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Bloomberg ® Consumer Comfort Index™ Weekly Analysis

Embargoed for Release after 9:45 a.m. Thursday, Feb. 5, 2015

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After an impressive run, the Bloomberg Consumer Comfort Index fell back a step this week, with its biggest one-week drop in eight and a half months.

Giving up last week's unusual 2.6-point gain, the CCI slipped 1.8 points to 45.5 on its scale of 0 to 100, very near its five-week 2015 average, 45.3. The index had gained 7.5 points in the previous eight weeks and 12.5 points since the end of September, a remarkable advance.

This week's drop is the steepest week-to-week decline in consumer sentiment since early May. But to put it in perspective, in May the index hit a 2014 low of 33.3. It's now 12.2 points better, and indeed this week's score is its second best, save last week's, since July 2007.

Further, the CCI is still 3.9 points higher than its full average in weekly polling since late 1985. It's now numerically better than its pre-recession average, 45.3 (albeit not significantly so).

The Bloomberg index, produced by [Langer Research Associates](#), is based on Americans' ratings of the national economy, their personal finances and the buying climate. All three lost ground:

- The national economy subindex dropped 2.4 points to 39.9, shedding more than half of its gain last week. Nevertheless, it's second only to last week as the best since early August 2007, surpassing its 29-year average by 5.9 points.
- At 59.2, the personal finances subindex lost 1.5 points after a 4.1-point gain last week, but it's its second highest dating back to early October 2007. Consistently the best of the index's individual gauges, it's 4.0 points better than its full average.
- The buying climate subindex also lost 1.5 points this week, to 37.5, after holding relatively steady in the previous seven weeks. It's closer than the other gauges to its average, exceeding it by 1.8 points.

The CCI's recent advances have matched other indicators, notably a rise in personal income in December and employment gains. The stock market, though, stumbled in January – and this week's retreat in the Bloomberg index was led by higher-income adults, who are more apt to

have stock investments. The CCI lost 4.8 points among those in \$100,000-plus households, although, at 67.3, it's still far higher in this group than in any other.

While off its recent highs, mainly reached last week, the index also is at or above its 50.0 midpoint among \$50,000-plus earners (59.8), full-time workers (53.8), married adults (52.6), people who've been to college (51.5), homeowners (50.3) and men (50.1). The 10.9-point gap between married and single adults is its biggest in 17 months, and the 13.8-point gap between full- and part-time workers is its largest since mid-June.

The index among blacks (48.0) is its second highest in 14 years – better than it is among whites (44.3) for the third week in a row, and by the largest margin in nearly two years. Indeed the CCI among blacks is 17.1 points better than its long-term average in available data back to mid-1990.

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