



Ipsos-Reid CASH Index

The Index of Consumer Attitudes and Spending by Household:

CASH INDEX REMAINS LOW, AT 74.9, BUT CHANGE SINCE QII SUGGESTS POOR CONSUMER ATTITUDES MAY NOT TRANSLATE DIRECTLY INTO A POOR HOLIDAY SHOPPING SEASON

BUT IN THE LONGER-RANGE, CONTINUED LOW SCORES ON JOB PROSPECTS MAY INDICATE CONSUMERS ASSUME A CONTINUED SLOW ECONOMY IN EARLY 2003

(WASHINGTON, D.C., November 12, 2002)—How will negative consumer attitudes affect the holiday shopping season?

The Ipsos-Reid US National CASH Index (measuring Consumer Attitudes and Spending by Household) stands at 74.9, down 25.1 since the Index was inaugurated in January, 2002. The CASH Index fell into negative territory at the beginning of the summer, and has never recovered.

For retailers, however, the news is probably not as negative as the overall index level might lead them to fear at first. The CASH Index has fallen from a QII CASH Index of 96.8 (down only slightly from the baseline of a QI Index = 100), to 74.9 in the most recent Monthly CASH Index (down significantly from the baseline of January = 100).

These surveys were conducted by Ipsos-Reid US Public Affairs, the Washington, D.C.-based division of Ipsos, which is the world's third largest polling and market research organization, based in Paris. Ipsos-Reid US Public Affairs is a non-partisan, objective public affairs research company. The Ipsos-Reid Consumer Attitudes and Spending by Household (CASH) Index polls are conducted the first and third week of every month, as part of Ipsos-Reid US Public Affairs weekly omnibus polling service. Interviews for the latest polling were conducted between October 15 to 17 and November 1 to 3, 2002. The margin of error for the questions on each rolling average of two consecutive surveys totaling 2000 adults is $\pm 2.2\%$, nineteen times out of twenty.

Concerns about the expectations of the local economy (-11.7), and the environment for investments (-3.1) explain most of the decline from the healthy CASH Index level of QII to the sour CASH Index scores of early November.

Attitudes about personal finances (current and expectations), now and in the next six months, however, are slightly more positive today than they were in QII, indicating that consumers' economic concerns may not affect their performance as shoppers. The change is not statistically significant, but is better than the declines seen across all other Index components.

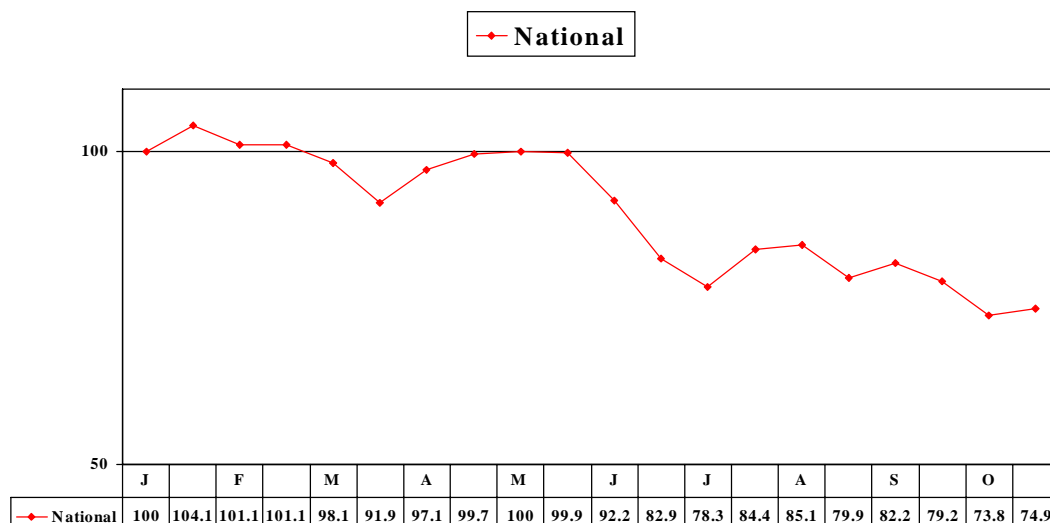
Comfort levels with major household purchases (-0.8 from .4 in QII), and other household purchases (-1.2 from .5 in QII) are down slightly from levels in QII, suggesting some degree of caution for shoppers, but consumers do not seem ready to act the Grinch this holiday season.

	Change, QII to Current CASH Index	October 15- November 3	October 1- October 17	QIII July – September	QII April – June
Current Local Economy	- 3.1	-2.50%	-1.60%	-1.00%	0.60%
Local Economic Expectations	- 9.0	-11.70%	-14.20%	-10.50%	-2.70%
Current Personal Finances	+ 0.1	-4.10%	-3.50%	-2.30%	-4.20%
Personal Financial Expectations	+ 0.1	-0.50%	-0.80%	-0.60%	-0.60%
Comfort level: Major purchases	- 1.2	-0.80%	-0.80%	-0.80%	0.40%
Comfort level: Household budget	- 1.7	-1.20%	-1.20%	-1.20%	0.50%
Confidence: Job Security	- 1.5	-0.5%	-0.5%	0%	1.0%
Confidence: Investments	- 3.4	-3.10%	-2.80%	-2.30%	0.30%
Job Loss Experience	- 0.3	0%	0%	0.30%	0.30%
Job Loss Expectations	- 2.0	-0.80%	-0.80%	-0.10%	1.20%
Change since baseline (January = 100 for Monthly Index, QI = 100 for Quarterly Index)	-21.9	-25.10%	-26.20%	-18.60%	-3.20%
Ipsos-Reid US CASH Index		74.9	73.8	81.4	96.8

Looking further ahead into 2003, there are not yet any signs of a significant positive bounce in consumer attitudes. Traditionally, attitudes about job prospects have been the most effective predictive element for the direction of the economy in surveys of consumer attitudes. The Ipsos-Reid CASH Index measures attitudes about the job market three ways—how many have seen or experienced job loss recently, how many expect to see or experience job loss in the next six months, and how confident are consumers in their job security. All three job-related measures in the CASH Index are down from their levels in Q II, suggesting continued poor economic performance for the mid-term future.

NATIONAL Monthly

Ipsos-Reid CASH Index Consumer Attitudes and Spending by Household Early November 2002



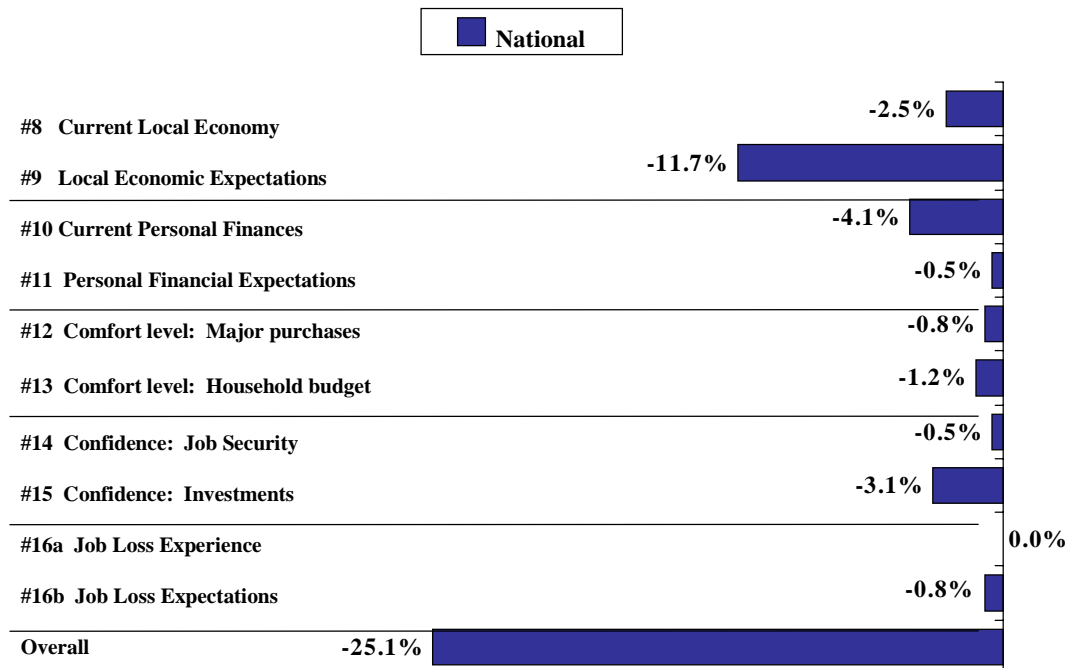
How Ipsos-Reid CASH Index Scores Changed since January 2002

The following chart depicts the net change in the most recent monthly CASH Index rating since January 2002 based on each of the economic factors used to generate the Index.

Ipsos-Reid CASH Index (Ipsos-Reid Index of Consumer Attitudes and Spending by Household) Index Score Changes Since January 2002 - National Monthly -

Components of the Ipsos-Reid CASH Index

Results based from (Oct 15-17 & Nov 1-3)



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Ipsos-Reid CASH Index

The Ipsos-Reid Consumer Attitudes and Spending by Household (CASH) Index, started in January 2002, is a bimonthly national survey of consumer attitudes on the current and future state of the local economy, personal financial situation and spending, saving and confidence to invest. The Ipsos-Reid Index of Consumer Attitudes and Spending by Household (The Ipsos-Reid CASH Index Poll) and the Ipsos-Reid/Cook Political Report Poll are conducted the first and third week of every month, as part of Ipsos-Reid US Public Affairs weekly omnibus polling services.

The Ipsos-Reid CASH Index comprises 10 questions, covering attitudes about the local economy now and in the future, personal finances now and in the future, comfort with making major purchases and other household purchases, confidence in job security and in the ability to save and invest for retirement or education, and job loss experience for self, friends and family in the recent past as well as job loss expectations for self, friends and family in the near future.

For more information about the Ipsos-Reid CASH Index or to receive this report on the first and third week of every month, please e-mail CASH@ipsos-reid.com, or contact Ursula Davis at 202-463-7300.