

Bank of America

Institute Insights

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Dive into this week's Institute Insights for our latest updates on consumer deposit behavior, small business hiring, self-care habits and getting lost in the scroll with our Wellness series finale.

Are consumers dipping more than their toe into deposits to confront higher costs? Not so far, and, even after inflation, median deposits for lower-income households are still nearly 70% above 2019 levels. Much of the surge comes from larger tax refunds, although these are seasonal and balances typically float back down later in the year. The drawdown could happen faster this time, especially for younger and lower-income households facing rising rent, insurance and fuel costs. Still, stronger wage growth could refill accounts and soften that decline, supporting spending longer than expected. Read publication: [Deposit trends: A mild tailwind for "K" shape narrowing](#).

Small business hiring made a splash in May, with our alternative hiring indicator up nearly 15% year-over-year – the strongest reading in over a year. But a wave of short-term hiring may be masking some underlying weakness, as both payroll and profitability growth fell in May. The gasoline shock has continued to ripple through small business spending, especially for transportation and agriculture firms. Meanwhile, small manufacturing firms saw a modest profit boost in May, possibly due to issued tariff refunds. Still, with costs mounting and overall profitability tightening, small businesses are increasingly adjusting prices and relying on credit to manage operations. However, utilization rates suggest firms still have some borrowing capacity. Read publication: [Small Business Checkpoint: Glass half full](#).

Whether your form of self-care means lounging by the pool or swimming laps in it, consumers are increasingly integrating wellness into how they live, spend and prioritize health. Self-care is moving from a niche habit to a mainstream priority, with most Americans actively engaging in practices that support mental, physical and emotional wellbeing. As a result, wellness is becoming more integrated with innovation and spending – spanning solutions like GLP-1s, beauty tech and advanced skincare. Read publication [Wellness, part 4: Self-care's expanding footprint](#).

In the final installment of our Wellness series, we discuss how some consumers have gone off the deep end with prolonged screen time – highlighting links between social media use, mental health risks, content overload and the growing challenge of misinformation. Heavy tech use can also take a physical toll with issues such as musculoskeletal strain, eye problems, hearing damage and disrupted sleep. Plus, constant connectivity is driving "technostress," with frequent device use and notifications contributing to burnout and prompting policy responses like the right to disconnect. Read publication: [Wellness, part 5: Lost in the scroll](#).

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