The Case-Shiller Home Price Index increased 0.8% in June, the first gain seen since May 2006 (see chart 1).

The increase in the June Case-Shiller Price Index translates into a smaller year-to-year decline (-15.4%) compared with the drop in May (-17.02%). The bottom for the Case-Shiller Price Index occurred in January 2009 (-19.0%).
Charts 1, 2, and 3 present strong evidence of improving conditions in the housing market. Chart 3 indicates that the year-to-year decline of the house price index shows a decelerating trend across nearly all metro areas of the nation, with the exception of one metro area (Las Vegas).

The FHFA House Price Index sends similar signals (see chart 4) to the Case-Shiller Price Index.
Gain in Consumer Confidence during August Nearly Erases Loses of Prior Two Months

The Conference Board’s Consumer Confidence Index rose to 54.1 in August from 47.4 in the prior month. The August gain nearly erases the declines posted in June and July.
The Present Situation Index (24.9 vs. 23.3 in July) and the Expectations Index (73.5 vs. 63.4 in July) rose in August. There were fewer responses in August indicating jobs were hard to get compared with the situation in July. At the same time, responses suggesting that jobs were plentiful rose in August (50.7) vs. July (47.8). The net of these two sub-indexes tracks the jobless rate closely (see chart 6). The latest count of these two sub-indexes points to improving labor market conditions, which will be verified on September 4.

Other responses of the survey pertaining to discretionary consumer expenditures (homes, vacation, and car) also showed an improvement in August (see chart 7).