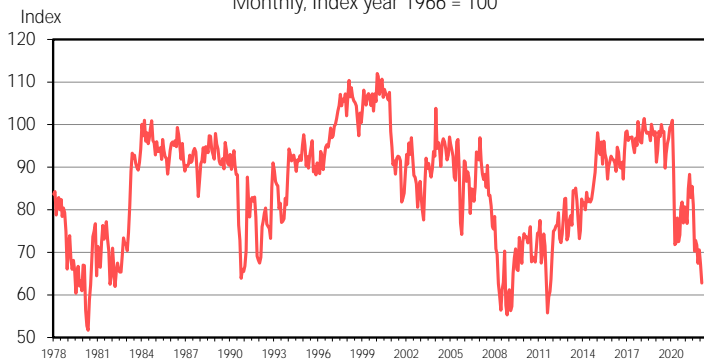


U.S. consumer sentiment continues to erode. In the latest survey by [University of Michigan](#) reported that consumer sentiment was at 62.8, 6.5% decline from January's 67.2. The analysis noted that many of the surveys and interviews happened prior to the Russian invasion of Ukraine, and is likely not fully captured in this data point. The next release is March 11, which will provide preliminary data for the first half of March.

Inflation, rising interest rates, and economic concern were listed as some of the primary reasons consumer pessimism continued to show. Among the datasets in this series is consumer expectation of inflation, which in February was projected to average 5% in the next year. U.S. consumer expectations also continued to fall, and are now approaching the lowest levels in 10 years. Current assessment of conditions are well below the last decade and are more similar to the 2008 housing crisis recession.

DOMESTIC U.S. CONSUMER SENTIMENT
Monthly, Index year 1966 = 100



Data Source: University of Michigan
Livestock Marketing Information Center

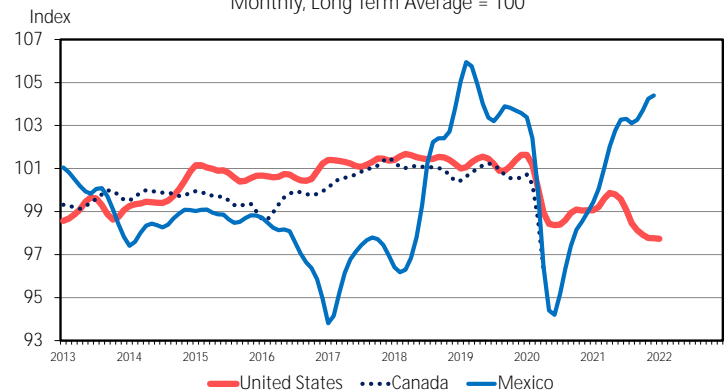
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Compared to other countries, the U.S. composite leading indicators (a standardized measure of international consumer confidence) released by [OECD](#) was lower than the G7 (U.S., Japan, France, Germany, Italy, U.K., Canada), Europe and the Major Five Asia index in January. U.S. optimism was lower than Australia, Brazil, Germany, Japan, and South Korea. Out of the list above, Australia, Germany and South Korea all had indicators above 100, compared to the U.S.'s 97.73 level. Mexico has been one of the more optimistic countries and only has data through December of 2021, but has had sustained value of over 100 since February of 2021. China's confidence indicator has also

been above 100 for several years (since February of 2017). Keep in mind these indicators are not capturing the current ongoing situation in Ukraine. Note, Canada, individual country data has not been available since mid-2020.

More cautionary spending tends to be the trend when a great deal of uncertainty in the economic environment exists. This is potentially a headwind for higher priced animal proteins and likely supportive of less expensive sources of protein.

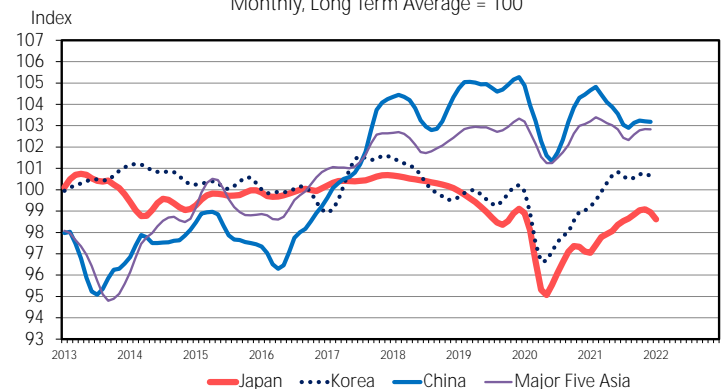
NORTH AMERICA CONSUMER CONFIDENCE
Monthly, Long Term Average = 100



Data Source: OECD
Livestock Marketing Information Center

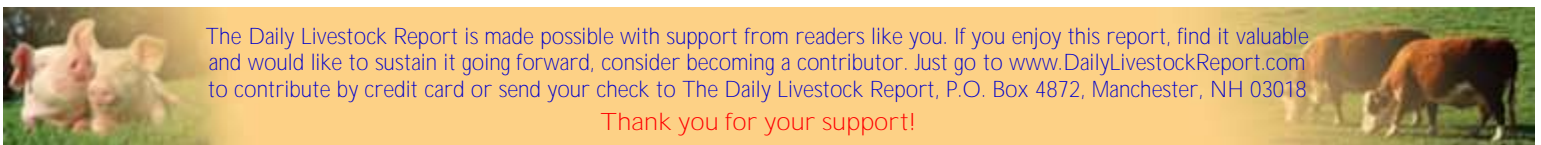
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ASIA CONSUMER CONFIDENCE
Monthly, Long Term Average = 100



Data Source: OECD
Livestock Marketing Information Center

03/01/22



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