

Bank of America

Institute Insights

12 October 2025

As Taylor Swift's showgirl era tops the charts this week, Institute Insights offers its own kind of reveal – our latest perspectives on consumer health, natural disasters, and smart glasses.

Taking center stage is our update on consumer health. In September, according to Bank of America internal data, employment growth continued to cool, while wages and spending continued to grow. Our payroll estimate increased by only 0.5%, the slowest pace in months, and the number of households receiving unemployment benefits increased by ~10% year-over-year (YoY). But wage growth was up for all income groups – led by higher-income households' 4.0% YoY gain – the highest pace since October 2021. Total credit and debit card spending per household was also up, increasing YoY at the strongest pace since December 2024. However, wealth and wage dynamics are driving divergent spending patterns across income groups. While lower-income households' spending improved in September, their growth remains modest when compared to middle- and higher-income households, likely due to relatively softer wage gains. Additionally, our data shows the upper income cohorts are benefiting from positive wealth and housing effects. Read our latest [Consumer Checkpoint: The tale of two wallets](#) and [The Institute Employment Report: September 2025](#).

Just like showbusiness, it isn't all sequins and red carpets, and life comes with its share of challenges, too. In 2024, for instance, the Federal Emergency Management Agency (FEMA) declared 90 major disasters in the US. This was nearly twice the 30-year average and impacted 41% of our country's population. According to a Bank of America proprietary survey, for those affected by natural disasters, insurance premiums increased by an average of \$921 annually. This underscores natural disasters' ability to accelerate financial instability and recovery – particularly for small businesses and vulnerable communities. To dive deeper and see the economic impact of two specific events – Hurricane Helene and the January LA wildfires – read the Institute's analysis: [What's the impact of natural disasters on local economies?](#)

And finally, AI glasses, a type of smart glasses with audio and visual capabilities, could soon steal the spotlight. In 2025, BofA Global Research predicts shipments of AI glasses will exceed 10 million units, highlighting the product's market dominance. However, augmented reality (AR) glasses are quickly catching up as they offer users a more interactive experience, with micro-displays and waveguides capable of overlaying digital content onto the real world. So, although they may be heavier and more expensive, BofA Global Research expects AR glasses to mature by 2027, and potentially surpass AI glasses in shipments volume by 2030. To take a look behind this industry's curtain, read our publication: [Eyes on the future: Smart glasses](#).

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