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Bloomberg ® Consumer Comfort Index™ Weekly Analysis

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Americans are less pessimistic about the economy's direction than they've been in just more than four years – a positive sign regardless of a stall in views of current economic conditions.

Thirty-five percent in the latest Bloomberg consumer survey say the economy's getting better, while only 26 percent say it's getting worse. (The rest think it'll stay the same.) Other than a 10-point positive gap in early 2011, the current 9-point spread is its best since March 2002. And it represents a substantial swing from an 18-point negative gap just five months ago.

Views of current economic conditions, as opposed to expectations for the future, also are sharply up since last fall, albeit with a recent pause. The weekly Bloomberg Consumer Comfort Index stands at 44.6 on its scale of 0 to 100, not significantly different from last week's 44.3.

While it dropped 3.0 points in the previous two weeks, the CCI's coming off a remarkable four months in which it gained 12.5 points to its best since early May 2007, coinciding with gains in employment and GDP. It's now 3.0 points better than its full 29-year average, 41.6, and almost even with its pre-recession average, 45.3, from late 1985 through late 2007.

The CCI, produced by [Langer Research Associates](#), is based on Americans' weekly ratings of the current national economy, their personal finances and whether or not they see this as a good time to spend money. Expectations – whether the economy is “getting better or worse” – are tracked separately, on a monthly basis.

Among the CCI's components:

- At 38.9, the national economy subindex halted a two-week slide this week, leaving it 3.4 points off its recent high, 42.3, which was its best since late July 2007. This critical gauge has improved tremendously – up from 22.4 in late September. It's now 4.9 points better than its full average.
- The buying climate subindex is numerically the weakest of the three gauges, 38.4, but after two down weeks it's also steadied. It's 1.5 points from its recent best, 39.9 in early January, a high since early April 2007. It's 2.7 points better than its long-term average.

- While still the highest of the three subindices, the personal finances subindex has lost 4.1 points in the last three weeks, erasing an extraordinary one-week gain that size in late January, which landed it at its best since early October 2007. Its current 56.6 ties its low since the first week of the year. However, it's still higher than it was from mid-2008 through the end of 2014, and 1.4 points clear of its full average.

By groups, the CCI is 69.0 among those in \$100,000-plus households, its best since late October 2007 save for two other recent readings. By contrast, it's 23.3 among those in households earning \$15,000 or less, its lowest since mid-December.

At 52.2, the index among Democrats is again its best in 14 years, 14.9 points better than its average in available data back to mid-1990. Among Republicans it's 41.0, resulting in the largest gap between the two groups since April.

The CCI is its worst since mid- and early December among 18- to 34-year olds (45.3) and 45- to 54-year olds (39.0), respectively, and its lowest since mid-November among single adults (40.1).

Negative expectations, at 26 percent, are down by 8 percentage points in the past three months, by 12 points in the past five months and by 21 points in the past 16 months, recovering from a net negative score of 31 points in October 2013 to today's 9-point net positive.

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