Consumer comfort hits new high

Stock market rally, job gains boost confidence in personal finances

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WASHINGTON — Confidence among consumers climbed for a sixth straight week to the highest level since April as a rally in stock prices and improving job market boosted Americans' view of their finances.

The Bloomberg Consumer Comfort Index advanced to minus 31.6 in the week ended March 10 from minus 32.4 in the prior period. The gauge of personal finances reached an eight-month high.

A pickup in employment and the longest rally in the Dow Jones Industrial Average since 1996 may keep lifting sentiment, sustaining the unexpected strength in consumer spending seen so far this year. Gains in asset values, including the rebound in home prices, shows Federal Reserve stimulus policies aimed at helping Americans repair tattered finances are paying off.

"I think we've got real evidence of a modest wealth effect, which is the direct goal of Federal Reserve policy," said Joseph Brusuelas, a senior economist at Bloomberg LP in New York.

Another report Thursday showed the number of Americans who filed for unemployment benefits unexpectedly declined last week to the lowest level in almost two months, adding to signs the labor market is strengthening.

The comfort index's measure of personal finances climbed to 1.4 last week, the highest reading since July, from minus 0.2 the prior period. The share of Americans with a positive view of their finances climbed to 51 percent, also an eight-month high.

The buying-climate index improved to minus 38.4 from minus 40 the prior week. Thirty-one percent said it was a good time to buy things they want or need.

The Bloomberg gauge assessing Americans' views on the current state of the economy eased. The gauge fell to minus 57.8 from minus 57.