

Los Angeles Times / Bloomberg

UNDERCURRENT OF CONCERN AMID GENERAL OPTIMISM ABOUT HOME VALUES AND PERSONAL FINANCES

The housing market continues to inspire confidence among U.S. homeowners, with only one in seven nationwide predicting a slide in home value over the next six months, compared to more than twice that number who predict that values will continue to climb. The average home price has risen 36% over the last three years, and the latest Los Angeles Times / Bloomberg News poll found most homeowners confident that the value of their homes would continue to rise over the next three years. About three out of four predicted a more than 5% rise in value, and a quarter said they felt that the increase would be more than 15%.

The housing market has a history of cyclical downturns and some economists have been predicting that the “housing price bubble” would have to burst since the rise in home prices in some areas has far outstripped any increases in income. But so far, those forecasts have not come to pass and the survey found homeowners feeling a sense of security about both the value of their property and their own personal finances. About eight out of 10 homeowners reported feeling secure about their finances, compared to half of renters. Homeowners were also more likely to say that the nation’s economy was in good shape. Renters tend to be younger, unmarried, less educated, and less affluent as well as less likely to be investors. Race plays a role as well - eight out of 10 white respondents own the place where they live, compared to half of everyone else.

With real estate prices sky high, just over half of those who own real estate – either a primary residence, investment property or both - said that their property makes up 50% or more of their total net worth. Almost three in 10 homeowners already own a second home or investment property and the survey found that despite an increase in prices and interest rates, real estate still represents an attractive place to invest for the public. Over a third overall, including 36% of current homeowners and 41% of renters, would purchase real estate if they had a million dollars to invest today. A third of all investors (those who invest in stocks, bonds, money market accounts, or some combination of those things) would buy property, including nearly three out of 10 “\$100K+ investors” (investors living in households with combined yearly incomes of more than \$100,000).

The survey detected an undercurrent of concern amid the general optimism, however. While most homeowners have fixed mortgages, and most of those who have adjustable rate mortgages expressed confidence that they could continue to make their payments if interest rates rise, about a quarter said they are not confident about making their house payments if they were to adjust upward. An increase in foreclosures on the housing market could translate into a slide in housing prices and shake the economy.

Those with adjustable mortgages are predicting the worst when it comes to rate hikes - seven out of 10 homeowners with an adjustable said that they think that the Federal Reserve will continue to increase interest rates this year. Changes in the prime rate are generally accompanied by modifications to the rates for the 10 year notes that underlie most adjustable mortgages.

At the end of January, the Federal Reserve raised the prime rate once again, and signaled that more increases could be in the offing, if needed to control inflation. Overall, just under half of the public in general (48%) said that they believe that the Fed will continue to increase interest rates throughout the year, compared to 30% who said they believe that rates will level off soon, and 9% who said that they believe the Fed will begin to cut rates from this point on.

Many of those polled expressed guarded confidence in the new head of the Federal Reserve, Ben Bernanke, who succeeded long time chairman Alan Greenspan. About four in 10 said they are somewhat confident that Bernanke will be able to keep the economy stable, just under one in 10 said they are very confident while only two in 10 said they have little or no confidence. About a third said they weren't sure. While almost the same proportion of investors and people in higher income households weren't sure what to expect from Bernanke, those who did have an opinion expressed greater confidence in the new Federal Reserve chairman than did the less affluent and non-investors. Over half (54%) of investors and 63% of those with higher incomes expressed some level of confidence. \$100K+ investors are similarly confident, with two in 10 expressing strong confidence in Bernanke, 44% some confidence, and only 5% who said they were not very or not at all confident.

Personal Finances and Investments

About seven in 10 adults described their own personal finances as secure, including 17% who said "very secure" and 55% who said it was fairly secure. Just over one in four said their finances were at least somewhat shaky. It wasn't too surprising to find that investors and particularly higher income investors expressed even greater confidence than the general public, with the proportion who said their finances are "very secure" rising to four out of 10 among the \$100K+ group. Investors tend to be more educated than those who don't have investments, and more likely to be white, married and homeowners. The \$100K+ investors are, in addition, more likely to be Republican, conservative, and male.

Overall, most respondents (70%) said their household relies on one or more salaries as the main source of their household income, while 17% cited savings and investments, 13% pointed to pensions and retirement funds and 14% mentioned Social Security funds as primary sources. The proportion of those who named investments as their main source of income increased to 29% among \$100K+ investor households.

Only one in 10 adults nationwide said they don't put anything of their income into savings or investments, although two-thirds save or invest less than the 10% often recommended as a baseline and more than a quarter said it was less than 5%. Three in 10 save more than 10%. About two out of 10 households whose annual family incomes are less than \$50,000 aren't able to save or invest anything, and a third put away something less than 5%. Those in households making more than \$100,000 are more than three times as likely as the lower income households to save or invest more than 10%. Among the \$100K+ investors,

about half said they sock away more than 10% of their incomes per year, and they are more optimistic about the outcome as well - six in 10 predicted their return would meet or exceed 10% this year compared to under half of all investors who expect to exceed 10% this year.

The vast majority of investors overall report having some stock market holdings – more than four out of five said they own U.S. (53%) stock or foreign stock (1%) and a quarter own both types. About three in 10 investors own bonds, including 19% who said they own government bonds, 5% who said corporate bonds, and 5% who said both. About one in four said they own some combination of both stocks and bonds. More than four out of 10 investors have neither increased nor decreased the amount of new money they are investing in stocks and bonds, while about one in 10 have increased their new investments in both areas. Eight percent have either decreased or kept their stock investments level while increasing the purchase of bonds, while 18 % did the opposite.

Investors in general also feel pretty sanguine about the future of their investments– only a handful said they feel insecure while more than nine out of 10 reported they feel fairly (64%) or very (30%) secure. A plurality (44%) of investors do their own investing while 16% said they use a broker, 28% said they consult a financial advisor, and 7% look to friends and family for advice.

Investment Climate

The survey turned up little evidence that investors are worried about the future. Three quarters of investors said they think 2006 will be an average or better year for the stock market, including more than eight in ten who said that among the \$100K+ investors. Once again, though, it is guarded optimism. When asked if they think that the market's future return can match or exceed the last decade's average return of nine percent, a majority (55%) of investors said that they expect a similar return over the next decade, and 17% said they thought it would be higher, while 22% said they expect the return to be lower. Among the \$100K+ investors, confidence was slightly lower – only 11% said that the market would return a percentage greater than nine percent over that time, 59% said they expected the rate of return to stay steady, and 25% said it was likely to be lower.

When asked if the bond market was a good or bad place for investments over the coming year, investors were split, with those who thought it is a good investment environment beating out those who thought it is a bad one by a bare plurality of 37% to 31%. \$100K+ investors, however, tended toward an opposite view – seeing the bond market as a bad place to invest in the coming year by a margin of 49% to 32%.

Similarly, there was no great consensus among investors about which area of the world offers up the best investment climate over the next twelve months. Just under four in 10 named one or more Asian countries, including China, while 25% picked the U.S.. Just over one in 10 picked emerging markets such as Brazil, and a similar number named Europe. \$100K+ investors also picked Asia, as the best area, by two to one over the U.S., while 6% picked Europe, and 12% are looking to the emerging markets.

With the baby boomers hitting their senior years, demand may well rise in the areas of health care and drugs, and almost half of all investors chose health care as one of the top two places to put investment money in the coming year. Next up was energy, chosen by 40%, and another third picked technology. There was not as much consensus about which area was the worst for investments - two in 10 named the transportation industries and 12% said consumer products, while another two in 10 weren't sure.

Analysis by Jill Darling Richardson

Results from the Los Angeles Times/Bloomberg Poll
(Personal finances, investments, housing market, etc.)
February 25-March 5, 2006

Guide to Column Headings

ALL	All adults nationwide
<100	Adults living in households making less than or equal to \$100K
>100	Adults living in households making more than \$100K
INV	All investors
I>100	Investors living in households making more than \$100K
I<100	Investors living in households making less than or equal to \$100K
N/I	Everyone who is not (an investor making more than \$100K)- everyone other than investors in HH earning M/\$100K
I<50	Investors living in households making more than \$100K who are under 50 years of age
I>50	Investors living in households making more than \$100K who are 50+ years of age
18/50	Adults aged 18-50
51+	Adults aged 51+
OWN	Adults who are homeowners

Note

- All results are among adults nationwide
- (Vol.) indicates a voluntarily response
- ‘-’ indicates less than 0.5%

Q1. Do you think things in this country are generally going in the right direction or are they seriously off on the wrong track?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Right direction	30	28	42	33	40	31	28
Wrong track	62	63	51	59	53	60	63
Don't know	8	9	7	8	7	9	9

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Right direction	44	28	32	26	33
Wrong track	53	58	61	64	59
Don't know	3	14	7	10	8

Q12: Six months from now, do you expect housing values to increase in your neighborhood, or to decrease, or do you think housing values in your neighborhood will remain about the same?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Increase	36	34	43	33	43	31	35
Decrease	14	15	11	14	12	15	14
Remain about the same	49	49	45	52	45	53	49
Don't know	1	2	1	1	0	1	2

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Increase	45	36	37	34	35
Decrease	13	10	12	16	14
Remain about the same	42	54	50	47	50
Don't know	0	0	1	3	1

Q14: In general, do you think most CEO's of large American companies are compensated too much, too little or just about the right amount?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Too much	81	82	80	86	84	88	80
Too little	2	2	-	1	-	1	3
Right amount	11	11	14	11	15	9	11
Don't know	6	5	6	2	1	2	6

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Too much	84	91	80	82	84
Too little	-	-	3	1	1
Right amount	15	8	13	9	11
Don't know	1	1	4	8	4

Q15: As you may know, Ben Bernanke has succeeded Alan Greenspan as chairman of the Federal Reserve. How confident are you that Bernanke will be able to keep the economy stable: are you very confident, somewhat confident, not very confident, or not at all confident?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Confident (Net)	<u>48</u>	<u>45</u>	<u>63</u>	<u>54</u>	<u>63</u>	<u>51</u>	<u>45</u>
Very confident	<u>9</u>	<u>7</u>	<u>19</u>	<u>11</u>	<u>20</u>	<u>9</u>	<u>7</u>
Somewhat confident	<u>39</u>	<u>38</u>	<u>44</u>	<u>43</u>	<u>44</u>	<u>42</u>	<u>38</u>
Not confident (Net)	<u>18</u>	<u>21</u>	<u>4</u>	<u>14</u>	<u>5</u>	<u>17</u>	<u>20</u>
Not very confident	<u>12</u>	<u>14</u>	<u>4</u>	<u>10</u>	<u>4</u>	<u>12</u>	<u>13</u>
Not at all confident	<u>6</u>	<u>7</u>	<u>1</u>	<u>4</u>	<u>1</u>	<u>5</u>	<u>7</u>
Don't know	<u>34</u>	<u>34</u>	<u>33</u>	<u>32</u>	<u>32</u>	<u>32</u>	<u>35</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Confident (Net)	<u>56</u>	<u>73</u>	<u>44</u>	<u>53</u>	<u>51</u>
Very confident	<u>16</u>	<u>28</u>	<u>8</u>	<u>11</u>	<u>10</u>
Somewhat confident	<u>40</u>	<u>45</u>	<u>36</u>	<u>43</u>	<u>41</u>
Not confident (Net)	<u>5</u>	<u>4</u>	<u>18</u>	<u>17</u>	<u>15</u>
Not very confident	<u>5</u>	<u>3</u>	<u>12</u>	<u>10</u>	<u>9</u>
Not at all confident	<u>-</u>	<u>1</u>	<u>6</u>	<u>7</u>	<u>6</u>
Don't know	<u>39</u>	<u>23</u>	<u>38</u>	<u>30</u>	<u>34</u>

(ORDER OF STATEMENTS IS ROTATED)

Q16: Which of the following statements comes closest to your view: "The Federal Reserve will continue to increase interest rates throughout the year," or "The Federal Reserve will soon stop raising interest rates and keep them at the current level," or "The Federal Reserve will start cutting interest rates this year"?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Continue to increase interest rates	<u>48</u>	<u>48</u>	<u>49</u>	<u>49</u>	<u>50</u>	<u>48</u>	<u>48</u>
Soon stop raising rates and keep at current level	<u>30</u>	<u>30</u>	<u>34</u>	<u>31</u>	<u>34</u>	<u>31</u>	<u>29</u>
Start cutting interest rates	<u>9</u>	<u>10</u>	<u>5</u>	<u>8</u>	<u>6</u>	<u>9</u>	<u>10</u>
Don't know	<u>13</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>10</u>	<u>12</u>	<u>13</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Continue to increase interest rates	<u>51</u>	<u>54</u>	<u>49</u>	<u>47</u>	<u>50</u>
Soon stop raising rates and keep at current level	<u>34</u>	<u>37</u>	<u>27</u>	<u>35</u>	<u>31</u>
Start cutting interest rates	<u>9</u>	<u>1</u>	<u>12</u>	<u>6</u>	<u>8</u>
Don't know	<u>6</u>	<u>8</u>	<u>12</u>	<u>12</u>	<u>11</u>

Q17: In your opinion, do you think that 2006 will be an above average, average, or below average year for the U.S. stock market?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Above average	20	19	22	20	21	20	20
Average	50	49	59	54	62	51	48
Below average	18	19	10	19	10	21	19
Don't know	12	13	9	7	7	8	13

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Above average	19	25	18	23	22
Average	62	60	52	45	50
Below average	13	7	20	15	18
Don't know	6	8	10	17	10

Q18: As you may know, over the last ten years, the stock market has risen an average of almost nine percent annually. Thinking ahead to the next ten years, do you expect the annual return of the stock market will be higher, lower, or about the same as it was over the last ten years? (IF HIGHER OR LOWER) Do you expect it will be much (higher/lower) or somewhat (higher/lower)?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Higher (Net)	20	20	15	17	11	19	21
Much higher	4	4	1	3	-	4	4
Somewhat higher	16	17	14	14	11	15	17
Lower (Net)	22	22	23	22	25	22	22
Somewhat lower	18	18	20	19	21	18	18
Much lower	4	4	3	4	4	4	4
Same	51	51	57	55	59	54	50
Don't know	7	7	5	6	5	5	7

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Higher (Net)	13	9	21	18	18
Much higher	-	1	4	3	4
Somewhat higher	13	8	17	15	14
Lower (Net)	24	27	24	21	21
Somewhat lower	19	25	19	17	18
Much lower	5	2	5	4	3
Same	59	56	50	51	55
Don't know	4	8	5	10	6

Q19: How about the bond market? Do you think that current interest rates on bonds make them a good investment or a bad investment over the next year compared with what could be earned in stocks and other investments?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Good investment	35	36	34	37	32	38	36
Bad investment	29	26	45	31	49	27	26
Expect to earn - bonds and stocks the same (Vol.)	4	4	5	5	5	5	4
Don't know	32	34	16	27	14	30	34

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Good investment	31	29	36	35	35
Bad investment	52	47	32	25	31
Expect to earn - bonds and stocks the same (Vol.)	4	8	3	5	5
Don't know	13	16	29	35	29

As you may know, hedge funds are private investment pools catering to wealthy people and institutions that often engage in complex trading strategies and are willing to accept high risks in hopes of earning bigger returns.

Q20: Generally speaking, do you think that hedge funds are good or bad for the economy, or don't they have much effect on the economy one way or the other? (IF GOOD OR BAD) Do you think they are very (good/bad) or somewhat (good/bad) for the economy?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Good (Net)	11	11	17	13	18	12	10
Very good	3	2	7	3	7	2	2
Somewhat good	8	8	10	9	10	10	8
Bad (Net)	24	24	27	25	28	25	24
Somewhat bad	15	16	16	16	17	16	15
Very bad	9	9	11	10	12	9	9
No effect	29	28	32	30	34	28	28
Don't know	36	37	24	32	20	35	38

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Good (Net)	18	11	13	7	11
Very good	7	1	2	2	3
Somewhat good	11	10	10	5	8
Bad (Net)	27	33	21	30	25
Somewhat bad	19	14	14	17	15
Very bad	8	18	7	13	10
No effect	36	34	32	25	29
Don't know	19	22	34	38	35

(ORDER OF STATEMENTS ROTATED)

Q21: Which of the following statements comes closest to your view about hedge funds: "The federal government should adopt tighter regulations on hedge funds," or "The current level of regulations for hedge funds are sufficient," or "There should be stronger enforcement of the current hedge fund regulations"?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Adopt tighter regulation	26	26	26	27	28	27	25
Current level is sufficient	15	14	25	18	26	17	14
Stronger enforcement of current regulations	21	21	20	21	21	21	21
Don't know	38	39	29	34	25	35	40

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Adopt tighter regulation	23	39	26	26	26
Current level is sufficient	30	12	18	11	16
Stronger enforcement of current regulations	23	19	19	24	21
Don't know	24	30	37	39	37

(ORDER OF AREAS ROTATED)

Q22: From what you know, over the next twelve months, which area of the world offers the best investment climate: The United States, Asia, Europe, or the emerging markets, such as Brazil and Thailand?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
United States	27	28	27	24	24	24	28
Asia - Japan/China/Korea	33	30	50	38	51	36	30
Europe - France/Germany/ UK/Italy/etc.	13	13	6	12	6	13	14
Emerging markets/3rd world/Brazil/Thailand	11	11	11	11	12	10	10
Other (Vol.)	-	1	-	1	-	1	1
Don't know	16	17	6	14	7	16	17

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
United States	32	14	25	32	28
Asia - Japan/China/Korea	48	53	36	28	32
Europe - France/Germany/ UK/Italy/etc.	4	10	14	12	12
Emerging markets/3rd world/Brazil/Thailand	11	14	11	9	11
Other (Vol.)	-	-	-	-	1
Don't know	5	9	14	19	16

Q23: Would you describe the state of your own personal finances these days as very secure, fairly secure, fairly shaky or very shaky?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Secure (Net)	<u>71</u>	<u>68</u>	<u>96</u>	<u>84</u>	<u>96</u>	<u>80</u>	<u>67</u>
Very secure	17	13	41	21	39	17	13
Fairly secure	55	55	55	63	57	64	54
Shaky (Net)	<u>27</u>	<u>32</u>	<u>3</u>	<u>15</u>	<u>3</u>	<u>19</u>	<u>31</u>
Fairly shaky	15	18	2	11	2	13	17
Very shaky	12	14	1	5	1	6	14
Don't know	<u>2</u>	-	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>2</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Secure (Net)	<u>96</u>	<u>96</u>	<u>67</u>	<u>76</u>	<u>79</u>
Very secure	34	43	14	20	20
Fairly secure	62	52	54	56	59
Shaky (Net)	<u>4</u>	<u>3</u>	<u>32</u>	<u>22</u>	<u>20</u>
Fairly shaky	3	2	20	9	12
Very shaky	1	1	12	13	8
Don't know	-	<u>1</u>	<u>1</u>	<u>2</u>	<u>1</u>

Q24: Is the source of your income primarily from a salary, or from savings or investments, or from something else? Is there another source that you rely upon as primary income? (UP TO TWO REPLIES ACCEPTED)

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Salary/paycheck/business owners/self-employed	70	69	85	77	85	75	68
Savings/investments	17	16	27	22	29	20	16
Inheritance/trust fund	1	-	-	1	-	1	-
Unemployment/welfare	1	1	-	-	-	1	1
Pension/retirement funds	13	14	9	14	9	15	13
Social security retirement	14	16	3	9	4	10	16
Disability	4	5	-	1	-	2	5
Other (specify)	5	4	4	4	4	4	5
Don't know	2	2	1	1	-	-	2

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Salary/paycheck/business owners/self-employed	100	61	91	41	71
Savings/investments	16	44	11	25	20
Inheritance/trust fund	-	1	-	1	1
Unemployment/welfare	-	-	2	-	-
Pension/retirement funds	1	24	2	28	16
Social security retirement	-	10	3	32	15
Disability	-	-	4	5	3
Other (specify)	2	6	4	5	4
Don't know	-	-	1	2	1

Q25: Thinking now of you and your family's total debt - that is, how much you owe on credit cards that you don't pay off every month, or payments on car loans, mortgages, and other loans; and your total net worth - that is, the total of your savings, investments, home equity and income... Would you say that in the coming year you expect to have lower debt and higher net worth, or do you expect to have higher debt and lower net worth, or do you expect no material change in either your debt or net worth in the coming year?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Lower debt/higher worth	48	46	65	53	66	50	45
Higher debt/lower worth	11	12	5	9	6	10	12
No material change	32	33	26	31	25	32	33
No debt (Vol.)	7	8	3	5	3	6	8
Don't know	2	1	1	2	-	2	2

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Lower debt/higher worth	73	50	55	37	51
Higher debt/lower worth	7	4	16	5	8
No material change	17	41	25	41	32
No debt (Vol.)	3	4	3	14	7
Don't know	-	1	1	3	2

Q26: Let's assume you have one million dollars to invest today, where would you invest most of it? Would you mostly invest in stocks, corporate or government bonds, real estate, mutual funds, bank deposit funds, gold, commodities or is there someplace else you would invest that one million dollars?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Real estate	36	39	32	35	28	37	38
Mutual funds	13	13	13	17	14	18	12
Stocks	12	11	20	15	22	13	11
Bank deposit funds	7	9	2	5	2	6	8
Corporate/government bonds	6	5	8	7	8	6	5
Diversified investment portfolio	6	5	11	7	12	6	5
Gold	4	4	-	4	-	4	5
Wouldn't invest (Vol.)	2	2	1	1	1	2	2
Other	8	7	8	6	8	5	8
Don't know	6	5	5	3	5	3	6

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Real estate	25	28	40	33	36
Stocks	24	20	13	10	13
Mutual funds	15	13	11	15	15
Diversified investment portfolio	12	11	7	4	7
Corporate/government bonds	9	9	5	6	6
Bank deposit funds	2	2	7	8	8
Gold	-	1	5	4	4
Wouldn't invest (Vol.)	-	3	2	3	1
Other	11	3	7	9	6
Don't know	2	10	3	8	4

Q27: Thinking about your investments, do you or your spouse have any government or corporate bonds, or not? (IF YES)
Which type do you have?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Bonds (Net)	<u>21</u>	<u>18</u>	<u>34</u>	<u>31</u>	<u>37</u>	<u>28</u>	<u>18</u>
Government bonds	<u>13</u>	<u>12</u>	<u>18</u>	<u>19</u>	<u>20</u>	<u>18</u>	<u>12</u>
Corporate bonds	<u>3</u>	<u>3</u>	<u>6</u>	<u>5</u>	<u>7</u>	<u>4</u>	<u>3</u>
Both	<u>4</u>	<u>2</u>	<u>8</u>	<u>5</u>	<u>8</u>	<u>4</u>	<u>3</u>
Do not have bonds	<u>76</u>	<u>80</u>	<u>63</u>	<u>67</u>	<u>59</u>	<u>70</u>	<u>79</u>
Don't know	<u>3</u>	<u>2</u>	<u>3</u>	<u>2</u>	<u>4</u>	<u>2</u>	<u>3</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Bonds (Net)	<u>37</u>	<u>39</u>	<u>20</u>	<u>21</u>	<u>24</u>
Government bonds	<u>24</u>	<u>14</u>	<u>13</u>	<u>12</u>	<u>15</u>
Corporate bonds	<u>9</u>	<u>3</u>	<u>3</u>	<u>4</u>	<u>4</u>
Both	<u>3</u>	<u>18</u>	<u>3</u>	<u>4</u>	<u>4</u>
Do not have bonds	<u>63</u>	<u>60</u>	<u>78</u>	<u>76</u>	<u>73</u>
Don't know	<u>-</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>3</u>

Q28: Do you or your spouse own stock in any publicly held corporations at the present time, including stock held in a 401(k), or in an IRA, or any other retirement plan, or not? (IF YES) Are they U.S. stocks, or foreign, or both?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Stocks (Net)	<u>57</u>	<u>54</u>	<u>83</u>	<u>85</u>	<u>91</u>	<u>83</u>	<u>53</u>
Own U.S. stock	<u>36</u>	<u>33</u>	<u>52</u>	<u>53</u>	<u>57</u>	<u>52</u>	<u>32</u>
Own foreign stock	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Own both U.S. and foreign stock	<u>17</u>	<u>15</u>	<u>28</u>	<u>25</u>	<u>31</u>	<u>23</u>	<u>15</u>
Do not own stock	<u>40</u>	<u>44</u>	<u>15</u>	<u>14</u>	<u>8</u>	<u>16</u>	<u>44</u>
Don't know	<u>3</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>3</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Stocks (Net)	<u>89</u>	<u>95</u>	<u>58</u>	<u>56</u>	<u>68</u>
Own U.S. stock	<u>60</u>	<u>59</u>	<u>34</u>	<u>37</u>	<u>41</u>
Own foreign stock	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>
Own both U.S. and foreign stock	<u>26</u>	<u>32</u>	<u>18</u>	<u>15</u>	<u>20</u>
Do not own stock	<u>11</u>	<u>3</u>	<u>40</u>	<u>41</u>	<u>29</u>
Don't know	<u>-</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>3</u>

(ASKED OF THOSE WHO OWN BOTH U.S. AND FOREIGN STOCK)

Q29: Over the next ten years, do you expect to earn more money from U.S. stock or from foreign stock, or do you expect to earn about the same from both?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
United States	21	20	29	21	29	20	19
Foreign	20	20	22	20	22	20	20
About same	49	50	43	49	43	50	50
Don't know	10	10	6	10	6	10	11

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
United States	24	46	18	29	21
Foreign	33	15	26	13	19
About same	39	32	47	49	50
Don't know	4	7	9	9	10

(ASKED OF EVERYONE)

Q30: How about mutual funds? Do you or your spouse own any mutual funds, including funds held in a 401(k), or an IRA, or other retirement plans, or not?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Mutual funds	48	44	76	71	83	68	43
No mutual funds	46	51	19	23	12	26	51
Don't know	6	5	5	6	5	6	6

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Mutual funds	87	85	47	48	56
No mutual funds	11	14	47	48	38
Don't know	2	1	6	4	6

(ASKED OF THOSE WHO HAVE SAVINGS AND INVESTMENT ACCOUNTS OF ANY KIND)

Q31: These days, thinking about the places where you have your savings and investments, would you say that your savings and investments are very secure, fairly secure, fairly insecure or very insecure?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Secure (Net)	<u>94</u>	<u>93</u>	<u>98</u>	<u>94</u>	<u>98</u>	<u>93</u>	<u>93</u>
Very secure	<u>30</u>	<u>31</u>	<u>24</u>	<u>30</u>	<u>24</u>	<u>31</u>	<u>32</u>
Fairly secure	<u>64</u>	<u>62</u>	<u>74</u>	<u>64</u>	<u>74</u>	<u>62</u>	<u>62</u>
Insecure (Net)	<u>4</u>	<u>5</u>	<u>1</u>	<u>4</u>	<u>1</u>	<u>5</u>	<u>5</u>
Fairly insecure	<u>3</u>	<u>3</u>	<u>1</u>	<u>3</u>	<u>1</u>	<u>3</u>	<u>3</u>
Very insecure	<u>1</u>	<u>2</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>2</u>	<u>1</u>
Don't know	<u>2</u>	<u>2</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>2</u>	<u>2</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Secure (Net)	<u>99</u>	<u>98</u>	<u>93</u>	<u>95</u>	<u>95</u>
Very secure	<u>26</u>	<u>23</u>	<u>29</u>	<u>33</u>	<u>30</u>
Fairly secure	<u>73</u>	<u>75</u>	<u>65</u>	<u>62</u>	<u>65</u>
Insecure (Net)	<u>1</u>	<u>-</u>	<u>5</u>	<u>3</u>	<u>4</u>
Fairly insecure	<u>1</u>	<u>1</u>	<u>3</u>	<u>2</u>	<u>3</u>
Very insecure	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>1</u>
Don't know	<u>-</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>

Q32: What percentage, if any, of your incomes do you currently save and invest each year? Is it one to four percent, or five to ten percent, or is it between eleven and twenty percent or is it between twenty-one and thirty percent or is it more than that, or are you not saving or investing anything at this time?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Less than 5%	<u>19</u>	<u>22</u>	<u>6</u>	<u>19</u>	<u>6</u>	<u>22</u>	<u>22</u>
5%-10%	<u>38</u>	<u>38</u>	<u>37</u>	<u>38</u>	<u>37</u>	<u>38</u>	<u>38</u>
11%-20%	<u>24</u>	<u>21</u>	<u>39</u>	<u>24</u>	<u>39</u>	<u>21</u>	<u>21</u>
21%-30%	<u>4</u>	<u>2</u>	<u>9</u>	<u>4</u>	<u>9</u>	<u>2</u>	<u>2</u>
More than 30%	<u>2</u>	<u>2</u>	<u>5</u>	<u>2</u>	<u>5</u>	<u>2</u>	<u>2</u>
Save/invest, but don't know how much	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
None	<u>9</u>	<u>11</u>	<u>2</u>	<u>9</u>	<u>2</u>	<u>11</u>	<u>11</u>
Don't know	<u>2</u>	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Less than 5%	<u>6</u>	<u>6</u>	<u>24</u>	<u>12</u>	<u>18</u>
5%-10%	<u>39</u>	<u>36</u>	<u>39</u>	<u>36</u>	<u>38</u>
11%-20%	<u>38</u>	<u>35</u>	<u>26</u>	<u>23</u>	<u>25</u>
21%-30%	<u>10</u>	<u>9</u>	<u>3</u>	<u>4</u>	<u>4</u>
More than 30%	<u>6</u>	<u>4</u>	<u>2</u>	<u>2</u>	<u>2</u>
Save/invest, but don't know how much	<u>-</u>	<u>6</u>	<u>1</u>	<u>3</u>	<u>2</u>
None	<u>1</u>	<u>3</u>	<u>5</u>	<u>16</u>	<u>9</u>
Don't know	<u>-</u>	<u>1</u>	<u>-</u>	<u>4</u>	<u>2</u>

Q33: Do you expect the overall rate of return on your family's investments to be more than ten percent in 2006, or less than that or do you expect the overall rate of return to be about ten percent? (IF LESS THAN 10%) Breaking that down, do you expect less than a five percent return, or between five percent and seven percent, or more than seven percent? (IF MORE THAN 10%) Breaking that down, do you expect more than a 20% return?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Less than 5%	11	14	3	11	3	14	13
5% to 7%	21	22	19	21	19	22	22
8% to 9%	12	11	12	12	12	11	12
About 10%	38	36	47	38	47	36	36
11% to 20%	6	4	11	6	11	4	5
More than 20%	2	2	2	2	2	2	1
Zero/negative return (Vol.)	2	2	-	2	-	2	2
Don't know	8	9	6	8	6	9	9

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Less than 5%	2	3	12	10	11
5% to 7%	18	21	20	23	21
8% to 9%	11	13	13	11	11
About 10%	53	43	40	37	41
11% to 20%	9	17	6	6	6
More than 20%	3	-	2	1	1
Zero/negative (Vol.)	-	1	1	3	2
Don't know	4	2	6	9	7

Q34: Is that rate of return greater, less than, or about the same as you earned last year?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Greater	21	21	23	21	23	21	21
Less than	11	11	10	11	10	11	11
Same	59	58	63	59	63	58	58
Don't know	9	10	4	9	4	10	10

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Greater	23	18	22	20	22
Less than	10	12	9	14	11
Same	63	68	61	56	59
Don't know	4	2	8	10	8

Q35: Over the next ten years, do you expect to earn the highest rate of return in the stock market, or in bonds, or in bank accounts, or money market funds or do you expect to earn about the same from all of them?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Stock market	29	24	50	29	50	24	24
Bonds	2	2	2	2	2	2	2
Bank accounts	2	2	2	2	2	2	2
Money market funds	5	6	4	5	4	6	5
About same	50	53	36	50	36	53	53
Don't know	12	13	6	12	6	13	14

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Stock market	58	32	35	19	31
Bonds	1	3	2	3	2
Bank accounts	-	5	1	2	2
Money market funds	7	1	6	5	5
About same	33	45	45	56	50
Don't know	1	14	11	15	10

Q36: When it comes to investing your money, do you mostly use a broker, or a financial advisor, or friends and family, or do you do most of your own investing?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Broker	16	17	15	16	15	17	17
Financial advisor	28	27	28	28	28	27	27
Friends and family	7	7	7	7	7	7	7
Own investing	44	44	48	44	48	44	43
Other ways (Vol.)	2	2	1	2	1	2	3
Don't know	3	3	1	3	1	3	3

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Broker	17	13	16	16	15
Financial advisor	27	25	29	25	28
Friends and family	9	4	8	6	6
Own investing	46	56	43	46	46
Other ways (Vol.)	-	2	2	3	3
Don't know	1	-	2	4	2

(ASKED OF EVERYONE)

Q37: In terms of new investments, including retirement accounts, have you or your spouse increased or decreased the amount you are putting in foreign stocks, or foreign stock mutual funds, or are you investing about the same, or do you not have any investments in foreign stock or foreign stock mutual funds? (IF INCREASED OR DECREASED) Have you (increased/decreased) these investments a lot or only somewhat? (IF DON'T HAVE ANY) Did you stop investing in foreign stocks or foreign stock mutual funds, or have you never invested in them?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
No foreign stocks (Net)	<u>64</u>	<u>68</u>	<u>46</u>	<u>53</u>	<u>44</u>	<u>55</u>	<u>67</u>
Never invested	<u>59</u>	<u>63</u>	<u>39</u>	<u>48</u>	<u>37</u>	<u>50</u>	<u>63</u>
Stopped investing	<u>5</u>	<u>5</u>	<u>7</u>	<u>5</u>	<u>7</u>	<u>5</u>	<u>5</u>
Increased (Net)	<u>10</u>	<u>8</u>	<u>21</u>	<u>14</u>	<u>22</u>	<u>11</u>	<u>8</u>
Increased a lot	<u>3</u>	<u>3</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>3</u>
Increased somewhat	<u>7</u>	<u>5</u>	<u>17</u>	<u>9</u>	<u>19</u>	<u>7</u>	<u>5</u>
Decreased (Net)	<u>4</u>	<u>4</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>4</u>
Decreased somewhat	<u>2</u>	<u>2</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>2</u>
Decreased a lot	<u>2</u>	<u>2</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>3</u>	<u>2</u>
About the same	<u>16</u>	<u>15</u>	<u>25</u>	<u>22</u>	<u>27</u>	<u>22</u>	<u>15</u>
Don't know	<u>6</u>	<u>5</u>	<u>3</u>	<u>6</u>	<u>2</u>	<u>7</u>	<u>6</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
No foreign stocks (Net)	<u>51</u>	<u>35</u>	<u>63</u>	<u>68</u>	<u>60</u>
Never invested	<u>42</u>	<u>32</u>	<u>59</u>	<u>61</u>	<u>54</u>
Stopped investing	<u>10</u>	<u>3</u>	<u>4</u>	<u>7</u>	<u>6</u>
Increased (Net)	<u>21</u>	<u>29</u>	<u>11</u>	<u>9</u>	<u>10</u>
Increased a lot	<u>1</u>	<u>9</u>	<u>4</u>	<u>2</u>	<u>2</u>
Increased somewhat	<u>19</u>	<u>20</u>	<u>7</u>	<u>7</u>	<u>8</u>
Decreased (Net)	<u>2</u>	<u>9</u>	<u>3</u>	<u>4</u>	<u>5</u>
Decreased somewhat	<u>1</u>	<u>6</u>	<u>2</u>	<u>2</u>	<u>3</u>
Decreased a lot	<u>1</u>	<u>2</u>	<u>1</u>	<u>2</u>	<u>2</u>
About the same	<u>25</u>	<u>25</u>	<u>18</u>	<u>13</u>	<u>19</u>
Don't know	<u>1</u>	<u>2</u>	<u>5</u>	<u>6</u>	<u>6</u>

COMBINED RESPONSES FROM Q37

(DOES NOT INCLUDE NEVER INVESTED OR STOPPED INVESTING)

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Increased	<u>27</u>	<u>25</u>	<u>39</u>	<u>28</u>	<u>40</u>	<u>25</u>	<u>24</u>
Decreased	<u>11</u>	<u>12</u>	<u>9</u>	<u>11</u>	<u>8</u>	<u>12</u>	<u>11</u>
Same	<u>46</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>49</u>	<u>47</u>	<u>45</u>
Don't know	<u>16</u>	<u>16</u>	<u>5</u>	<u>14</u>	<u>3</u>	<u>16</u>	<u>20</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Increased	<u>42</u>	<u>44</u>	<u>29</u>	<u>27</u>	<u>26</u>
Decreased	<u>4</u>	<u>14</u>	<u>9</u>	<u>13</u>	<u>11</u>
Same	<u>51</u>	<u>38</u>	<u>47</u>	<u>42</u>	<u>49</u>
Don't know	<u>3</u>	<u>4</u>	<u>15</u>	<u>18</u>	<u>14</u>

Q38: In terms of new investments, including retirement accounts, in U.S. stocks or U.S. stock mutual funds -- have you or your spouse increased or decreased the amount you are putting in these stocks or mutual funds, or are you investing about the same, or do you not have any investments in U.S. stock or U.S. stock mutual funds? (IF INCREASED OR DECREASED) Have you (increased/decreased) these investments a lot or only somewhat? (IF DON'T HAVE ANY) Did you stop investing in U.S. stocks or U.S. stock mutual funds, or have you never invested in them?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
No U.S. stocks (Net)	<u>38</u>	<u>42</u>	<u>12</u>	<u>15</u>	<u>6</u>	<u>17</u>	<u>42</u>
Never invested	<u>32</u>	<u>35</u>	<u>10</u>	<u>10</u>	<u>4</u>	<u>12</u>	<u>36</u>
Stopped investing	<u>5</u>	<u>6</u>	<u>3</u>	<u>4</u>	<u>2</u>	<u>5</u>	<u>6</u>
Increased (Net)	<u>17</u>	<u>15</u>	<u>32</u>	<u>24</u>	<u>35</u>	<u>21</u>	<u>14</u>
Increased a lot	<u>3</u>	<u>2</u>	<u>9</u>	<u>4</u>	<u>10</u>	<u>3</u>	<u>2</u>
Increased somewhat	<u>14</u>	<u>13</u>	<u>23</u>	<u>20</u>	<u>25</u>	<u>18</u>	<u>13</u>
Decreased (Net)	<u>5</u>	<u>5</u>	<u>8</u>	<u>7</u>	<u>9</u>	<u>6</u>	<u>5</u>
Decreased somewhat	<u>3</u>	<u>2</u>	<u>5</u>	<u>3</u>	<u>5</u>	<u>3</u>	<u>2</u>
Decreased a lot	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>3</u>
About the same	<u>36</u>	<u>36</u>	<u>45</u>	<u>51</u>	<u>48</u>	<u>53</u>	<u>35</u>
Don't know	<u>4</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>4</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
No U.S. stocks (Net)	<u>8</u>	<u>5</u>	<u>39</u>	<u>38</u>	<u>28</u>
Never invested	<u>6</u>	<u>3</u>	<u>33</u>	<u>33</u>	<u>23</u>
Stopped investing	<u>2</u>	<u>2</u>	<u>5</u>	<u>6</u>	<u>5</u>
Increased (Net)	<u>39</u>	<u>31</u>	<u>17</u>	<u>18</u>	<u>21</u>
Increased a lot	<u>8</u>	<u>15</u>	<u>3</u>	<u>3</u>	<u>3</u>
Increased somewhat	<u>31</u>	<u>16</u>	<u>14</u>	<u>15</u>	<u>18</u>
Decreased (Net)	<u>9</u>	<u>10</u>	<u>4</u>	<u>7</u>	<u>6</u>
Decreased somewhat	<u>5</u>	<u>7</u>	<u>2</u>	<u>4</u>	<u>3</u>
Decreased a lot	<u>4</u>	<u>3</u>	<u>2</u>	<u>3</u>	<u>3</u>
About the same	<u>42</u>	<u>52</u>	<u>38</u>	<u>32</u>	<u>42</u>
Don't know	<u>2</u>	<u>2</u>	<u>2</u>	<u>5</u>	<u>3</u>

COMBINED RESPONSES FROM Q38
(DOES NOT INCLUDE NEVER INVESTED OR STOPPED INVESTING)

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Increased	<u>27</u>	<u>25</u>	<u>37</u>	<u>28</u>	<u>37</u>	<u>25</u>	<u>25</u>
Decreased	<u>9</u>	<u>9</u>	<u>9</u>	<u>8</u>	<u>10</u>	<u>8</u>	<u>8</u>
Same	<u>58</u>	<u>62</u>	<u>51</u>	<u>60</u>	<u>51</u>	<u>64</u>	<u>60</u>
Don't know	<u>6</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>2</u>	<u>3</u>	<u>7</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Increased	<u>43</u>	<u>32</u>	<u>28</u>	<u>29</u>	<u>29</u>
Decreased	<u>10</u>	<u>11</u>	<u>6</u>	<u>12</u>	<u>9</u>
Same	<u>45</u>	<u>55</u>	<u>62</u>	<u>52</u>	<u>58</u>
Don't know	<u>2</u>	<u>2</u>	<u>4</u>	<u>7</u>	<u>4</u>

(ASKED OF RESPONDENTS WHO HAVE DECREASED OR STOPPED INVESTING IN U.S. STOCKS)

Q39: Why have you decreased or stopped the amount of investments in U.S. stocks? Is there another reason? (UP TO TWO REPLIES ACCEPTED)

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Needed money - not for retirement	25	26	20	18	21	17	25
Less confidence in the U.S. economy	17	16	27	23	29	22	15
Lost confidence in particular stock(s)	17	16	17	12	11	13	17
Haven't had enough money to invest	15	18	1	12	2	15	17
Expect to earn more in other investments	11	8	25	11	26	6	9
Retired and needed money	11	12	4	12	4	13	12
Job status changed	5	6	-	6	-	8	6
Fear of terrorist attacks or other disasters	3	-	17	4	18	-	-
Lost money	1	1	-	-	-	-	1
Lost confidence in government leadership	-	-	1	1	1	1	1
To balance portfolio	-	-	1	-	1	-	-
No particular reason	6	7	2	7	1	8	7
Other	6	5	9	6	3	7	6
Don't know	10	11	6	14	8	16	11

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Less confidence in the U.S. economy	44	8	23	13	16
Needed money - not for retirement	32	6	34	18	20
Fear of terrorist attacks or other disasters	31	-	5	-	3
Expect to earn more in other investments	8	54	10	9	10
Lost confidence in particular stock(s)	6	18	21	13	20
Haven't had enough money to invest	2	1	15	17	14
Job status changed	1	-	10	1	6
Lost confidence in government leadership	-	1	-	1	1
To balance portfolio	-	1	-	-	-
Lost money	-	-	1	-	1
Retired and needed money	-	9	1	21	12
No particular reason	2	-	2	10	6
Other	3	3	4	7	6
Don't know	7	8	2	18	12

(ASKED OF EVERYONE)

Q40: What about new investments, including retirement accounts, in government, corporate, foreign or municipal bonds or bond mutual funds -- have you or your spouse increased or decreased the amount you are putting in these investments, or are you investing about the same, or do you not have any investments in any kinds of bonds? (IF INCREASED OR DECREASED) Have you (increased/decreased) these investments a lot or only somewhat? (IF DON'T HAVE ANY) Did you stop investing in bonds, or have you never invested in them?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Don't have bonds (Net)	<u>51</u>	<u>55</u>	<u>31</u>	<u>35</u>	<u>27</u>	<u>38</u>	<u>55</u>
Never invested	<u>45</u>	<u>49</u>	<u>25</u>	<u>29</u>	<u>21</u>	<u>31</u>	<u>49</u>
Stopped investing	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
Increased (Net)	<u>9</u>	<u>7</u>	<u>19</u>	<u>11</u>	<u>21</u>	<u>9</u>	<u>7</u>
Increased a lot	<u>1</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>2</u>	<u>1</u>
Increased somewhat	<u>7</u>	<u>6</u>	<u>17</u>	<u>9</u>	<u>18</u>	<u>8</u>	<u>6</u>
Decreased (Net)	<u>7</u>	<u>7</u>	<u>6</u>	<u>8</u>	<u>7</u>	<u>8</u>	<u>7</u>
Decreased somewhat	<u>4</u>	<u>4</u>	<u>1</u>	<u>5</u>	<u>2</u>	<u>5</u>	<u>4</u>
Decreased a lot	<u>4</u>	<u>4</u>	<u>5</u>	<u>4</u>	<u>5</u>	<u>3</u>	<u>3</u>
About the same	<u>28</u>	<u>27</u>	<u>38</u>	<u>40</u>	<u>40</u>	<u>40</u>	<u>26</u>
Don't know	<u>5</u>	<u>4</u>	<u>6</u>	<u>6</u>	<u>5</u>	<u>5</u>	<u>5</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Don't have bonds (Net)	<u>26</u>	<u>32</u>	<u>52</u>	<u>55</u>	<u>45</u>
Never invested	<u>22</u>	<u>21</u>	<u>48</u>	<u>45</u>	<u>39</u>
Stopped investing	<u>4</u>	<u>11</u>	<u>4</u>	<u>9</u>	<u>6</u>
Increased (Net)	<u>25</u>	<u>15</u>	<u>10</u>	<u>7</u>	<u>10</u>
Increased a lot	<u>3</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>2</u>
Increased somewhat	<u>22</u>	<u>13</u>	<u>8</u>	<u>6</u>	<u>8</u>
Decreased (Net)	<u>4</u>	<u>11</u>	<u>8</u>	<u>6</u>	<u>7</u>
Decreased somewhat	<u>1</u>	<u>2</u>	<u>4</u>	<u>4</u>	<u>4</u>
Decreased a lot	<u>3</u>	<u>9</u>	<u>4</u>	<u>2</u>	<u>3</u>
About the same	<u>43</u>	<u>31</u>	<u>27</u>	<u>26</u>	<u>33</u>
Don't know	<u>2</u>	<u>11</u>	<u>3</u>	<u>6</u>	<u>5</u>

COMBINED RESPONSES FROM Q40

(DOES NOT INCLUDE NEVER INVESTED OR STOPPED INVESTING)

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Increased	<u>17</u>	<u>16</u>	<u>28</u>	<u>17</u>	<u>28</u>	<u>15</u>	<u>15</u>
Decreased	<u>15</u>	<u>16</u>	<u>9</u>	<u>13</u>	<u>9</u>	<u>13</u>	<u>16</u>
Same	<u>58</u>	<u>60</u>	<u>55</u>	<u>62</u>	<u>56</u>	<u>64</u>	<u>58</u>
Don't know	<u>10</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>7</u>	<u>8</u>	<u>11</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Increased	<u>33</u>	<u>22</u>	<u>20</u>	<u>15</u>	<u>18</u>
Decreased	<u>6</u>	<u>16</u>	<u>16</u>	<u>14</u>	<u>14</u>
Same	<u>58</u>	<u>45</u>	<u>57</u>	<u>57</u>	<u>59</u>
Don't know	<u>3</u>	<u>17</u>	<u>7</u>	<u>14</u>	<u>9</u>

Q41: What about new investments, including retirement accounts, in bank or thrift savings accounts, certificates of deposit or money market funds -- have you or your spouse increased or decreased the amount you are putting in these investments, or are you investing about the same, or do you not have any investments in any kinds of savings, CDs, or money market funds? (IF INCREASED OR DECREASED) Have you (increased/decreased) these investments a lot or only somewhat? (IF DON'T HAVE ANY) Did you stop investing in bank or thrift savings accounts, certificates of deposits or money market funds, or have you never invested in them?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
No new investments (Net)	<u>38</u>	<u>40</u>	<u>24</u>	<u>25</u>	<u>22</u>	<u>25</u>	<u>40</u>
Never invested	<u>34</u>	<u>35</u>	<u>22</u>	<u>21</u>	<u>19</u>	<u>20</u>	<u>36</u>
Stopped investing	<u>4</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>5</u>	<u>5</u>
Increased (Net)	<u>16</u>	<u>15</u>	<u>24</u>	<u>20</u>	<u>25</u>	<u>18</u>	<u>15</u>
Increased a lot	<u>4</u>	<u>4</u>	<u>6</u>	<u>4</u>	<u>7</u>	<u>4</u>	<u>4</u>
Increased somewhat	<u>12</u>	<u>11</u>	<u>17</u>	<u>15</u>	<u>18</u>	<u>14</u>	<u>11</u>
Decreased (Net)	<u>8</u>	<u>8</u>	<u>9</u>	<u>9</u>	<u>8</u>	<u>10</u>	<u>8</u>
Decreased somewhat	<u>5</u>	<u>5</u>	<u>5</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>4</u>
Decreased a lot	<u>3</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>4</u>	<u>3</u>
About the same	<u>33</u>	<u>33</u>	<u>41</u>	<u>41</u>	<u>43</u>	<u>41</u>	<u>31</u>
Don't know	<u>5</u>	<u>4</u>	<u>2</u>	<u>5</u>	<u>2</u>	<u>6</u>	<u>6</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
No new investments (Net)	<u>22</u>	<u>25</u>	<u>36</u>	<u>43</u>	<u>32</u>
Never invested	<u>20</u>	<u>21</u>	<u>34</u>	<u>35</u>	<u>27</u>
Stopped investing	<u>2</u>	<u>4</u>	<u>3</u>	<u>7</u>	<u>5</u>
Increased (Net)	<u>25</u>	<u>26</u>	<u>18</u>	<u>13</u>	<u>16</u>
Increased a lot	<u>6</u>	<u>9</u>	<u>6</u>	<u>2</u>	<u>4</u>
Increased somewhat	<u>19</u>	<u>17</u>	<u>12</u>	<u>11</u>	<u>12</u>
Decreased (Net)	<u>9</u>	<u>8</u>	<u>10</u>	<u>5</u>	<u>8</u>
Decreased somewhat	<u>8</u>	<u>2</u>	<u>6</u>	<u>3</u>	<u>4</u>
Decreased a lot	<u>1</u>	<u>6</u>	<u>4</u>	<u>2</u>	<u>4</u>
About the same	<u>42</u>	<u>39</u>	<u>32</u>	<u>33</u>	<u>38</u>
Don't know	<u>2</u>	<u>2</u>	<u>4</u>	<u>6</u>	<u>6</u>

COMBINED RESPONSES FROM Q41
(DOES NOT INCLUDE NEVER INVESTED OR STOPPED INVESTING)

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Increased	<u>26</u>	<u>25</u>	<u>31</u>	<u>26</u>	<u>32</u>	<u>25</u>	<u>25</u>
Decreased	<u>13</u>	<u>13</u>	<u>12</u>	<u>12</u>	<u>11</u>	<u>13</u>	<u>13</u>
Same	<u>53</u>	<u>54</u>	<u>54</u>	<u>55</u>	<u>55</u>	<u>55</u>	<u>53</u>
Don't know	<u>8</u>	<u>8</u>	<u>3</u>	<u>7</u>	<u>2</u>	<u>7</u>	<u>9</u>

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Increased	<u>32</u>	<u>35</u>	<u>28</u>	<u>23</u>	<u>24</u>
Decreased	<u>12</u>	<u>10</u>	<u>16</u>	<u>9</u>	<u>11</u>
Same	<u>54</u>	<u>53</u>	<u>50</u>	<u>57</u>	<u>57</u>
Don't know	<u>2</u>	<u>2</u>	<u>6</u>	<u>11</u>	<u>8</u>

Q42: When thinking about investing, do you prefer aggressive growth investments that have a higher potential return with more risk, or do you prefer income producing investments that preserve capital with less risk?

	<u>ALL</u>	<u><100</u>	<u>≥100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Aggressive growth	17	16	22	19	23	18	16
Income producing investments	64	66	57	65	57	68	65
Both (Vol.)	7	5	16	10	18	8	6
Don't know	12	13	5	6	2	6	13

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Aggressive growth	28	17	21	10	15
Income producing investments	50	65	63	66	68
Both (Vol.)	19	16	8	6	8
Don't know	3	2	8	18	9

(ORDER OF AREAS ROTATES)

Q43: Over the next twelve months, which area would be the best to invest in: Would it be in the area of energy, or telecommunications, or financial services, or transportation, or would it be in the area of technology, or health care and drugs, or the defense industry or in the area of metals, or consumer products? Is there another that would also be best to invest in? (UP TO TWO REPLIES ACCEPTED)

	<u>ALL</u>	<u><100</u>	<u>≥100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Health care and drugs	46	47	46	48	46	48	46
Energy	36	36	34	40	37	39	36
Technology	33	32	40	34	40	33	31
Telecommunications	15	14	16	16	15	16	14
Defense	12	12	15	14	15	14	12
Consumer products	9	9	10	8	10	7	9
Financial services	7	7	9	7	10	7	7
Transportation	7	8	5	6	6	5	8
Metals	4	4	3	3	3	3	4
None (Vol.)	1	2	-	1	-	2	2
Don't know	8	7	7	5	5	6	8

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Health care and drugs	43	56	44	49	48
Energy	41	34	36	35	39
Technology	41	32	34	30	33
Defense	19	9	16	8	12
Telecommunications	16	14	16	13	16
Consumer products	8	14	10	8	8
Financial services	4	21	8	7	7
Transportation	3	2	8	6	5
Metals	3	2	5	3	4
None (Vol.)	-	-	1	1	1
Don't know	7	4	4	12	7

Q45: Is there an area of the economy that you think would be the worst to invest in over the next twelve months? Would it be in the area of energy, or telecommunications, or financial services, or transportation, or would it be in the area of technology, or health care and drugs, or the defense industry or in the area of metals, or consumer products?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Transportation	17	17	20	20	22	19	16
Consumer products	11	10	11	12	11	12	11
Telecommunications	9	10	6	8	6	8	9
Health care and drugs	8	8	8	8	8	9	8
Metals	8	9	7	7	5	7	9
Defense	7	7	7	8	7	8	7
Financial services	6	5	7	6	8	6	6
Technology	4	4	4	3	4	3	4
Energy	4	5	2	4	2	4	5
None (Vol.)	4	4	2	3	2	3	4
Don't know	22	21	26	21	25	21	21

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Transportation	27	15	19	13	18
Consumer products	11	14	11	10	9
Financial services	10	4	5	8	6
Defense	10	4	8	7	7
Health care and drugs	8	9	10	5	8
Telecommunications	6	7	9	8	9
Metals	5	5	9	7	8
Technology	2	8	4	5	5
Energy	1	3	5	4	5
None (Vol.)	3	1	3	4	3
Don't know	17	30	17	29	22

Q46: Do you or your spouse own the place where you live or do you pay rent?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Own residence	74	72	93	85	96	83	71
Don't own (Net)	25	27	7	14	4	16	28
Pay rent	22	25	7	14	4	16	24
Live rent free (Vol.)	3	3	-	-	-	-	3
Don't know	1	1	-	1	-	1	1

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Own residence	94	98	67	85	100
Don't own (Net)	6	2	32	15	-
Pay rent	6	1	29	11	-
Live rent free (Vol.)	-	1	3	3	-
Don't know	-	-	1	-	-

Q47: Do you or your spouse have any real estate holdings, such as a second home or investment property, other than the place where you live?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Yes	23	20	42	29	42	26	20
No	76	79	58	70	58	73	79
Don't know	1	1	-	1	-	1	1

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Yes	33	53	19	28	27
No	67	47	81	72	73
Don't know	-	-	-	-	-

(ASKED OF THOSE WHO OWN PROPERTY OF ANY KIND.)

Q48: How much of your family's overall net worth is in real estate? Would you say the value of your real estate makes up more than half of what you are worth overall, or less than that? (IF MORE) More than three quarters of your total net worth, or less than that? (IF LESS) Less than a quarter of your total net worth, or more than that?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
<50% (Net)	37	36	42	39	43	37	37
Less than a quarter	13	13	14	14	15	13	13
More than a quarter, less than half	24	23	28	25	28	23	23
50%+ (Net)	56	58	57	57	57	59	55
About half (Vol.)	19	20	17	21	17	23	19
More than half, less than three quarters	22	22	26	23	26	24	22
More than three quarters	15	16	14	13	14	12	15
Don't know	7	6	1	4	-	4	8

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
<50% (Net)	34	52	36	39	37
Less than a quarter	11	15	13	13	13
More than a quarter, less than half	23	38	23	26	23
50%+ (Net)	66	48	62	50	56
About half (Vol.)	18	17	20	16	19
More than half, less than three quarters	30	21	26	18	23
More than three quarters	18	9	15	16	15
Don't know	-	-	2	11	7

(ASKED OF THOSE WHO OWN THEIR PRIMARY RESIDENCE)

Q49: Do you have a mortgage on your primary residence, or not? (IF YES) Is that a fixed-rate or an adjustable -rate mortgage?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Mortgage: fixed rate	86	85	90	89	90	88	85
Mortgage: adjustable rate	14	15	10	11	10	12	15
Don't know	-	-	-	-	-	-	-

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Mortgage: fixed rate	90	90	86	87	86
Mortgage: adjustable rate	10	10	14	13	14
Don't know	-	-	-	-	-

(ASKED OF RESPONDENTS WITH AN ADJUSTABLE RATE)

Q50: How confident are you that you will be able to make your mortgage payments if they adjust upward in the future: Are you very confident, somewhat confident, not too confident, or not at all confident?*

	<u>ALL</u>	<u>INV</u>
Confident (Net)	74	77
Very confident	55	65
Somewhat confident	19	12
Not confident (Net)	26	23
Not too confident	21	16
Not at all confident	5	7
Don't know	-	-

* The base for this question was too small to break for the other demographics.

(ASKED OF RESPONDENTS WHO OWN THEIR PRIMARY RESIDENCE)

Q51: In the last two years, have you used the equity in your home to pay for purchases or expenses or for credit consolidation, or have you not used it for any of those things? (IF HAVE NOT USED EQUITY) Are you considering using the equity in your home? (IF HAVE USED EQUITY) Was that a home equity line of credit, or did you refinance, or take out a second mortgage or do you have a reverse mortgage?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Have not used/Not considering it	74	74	76	72	75	72	74
Have not used equity/Considering it	7	8	7	8	8	8	7
Home equity line of credit	11	10	14	12	14	11	10
Refinanced	4	4	2	3	2	4	4
Second mortgage	1	1	1	2	1	1	1
Don't know	3	3	-	3	-	4	4

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Have not used/Not considering it	73	77	67	81	74
Have not used equity/Considering it	6	12	10	5	7
Home equity line of credit	18	9	11	11	11
Refinanced	2	2	6	2	4
Second mortgage	1	-	2	-	1
Don't know	-	-	4	1	3

(ASKED OF RESPONDENTS WHO USED OR ARE CONSIDERING USING EQUITY/REFINANCE/2ND MORTGAGE/REVERSE MORTGAGE)

Q52: (IF USED EQUITY) What did you use the cash for? (IF CONSIDERING USING EQUITY) What will you use the cash for? Was/Is there another reason? (UP TO TWO REPLIES ACCEPTED)

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Home improvement/repairs	40	41	46	39	47	39	39
Pay off/down other debts/other mortgage	30	32	16	32	16	35	33
Car/other motor vehicle	23	23	33	24	33	22	22
General spending	6	6	3	4	3	3	7
Education/college tuition	4	4	3	3	3	4	4
Investments	4	4	5	4	4	5	3
Medical expenses/assisted living/nursing home	4	5	1	5	1	6	5
Second home/other real estate	3	2	3	3	3	2	3
House for children/relative	1	1	-	1	-	1	1
Retirement income	1	1	-	-	-	-	1
Savings	1	1	1	-	1	-	1
Vacation	1	1	-	1	-	1	1
Wedding/other event	1	-	1	1	1	1	-
Boat	-	-	-	-	-	-	-
Help a friend/relative in need	-	1	-	-	-	1	1
No particular reason	2	1	6	2	6	1	1
Other	7	5	4	8	4	6	7
Don't know	3	4	4	3	4	2	4

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Home improvement/repairs	60	22	43	38	40
Car/other motor vehicle	26	48	23	27	23
Pay off/down other debts/other mortgage	20	8	36	20	30
General spending	4	1	2	12	6
Investments	4	6	4	2	4
Medical expenses/assisted living/nursing home	1	0	4	2	4
Education/college tuition	1	5	2	6	4
Savings	1	1	1	1	1
Second home/other real estate	1	9	2	5	3
Vacation	-	-	-	2	1
Help a friend/relative in need	-	-	-	1	-
House for children/relative	-	-	1	1	1
Retirement income	-	-	1	-	1
Wedding/other event	-	3	1	1	1
Boat	-	-	-	1	-
No particular reason	8	2	2	2	2
Other	6	-	9	3	7
Don't know	1	7	4	1	3

(ASKED OF THOSE WHO OWN THEIR PRIMARY RESIDENCE)

Q53: Just your best guess, how much do you think your home that you live in, that is your primary residence, will appreciate in value over the next three years?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
It won't appreciate	5	5	5	4	6	4	5
Less than 5 %	12	13	9	12	8	12	13
5% to 15%	49	49	58	55	59	54	47
16% to 30%	19	19	20	19	20	19	18
31% to 45%	3	3	1	2	1	3	3
More than 45%	3	3	1	2	1	3	3
Don't know	9	8	6	6	5	5	11

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
It won't appreciate	4	1	3	7	5
Less than 5 %	5	12	10	15	12
5% to 15%	65	55	55	44	49
16% to 30%	16	28	19	17	19
31% to 45%	1	1	4	1	3
More than 45%	2	-	3	2	3
Don't know	7	3	6	14	9

Q54: Whether you are retired or not, to what degree do you think you will tap into your home's equity, either by refinancing or selling, to help fund your retirement: Do you expect your home equity to be your primary source of retirement money, or a substantial source but not the primary source, or a moderate source, or do you not expect to use your home equity to fund your retirement?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Primary source	2	2	1	2	1	2	2
Substantial source but not primary	5	6	2	5	2	6	6
Moderate source	11	10	20	12	20	10	10
Not fund retirement	75	75	74	75	74	75	75
Don't know	7	7	3	6	3	7	7

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Primary source	-	-	2	1	2
Substantial source but not primary	2	2	4	7	5
Moderate source	26	12	14	8	11
Not fund retirement	67	85	72	80	75
Don't know	5	1	8	4	7

Q71: Taking into account all of your net worth, such as your investments, income, and real estate property, is your net worth less than \$1 million, or is it between \$1 million and \$5 million, or is it between \$5 million and \$10 million, or is it between \$10 million and \$15 million, or between \$15 million and \$25 million, or between \$25 million and \$50 million, or is it between \$50 million and \$100 hundred million or is it more than that?

	<u>ALL</u>	<u><100</u>	<u>>100</u>	<u>INV</u>	<u>I>100</u>	<u>I<100</u>	<u>N/I</u>
Less than \$1 million	86	92	63	83	62	90	90
\$1 million to less than \$5 million	8	5	28	11	29	6	5
\$5 million to less than \$10 million	1	1	1	1	1	1	1
\$10 million to less than \$15 million	-	-	1	-	1	-	-
Don't know	5	2	7	5	7	3	4

	<u>I<50</u>	<u>I>50</u>	<u>18/50</u>	<u>51+</u>	<u>OWN</u>
Less than \$1 million	81	36	93	79	84
\$1 million to less than \$5 million	17	54	5	14	11
\$5 million to less than \$10 million	1	3	1	1	-
\$10 million to less than \$15 million	-	1	-	-	-
Don't know	1	6	1	6	5

How the poll was conducted

The Los Angeles Times/Bloomberg Poll contacted 2,563 adults nationwide by telephone February 25 through March 5, 2006. Included were 752 households with incomes of more than \$100,000 and among them, 712 were investors. Telephone numbers were chosen from a list of all exchanges in the nation, and random digit dialing techniques allowed listed and unlisted numbers to be contacted. Multiple attempts were made to contact each number. Areas that have a majority of households with incomes over \$100,000 per year were contacted in separate random samples to allow more accurate analysis of that subgroup. Adults in the entire sample were weighted slightly to conform with their respective census proportions by sex, ethnicity, age, education, national region, and probability of selection. The margin of sampling error is plus or minus 3 percentage points for the entire sample; for investors in households with incomes of more than \$100,000, it is 4 points. For certain subgroups, the error margin may be somewhat higher. Poll results may also be affected by factors such as question wording and the order in which questions are presented.