

The US Maru Household Outlook Index (MHOI)

With monthly tracking of American citizen-consumers and their 60-day outlook about the US economy and their personal finances

November 2023



The November 2023 American Maru Household Outlook Index (MHOI) is down four points from **83** last month to **79** (**negative/pessimistic**) tying for the worst measure on record (July 2022)—and the steepest drop since the index commenced in April 2021.

Of the sixteen of the twenty-two measures in the calculation, the **four key drivers of the index this month are:**

- **More Americans believe the state of the economy is on the wrong track** (up from 64% last month to **68%**) and reverts to findings approximating July 2022 (70%). This measure has increased thirteen percentage points since July 2023 (56%)—an **unprecedented** increase over four consecutive soundings.
- **Less Americans believe the national economy will improve** (down from 42% last month to **37%**) and reverts to similar findings approximating July 2022 (38%). This measure has decreased fifteen percentage points since July 2023 (52%)—an **unprecedented** decrease over four consecutive months.
- **Less Americans say they will buy a house** (down from 16% last month to **13%**) and is a step back to similar findings in May 2023 (14%). Also noted, those who indicate they are **most likely** to purchase is down (from 9% in July to **7%** now)
- **Less Americans say they will invest in the financial markets** (down from 35% last month to **32%**) and is a step back to a similar standing in May 2023 (33%). This is a slide of seven percentage points since July 2023 (39%).

Having a tracked index in hand can often give you a pretty good read of the room before you even enter. So, when American's **gather for this year's Thanksgiving dinner, the odds are the discussion at the table will be less upbeat** than it was last year, and far less so than was the case two years ago. This month's MHOI is tied for the worst showing yet and is down four points from Thanksgiving 2022 and is **off a whopping seventeen points from the same dinner table from 2021.**

Driving this sentiment are **a combination of two ingredients:** a deep pessimism about the American economy (nationally and locally) that has had an unprecedented rise since July, and a growing concern over personal finances (every pocketbook measure has slid this month).



As explored in our last report, there's **plausible link** in the tumbling mood on the economy and the congressional shootout and showdown over the debt ceiling. The fact that Congressman Mike Johnson (LA-04) was elected as the Speaker of the House just two days before the latest survey was fielded likely **captured a good amount of public angst about the quagmire on the hill.**

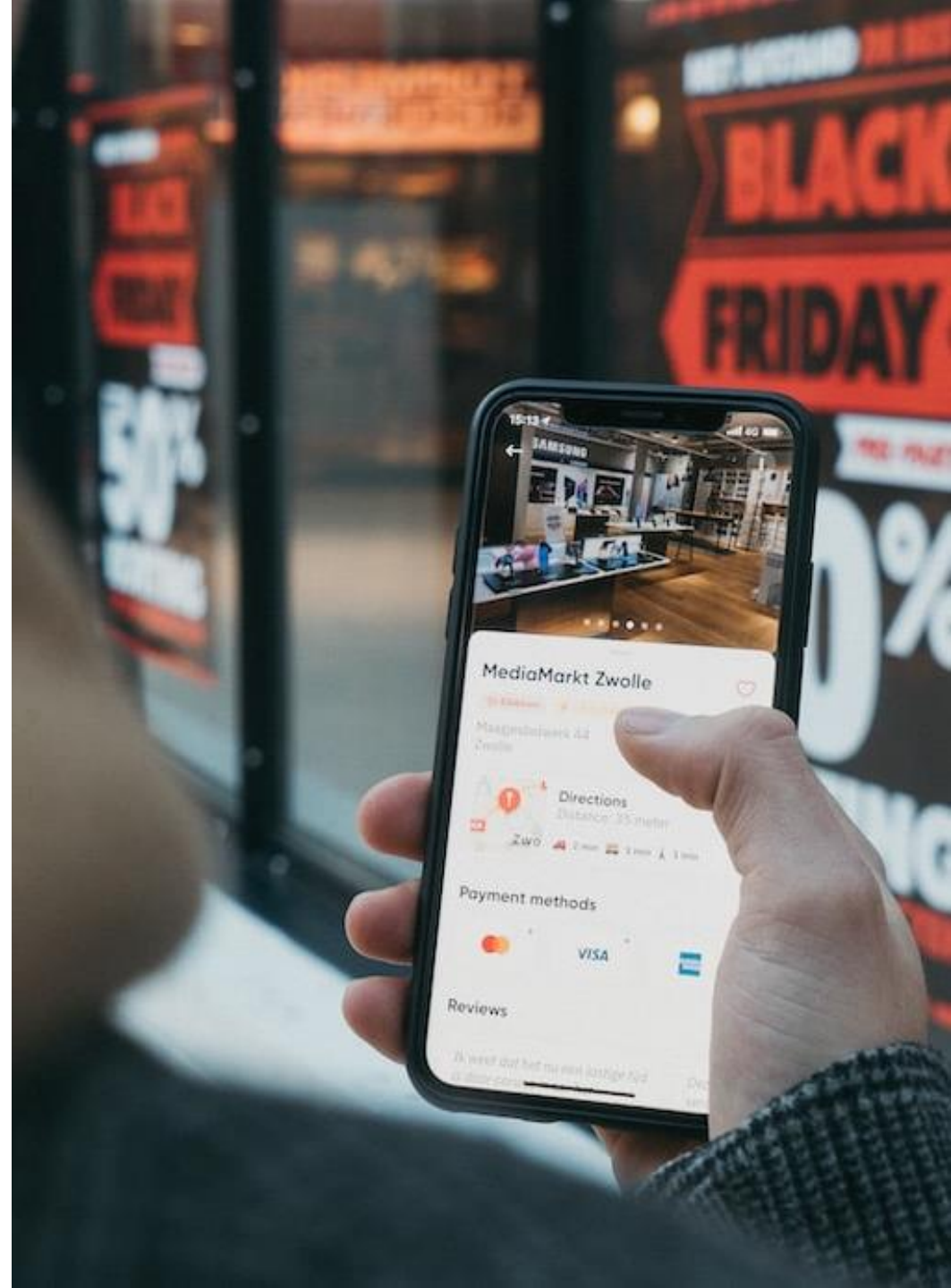
In any event, it just means we're **back to a new square one** with the clock still ticking down to find a solution to keep the federal government open. **However, this time there's added pressure** as interest payments on the debt now exceed a trillion dollars annually and Moody's Investors Service has put the U.S. government's pristine credit rating on a negative path for a possible downgrade.

This comes at a time when the MHOI tracking over the past four months reveals **the steepest rise yet recorded of those who believe their personal financial position is worse off** than the previous month (now at **27%** up from 24% in September and 17% in July). That's a stunning Gap score increase that's gone from zero in July (improved 17% versus 17% worsened) to -14 now (13% versus 27%). Any added debt among those in this group—and/or who say they don't earn a livable wage (now at 37% and up from 29% in July)—and we're likely to **see a lot of Q1 2024 hurt or worse when those bills come in.**

With one in six (16%) Americans already admitting they may default on making payments on major loans and/or a mortgage, the next Federal Reserve meeting on December 12-13 to consider hiking interest rates again **could be the tipping point for everyone in this paragraph.**

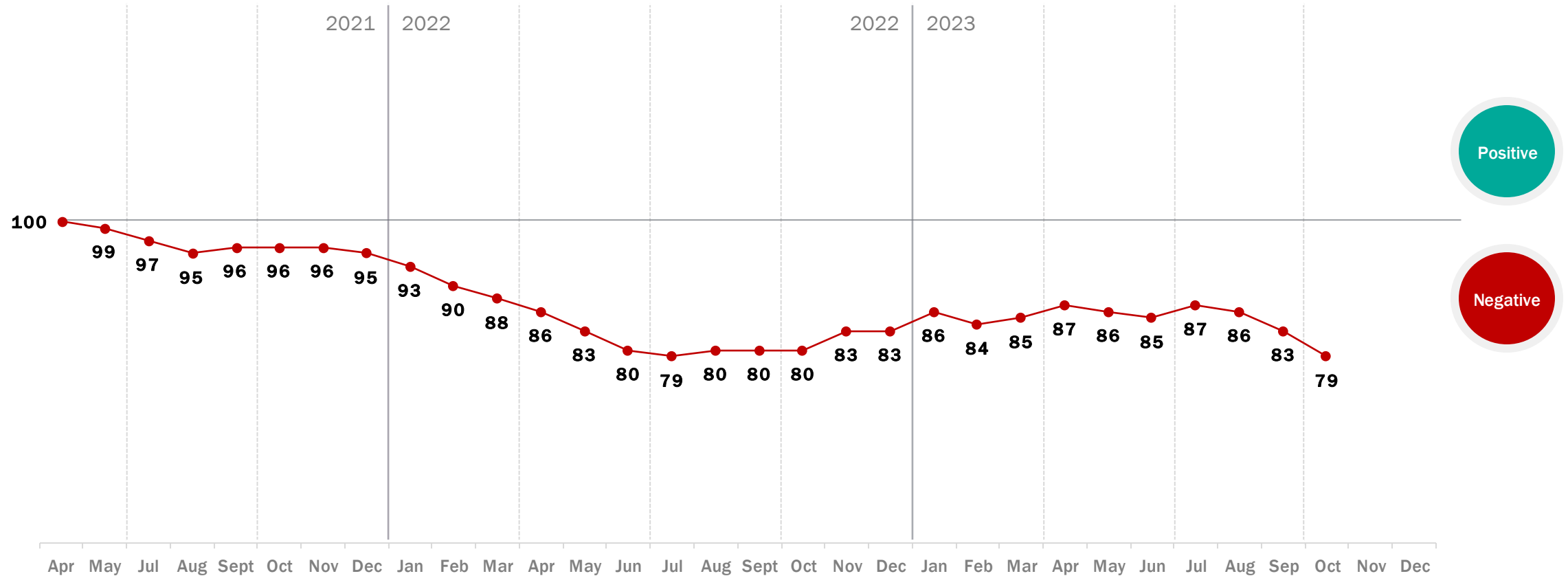
Ironically, **the debt ceiling debate in Washington may coincide with personal debt ceiling discussions as the turkey and cranberry sauce is passed.** The difference in outcome is that while government has more levers available to avert immediate consequences, consumers and taxpayers are on the hook for it all with little, if any, maneuverability to keep it off their plate.

Despite all of this in mind, **do yourself a favor:** on November 23rd, **tune it all out for a moment and just consider the richer bounty of life and the hope it can bring for the future.** From all of us to you and yours, **have a Happy Thanksgiving, and a healthy, prosperous year ahead.**



The American Maru Household Outlook Index (MHOI)

79 (negative/pessimistic)



The Appendix reveals the questions and formula used to calculate the monthly index.



What's Driving the Index This Month?

The following are the **four elements** having the **most** influence on the index this month:

- **More Americans believe the state of the economy is on the wrong track** (up from 64% last month to **68%**) and reverts to findings approximating July 2022 (70%). This measure has increased thirteen percentage points since July 2023 (56%)—an **unprecedented** increase over four consecutive soundings. Those most likely to believe the US economy is **headed in the right direction** (**32% -4**) are men (**38% -5**), and those living in the West (**35% -4**).
- **Less Americans believe the national economy will improve** (down from 42% last month to **37%**) and reverts to similar findings approximating July 2022 (38%). This measure has decreased fifteen percentage points since July 2023 (52%)—an **unprecedented** decrease over four consecutive months. Those **most likely to say the national will not improve** (**63% +5**) are women (**66% +2**), those living in the West (**62% +4**) and South (**61% +1**), the youngest Americans (aged 18-34 (**61% +10**), and those with the highest income (**\$100k+ 60% +4**).
- **Less Americans say they will buy a house** (down from 16% last month to **13%**) and is a step back to similar findings in May 2023 (14%). On the contrary, those who reveal they are **most likely** to purchase is down (from 9% in July to **7%** now). Those most likely to be in the market are the youngest Americans (aged 18-34 **29% -8**), male (**17% -3**), those with the lower income (<\$49k **15% -4**), and those living in both the South (**14% -3**) and the Midwest (**13% +1**),
- **Less Americans say they will invest in the financial markets** (down from 35% last month to **32%**) and is a step back to a similar standing in May 2023 (33%). This is a slide of seven percentage points since July 2023 (39%). In the alternate, those who are up for investing **because it is a good time to do so** are those with the highest income (**\$100k+ 51% -6**), the youngest Americans (aged **18-34 41% -5**), men (**40% -7**), and those living in the Northeast (**34% -3**).

Note +/- indicates percentage point difference from the previous month.



By the Numbers

Thinking of the state of the economy, would you say it is...?

- Moving in the right direction **32% -4**
- On the wrong track **68%**

Specifically focused on your financial position, would you say it has...?

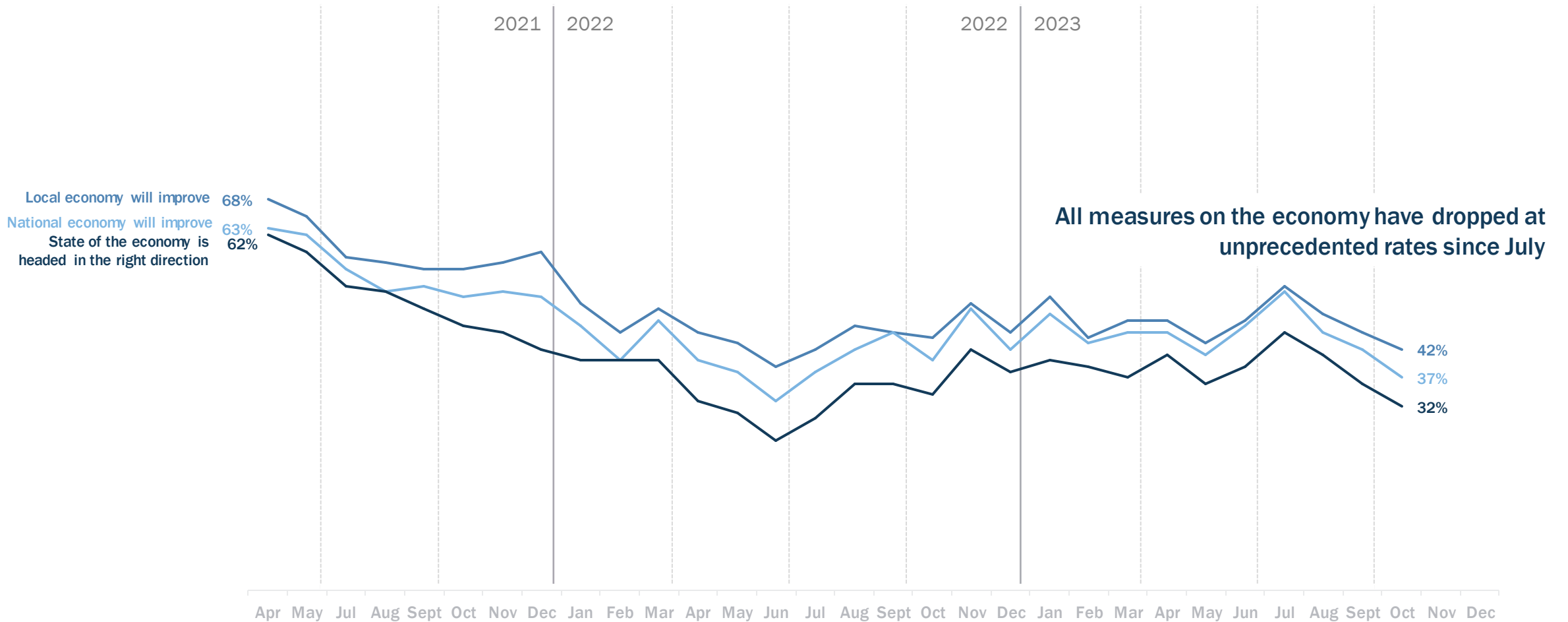
- Improved since last month **13% -1**
- Remain the same over the last month **61% -1**
- Become worse since last month **27 +3**

Over the next sixty (60) days is it **very/somewhat/not very/not at all** likely that...?

- The national economy will improve **37% -5 63%**
- The local economy where I live will improve **42% -3 58%**
- I will have more than two months of savings to cover any unexpected costs or needs **61% -3 39%**
- I will put away money for my retirement/old age security **55% -3 45%**
- I will have enough personal/family investments and savings for the future **56% -2 44%**
- I will be worried about my personal/family day-to-day finances **51% N/C 49%**
- I will have the ability to purchase the products needed for me/our family **83% -1 17%**
- I will invest in the financial markets because now is a good time to do so **32% -3 68%**
- I will purchase big ticket items like a car or furniture **21% -1 79%**
- I will buy a house **13% -3 87%**
- I will struggle to make ends meet **39% -1 61%**
- I will default on making payments on major loans or a mortgage **16% -2 84%**
- I will lose or be laid off from my job because of lack of business/work **12% -2 88%**
- I will likely declare bankruptcy **9% -3 91%**
- I will earn a livable wage **63% -5 37%**
- I will have enough food for myself/family **90% N/C 10%**
- I will be able to afford to keep a roof over my/my family's head **76% +1 24%**
- I will rely on government programs to make ends meet **29% -1 71%**
- I will move to a smaller residence because I need to save money **17% -2 83%**
- I will take a learning course to upgrade my skills/education **29% -1 71%**

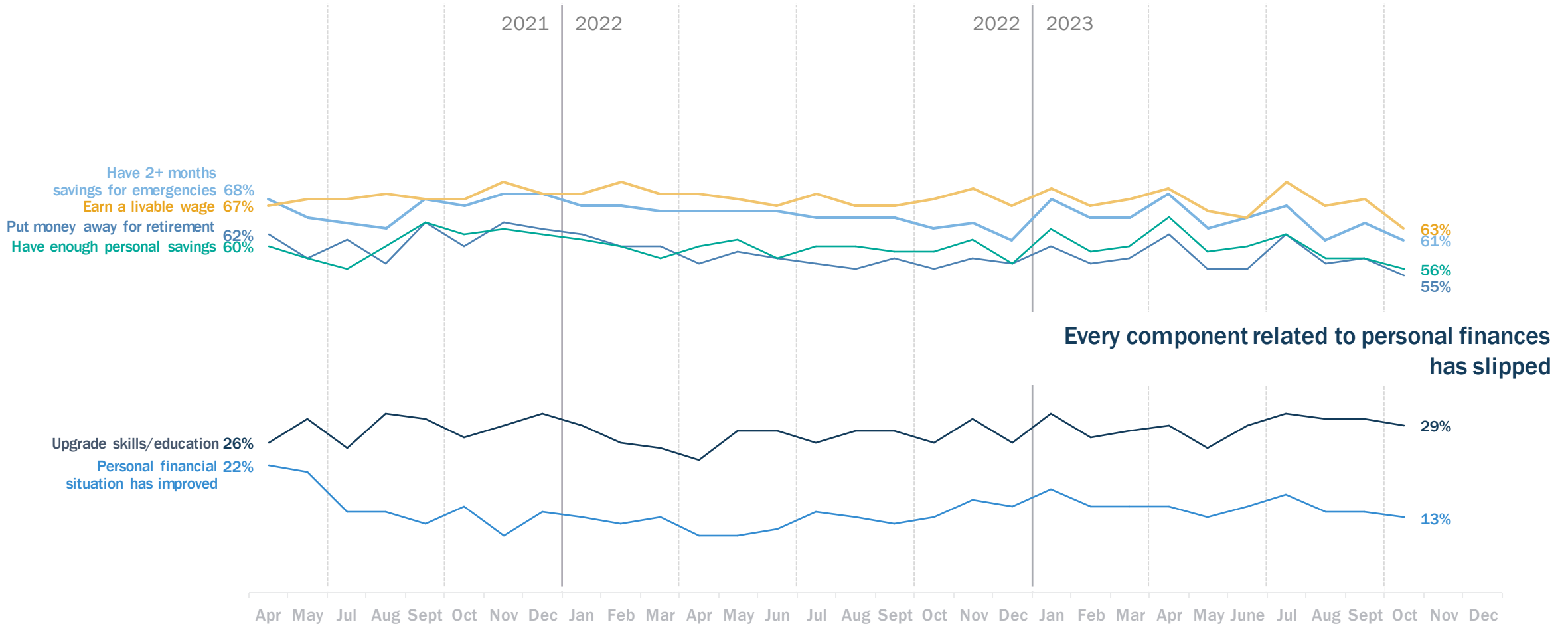
The American Maru Household Outlook Index (MHOI): Economic Outlook

Over the next 60 days, likely to...



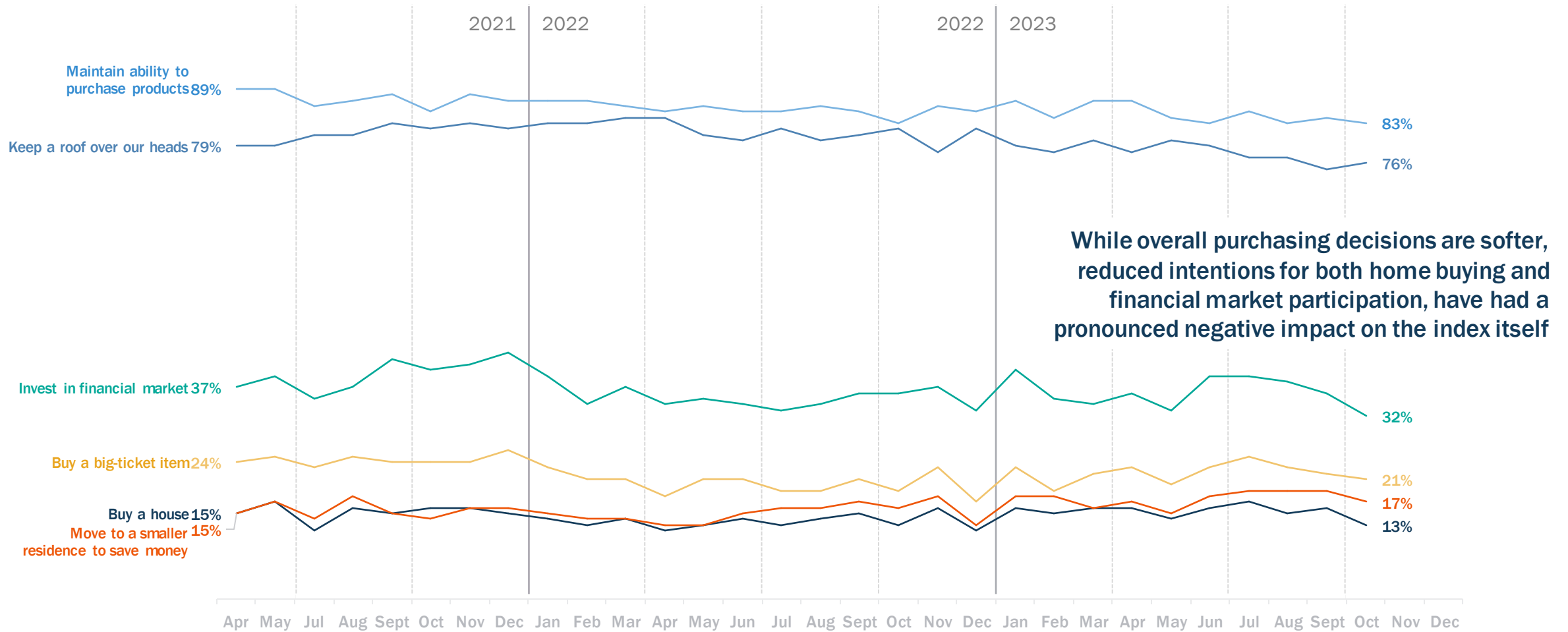
The American Maru Household Outlook Index (MHOI): Personal Finances

Over the next 60 days, likely to...



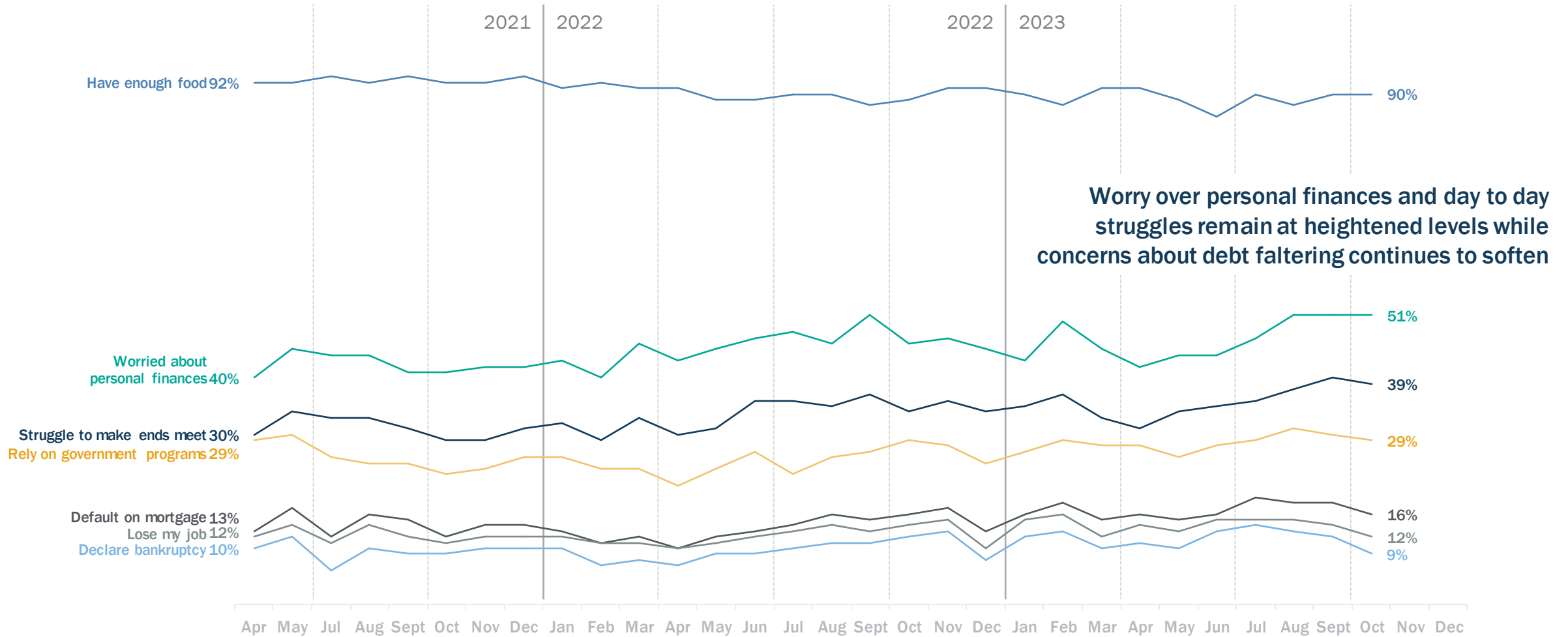
The American Maru Household Outlook Index (MHOI): Purchasing Power

Over the next 60 days, likely to...



The American Maru Household Outlook Index (MHOI): Challenges

Over the next 60 days, likely to...





Data Collection Methodology for This Month's Wave

These are some of the findings from a study released by Maru Public Opinion undertaken by its sample and data collection experts at Maru/Blue on October 27-29, 2023, among a random selection of 1,521 American adults are [Maru Springboard America](#) online panelists. For comparison purposes, a probability sample of this size has an estimated margin of error (which measures sampling variability) of +/- 2.5%, 19 times out of 20.

The results have been weighted by education, age, gender, and region to match the population according to census data which ensures the sample is representative of the entire adult population of the United States. Discrepancies in or between totals when compared to the data tables are due to rounding.

Panel and data services provider [Maru/Blue](#) is deeply rooted in the Maru/HUB technology platform and offers on-demand, high-quality, highly scalable online community samples of deeply engaged, known respondents. Maru Public Opinion is a professional research services channel dedicated to improving its clients' business outcomes. It delivers its services through teams of sector-specific research consultants specializing in the use of Insight Community and Voice of Market technology. [Maru Public Opinion](#) publicly released American polls with supporting detailed tables are found here: [Maru Public Opinion US Polls](#). Corporate information can be accessed here: [Maru Group](#). Excerpts from this release of findings should be properly attributed, with interpretation subject to clarification or correction. Maru Public Opinion does not do any work for any political party.

The methodology and questions used for the calculation of the monthly Maru Household Outlook Index (MHOI) can be found in the Appendix. Detailed tables are simultaneously posted with the public release of this document at [Maru Public Opinion US Polls](#) or are available upon request. Presentations and/or media interviews about these and subsequent results can be provided, and individuals may be added to a distribution list, upon request to john.wright@marublue.com.

Appendix

Index Calculation

The MHOI is derived from a sixteen-item summated rating scale, fourteen of which are on a four-point scale, with each level having a different weight. A fifteenth item has a binary response, and only the proportion of positive responses is used. The sixteenth item asks respondents to describe how their financial position had changed in the past month wherein the proportion of respondents whose situation has improved or remained constant is kept, with both top options having the same weight in the Index. Each statement score is multiplied by either 1 or -1 depending on whether the attribute is optimistic or pessimistic.

The Index scores are added, multiplied by 100, and finally divided by the total for the baseline month (April 2021) to give us the weighted index. Any Index output below a composite score of 100 is considered to be negative/pessimistic, and any above a composite score of 100 is considered to be positive/optimistic. The resulting measure is both valid and reliable.

The MHOI Index number reported in any given month is based on a “rolling average” formula that combines the incumbent data from that month plus the two previous monthly waves (which triples the usual monthly sample size wave of ~1,500 completed interviews for a total of ~4,500). In order to heighten the freshness of the Index number reported, the incumbent month is given a weight of 45%, the data from the previous month is given a lesser weight of 35%, and the data from the earliest of the three months is given an even lesser weight of 20%. The output from this formula produces the MHOI Index number reported and charted for comparison with previous iterations.

Index Questions

Thinking of the state of the economy, would you say it is...? (Tracking began in April 2021)

- Moving in the right direction
- On the wrong track

Specifically focused on your financial position, would you say it has...? (Tracking began in April 2021)

- Improved since last month
- Remain the same over the last month
- Become worse since last month

Over the next sixty (60) days is it very likely/somewhat likely/not very likely/not likely at all that... (Tracking began in July 2020)

- The national economy will improve
- The local economy where I live will improve
- I will have more than two months of savings to cover any unexpected costs or needs
- I will put away money for my retirement/old age security
- I will have enough personal/family investments and savings for the future
- I will be worried about my personal/family day-to-day finances
- I will have the ability to purchase the products needed for me/our family
- I will invest in the financial markets because now is a good time to do so
- I will purchase big ticket items like a car or furniture
- I will buy a house
- I will struggle to make ends meet
- I will default on making payments on major loans or a mortgage
- I will lose or be laid off from my job because of lack of business/work
- I will likely declare bankruptcy

Additional Questions (Tracking began in July 2020)

Over the next sixty (60) days is it very likely/somewhat likely/not very likely/not likely at all that...

- I will earn a livable wage
- I will have enough food for myself/family
- I will be able to afford to keep a roof over my/my family's head
- I will rely on government programs to make ends meet
- I will move to a smaller residence because I need to save money
- I will take a learning course to upgrade my skills/education



Maru is a world leading CX and Insights Software & Advisory Services company.

Maru was founded to disrupt the data and insight delivery industry with a combination of Software & Advisory Services delivering data in real-time via a unique service model. Maru helps its clients make informed decisions in near real-time by combining proprietorial software, deep industry experience and access to the best minds in research. Maru's flexible service model means our clients can choose to self-serve our Software directly to create, launch and analyze projects; or choose to utilize our Software with knowledgeable support from insights experts. Maru successfully delivers major national and international CX and CEM programs for Enterprise organizations.

Maru Public Opinion is a research and insight channel of the [Maru Group](#). The division operates a polling division for clients and collaborative media partners. A full description of the channel and access to polls released into the public domain can be found at [Maru Public Opinion US Polls](#)

[Maru Public Opinion](#) does not carry out any polling for any political party.

For more information contact:

John Wright

Executive Vice President

Maru Public Opinion

102 Madison Avenue New York, NY, 10016, US

D: 1-332-282-1610 (NYC)

john.wright@marublue.com



The experience & insights platform

[Maru Group](#)

NEW YORK / CHICAGO / SAN FRANCISCO / LOS ANGELES / LONDON /
SOUTHAMPTON / EDINBURGH / BUENOS AIRES/ TORONTO / VANCOUVER