



PRESS RELEASE

U.S. consumer sentiment not improving despite lockdown easing

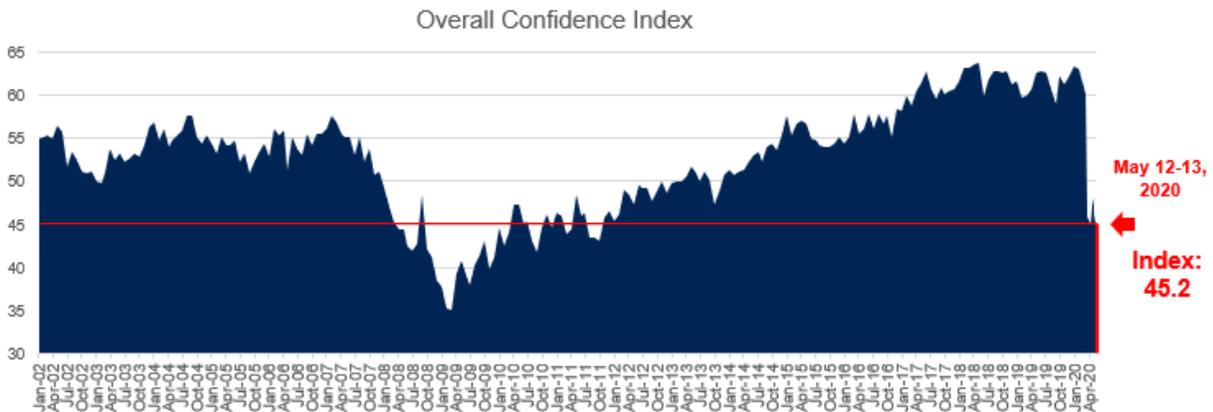
Poor jobs climate is driving down confidence; three quarters of Americans feel less comfortable making major purchases

Washington, DC, May 14, 2020 – At 45.2, Ipsos’s Consumer Confidence index is down by one point from last week and has reverted to where it was when many parts of the country went into lockdown. The Jobs index continues declining and is at its lowest level since 2010.

The Ipsos survey of nearly 1,000 U.S. adults, conducted May 12-13, shows the country is evenly divided between those who believe the economy will recover quickly once the lockdown is over and those who don’t believe it will. However, three quarters of those surveyed (74%) report feeling less comfortable making a major purchase such as a home or a car than they were six months ago – the highest level recorded since the pandemic started.

Detailed Findings

1. With an index score of 45.2, overall consumer confidence is down one point from last week, three points from two weeks ago, and is now at the same level as at the end of March and in early April. Nevertheless, it is still not anywhere as low as in the months following the 2008 financial crisis.
 - The Confidence index is about 18 points lower than it was at the beginning of the year (63.4) and 15 points lower than it was in early March (60.1).



2020 K Street, NW, Suite 410
Washington DC 20006
+1 202 463-7300

Contact: **Chris Jackson**
Senior Vice President, US, Public Affairs, Ipsos
Email: chris.jackson@ipsos.com
Tel: +1 202 420-2025

GAME CHANGERS





PRESS RELEASE

2. The Jobs index shows a significant drop over last week, suggesting the drop in overall consumer sentiment is driven by the poor jobs climate.
- The Jobs index, indicative of the employment situation and outlook, is down 2.1 points vs. last week and is now about 22 points lower than in early March.
 - The Current index, indicative of sentiment about today’s economic environment is down again this week (by 0.7 point) and 20 points lower than when the pandemic broke in the U.S.
 - The Investment index is almost unchanged from last week and nearly 16 points below its early-March level.
 - In contrast, the Expectations index, indicative of Americans’ outlook about their personal financial situation, their local economy and employment, is roughly at the same level as it was before any part of the U.S. went under lockdown.

Sub-indices			
Current: Financial situation; local economy; purchasing, employment and investment confidence	Expectations: Outlook about personal financial situation, community economy and employment	Investment: Purchasing and investment confidence, personal financial situation and outlook	Jobs: Job security confidence, job loss experience and employment outlook
New (5/12-13): 33.0	New (5/12-13): 62.9	New (5/12-13): 38.9	New (5/12-13): 47.9
Change vs. Last week: -0.7 Early March: -20.4 Historical average: -11.5	Change vs. Last week: -0.3 Early March: -0.7 Historical average: +1.0	Change vs. Last week: -0.4 Early March: -15.7 Historical average: -8.7	Change vs. Last week: -2.1 Early March: -21.8 Historical average: -10.8

3. Nearly as many agree that the economy will recover quickly once the lockdown is over (49%, up six points since last week) as disagree (48%, down five points).
- Compared to two weeks ago, those who expect the economy to recover quickly continue to have very high expectations (their Expectations index is almost unchanged at 74.3), but their overall sentiment is down (their Consumer Confidence index fell by more than four points to 52.2) and their feeling about the employment situation and outlook has dropped sharply (their Jobs Index is down nearly nine points to 50.3)
 - In contrast, those who do not expect the economy to recover quickly show a drop of nearly four points in their Expectations index (to 51.9), but little change in how they index on their overall consumer confidence (38.6) and their sentiment about jobs (45.7).

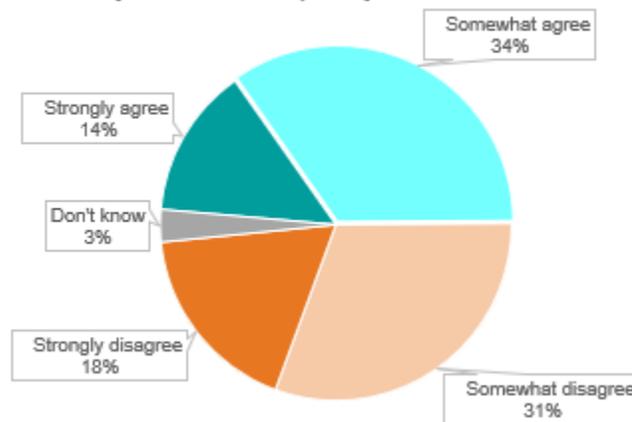




PRESS RELEASE

- Compared to last week, the belief that the economy will turnaround fast shows less political polarization as it slightly decreased among Republicans (60%, down 3 points) while it increased among Democrats (38%, + 7 points) and Independents (47%, +13 points).

The economy will recover quickly once the lockdown is over

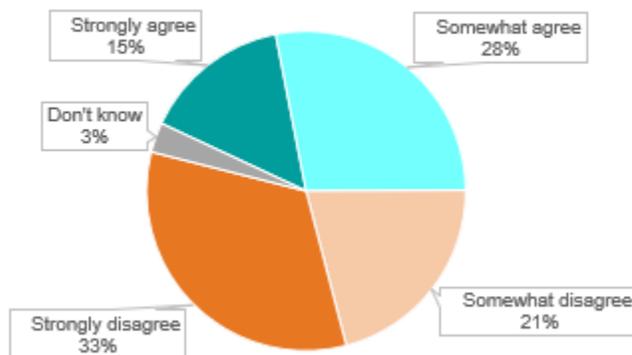


Total Agree:
49% (+6 vs. LW)

Total Disagree:
48% (-3 vs. LW)

- A majority of Americans (54%) continue to disagree that “we should restart the economy and allow businesses to open even if the virus is still not fully contained”. However, those who agree now make up 43% of the public (+4 points over last week).
- Those who believe the economy will recover quickly are more likely to agree (56% of them do) than are those who don't believe it will (only 31% agree).

We should restart the economy and allow businesses to open even if the virus is still not fully contained



Total Agree:
43% (+4 vs. LW)

Total Disagree:
54% (-3 vs. LW)

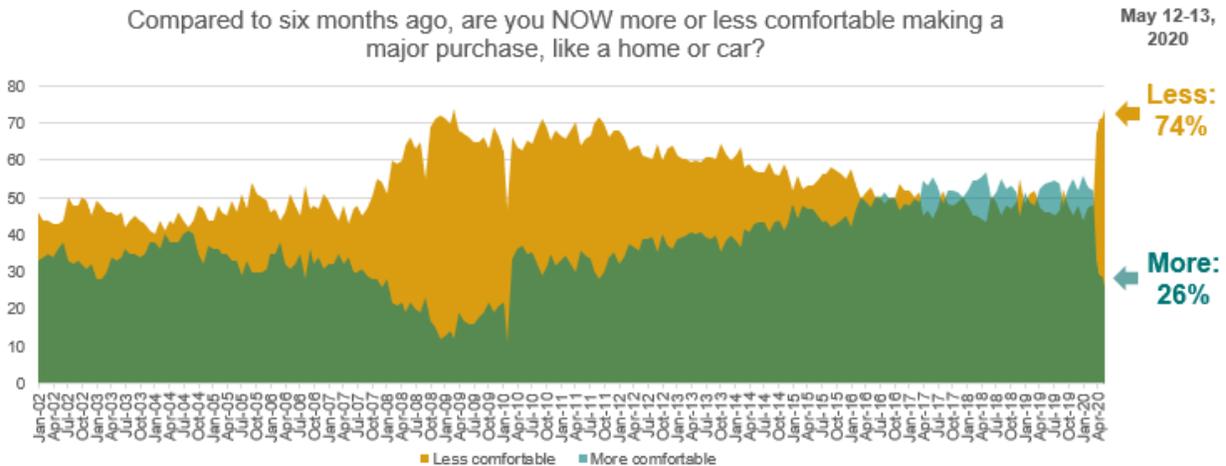




PRESS RELEASE

5. Compared to six months ago, 74% say they are less comfortable making a major purchase, like a home or car, and 68% say they are less comfortable making another household purchase.

- The level of discomfort with making major purchases is at its highest since the pandemic.
- The level of discomfort with making other household purchases has barely changed over the past two months.



Questions

The data used for the Consumer Confidence index and sub-indices is based on the following questions:

1. Now, thinking about our economic situation, how would you describe the current economic situation in US? Is it... very good, somewhat good, somewhat bad or very bad?
2. Rate the current state of the economy in your local area using a scale from 1 to 7, where 7 means a very strong economy today and 1 means a very weak economy.
3. Looking ahead six months from now, do you expect the economy in your local area to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?
4. Rate your current financial situation, using a scale from 1 to 7, where 7 means your personal financial situation is very strong today and 1 means it is very weak
5. Looking ahead six months from now, do you expect your personal financial situation to be much stronger, somewhat stronger, about the same, somewhat weaker, or much weaker than it is now?
6. Compared to 6 months ago, are you NOW more or less comfortable making a major purchase, like a home or car?
7. Compared to 6 months ago, are you NOW more or less comfortable making other household purchases?
8. Compared to 6 months ago, are you NOW more or less confident about job security for yourself, your family and other people you know personally?
9. Compared to 6 months ago, are you NOW more or less confident of your ability to invest in the future, including your ability to save money for your retirement or your children's education?





PRESS RELEASE

10. Thinking of the last 6 months, have you, someone in your family or someone else you know personally lost their job as a result of economic conditions?
11. Now look ahead at the next six months. How likely is it that you, someone in your family or someone else you know personally will lose their job in the next six months as a result of economic conditions?

Additional questions:

Q. To what extent do you agree or disagree with each of the following?

- The economy will recover quickly once the lockdown is over
- We should restart the economy and allow businesses to open even if the virus is still not fully contained

About the Study

These findings are based on data from an Ipsos survey conducted May 12-13, 2020 with a sample of 970 adults aged 18-74 from the continental U.S., Alaska and Hawaii who were interviewed online in English.

The sample was randomly drawn from Ipsos' online panel (see https://www.ipsos.com/sites/default/files/2017-03/Ipsos_IIS_NAAccessPanelsRecruitment_.pdf), partner online panel sources, and "river" sampling (see <https://www.ipsos.com/sites/default/files/AAPOR-Online-sources-2018.pdf>) and does not rely on a population frame in the traditional sense. Ipsos uses fixed sample targets, unique to each study, in drawing a sample. After a sample has been obtained from the Ipsos panel, Ipsos calibrates respondent characteristics to be representative of the U.S. Population using standard procedures such as raking-ratio adjustments. The source of these population targets is U.S. Census 2016 American Community Survey data. The sample drawn for this study reflects fixed sample targets on demographics. Post-hoc weights were made to the population characteristics on gender, age, race/ethnicity, region, and education.

Statistical margins of error are not applicable to online non-probability polls. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error and measurement error. Where figures do not sum to 100, this is due to the effects of rounding. The precision of Ipsos online polls is measured using a credibility interval. In this case, the poll has a credibility interval of plus or minus 3.5 percentage points for all respondents. Ipsos calculates a design effect (DEFF) for each study based on the variation of the weights, following the formula of Kish (1965). This study had a credibility interval adjusted for design effect of the following (n=970, DEFF=1.5, adjusted Confidence Interval=+/-5.0 percentage points).

Findings from March 2010 to early March 2020 are based on data from Refinitiv /Ipsos' Primary Consumer Sentiment Index (PCSI) collected in a monthly survey on Ipsos' Global Advisor online survey platform with the same questions. For the PCSI survey, Ipsos interviews a total of 1,000+ U.S. adults aged 18-74. The Refinitiv/Ipsos Primary Consumer Sentiment Index (PCSI), ongoing since 2010, is a monthly survey of consumer attitudes on the current and future state of local economies, personal finance situations, savings and confidence to make large investments. The PCSI metrics reported each month consist of a "Primary Index" based on 10 questions available upon request and of several "sub-indices" each based on a subset of these 10 questions. Those sub-indices include a Current Index, an Expectations Index, an Investment Index and a Jobs Index.





PRESS RELEASE

Findings for January 2002- February 2011 are based on data from the RBC CASH Index, a monthly telephone survey of 1,000 U.S. adults aged 18 and older conducted by Ipsos with a margin of error of +/- 3.1 percentage points.

For more information on this news release, please contact:

Chris Jackson
Senior Vice President, US
Public Affairs
+1 202 420 2025
chris.jackson@ipsos.com

Kate Silverstein
Media Relations Specialist, US
Public Affairs
+1 718 755 8829
kate.silverstein@ipsos.com

About Ipsos

Ipsos is the world's third largest market research company, present in 90 markets and employing more than 18,000 people.

Our passionately curious research professionals, analysts and scientists have built unique multi-specialist capabilities that provide true understanding and powerful insights into the actions, opinions and motivations of citizens, consumers, patients, customers or employees. We serve more than 5000 clients across the world with 75 business solutions.

Founded in France in 1975, Ipsos is listed on the Euronext Paris since July 1st, 1999. The company is part of the SBF 120 and the Mid-60 index and is eligible for the Deferred Settlement Service (SRD).

ISIN code FR0000073298, Reuters ISOS.PA, Bloomberg IPS:FP www.ipsos.com

