

Americans' confidence in the economy fell only slightly in July but stayed close to a 5½-year high. DAVID COATES/DETROIT NEWS

Consumer confidence dips from 5-year high

By Martin Crutsinger
Associated Press

WASHINGTON — Americans' confidence in the economy fell only slightly in July but stayed close to a 5½-year high.

The report shows consumers remain upbeat about the outlook for job growth later this year.

The Conference Board, a New York-based private research group, said Tuesday that its consumer confidence index dipped to 80.3 in July.

That's down from a reading of 82.1 in June, which was revised slightly higher and the best reading since January 2008.

Despite the slight drop in July, confidence remains well above year-ago levels.

And while the hiring outlook for the short term declined, consumers were more optimistic about the job market's potential in the coming months.

"Overall, indications are that the economy is strengthening and may even gain some momentum in the months ahead," said Lynn Franco, an economist for the Conference Board that oversees the consumer confidence survey.

Consumers' confidence in the economy is watched closely because their spending accounts for about 70 percent of U.S. economic activity. It surged in June, coinciding with a stronger job market.

Despite recent gains, consumer confidence remains below the 90 reading that indicates a healthy economy.

That level hasn't been reached since the Great Recession began in December 2007.