



1101 Connecticut Avenue NW, Suite 200  
Washington, DC 20036  
(202) 463-7300

Interview dates: January 3-5, 2004  
Interviews: 1,001 adults  
Margin of error:  $\pm 3.1$  for all adults

**THE ASSOCIATED PRESS POLL  
CONDUCTED BY IPSOS-PUBLIC AFFAIRS**

**CONTACT:** Janice Bell, Director, Washington Office, Ipsos Public Affairs  
202-463-7300 [janice.bell@ipsos-na.com](mailto:janice.bell@ipsos-na.com)

**AP/Ipsos CASH Index (Consumer Attitudes and Spending by Household)**

***Americans Start 2005 with Cautious Economic Outlook  
Hopes for Stable Future Countered by Worries about Situation Today***

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*The Associated Press Poll is conducted by Ipsos-Public Affairs. Between January 3-5, 2005, the AP-Ipsos poll interviewed a representative sample of 1,001 adults nationwide. The margin of error is  $\pm 3.1$  for all adults. Margin of error for subgroups may be higher.*

**Washington, DC, January 7, 2005** — The Associated Press/Ipsos-Public Affairs CASH Index measuring consumer attitudes declined slightly this month to 92.5, from 93.9 in December 2004. Attitudes toward the economy appear less buoyant than at the start of 2004, but continue the generally stable trend observed over the past year -- especially compared to the volatility of 2002 and 2003.

January's decline primarily reflects consumer concerns about the current state of the economy and their own financial situation. The effect of these worries was at least partially balanced by improved expectations for future economic performance.

**Confidence in Ability to Invest Weakens**

At 92.3, the Investment Index -- which tracks consumers' confidence in their ability to save for the future after making purchases for the home -- is nearly 7 points lower now than in December (99.2). January's decline in the Investment Index reversed a sharp rise last month, when it rose nearly nine points from the November (90.4) measure.

People are slightly less likely now (25%) than in December (28%) to describe their personal financial situation as strong, and expectations for the next six months is unchanged from December (53% the same, from 52%). Fewer consumers now (39%) than in December (45%) say they are feeling "more confident" now than they were six months ago about their ability to invest in the future.

Q. 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?

	1/3 - 5/05	12/6 - 8/04	11/3 - 5/04	10/4 - 6/04	9/7 - 9/04	8/2 - 4/04
More confident.....	39	45	44	42	51	50
Less confident .....	43	42	41	43	38	38
No change (VOL).....	15	11	13	13	10	11
Not sure .....	3	2	2	2	1	1

### Current Conditions Index Drops from December Peak

The CASH subindex on Current Conditions is at 96.3 for January, down more than six points from its level in December (102.7). This reverses the sharp increase in the Current Conditions Index observed last month, when it rose more than five points from November (97.4).

Fewer now (17%) than a month ago (21%) rate their local economy as "very strong." There has also been a slight shift downward in the percentage rating their own financial situation as "very strong" (25%, from 28%).

Q. 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.

	1/3 - 5/05	12/6 - 8/04	11/3 - 5/04	10/4 - 6/04	9/7 - 9/04	8/2 - 4/04
7, very strong economy .....	5	7	9	6	8	7
6 .....	12	13	14	11	13	13
5 .....	34	32	29	33	32	32
4 .....	21	19	20	22	19	20
3 .....	17	15	12	15	16	15
2 .....	5	5	8	5	5	5
1, very weak economy .....	6	8	7	8	7	7
Not sure .....	-	1	1	-	-	1
<b>Total 6-7 .....</b>	<b>17</b>	<b>21</b>	<b>23</b>	<b>17</b>	<b>21</b>	<b>19</b>
<b>Total 1-3 .....</b>	<b>28</b>	<b>28</b>	<b>27</b>	<b>28</b>	<b>28</b>	<b>27</b>

Q. 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.

	1/3 - 5/05	12/6 - 8/04	11/3 - 5/04	10/4 - 6/04	9/7 - 9/04	8/2 - 4/04
7, very strong .....	9	12	13	12	13	11
6 .....	16	16	14	15	14	17
5 .....	28	29	28	29	29	29
4 .....	20	18	17	19	19	18
3 .....	13	9	11	11	10	10
2 .....	6	5	4	4	4	4
1, very weak .....	6	10	12	10	10	10
Not sure .....	2	1	1	-	1	1
<b>Total 6-7 .....</b>	<b>25</b>	<b>28</b>	<b>27</b>	<b>27</b>	<b>27</b>	<b>29</b>
<b>Total 1-3 .....</b>	<b>25</b>	<b>24</b>	<b>27</b>	<b>25</b>	<b>24</b>	<b>23</b>

At 109.1, the Jobs Index is down slightly from December (111.1) but is about even with its level one year ago (108.1). Perceptions of job security compared to six months ago remain fairly stable (41% more confident, 42% less; 43%-42% in December). Half (50%) continue to say it's not likely they or someone close to them will lose their jobs in the next six months. However,

slightly more people now (41%) than in December (38%) report that they or someone close to them has actually lost their job.

Q. 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?

	1/3 - 5/05	12/6 - 8/04	11/3 - 5/04	10/4 - 6/04	9/7 - 9/04	8/2 - 4/04
More confident.....	41	43	43	40	48	48
Less confident .....	42	42	43	44	40	41
No change (VOL).....	15	14	13	15	11	10
Not sure.....	2	1	1	1	1	1

Q. 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?

	1/3 - 5/05	12/6 - 8/04	11/3 - 5/04	10/4 - 6/04	9/7 - 9/04	8/2 - 4/04
Total Likely .....	18	20	19	16	15	18
Total Not Likely.....	50	50	53	52	56	51

Q. 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?

	1/3 - 5/05	12/6 - 8/04	11/3 - 5/04	10/4 - 6/04	9/7 - 9/04	8/2 - 4/04
Yes .....	41	38	40	39	39	40
No.....	59	61	60	61	61	60
Not sure.....	-	1	-	-	-	-

### Expectations Index Rises as Many Expect Stable Economy

The CASH subindex on Expectations has risen to 79.6, from 70.5 in December. Although expectations have improved over the past month, they stand below the level observed one year ago (111.2 in January 2004). Americans continue to expect stability over the next six months in the job market (50% say job losses are unlikely) and their own financial situation (53% expect it to be the same). However, compared to December 2004, fewer think their local economy will be weaker six months from now (11%, down 3 points), and more think it will be “about the same” (58%; up 4 points).

Q. 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?

	1/3 - 5/05	12/6 - 8/04	11/3 - 5/04	10/4 - 6/04	9/7 - 9/04	8/2 - 4/04
Much stronger.....	6	7	10	6	6	6
Somewhat stronger .....	24	24	24	27	29	28
About the same .....	58	54	49	55	53	56
Somewhat weaker .....	9	9	11	8	8	6
Much weaker .....	2	5	6	2	3	3
Not sure.....	1	1	-	2	1	1
<b>Total Stronger .....</b>	<b>30</b>	<b>31</b>	<b>33</b>	<b>34</b>	<b>35</b>	<b>34</b>
<b>Total Weaker .....</b>	<b>11</b>	<b>14</b>	<b>17</b>	<b>10</b>	<b>11</b>	<b>9</b>



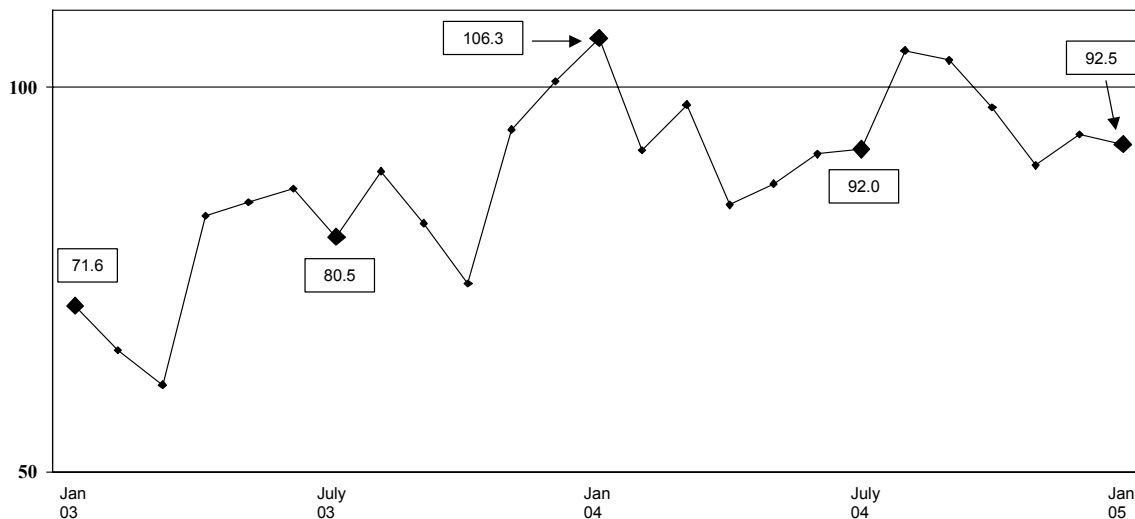
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## NATIONAL Monthly AP/Ipsos CASH Index

### Consumer Attitudes and Spending by Household

January 2003 - January 2005

January 2005 = 92.5



Interview dates: January 3-5, 2005 (1,001 U.S. adults) Margin of error:  $\pm 3.1$  for all adults



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### ALL INDICES OF THE AP/IPSOS CONSUMER ATTITUDES AND SPENDING BY HOUSEHOLD (CASH)

	Current Month	One Month Ago	One Year Ago
	January '05	December '04	January '04
<b>OVERALL CASH Index</b>	92.5	93.9	106.3

	Current Month	One Month Ago	One Year Ago
	January '05	December '04	January '04
<b>CURRENT CONDITIONS CASH Index</b>	96.3	102.7	105.5

	Current Month	One Month Ago	One Year Ago
	January '05	December '04	January '04
<b>EXPECTATIONS CASH Index</b>	79.6	70.5	111.2

	Current Month	One Month Ago	One Year Ago
	January '05	December '04	January '04
<b>INVESTMENT CASH Index</b>	92.3	99.2	101.0

	Current Month	One Month Ago	One Year Ago
	January '05	December '04	January '04
<b>JOBS CASH Index</b>	109.1	111.1	108.1

METHODOLOGY: Interview dates: January 3-5, 2005 (1,001 U.S. adults) Margin of error:  $\pm 3.1$  for all adults, baseline of January 2002 = 100