

## Fiscal Cliff Fears Cause One in Three Americans to Cut Personal Spending Over Past 30 Days

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NEW YORK, Dec. 19, 2012 /PRNewswire/ -- One in three Americans has cut back on personal spending over the past 30 days due to concerns about the looming fiscal cliff, according to new research published today by Bankrate.com (NYSE: RATE).

(Logo: <http://photos.prnewswire.com/prnh/20040122/FLTHLOGO> )

In a related development, the Bankrate.com Financial Security Index fell to a 2012 low of 95.6 in December (readings below 100 indicate that financial security has declined over the past year). For the second month in a row, all five components (job security, savings, debt, net worth and overall financial situation) dropped, and consumers are currently feeling worse about all five categories when compared with one year ago.

"The risks of going over the fiscal cliff are beginning to resonate with consumers much the way they have with businesses that have held back in recent months," said Greg McBride, CFA, Bankrate.com's senior financial analyst. "The combination of tax hikes and significant spending cuts would push the economy into recession, and one-third of consumers are already beginning to cut back on spending due to the looming uncertainty."

Americans are less comfortable with their savings now versus one year ago by a margin of more than three-to-one, the widest margin since November 2011, Bankrate found. And after reporting more comfort with their debt levels for most of 2012, consumers are now feeling worse about their debt relative to a year ago for a second straight month.

Those most inclined to have cut their spending over the past 30 days were households with annual income under \$30,000 and those with no more than a high school diploma. Among age groups, people 65 and older were the most likely to have cut back and those under 30 were least likely.

The new survey was conducted by Princeton Survey Research Associates International (PSRAI) and can be seen in its entirety here:

<http://www.bankrate.com/finance/consumer-index/financial-security-charts-1212.aspx>

*PSRAI obtained telephone interviews with a nationally representative sample of 1,001 adults living in the continental United States. Telephone interviews were conducted by landline (601) and cell phone (400, including 201 without a landline phone). Interviews were done in English by Princeton Data Source from December 6-9, 2012. Statistical results are weighted to correct known demographic discrepancies. The margin of sampling error for the complete set of weighted data is plus or minus 3.7 percentage points.*

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