

Economics Group

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Consumer Confidence Retreats Further

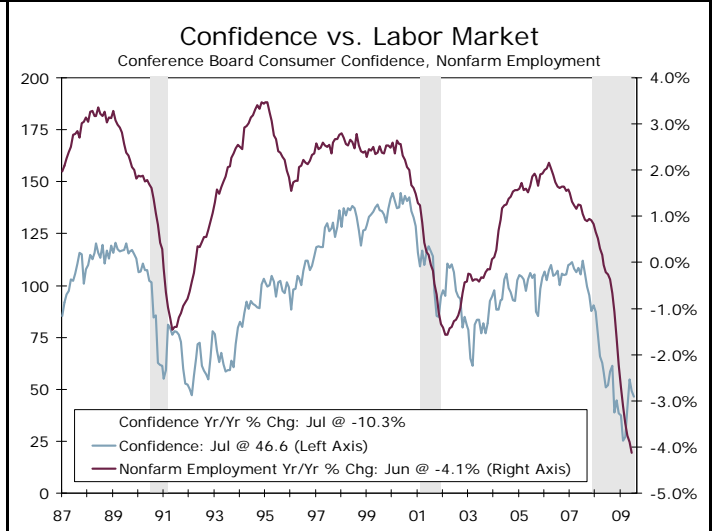
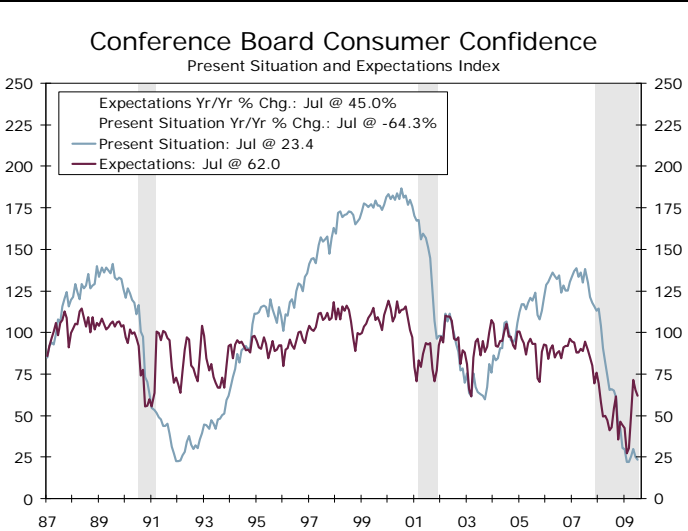
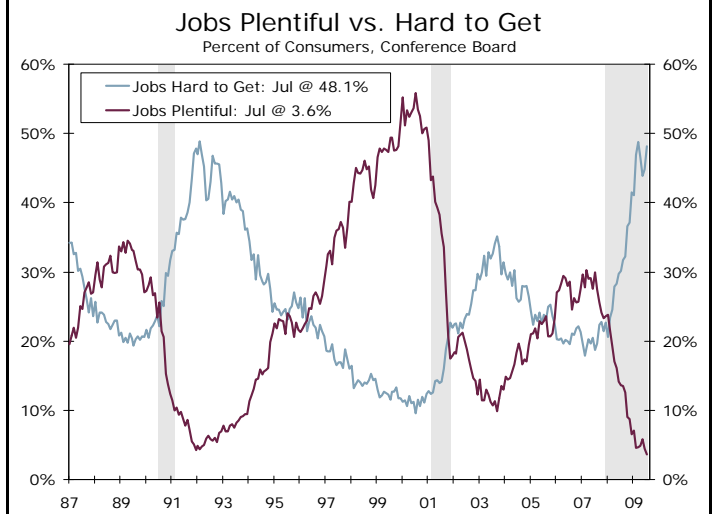
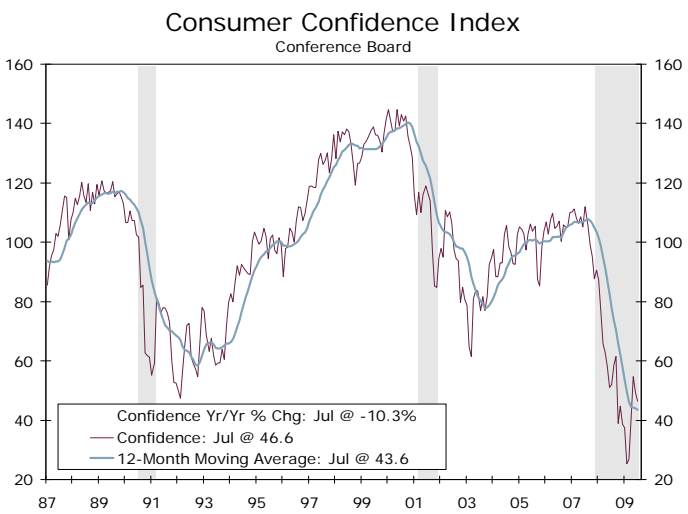
Consumer confidence fell back to 46.6 as both the present situation and future expectations indexes fell. The major and premature jump in expectations in April and May is slowly eroding as labor market woes continue.

Confidence Fell Back for the Second Month

- Confidence fell to 46.6 with the present situation and expectations indexes losing 1.6 and 3.5 points, respectively. The present situation has moved largely sideways this year.
- Expectations jumped prematurely earlier this year as an equity rally, low energy prices and hope of help from Washington buoyed moods. Now it seems we have a renewed sinking feeling.

Jobs, Jobs, Jobs...Or the Lack Thereof

- The labor differential, the difference between those who found jobs “plentiful” and those who found jobs “hard to get”, widened again to -44.5, as jobs “hard to get” jumped and jobs “plentiful” fell. With the economy still losing a massive number of jobs each month and the unemployment rate well on its way to double digits, we do not expect a meaningful improvement in confidence in the near-term.



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