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Bloomberg ® Consumer Comfort Index™ Weekly Analysis

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The Bloomberg Consumer Comfort Index extended its spring advance this week, propelled by improving views of the buying climate and personal finances – both their best in at least six years – to a new second-best for the index overall since early 2008.

At 37.9 on its new scale of 0 to 100, the CCI gained 3.9 points in the last three weeks to a level surpassed just once – early last August – since the start of the Great Recession. Two of its components, moreover – ratings of personal finances (with a subindex value of 54.2) and the buying climate (35.0) – are at their best since April 2008 and November 2007, respectively.

The results buttress hopes for an improved jobs report this week, as well as likely reflecting other trends, including signs of life in median weekly earnings and stock market gains. But the index still is well below its long-term average, 41.7 in weekly polls since late 1985, and risks abound, ranging from rising gas prices to long-term unemployment and a still-struggling housing market.

The CCI, produced by Langer Research Associates, is based on Americans' ratings of the national economy, along with (as noted), their personal finances and whether or not they see this as a good time to spend money. Historically reported on a basis of -100 to +100, the index as of this week is being presented on a scale of 0-100 for ease of interpretation, with a new midpoint of 50 rather than the previous 0. See details [here](#).

The change has no impact on the CCI's underlying values or their relationships with one another or with other economic indicators. It does mean the index values will move in a tighter frame; a 4-point movement in the old scale is equivalent to a 2-point shift in the new one.

Among the CCI's components, the buying climate subindex, at 35.0 this week, is its best in six and a half years and only 0.7 points off its 28-year average. Similarly, the personal finances subindex, 54.2, is its best in six years, up 5.6 points in three weeks to 1.1 points off its average.

Unlike the CCI's other components, the national economy subindex, at 24.5, has seen little change of late. It remains the weakest of the three measures, 9.7 points off its long-term average.

The overall index shows a divergent pattern by education and income, two variables that are closely related. At 44.1, the index among Americans with higher levels of schooling (some

college or more), is its best since the last week of 2007, and just 3.8 points below its long-term average. By contrast, it's 27.4 among those with a high school diploma, its worst in this group in 11 weeks and 10.4 points below average.

Similarly, the index is 51.7 among Americans earning \$50,000 or more annually; it's been better just twice since November 2007, in late September and early July. It declines to 28.2 among those with lower incomes, near its 2014 average.

There are notable differences by gender as well. At 43.4, the CCI among men is unchanged from last week, its best since January 2008 and 4.9 points above its average for the year. Among women it's 32.7, almost exactly the average this year. The gender gap is now 10.7 points, compared with an average 5.3 points since early 2008.

In another long-term high, the index is its best since late 2007 among Southerners.

Finally, in partisan terms, the CCI's gap between Democrats (40.1) and Republicans (39.1) is its smallest since late October, given improving sentiment among Republicans, up 10.2 points in the past month to its best in this group in 29 weeks. Independents lag at 35.6.

The CCI is 3.0 points higher than its long-term average among Democrats, but below average by 3.5 points among independents and by a broad 11.0 points among Republicans in this midterm election year.

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Click [here](#) for CCI details.

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