

# Deseret News

## Consumers more confident, survey says

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Deseret News

*Published: Monday, Jan. 16, 2012 11:46 p.m. MST*

WASHINGTON — People aren't dancing in the streets with optimism quite yet, but the results from **Fannie Mae's December National Housing Survey** show that Americans' attitudes on several economic issues are a tad better than in November.

"December attitudes have rebounded from the lows seen during the debt ceiling debate and economic deterioration of Europe this past summer," Doug Duncan, vice president and chief economist of Fannie Mae, said in a press release. "However, while December results show that more Americans think the economy is on the right track, consumer attitudes are still at depressed levels, with more than two-thirds saying that the economy is on the wrong track."

Every month, Fannie Mae looks at what consumers think about chances of owning or renting a home and about their personal finances. It is all about attitude and is a way of looking at possible future trends.

### ► Housing

Twenty-six percent of Americans think home prices are going to go up over the next year. That is up 4 percentage points from November. And November was the first time in six months that Americans didn't think prices would fall.

How much do those surveyed think prices will go up this year? On average, Americans expect home prices to go up by 0.8 percent. That attitude snapshot is 0.2 percent higher than in November.

**Consumer Reports** said this is a change. "For the past six months, one consumer survey after another has tracked increasingly negative expectations about home prices in the year to come while some expert forecasts were more positive," Consumer Reports said. "Fannie Mae's December National Housing Survey found that Americans expect home prices to turn the corner."

But not everybody is optimistic. Eighteen percent in the survey expect home prices to go down and 52 percent think they will stay the same.

The survey looks at consumer attitudes. But Fannie Mae also has in-house experts who make their own predictions. According to Consumer Reports, the experts "forecast that the Federal Home Finance Administration Index will fall an additional .08 percent in 2012 after falling 4.1 percent (in 2011)."

But, according to the Fannie Mae attitude survey, just about everybody, 71 percent, think it is a good time to buy a home — up three percent from November.

### ► Economy

More and more people — 22 percent — think the economy is on the right track, up 6 percent from November. And, not surprisingly, this translates to 6 percent fewer people who think the economy is on the wrong track: 69 percent.

For the first time since February 2011, more people are optimistic about their own personal financial situation than are pessimistic — 40 percent saying it will get better and 39 percent

saying it will stay the same.

And 21 percent Fifty-nine percent of respondents said their income stayed the same in 2011.

But 21 percent said their income is "significantly higher" than it was a year ago.

The survey, however, did not ask if they danced in the street over the increase.

LINKS: [News release from Fannie Mae](#)

[December 2011 National Housing Survey Data Release \(PDF\)](#)

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