



PRESS RELEASE

U.S. consumer sentiment highest in 10 weeks

Americans are more confident about the employment outlook than they were during the Great Recession despite much higher unemployment numbers

Washington, DC, May 28, 2020 – At 49.3, Ipsos’ Consumer Confidence index is up 1.1 points from last week and at its highest in 10 weeks.

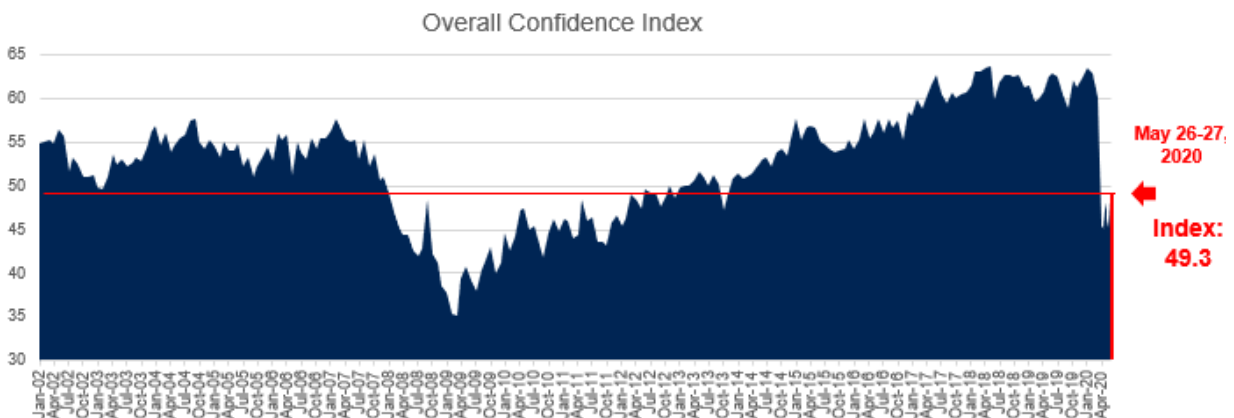
Other metrics from Ipsos’ survey of nearly 1,000 U.S. adults conducted May 26-27 show a more optimistic picture than at any time since mid-March. It is the case of the Current index, indicative of sentiment about today’s economic environment; the Expectations index, indicative of Americans’ outlook about their financial situation, local economy and employment; and the Investment index.

At 52.4, the Jobs index, reflecting job loss experience, job security confidence, and the employment outlook, is up 2.5 index points over last week. It is roughly at the same level as it was two months ago. The stability of the Jobs index is striking considering more than 40 million Americans have filed unemployment claims since the outbreak of the Covid-19 pandemic. The Jobs Index is nearly 20 points higher today than it was in March 2009, when the unemployment rate was almost half of what it is today.

Americans continue to remain evenly divided on whether or not they believe the economy will recover quickly once the lockdown is over and whether or not we should restart the economy and allow businesses to open even if the virus is still not fully contained.

Detailed Findings

- Scoring at 49.3, the latest overall Consumer Confidence index is now four points higher than it was during the first half of April.
 - The Confidence index is about 14 points lower than it was at the beginning of the year (63.4), 11 points lower than in early March (60.1) and three points lower than its historical average of 52.4.
 - Pre-pandemic, October 2013 is the last time when the Confidence index was this low. The index is currently 14 points higher than its historical low of 35.2 in March 2009.



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2. All four sub-indices are lower than their historical average by only about four to six points.
 - Both the Jobs index and the Current index show gains vs. last week (by 2.5 and 1.2 percentage points, respectively). Both are lower than they were in early March by more than 15 points, but neither is as low as it was in the midst of the Great Recession.
 - The Expectations index has barely changed vs. last week (+0.2 point) and is at the same level as it was last summer.
 - The Investment index shows no change from last week and is at a level last seen in the fall of 2013.

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 (5/26-27): 38.1	New (5/26-27): 65.0	New (5/26-27): 43.3	New (5/26-27): 52.4
Change vs. Last week: +1.2	Change vs. Last week: +0.2	Change vs. Last week: 0.0	Change vs. Last week: +2.5
Early March: -15.3	Early March: +1.4	Early March: -11.3	Early March: -17.3
Historical average: -6.4	Historical average: +4.1	Historical average: -4.3	Historical average: -6.3

3. The uptick in the Jobs index reflects a more optimistic view of job security and the employment outlook.
 - 43% say they, someone in their family, or someone else they know personally lost their job in the last six months as a result of economic conditions, down from 48% two weeks ago.
 - However, only 18% say it's extremely or very likely that it will be the case in the next six months (down from 29% in late March-early April and close to the early March level of 14%).
 - Now 38% say they are more confident than six months ago about job security — the highest since early March.

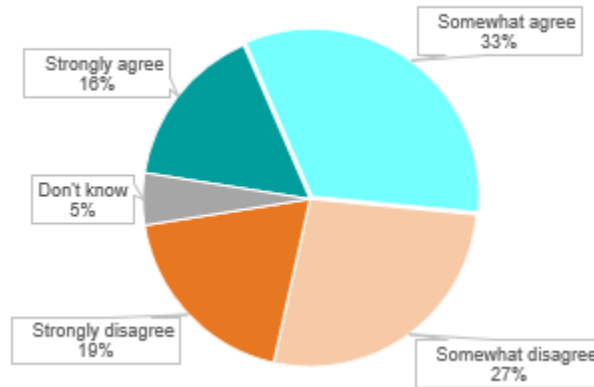




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4. As has been the case for several weeks, nearly as many Americans agree that the economy will recover quickly once the lockdown is over (48%) as disagree (46%).

The economy will recover quickly once the lockdown is over

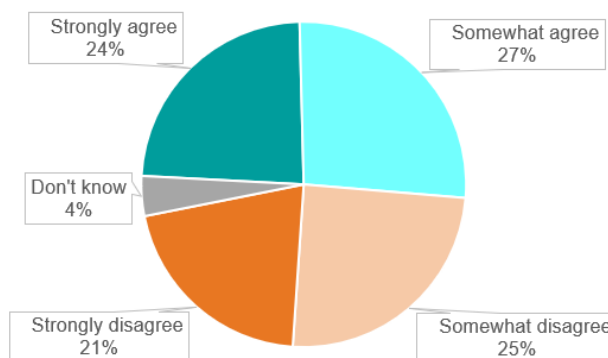


Total Agree: 48%
(0 vs. last week,
0 vs. late April)

Total Disagree: 46%
(-1 vs. last week
-3 vs. late April)

5. Half of Americans (50%) now agree we should restart the economy and allow businesses to open even if the virus is still not fully contained, compared to just over one third a month ago.
- Those who disagree (46%) are no longer a majority.

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



Total Agree: 50%
(+1 vs. last week,
+13 vs. late April)

Total Disagree: 46%
(-2 vs. last week,
-12 vs. late April)

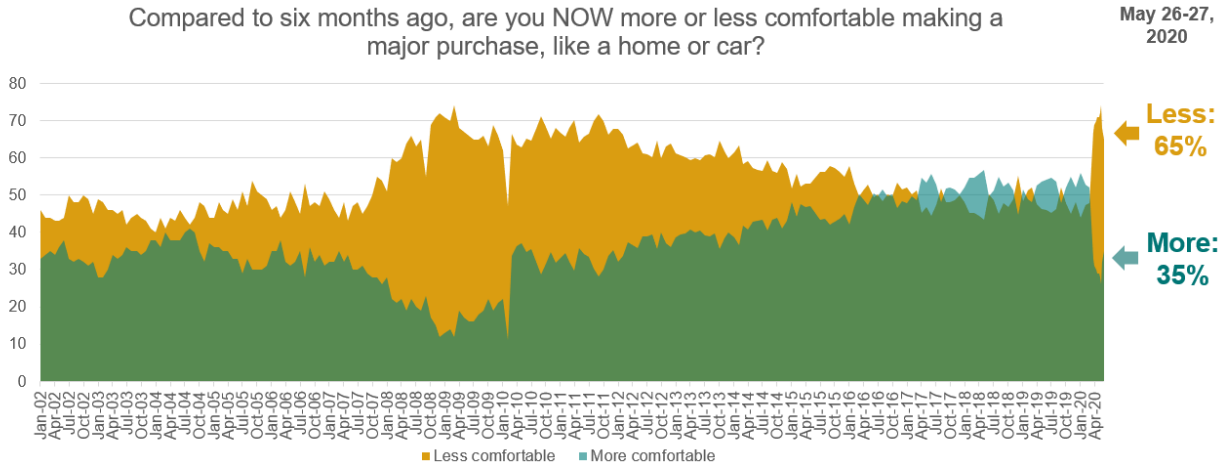




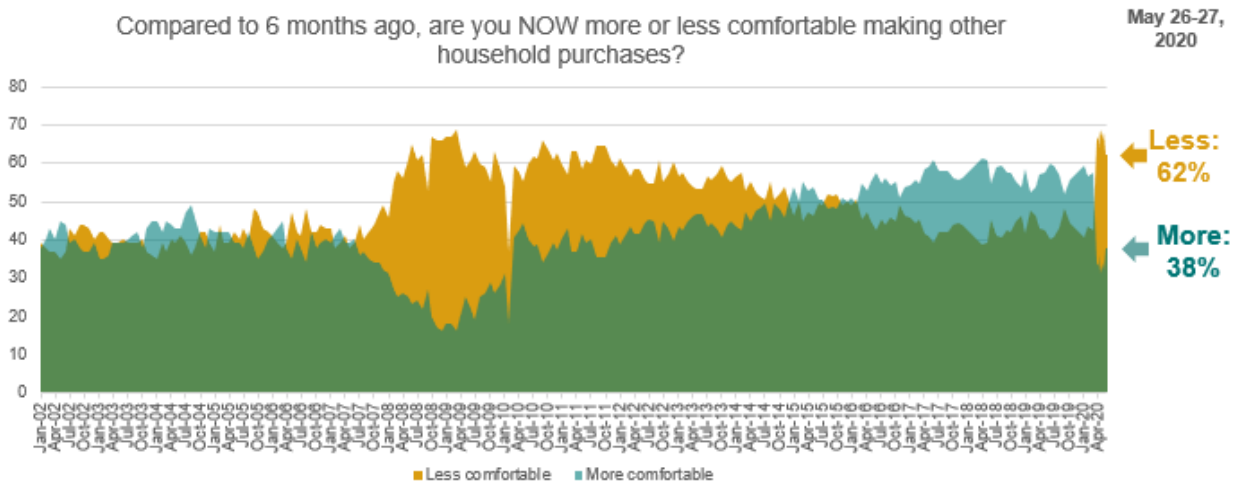
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6. Discomfort around making purchases keeps receding.

- Compared to six months ago, 65% say they are less comfortable making a major purchase like a home or a car, down from 68% last week and 74% the week before.



- Compared to six months ago, 62% say they are less comfortable making other household purchases, same as last week, but down from 68% in the second week of May.





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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?
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





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About the Study

These findings are based on data from an Ipsos survey conducted May 26-27, 2020 with a sample of 979 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 3.6 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=979, DEFF=1.5, adjusted Confidence Interval=+/-5.1 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.

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.





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About Ipsos

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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).

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