

Bankrate: Just Half of Americans Confident Economic Recovery to Continue

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NEW YORK, March 19, 2012 /PRNewswire/ -- Americans are sharply divided on whether the economic recovery will continue throughout 2012, according to a new poll released today by Bankrate.com (NYSE: RATE). Fifty percent are very or somewhat confident that the recovery will continue, whereas 48% are not too confident or not at all confident.

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

"The lack of conviction about a sustained economic recovery could become a self-fulfilling prophecy if it translates into less consumer spending," said Greg McBride, CFA, senior financial analyst for Bankrate.com. "Consumers power 70 percent of economic growth, and a hesitant consumer delays recovery in the housing market and the overall economy."

Bankrate.com's overall Financial Security Index dipped from 97.3 to 97.0 this month, the same level as March 2011. In the past 12 months, readings have fluctuated between a high of 98.5 in May 2011 and a low point of 92.3 in August 2011. Any reading below 100 indicates a lower level of financial security compared with 12 months earlier.

Three of the five components of the Financial Security Index – debt, net worth and overall financial situation – declined in March 2012. One component (job security) held steady, and one ([savings](#)) increased for the fourth consecutive month. Of the five components, only job security has improved over the past year.

Will the Economic Recovery Continue Throughout 2012?

- 13% very confident
- 37% somewhat confident – tend to be those under 30, households with income above \$75,000 per year and/or college graduates
- 26% not too confident – typically live in rural communities and/or the Northeast U.S.
- 22% not at all confident – mostly those age 50 and up, households with income under \$50,000 per year, those with a high school education or less, the unemployed and/or retirees

Feeling Better:

- Consumers that are more comfortable with their savings and debt, report higher net worth and an improved financial situation relative to one year ago are most likely to: be under age 50, have a college education and/or have household income of \$75,000 or above per year

Feeling Worse:

- Those that are less comfortable with their savings and debt, report lower net worth and an overall financial situation that has deteriorated compared to one year ago tend to: be age 50 and up, have no more than a high school education and/or have household income under \$30,000 per year
- Among retirees, those saying their financial situation is worse now than one year ago outnumber those saying it is better by a ratio of three-to-one (36% to 12%)

The new study 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-poll-0312.aspx>.

The PSRAI March 2012 Omnibus Week 1 obtained telephone interviews with a nationally representative sample of 1,009 adults living in the continental United States. Telephone interviews were conducted by landline (603) and cell phone (406, including 201 without a landline phone). The survey was conducted by Princeton Survey Research Associates International (PSRAI). Interviews were done in English by Princeton Data Source from March 1-4, 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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Ted Rossman
Public Relations Manager
Bankrate, Inc.
ted.rossman@bankrate.com
(917) 368-8635

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