

Consumer News & Views

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and



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Consumer Confidence Remains Sluggish Due to Slow Economic Recovery

The Conference Board *Consumer Confidence Index*®, which had increased in February, pulled back slightly in March. The Index now stands at 70.2 (1985=100), down from 71.6 in February.

Lynn Franco, Director of The Conference Board Consumer Research Center said, "Consumer Confidence pulled back slightly in March, after rising sharply in February. The moderate decline was due solely to a less favorable short-term outlook while consumers' assessment of current conditions, on the other hand, continued to improve.



In his quarterly economic forecast, Thomas Hinton, president of the American Consumer Council, said “While consumer confidence continues to edge upward, the bad news is this economic recovery remains a steep, slippery slope and we don’t anticipate any major increases in consumer spending or consumer confidence in 2012.” Hinton added, “We would be pleased to see the Consumer Confidence Index reach 75 points this year, but there are too many people without full-time jobs and too many pending foreclosures to significantly alter the current sluggish economic forecast. And, we haven’t even begun to factor in the negative effects of \$4.50 per gallon gasoline prices!”



Maine Savings Federal Credit Union is celebrating its 51st anniversary this year! With assets of \$225 million, the credit union is experiencing rapid growth and support from an expanding network of members. The credit union began as BARCO Federal Credit Union in Millinocket, Maine in 1961 for the Bangor & Aroostook Railroad Company. Today, it’s the largest credit union in eastern Maine with 25,000 members, more than 450 Select Employee Groups, and nine branches—in Hampden, Bangor, Brewer, Milo, Corinth, Ellsworth, Vassalboro and Bar Harbor. In 2001, the Board of Directors made the strategic decision to change the name to Maine Savings Federal Credit Union, to more accurately reflect our diverse field of membership.

To become a member of Maine Savings Federal Credit Union and take advantage of their outstanding customer service and competitive loans, please click on their website link at:

<http://www.mainesavings.com>

Maine Savings is a full service financial institution offering all of the products and services as the large national institutions—consumer products, commercial services, mortgages, insurance, and financial planning—but with the safety and security of a truly local institution. You can rest assured that Maine Savings is safe and sound.

Maine Savings is the largest credit union lender in the state of Maine, and specializes in mortgages. While the national news about housing continues to be bleak, Maine Savings is quietly building a mortgage success story, with a complete menu of mortgage products and services. We're helping more Maine people buy new homes or refinance existing ones than ever before. Maine Savings offers the new CU Promise Loan, created specifically to make the home buying process simpler. It comes with three guarantees—guaranteed same day loan decision, guaranteed closing date and guaranteed local servicing for the life of the loan. Your money stays right here in the community you call home.

Maine Savings also continues to lead the way in commercial services. Ever since introducing the expansion of our commercial services in late 2003, more and more of our small business owner members have taken advantage of our Business Made Easy program. Our financial products and services provide simple and effective ways to handle their finances with ease, freeing them up to concentrate on developing their business. Our commercial lending program offers business loans at competitive rates, lower and fewer fees and generous terms that allow small business owners to borrow comfortably in order to achieve their financial goals.

Make the move to Maine Savings and you'll agree that our tag line says it all — “We treat you like you own the place!” — because you do!

*The American Consumer Council is proud to have
Maine Savings Federal Credit Union
as a Sponsoring Member*



Mountain America Credit Union Supports Its Community and Offers Lower Loan Rates and Higher Saving Rates.

Are you looking to be part of a safe, secure and progressive credit union? If so, consider Mountain America Credit Union with offices in New Mexico, Nevada, Utah and Arizona. Mountain America Credit Union has super-low loan rates for qualified members and borrowers ranging from a home equity line of credit super low auto loan rates.

And, Mountain America Credit Union is working hard to support its communities. When Mountain America was formed in 1934, it was in the midst of the Great Depression. Workers were losing jobs, banks were

failing, families were struggling for money and food. It was a time when communities had to rely on each other just to survive.

Today, that spirit of cooperation still burns strong. Over the years, MACU supported a variety of community events and charitable organizations, including numerous scholarship opportunities:

- Mountain America's Financial Literacy Initiative
- Mountain America's Speaker's Bureau Financial Seminars
- Utah Jump\$tart Coalition for Personal Financial Literacy
- Primary Children Hospital
- Habitat for Humanity
- Autism Speaks
- American Diabetes Association
- National MS Society
- Local high school, collegiate and professional sports
- And many others

Mountain America Credit Union has 63 branches in four states and offers a variety of financial products and services for consumers and businesses. With roots dating back to the 1930s, Mountain America Credit Union is a tradition for many members. Today the credit union serves more than 343,000 members and has over \$2.8 billion in assets. Mountain America Credit Union has been honored four times as one of "Utah's Best Companies to Work For" by Utah Business magazine. Visit www.macu.com for more information.



American Consumers Continue to Rack-up Credit Card Debt and Student Loan Debt

Times are tough for consumers. So, it's no surprise consumers are relying on credit cards once again to make ends meet. So far in 2012, millions of Americans spent beyond their means, racked up thousands of dollars of credit card debt and could be headed for financial trouble if global financial markets stumble and the housing market continues its slide. And, student loans have passed the \$1 Trillion mark for the first time in history surpassing consumer credit card debt.

Apparently, old habits die hard according to a new study by credit card comparison website CardHub, which found that consumers are charging more on their credit cards again.

Americans racked up nearly \$48 billion in new credit card debt in 2011, 424 percent more than what they charged in 2010, and 577 percent more than in 2009. Although total outstanding credit rose only about \$4 billion, that number was largely offset by the magnitude of consumer defaults—\$44.2 billion worth.



"Looking back two years, with the exception of a single quarter, U.S. consumer debt management has consistently worsened," the report said, noting that the recent trend of consumers paying down debt doesn't match up with the hard data. "First-quarter pay-downs have become less significant and the amount of new debt added in each subsequent quarter has grown compared to its respective counterparts in the previous two years."

About 35 percent of credit card holders pay off their balance each month, according to the study, in large part to rack up rewards such as airline miles and gas points.

And, although some experts cheered numbers showing that consumer credit card debt was dropping over the past few years, the bulk of that decline actually came from charge-offs, or card issuers writing-off debt they had no hope to recoup.

As credit card companies ramp up efforts to expand their business—and profits—consumers should be aware of the pitfalls that come with credit card debt. According to Odysseas Papadimitriou, founder and CEO of CardHub, there should be a permanent reset when it comes to consumer spending behavior, especially if one's wealth was tied to the booming housing market.

"It's critical that people make a budget and in doing so remember that, if their spending was at all tied to the housing market prior to the Great Recession, the fact that the bubble has burst means it cannot return to pre-recession levels no matter how much the economy recovers," Papadimitriou said in a statement.

Furthermore, even though many consumers unable to pay their credit card balances have had some of their debt erased by credit card companies, depending on where they live, that blemish on their credit record could stick around for anywhere between three and 15 years.

Green CSM Certification Accepting Applications for 2012 Spring Cycle:

If your company or organization would like to increase its credibility with consumers, you should consider applying for the **Green CSM Certification**. Applications for the 2012 Spring cycle are now being accepted through April 30, 2012.

It's a proven fact that consumers want to do business with companies that are eco-friendly and practice Corporate Social Responsibility (CSR). The process is straight-forward and all applicants are recognized by ACC and the Green USA Institute.

All applicants complete the criteria and submit their responses to ACC's Green Consumer Council for review, assessment and feedback. Program details and the **Green CSM Certification** criteria can be viewed at ACC's website located at: www.americanconsumercouncil.org/green



For more information, please call ACC at 1-800-544-0414 or visit ACC's website by [clicking here](#).

To become a member of the American Consumer Council, visit us at: www.americanconsumercouncil.org