ 1.9 trillion pandemic rescue package.

Businesses retail sales increased in March, resulting in more workers getting hired. As a result, unemployment has also decreased. As reported by the Labor Department, fewer Americans filed for new unemployment benefits claims.

House prices are to the roof.

More Americans have expressed house-buying solid intentions. The pandemic has reshaped the functions of home areas with increasing demand for expansion and renovation to accommodate home offices and rooms for distance learning.

First-time house buyers also surged from people aged 26 to 34 years old, which makes up 12.5% of the US population. The increase in the housing demand accelerated the house prices compared to the pandemic months.

According to the report of S&P CoreLogic Case-Shiller, the house price index reached 12% in February compared to last year. This rate of house price increase is the fastest in 15 years.