

# LANGER RESEARCH ASSOCIATES

SURVEY RESEARCH DESIGN • MANAGEMENT • ANALYSIS

---

## **Bloomberg ® Consumer Comfort Index™ Weekly Analysis**

**Embargoed for Release after 9:45 a.m. Thursday, March 13, 2014**

**Contact: Langer Research Associates, 212 456-2621  
info@langerresearch.com**

The Bloomberg Consumer Comfort Index reached its best of the year this week on the strength of continued improvement in views of the national economy, with long-term highs among less-advantaged groups indicating depth in the recent advance of consumer sentiment.

The index has gained steadily after a troubled start to the year, rising by 5.5 points in the last five weeks to -27.6 on its scale of -100 to +100. It's been better only once in the last seven months, just before the Christmas holidays.

Improving views of the economy, long a millstone on confidence overall, are now leading its advance. The CCI's economy subindex has improved robustly in the past two months, up by 12.1 points to -48.0 – apart from two weeks last August, its best since late January 2008.

The CCI, produced by [Langer Research Associates](#), is based on Americans' ratings of the buying climate, their personal finances and the national economy. Ratings of the economy, while still the weakest component, have been closer to views of the buying climate in the past two weeks than at any time in more than six years. The economy subindex plummeted by 34 points in four months as the Great Recession took hold. Its continued advance now is crucial.

The buying climate and personal finances indices, for their part, stand at -39.3 and +4.3, respectively. The former is 10.7 points from its long-term average in continuous data back to late 1985, while the latter is off by 6.3 points. Despite the economy subindex's gains, it's 16.5 points from its average. The overall index trails its lifetime average by 11.1 points.

The CCI's recent gains anticipated last month's employment numbers. Last week's February jobs report included a better-than-expected 175,000 jobs created, and December and January's sluggish numbers were revised upward. Employment is one of the CCI's strongest correlates.

There is a risk: Gasoline prices are their highest in 25 weeks, and steeply rising gas prices often correlate negatively with consumer sentiment. At least for the moment, though, countervailing forces are winning the day.

Along with the recent high overall, the index among many groups reached long-term peaks as well, generally in less-advantaged groups among which consumer sentiment usually lags. The

index among those earning less than \$15,000 a year is now -51.2, its best in seven months, very near its long-term average of -53.1 in available data back to mid-1990 and up by a remarkable 26.0 points in the past five weeks.

The index among all other income groups combined is still well below its long-term average, producing the smallest gap between higher and low-income earners since mid-August. Regardless, the CCI among those with incomes of \$100,000 or more a year is +17.5, by far the best of any group and positive for 13 months straight.

In another example, the CCI among those without a high school degree, -43.2, is its highest in nine months, up by 18.9 points in three weeks and now just shy of its long-term average. It's slightly better among high school graduates (-37.1) and much better among those who've been to college (-18.8), but still well below average in these groups.

The index among renters is up 13.3 points in three weeks to -32.8, its best in seven months and a hair's breadth from its long-term average. As usual, it's better among homeowners, -24.8, but that's well below its average in this group, making the gap between the two groups its smallest since early August.

Further, the CCI is at a seven-month high among single adults, -23.5, up 15.8 points in five weeks – numerically higher among singles than among married adults (-24.7) for only the second time in nearly the last 11 months. In a related result, its level among 18- to 34-year-olds, -21.8, is a six-month high.

There are two exceptions to this pattern. At -14.8, the index among full-time workers is its best in seven months, more than twice its level among part-time workers, -32.8. (It's -39.0 among those who aren't employed for pay.) And the CCI is at a six-month-high, -26.0, among whites, well ahead of its -45.7 reading among blacks.

*The Bloomberg Consumer Comfort Index is produced by Langer Research Associates LLC (Langer). CONSUMER COMFORT INDEX™ is a trademark or service mark of Langer. BLOOMBERG® is a trademark or service mark of Bloomberg Finance L.P. Bloomberg Finance L.P. and its affiliates (collectively, "Bloomberg") or Bloomberg's licensors own all proprietary right in such mark. Neither Langer nor Bloomberg guarantee the timeliness, accuracy or completeness of any data or information relating to the Bloomberg Consumer Comfort Index. Langer and Bloomberg makes no warranty, express or implied, as to the Bloomberg Consumer Comfort Index or any data or values relating thereto or results to be obtained therefrom, and expressly disclaims all warranties of merchantability and fitness for a particular purpose with respect thereto. To the maximum extent allowed by law, Langer, Bloomberg, their licensors, and their respective employees, contractors, agents, suppliers and vendors shall have no liability or responsibility whatsoever for any injury or damages - whether direct, indirect, consequential, incidental, punitive or otherwise - arising in connection with the Bloomberg Consumer Comfort Index or any data or values relating thereto - whether arising from their negligence or otherwise. Nothing in the Bloomberg Consumer Comfort Index shall constitute or be construed as an offering of financial instruments or as investment advice or investment recommendations (i.e., recommendations as to whether or not to "buy," "sell," "hold" or to enter or not to enter into any other transaction involving any specific interest or interests) by Langer, Bloomberg or its affiliates or a recommendation as to an investment or other strategy by Langer, Bloomberg or its affiliates.*

Click [here](#) for CCI details.

For subscription information: Langer Research Associates, [info@langerresearch.com](mailto:info@langerresearch.com)