

Consumer News & Views

Published twice monthly

June 1, 2012



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Consumer Confidence Drops in May. How Will Consumers React as the Election Approaches?

The economy is like that old doctor-patient joke:

Doctor: I have some good news and I have some bad news.

Patient: What's the good news?

Doctor: The good news is that the tests you took showed that you have 24 hours to live.

Patient: That's the good news? What's the bad news?

Doctor: The bad news is that I forgot to call you yesterday!

So, here's the good news. According to The Conference Board's **Consumer Confidence Index®**, which had declined slightly in April, it *only* fell 4 points further in May. The Index now stands at 64.9 (1985=100), down from 68.7 in April.

The *bad* news is summer is fast approaching and consumers are looking for some good news as the presidential and congressional election season kicks-off. Unfortunately, there isn't much good news for consumers, economically speaking.



Lynn Franco, Director of Economic Indicators at The Conference Board, explained the drop stating, "Consumers were less positive about current business and labor market conditions, and they were more pessimistic about the short-term outlook. However, consumers were more upbeat about their income prospects, which should help sustain spending."

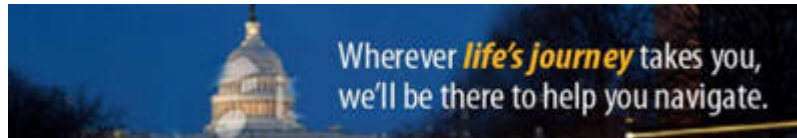
Thomas Hinton, president of the American Consumer Council echoed Franco's sentiments stating, "What consumers continue to experience is a very sluggish economic recovery that has dragged on now for 18 months. This so-called recovery is moving at a snail's pace and it's very frustrating to consumers causing us to be less optimistic with each passing month."

Hinton added, "In the near-term, consumers will be less upbeat about the economy because the major issues of unemployment, under-employment, upside-down mortgages, home foreclosures and the stock market uncertainty have not yet been fully addressed or resolved. Consumers are looking for some positive signs but those silver linings in the economic clouds are far and few between."

According to Hinton and the American Consumer Council, a majority of consumers don't blame President Obama for the nation's economic mess that he inherited, but they're anxious for him to fix it. The bad news, according to the American Consumer Council, is there's no quick fix because too many key issues remain unresolved. Hinton summed up consumer frustration by noting, "Until we begin to see robust employment growth and more hiring, consumer confidence will remain flat at best through the summer."



So, what does all this mean for candidates Obama and Romney as the presidential election heats up? Unless there is a major meltdown in the financial markets as a result of Greece rejecting the reforms put forward by the European Union, or some other international catastrophe occurs that puts President Obama on the defensive, consumers will most likely continue to go along with the status quo hoping the president can fix the economic mess and keep the economy moving forward albeit at a snail's pace. As one consumer told us, "Some good news is better than more bad news for President Obama's re-election chances."



About Transportation Federal Credit Union:

What's the Difference?

Like all credit unions, Transportation Federal Credit Union is a not-for-profit financial institution owned and controlled by its members. We provide financial services and solutions to fit your lifestyle – from accounts to help beginner savers to savings tools for retirement, and financing options for everything in between. The real difference is in what we do for our members every day – we help them prepare, go, connect, and arrive successfully at their financial destinations.

Solid Foundation:

Our strong roots can be traced back to March 8, 1939 when twelve employees met to create the Civil and Aeronautics Federal Credit Union. We remain true to our founders' vision of being a member-owned cooperative for the financial well-being of transportation employees. We continue to serve transportation employees, their family members, and Select Employer Groups. Transportation FCU has over 18,500 members, over \$160 million in assets, 3 branches, and over 60 employees.

Once a Member, Always a Member:

Our members own the Credit Union and as an owner, each year you elect your Board of Directors. The Board of Directors sets policies, including dividends and interest rates. As a member, you're encouraged to serve on committees and run for elected office. With no outside shareholders, only members benefit from TFCU earnings through full financial services, competitive savings, and economical loans. We survey our competitors on a monthly basis to compare our rates and consistently place at or near the top of the list. As you compare products, we encourage you to be a savvy, well informed consumer.

Your Funds Are Protected:

Your savings are federally **insured up to at least \$250,000** by the National Credit Union Administration (NCUA), and backed by the full faith and credit of the United States Government.

An additional \$250,000 of coverage is provided by Excess Share Insurance (ESI), a private corporation. Traditional and Roth IRAs are separately insured up to \$250,000 by NCUA and up to an additional \$250,000 through ESI, all at no cost to you.

TFCU members receive the highest level of combined federal/private share savings insurance available anywhere.

	NCUSIF	Excess Share Insurance (ESI)	Total Coverage
Non-Retirement Accounts	\$250,000	\$250,000	\$500,000
IRA Accounts	\$250,000	\$250,000	\$500,000
Total Possible Coverage	\$500,000	\$500,000	\$1,000,000

How to Join Transportation FCU?

Members of the American Consumer Council are eligible to join Transportation FCU. To apply, [click here to complete your membership application](#), or stop by a TFCU branch, or call 202-366-9400 or 800-368-8432.

Barclay Ring Credit Card Now Available to Consumers through ACC



For several years, the American Consumer Council has encouraged financial institutions to design a credit card that meets the needs of a "Smart" Generation and gives back to consumers. Finally, the Barclaycard Ring has arrived!

It brings together a digital community and provides a generous, estimated profit sharing program for its members known as Giveback.

We're pleased to endorse the Barclaycard Ring and we invite you to help us change the world while being part of something very exciting... and smart!

Best of all, the Barclaycard Ring is affordable for consumers with a variable APR of only 8%*.

So, join the Barclaycard Ring community and be part of the change. [Click here to get started.](#)



Transamerica is the leader in providing consumers with financial, insurance and retirement solutions. Let Transamerica help you. Click here to learn how: <http://www.transamerica.com>.

The way we see it, we don't just crunch numbers and manage investments. We make things. 14.2 million customers count on us to help them make the things that matter. Things like peace of mind, steady incomes and fulfilling retirements. We've always stood behind a simple idea: *we do what we say we're going to do.*

We've done so for over 100 years, and we'll keep delivering on our promises – so we can keep making the things that make Tomorrow better.

The predecessor of Transamerica Life Insurance Company was founded in 1906. With more than a century of experience, Transamerica has built a reputation on solid management, sound decisions and consumer confidence. In 1999, Transamerica was acquired by AEGON N.V.



High Industry Ratings:

Consistently high ratings are a direct reflection of the care with which Transamerica manages its business. Transamerica's life insurance subsidiaries have received high ratings from the industry's most respected independent rating services.

The American Consumer council is proud to have Transamerica as its exclusive corporate sponsor for financial and insurance solutions to consumers.

Green CSM Certification Accepting Applications for 2012 Summer 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 Summer cycle are now being accepted through August 31, 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: <http://americanconsumercouncil.org/greenc.asp>

