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Bloomberg ® Consumer Comfort Index™ Weekly Analysis

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Contact: Langer Research Associates, 212 456-2621

info@langerresearch.com

The Bloomberg Consumer Comfort Index hit a fresh pothole on its road to recovery this week, backing off from a nearly eight-year high.

At 46.6 on its 0-100 scale, the CCI flattened after a monthlong advance took it to 47.9 last week, its highest since May 2007. It's 1.6 points above its 2015 average and 4.9 points ahead of its full 29-year average, 41.7, easily racking up its best year since the start of the Great Recession.

Indeed, the CCI is numerically ahead of its pre-recession average, 45.3 from its start in late 1985 through November 2007. That said, its recent course has not been exactly smooth: It soared by 12.5 points from late September through late January, retreated in February, then accelerated again before this week's result.

Other data also point to some unease. A separate monthly gauge in the Bloomberg survey finds economic expectations evenly split, with 30 percent of Americans saying the economy is getting better, but another 30 percent saying it's getting worse. (Forty percent, the plurality, feel it's staying the same.) That's similar to last month (30-27 percent, better-worse), but it's retrenched from February, when optimists outnumbered pessimists by 9 points.

The CCI, for its part, lost ground in two of its three gauges this week. The index, produced by [Langer Research Associates](#), is based on Americans' ratings of the current condition of the national economy, their personal finances and whether or not they think it's a good time to spend money. The first two are down:

- The personal finances subindex lost 2.1 points, its second-largest drop of the year, to 58.4. Regardless, it's well above its average since the recession began, 48.7, and about at its pre-recession average, 57.4
- The economy subindex is down 1.8 points to 37.7, back where it was at the end of March. Apart from last week, it's held within a 0.6-point range the past seven weeks; it's sharply above its average since the Great Recession, 15.9, albeit not quite back to its average in the pre-recession years, 40.1. (It was there briefly this year – the week of Jan. 25.)

- At 43.7, the buying climate subindex bucked this week's trend and held essentially steady at its second highest in eight and a half years, a non-significant 0.1 points behind last week's level. It's also far above its average since the recession, 27.7, as well as 5.4 points above its level from 1985-2007, 38.3.

Other economic news is mixed, with weaker-than-expected job growth and payroll increases in March, but gains that have put the stock markets back near record highs.

Economic disparity is one of the challenges facing consumer sentiment. At 71.9, the CCI among Americans with household incomes of \$100,000 or more is its second highest since August 2007. Among those with incomes less than \$50,000, it's 34.5. The 37.4-point gap between these income groups is its second largest of the year, and one of its largest in the past five years.

Among other groups, the CCI is 38.8 among blacks while 46.6 among whites, the largest gap between these groups since November. It had been higher among blacks than whites from mid-January to early March, a reversal of the usual pattern.

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