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Bloomberg® Consumer Comfort Index™ Weekly Analysis

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Consumer sentiment forged ahead confidently this holiday shopping season, with the Bloomberg Consumer Comfort Index reaching a high since mid-October 2007 and views of the buying climate their best since April 2007.

The CCI stands at 43.1 on its 0 to 100 scale, up an impressive 3.3 points in just the last three weeks and 8.3 points in the last 12 weeks. The momentum in consumer sentiment is clear: That 12-week gain is its most impressive since 2006, well before the Great Recession began.

The index is set to record its best year by far since 2007, averaging 36.6 compared with 34.3 last year, 30.9 in 2012 and between 26.0 and 28.9 from 2008 to 2011.

After many fits and starts, the index has been on a roll lately. Last week, it surpassed its 29-year average for the first time since summer 2007, and with this week's gains, the CCI's just 2.2 points off its pre-recession average of 45.3.

The CCI's recent upward trajectory anticipated this week's news that GDP was even better than expected in the third quarter, growing at a very robust seasonally adjusted annual rate of 5 percent. That's the economy's best quarterly growth rate since 2003 and corresponds with improving employment, earnings and retail sales.

The CCI, produced for Bloomberg by [Langer Research Associates](#), is based on Americans' views of the national economy, the buying climate and their own finances. The economy and buying climate subindices continue to drive the overall index's positive momentum.

At 39.8, the buying climate subindex is its best more than seven and a half years. It's gained a striking 4.7 points in just three weeks and 7.9 points in the last six weeks. This subindex is 4.2 points clear of its full long-term average and even surpasses its pre-recession average of 38.3.

The economy subindex also has been on the rise lately. It's at 34.7, up an impressive 5.0 points in the last three weeks and 12.3 points in the last 12 weeks. Notching another milestone, the economy subindex is better than its full long-term average of 34.0 for the first time since before the recession began. However, this subindex still trails its pre-recession average by 5.4 points.

As an indication of just how far the buying climate and economy subindices have come recently, they're currently 7.4 and 9.3 points beyond their averages for the year. By contrast, the personal finances subindex is only 2.7 points above its 2014 average.

The personal finances subindex is still the best of the three, but it hasn't shown much movement recently. At 54.7, this subindex has been in a holding pattern the past four weeks and is similar to where it was in early November and late August alike. It's 0.5 points from its long-term average and 2.7 points from its pre-recession average.

The parade of long-term highs among groups in the last weeks continues. Most notably, the index among those in \$100,000-plus households is 70.2, up a steep 12.3 points in the last six weeks, and the first time the CCI's surpassed 70.0 in any group since before the recession began.

The index matches its highest since August 2007 among those who have attended some college or more, 51.7, and is 14.0 points higher than its level among high school graduates (though they tied a high since mid-January 2008). And the CCI among full-time workers, 50.2, is its best since early July 2007, and is 8.2 points better than its level among part-timers.

The index also is at long-term highs since at least January 2008 among homeowners (48.0), married individuals (47.0), Midwesterners (46.5), 18- to 34-year olds (45.7), 45- to 54-year olds (44.1), whites (44.0), Southerners (40.7) and women (40.6).

And, finally, as an election year closes out, the index among Democrats reached 50.3 this week, its highest since late July 2001, more than 13 years ago. At 39.6, the CCI among independents is its best since November 2007. (It's 39.7 among Republicans, making the Democrat-Republican gap in consumer sentiment its fourth highest of the year.)

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