
Slowdown signs - US consumer confidence unexpectedly falls in September

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AP reported that Americans' worries about job security flared up in September, causing a widely watched barometer of consumer confidence to fall unexpectedly and raising more concern about the upcoming holiday shopping season.

The New York based Conference Board, a private research group, said that its Consumer Confidence Index dipped to 53.1 in September, down from the revised 54.5 reading in August. Economists surveyed by Thomson Reuters had expected a reading of 57.

The index, fueled by signs that the economy might be stabilizing, had enjoyed a three month climb since hitting a historic low in February of 25.3 but has been bumpy since June as rising unemployment has caught up with shoppers. A reading above 90 means the US economy is on solid footing. Above 100 signals strong growth.

The Conference Board's Present Situation Index, which measures consumers' current assessment of the economy, declined to 22.7 from 25.4. The Expectations Index, which measures consumers' outlook over the next six months, dipped to 73.3 from 73.8 last month.

Mr Lynn Franco director of Conference Board Consumer Research Center said that "While not as pessimistic as earlier this year, consumers remain quite apprehensive about the short-term outlook and their incomes. With the holiday season quickly approaching, this is not very encouraging news."

The survey showed that consumers' appraisal of the job market was less favorable than the previous month. Those claiming jobs are hard to get increased to 47% from 44.3%, while those claiming jobs are plentiful decreased to 3.4% from 4.3%.

(Sourced from Associated Press)

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