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

***Downturn in Consumer Confidence for February  
 Americans Anxious about Future for Economy and Own Finances***

*The Associated Press Poll is conducted by Ipsos-Public Affairs. Between February 7-9, 2005, the AP-Ipsos poll interviewed a representative sample of 1,000 adults nationwide. The margin of error is  $\pm 3.1$ . Margin of error for subgroups may be higher.*

**Washington, DC, February 14, 2005** — The Associated Press/Ipsos-Public Affairs CASH Index of consumer confidence stands at 79.1 in the latest poll, down significantly from 92.5 one month ago. One year ago, in February 2004, the CASH Index was 91.7.

**Consumers Voice Lower Expectations for Future, Worries about Ability to Invest**

The biggest declines in the CASH Index come on questions measuring expectations about the future of the economy and personal finances. The Expectations Index, which measures consumers' economic outlook for the next six months, is now 58.6, compared to 79.6 in January and 89.2 one year ago.

Over half (57%) of Americans think the economy in their area will be about the same in six months as it is now. And while optimists (27% stronger) continue to outnumber pessimists (15% weaker), the gap between the two has narrowed since January.

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?

	2/7 - 9/05	1/3 - 5/05	12/6 - 8/04	11/3 - 5/04	10/4 - 6/04	1 Year Ago 2/2 - 4/04
Much stronger.....	6	6	7	10	6	6
Somewhat stronger .....	21	24	24	24	27	28
About the same .....	57	58	54	49	55	54
Somewhat weaker .....	10	9	9	11	8	7
Much weaker .....	5	2	5	6	2	4
Not sure .....	1	1	1	-	2	1
<b>Total Stronger .....</b>	<b>27</b>	<b>30</b>	<b>31</b>	<b>33</b>	<b>34</b>	<b>34</b>
<b>Total Weaker .....</b>	<b>15</b>	<b>11</b>	<b>14</b>	<b>17</b>	<b>10</b>	<b>11</b>

The Investment Index, which measures one's ability to save and invest for the future, is currently at 80, down a lot from where it was a year ago (90.3). Last month, the Investment Index was 92.3.

Consumers' anxiety comes through in terms of what they expect to save and what they expect to be able to spend. Continuing last month's trend, marginally more consumers feel less (47%) rather than more (43%) confident in their ability to invest in the future. Consumers are also less comfortable spending on major items and on household purchases.

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?

	2/7 - 9/05	1/3 - 5/05	12/6 - 8/04	11/3 - 5/04	10/4 - 6/04	1 Year Ago 2/2 - 4/04
More confident.....	43	39	45	44	42	46
Less confident .....	47	43	42	41	43	40
No change (VOL).....	9	15	11	13	13	12
Not sure.....	1	3	2	2	2	2

Q. Compared to 6 months ago, are you NOW more or less comfortable making a major purchase, like a home or car?

	2/7 - 9/05	1/3 - 5/05	12/6 - 8/04	11/3 - 5/04	10/4 - 6/04	1 Year Ago 2/2 - 4/04
More comfortable.....	36	36	37	32	35	36
Less comfortable .....	48	44	44	47	48	44
No change (VOL).....	15	19	18	20	16	19
Not sure.....	1	1	1	1	1	1

Q. Compared to 6 months ago, are you NOW more or less comfortable making other household purchases?

	2/7 - 9/05	1/3 - 5/05	12/6 - 8/04	11/3 - 5/04	10/4 - 6/04	1 Year Ago 2/2 - 4/04
More comfortable.....	42	42	43	38	41	42
Less comfortable .....	44	37	39	42	42	39
No change (VOL).....	13	20	18	20	17	18
Not sure.....	1	1	-	-	-	1

### View of Current Conditions Darkens

The Current Conditions Index is 82.7, which is down from January (96.3) and below the level seen a year ago (89.2). Evaluations of the current state of the economy hold fairly steady from January, and there has not been much movement in evaluations of personal financial situations.

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.

	<u>2/7 - 9/05</u>	<u>1/3 - 5/05</u>	<u>12/6 - 8/04</u>	<u>11/3 - 5/04</u>	<u>10/4 - 6/04</u>	<b>1 Year Ago 2/2 - 4/04</b>
7, very strong economy .....	7	5	7	9	6	5
6 .....	10	12	13	14	11	9
5 .....	31	34	32	29	33	32
4 .....	22	21	19	20	22	21
3 .....	17	17	15	12	15	17
2 .....	6	5	5	8	5	7
1, very weak economy .....	7	6	8	7	8	9
Not sure .....	-	-	1	1	-	-
<b>Total 6-7 .....</b>	<b>17</b>	<b>17</b>	<b>21</b>	<b>23</b>	<b>17</b>	<b>14</b>
<b>Total 1-3 .....</b>	<b>30</b>	<b>28</b>	<b>28</b>	<b>27</b>	<b>28</b>	<b>33</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.

	<u>2/7 - 9/05</u>	<u>1/3 - 5/05</u>	<u>12/6 - 8/04</u>	<u>11/3 - 5/04</u>	<u>10/4 - 6/04</u>	<b>1 Year Ago 2/2 - 4/04</b>
7, very strong .....	11	9	12	13	12	10
6 .....	13	16	16	14	15	14
5 .....	30	28	29	28	29	28
4 .....	18	20	18	17	19	21
3 .....	11	13	9	11	11	10
2 .....	7	6	5	4	4	7
1, very weak .....	9	6	10	12	10	9
Not sure .....	1	2	1	1	-	1
<b>Total 6-7 .....</b>	<b>24</b>	<b>25</b>	<b>28</b>	<b>27</b>	<b>27</b>	<b>24</b>
<b>Total 1-3 .....</b>	<b>27</b>	<b>25</b>	<b>24</b>	<b>27</b>	<b>25</b>	<b>26</b>

### Jobs Index Remains in Positive Zone

The Jobs Index is consistently the most positive component of the CASH Index, and February is no exception. At 107.5, the Jobs Index is only down slightly from January (109.1) and is about even with that measure a year ago (108.2).

In spite of the current worries about future investment and spending, people remain relatively positive about the labor market. Reported experience of job loss remains consistent with past months, with about four in ten (39%) saying they or someone close to them has lost their job for economic reasons in the past six months. Also, half (51%) continue to think it unlikely they or someone close will become redundant in the next six months.

Yet when asked about their level of confidence in job security, significantly more now (47%) than a month ago (42%) say they are less confident, tying into the more negative expectations seen overall in this poll.

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?

	<u>2/7 - 9/05</u>	<u>1/3 - 5/05</u>	<u>12/6 - 8/04</u>	<u>11/3 - 5/04</u>	<u>10/4 - 6/04</u>	<b>1 Year Ago 2/2 - 4/04</b>
Yes .....	39	41	38	40	39	42
No .....	61	59	61	60	61	57
Not sure .....	-	-	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?

	<u>2/7 - 9/05</u>	<u>1/3 - 5/05</u>	<u>12/6 - 8/04</u>	<u>11/3 - 5/04</u>	<u>10/4 - 6/04</u>	<b>1 Year Ago 2/2 - 4/04</b>
Extremely likely .....	6	6	7	8	6	8
Very likely .....	13	12	13	11	10	12
Somewhat likely .....	29	31	29	27	30	28
Not very likely .....	32	32	32	31	37	31
Not at all likely .....	19	18	18	22	16	20
Not sure .....	1	1	1	1	1	1
<b>Total Likely .....</b>	<b>19</b>	<b>18</b>	<b>20</b>	<b>19</b>	<b>16</b>	<b>20</b>
<b>Total Not Likely .....</b>	<b>51</b>	<b>50</b>	<b>50</b>	<b>53</b>	<b>52</b>	<b>51</b>

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?

	<u>2/7 - 9/05</u>	<u>1/3 - 5/05</u>	<u>12/6 - 8/04</u>	<u>11/3 - 5/04</u>	<u>10/4 - 6/04</u>	<b>1 Year Ago 2/2 - 4/04</b>
More confident .....	42	41	43	43	40	43
Less confident .....	47	42	42	43	44	42
No change (VOL) .....	10	15	14	13	15	13
Not sure .....	1	2	1	1	1	2



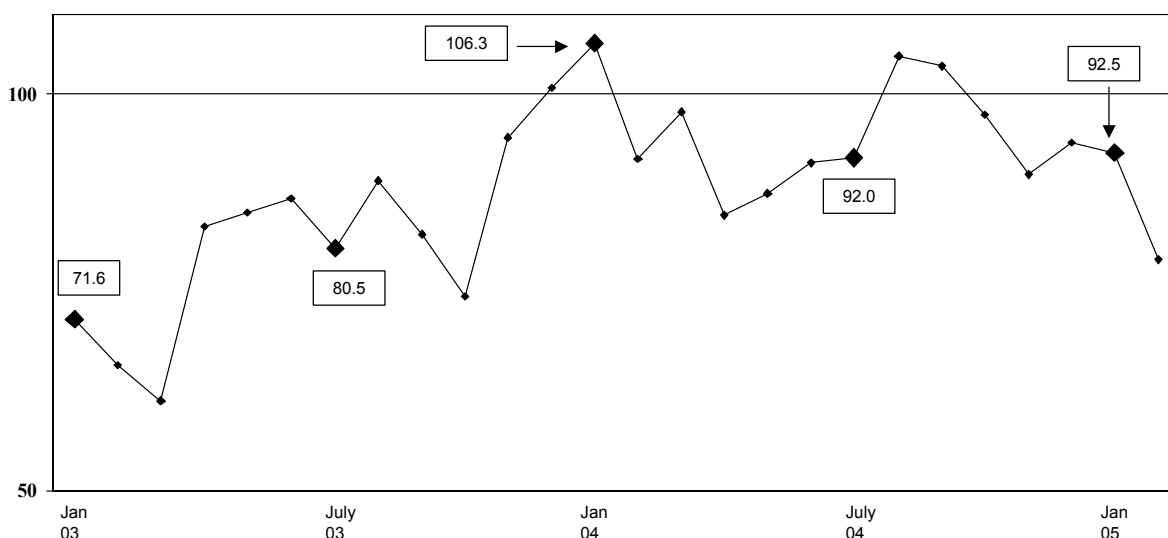
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# NATIONAL Monthly AP/Ipsos CASH Index

## Consumer Attitudes and Spending by Household

January 2003 - February 2005

February 2005 = 79.1



Interview dates: February 7-9, 2005 (1,000 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
	February '05	January '05	February '04
<b>OVERALL</b>			
CASH Index	79.1	92.5	91.7

	Current Month	One Month Ago	One Year Ago
	February '05	January '05	February '04
<b>CURRENT CONDITIONS</b>			
CASH Index	82.7	96.3	89.2

	Current Month	One Month Ago	One Year Ago
	February '05	January '05	February '04
<b>EXPECTATIONS</b>			
CASH Index	58.6	79.6	89.2

	Current Month	One Month Ago	One Year Ago
	February '05	January '05	February '04
<b>INVESTMENT</b>			
CASH Index	80	92.3	90.3

	Current Month	One Month Ago	One Year Ago
	February '05	January '05	February '04
<b>JOBS</b>			
CASH Index	107.5	109.1	108.2

METHODOLOGY: Interview dates: February 7-9, 2005 (1,000 U.S. adults) Margin of error:  $\pm 3.1$  for all adults, baseline of January 2002 = 100



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

	<u>National/overall</u>	<u>Current</u>	<u>Expect</u>	<u>Invest</u>	<u>Jobs</u>
Jan '02	<b>100.0</b>	100.0	100.0	100.0	100.0
J	<b>106.1</b>	109.1	101.4	111.7	106.4
F	<b>108.0</b>	107.7	111.1	107.9	100.8
F	<b>103.0</b>	103.5	103.6	101.7	106.4
M	<b>104.1</b>	96.9	116.5	96.1	106.2
M	<b>95.4</b>	90.6	100.5	92.0	104.9
A	<b>90.8</b>	91.1	90.2	85.9	99.6
A	<b>104.9</b>	101.0	110.4	97.4	115.8
M	<b>98.3</b>	94.8	102.8	93.2	107.2
M	<b>106.9</b>	103.4	111.2	98.0	117.5
J	<b>93.8</b>	94.3	87.8	92.1	108.5
J	<b>95.7</b>	100.3	82.5	92.5	114.5
JY	<b>74.9</b>	79.1	59.6	74.3	95.2
JY	<b>83.1</b>	89.5	61.8	86.8	104.1
A	<b>89.9</b>	89.8	80.4	88.8	106.9
A	<b>88.0</b>	92.2	72.3	91.5	107.3
S	<b>84.8</b>	88.8	70.1	87.5	103.7
S	<b>89.6</b>	91.7	79.6	90.0	106.7
O	<b>71.6</b>	80.3	44.7	77.6	96.3
O	<b>80.8</b>	88.3	55.5	87.5	103.9
N	<b>75.2</b>	75.8	65.1	76.7	94.2
N	<b>79.8</b>	87.4	55.3	88.0	101.1
D	<b>79.8</b>	90.2	52.0	91.7	103.3
D	<b>62.9</b>	75.4	25.2	78.8	95.6
Jan '03	<b>71.6</b>	72.5	56.3	73.7	96.4
J	<b>70.0</b>	79.0	42.1	84.6	97.3
F	<b>65.9</b>	80.9	22.1	83.9	99.4
F	<b>63.6</b>	68.8	37.4	72.4	98.5
M	<b>61.4</b>	74.4	21.7	81.1	95.7
M	<b>81.4</b>	93.8	47.4	93.4	107.6
A	<b>83.3</b>	89.2	65.4	88.3	100.3
A	<b>96.1</b>	92.6	97.4	95.8	105.4
M	<b>85.1</b>	85.6	76.5	89.0	102.9
M	<b>78.0</b>	80.9	63.1	82.5	100.6
J	<b>86.8</b>	91.3	72.0	93.8	104.7
J	<b>83.9</b>	79.6	82.3	86.4	100.6
JY	<b>80.5</b>	86.1	64.0	87.6	95.7
JY	<b>82.4</b>	88.3	63.9	97.7	98.1
A	<b>89.0</b>	89.7	82.6	95.3	100.5
A	<b>79.9</b>	88.6	54.1	91.7	98.8
S	<b>82.3</b>	86.3	67.4	93.3	101.2



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

	<u>National/overall</u>	<u>Current</u>	<u>Expect</u>	<u>Invest</u>	<u>Jobs</u>
S	<b>84.4</b>	90.4	65.6	97.6	101.5
O	<b>74.4</b>	79.9	55.3	81.9	96.3
O	<b>91.9</b>	91.2	85.5	96.1	109.0
N	<b>94.4</b>	93.9	90.5	95.9	107.7
N	<b>91.0</b>	90.2	89.3	93.5	102.5
D	<b>100.7</b>	96.6	106.1	92.9	110.6
D	<b>100.5</b>	98.5	103.2	99.5	105.7
Jan '04	<b>106.3</b>	105.5	111.2	101.0	108.1
F	<b>91.7</b>	89.2	89.2	90.3	108.2
M	<b>97.7</b>	96.8	95.2	97.7	109.3
A	<b>84.8</b>	88.7	70.4	90.0	101.1
M	<b>87.4</b>	95.7	62.5	93.6	107.7
J	<b>91.3</b>	91.4	82.2	87.6	112.2
J	<b>92.0</b>	90	89.1	81.6	112.2
A	<b>104.8</b>	107.6	98.2	104.8	111.4
S	<b>103.4</b>	104.7	98	101.5	116.5
O	<b>97.4</b>	95.1	95.3	93.3	112.1
N	<b>89.8</b>	97.4	69	90.4	111.0
D	<b>93.9</b>	102.7	70.5	99.2	111.1
Jan '05	<b>92.5</b>	96.3	79.6	92.3	109.1
F	<b>79.1</b>	82.7	58.6	80.0	107.5

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