

Macro Roundup Article

Headline: [Another Month of Moderation](#)

Article Link: <https://institute.bankofamerica.com/content/dam/bank-of-america-institute/economic-insights/consumer-checkpoint-november-2023.pdf>

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Summary: Lower-income households showed the biggest slowdown in Y/Y spending growth with card spending per household close to zero Y/Y for those with a household income below \$50k, down from +1.75% Y/Y in September. In contrast, spending growth for higher-income households (above \$125k) fell 0.2% Y/Y in October, from -0.1% Y/Y in the prior month. Some of this narrowing reflects falling gasoline prices, which tend to benefit lower-income cohorts relatively more as they have a higher weight of gasoline in their overall spending. One possible explanation for the narrowing gap between lower- and higher-income spending growth may be the converging after-tax wages and salary growth for these two cohorts. According to Bank of America's internal data, after-tax wages and salaries were up 0.4% Y/Y in October for higher-income households and grew by 2.6% Y/Y for lower-income households. Related: U.S. Wage Growth Is Slowing, Somewhat and Inching Toward Equilibrium and Why No Recession (Yet)?

Primary Topic: Business Cycle

Topics: Business Cycle, GDP, Op-Ed/Blog Post, Unemployment/Participation, Wages/Income, Workforce

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