

State of the US consumer: August 2025

Key insights about US consumers from Deloitte's ConsumerSignals

- Financial well-being held steady in July, signaling a pause in its month-over-month decline. However, broader trends remain downward (figure 1).
- Expectations of higher prices in major categories like gas and groceries have steadily climbed through the year, possibly suggesting consumers are bracing for an ongoing cost-of-living squeeze (figure 2).
- Despite the reported erosion in financial confidence, discretionary spending intentions have rebounded for three consecutive months (figure 3).
- Notably, leisure travel—previously an area of strength in the post-COVID-19 pandemic recovery—has begun to cool, retreating after intentions reached a three-year high last month (figure 4).
- However, other discretionary categories are seeing renewed interest from respondents, suggesting consumers may be selectively reengaging in nonessential spending (figure 4).

Figure 1. Deloitte's financial well-being index moved sideways to 99.5 in July—down 3 points from a year ago and 6 points since December

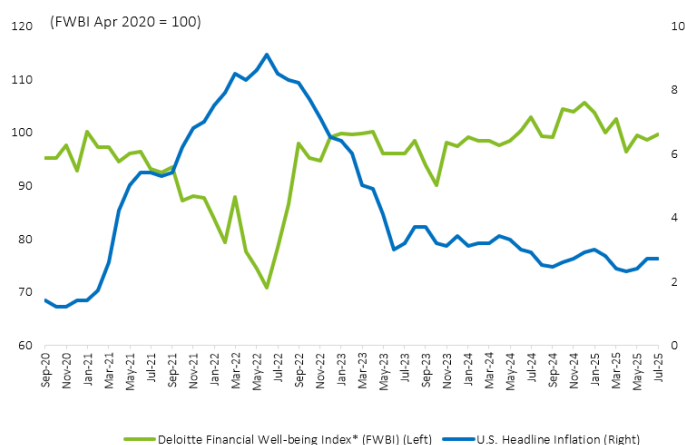


Figure 2. The percentage of respondents expecting higher grocery prices held steady at 69%, but it remains 12 points higher compared with November 2024

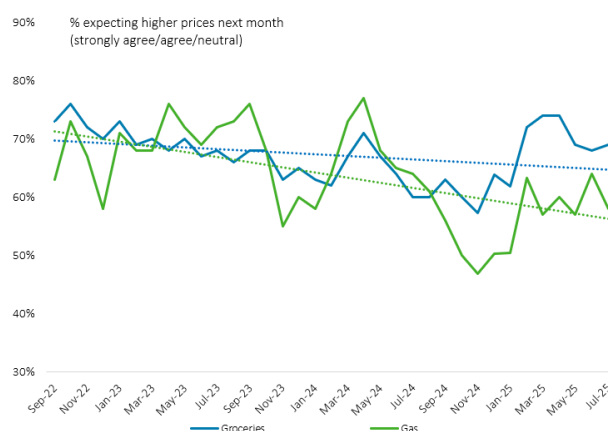


Figure 3. Both nondiscretionary and discretionary spending intentions have climbed in recent months, potentially at the expense of savings

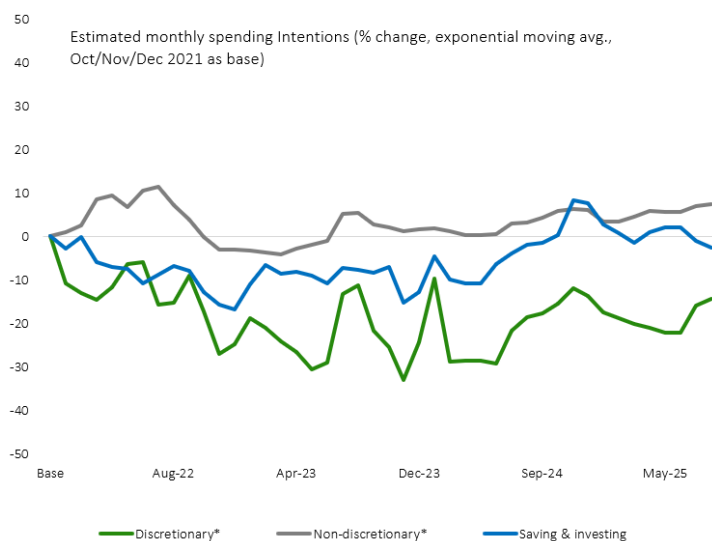
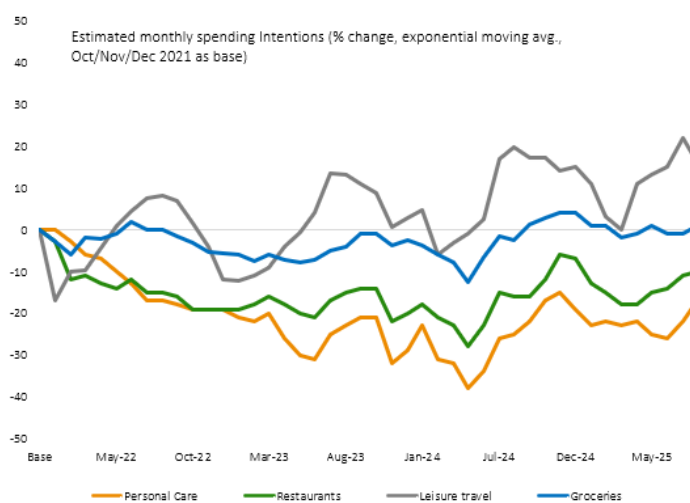


Figure 4. Monthly spending intentions have improved in recent months across discretionary categories, including travel and restaurants



Notes: In figure 1, Deloitte's financial well-being index is measured across six dimensions of financial health: (1) confidence in the ability to meet current financial obligations; (2) comfort with level of savings; (3) income relative to spending; (4) delays in making large purchases; (5) assessment of current personal financial situation compared to last year; and (6) expectations regarding personal financial situation for the year ahead. Higher index values represent stronger financial well-being. Spending intentions represent respondents' estimated spending for the next four weeks. In figure 3, discretionary categories include leisure travel, restaurants, recreation and entertainment, electronics, clothing, personal care, household goods, education, child

care, and home furnishing. Nondiscretionary categories include housing and utilities, transportation, groceries, and health care. Spending intention-related index values are represented by a three-month exponential moving average.

Sources: Deloitte ConsumerSignals; US Bureau of Labor Statistics.

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Barring the health care and social assistance sectors, job growth has stalled since April

A roundup of some consumer-related economic data

Figure 5. Real consumer spending on durables fell for the third straight month in June and is now 2.5% lower than levels seen in March

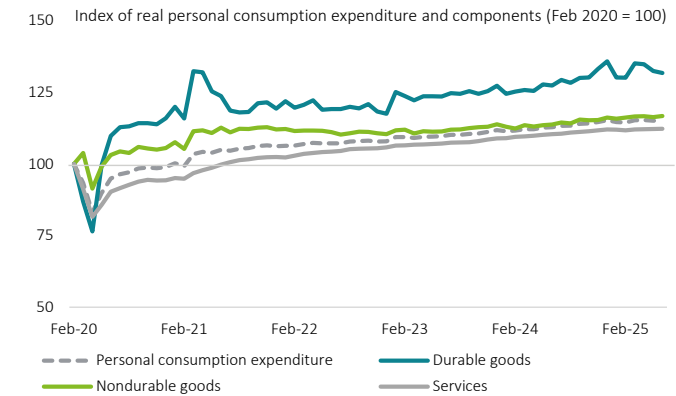


Figure 6. Job growth has slowed this year, with nonfarm payrolls rising by just 35,000 on average per month in the three months to July

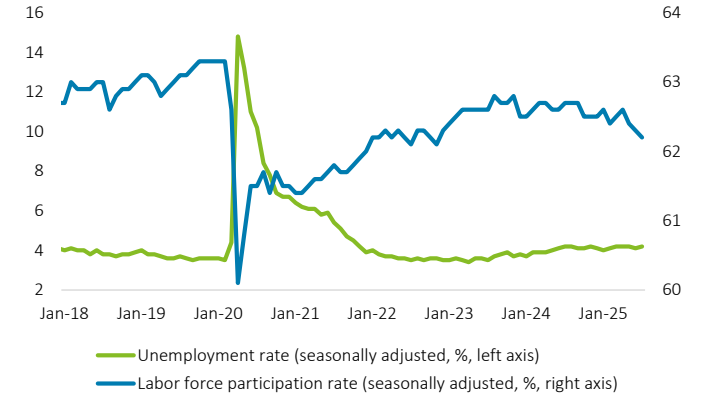


Figure 7. Retail sales rose 0.2% in May, aided by a 0.8% increase in non-store sales; total retail sales are up by 2.2% so far this year

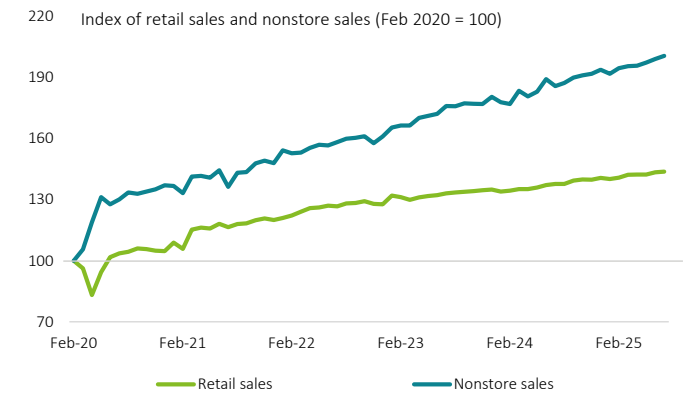
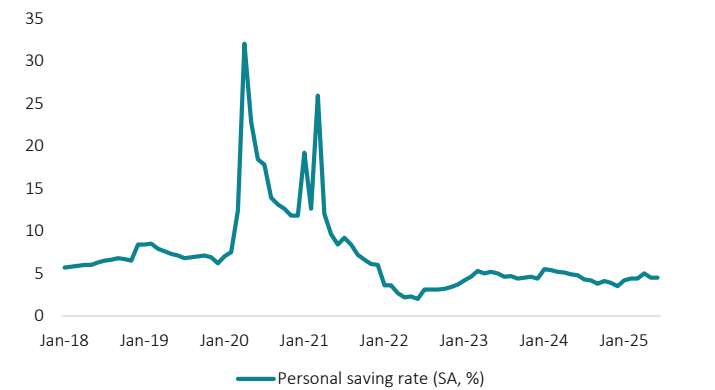


Figure 8. The personal saving rate has broadly risen since end-2024 as consumers stay cautious amid trade policy changes

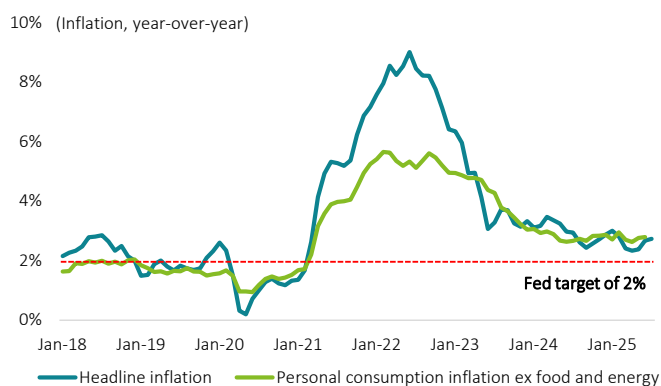


Sources: Deloitte's State of the Consumer tracker; Haver Analytics; United States Department of Transportation; Deloitte analysis.

Figure 9. Mortgage rates remain elevated, which, in turn, is weighing on housing demand and availability of existing homes for sale



Figure 10. Consumer prices excluding food and energy went up by 0.3% in July—the fastest pace of increase seen in six months



Sources: Deloitte's State of the Consumer tracker; Haver Analytics; United States Department of Transportation; Deloitte analysis.

For more on Deloitte's ConsumerSignals this [link](#).

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Insights

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