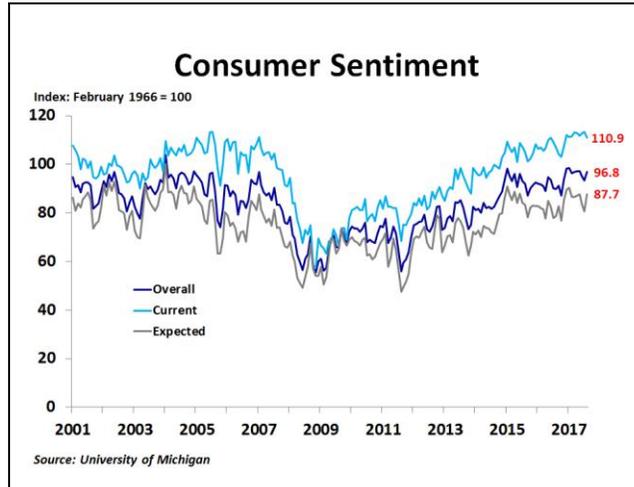




## July Consumer Sentiment Index

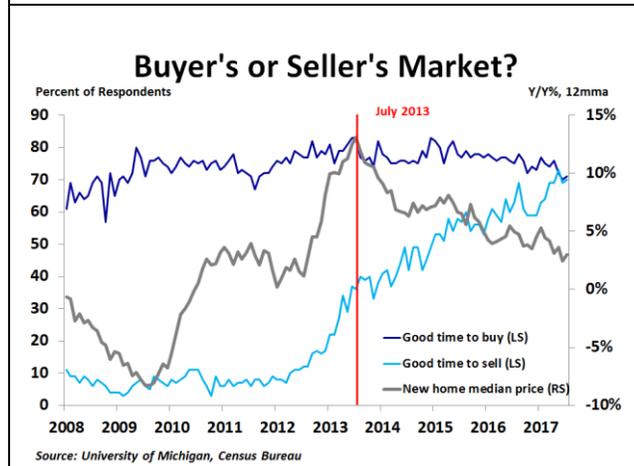
Sentiment rebounds in August while home prices a growing concern



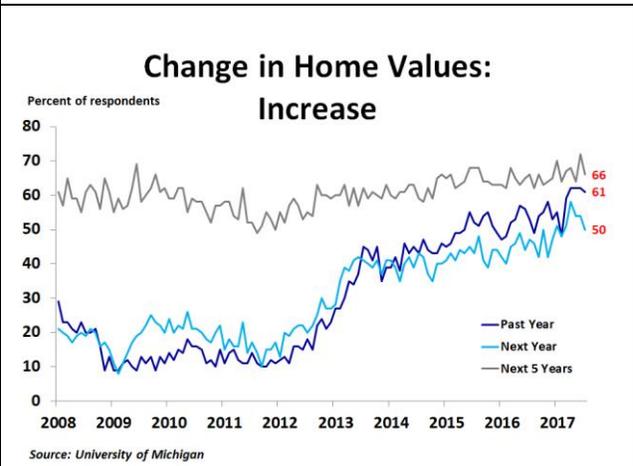
Consumer sentiment rose in August to 96.8 from 93.4 in July. The current component declined, while the expectations measure jumped. This comes on the heels of two down months.



There has been a spike in the share of people who say it's a good time to sell a house because prices are too high. This has coincided with a slowdown in new home price growth (see bottom left chart).



The "good time to buy a house" index peaked in July 2013, exactly the same month that the trend in new home price growth peaked. Price growth is slowing, suggesting a peak in prices may be near.



With home prices very high, there has been a noticeable decline in the last three months in the percentage of survey respondents who expect the value of their home to increase in the next year.